



Thinktank..

High Yield Trust

Monthly Performance Report

JUNE 2021

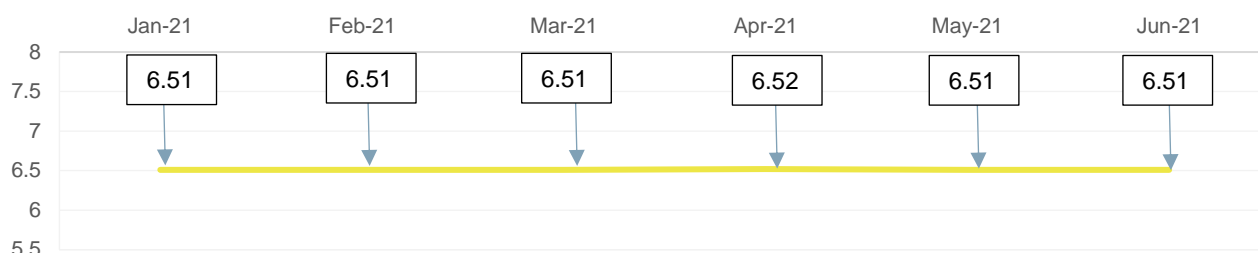


High Yield Trust Monthly Performance Report

RETURN AS AT JUNE 30, 2021

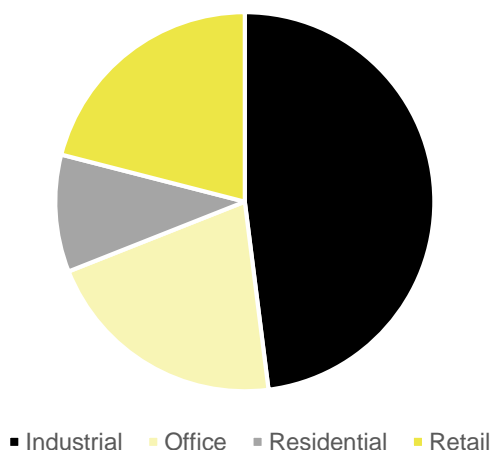
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Annualised Return %

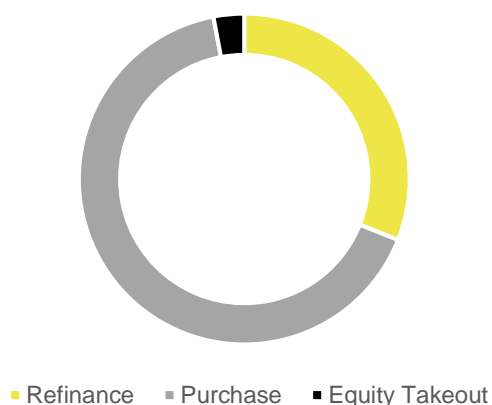


Thinktank Loan Book Metrics

Loan by Security Type*



Loan Purpose*



Investment Overview

Performance and Activity

In June the High Yield Trust return to investors has remained stable. Since inception in August 2017 the High Yield Trust has experienced zero losses and as at 30th June 2021 the High Yield Trust has two loans in arrears.

Investment strategy

Origination of loans secured by registered second mortgages (where Thinktank holds the first mortgage) held over Australian commercial & residential real estate to generate monthly income returns

Distributions

Paid on the 10th of each month (or following business day) in arrears.

Minimum investment

\$10,000

Minimum term

12 months

Average life of loan

14 months as at 30-June-2021

**Data as at 30th June 2021*

Disclaimer: This document is not intended to be read by anyone other than a Wholesale Client or Eligible Investor (as defined in Section 761G of the Corporations Act 2001) and should be read in conjunction with the Information Memorandum for Thinktank Group Pty Ltd dated 2nd May 2017. A copy of the Information Memorandum can be obtained by contacting Lauren Ryan on (02) 8669 5532 or at lryan@thinktank.net.au Thinktank Nominees Pty Ltd (AFSL No. 333 163).

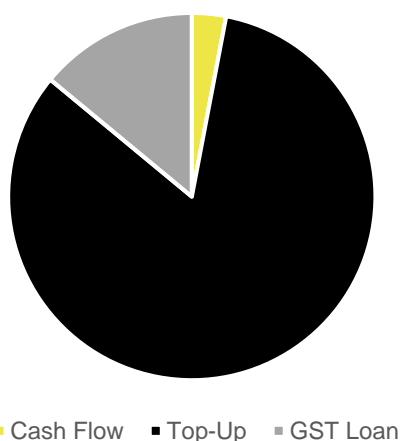
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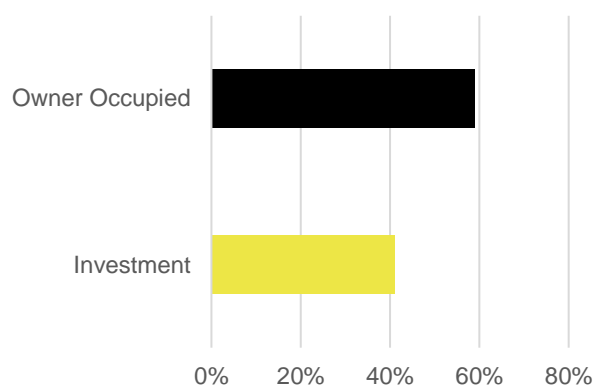
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Thinktank Loan Book Metrics

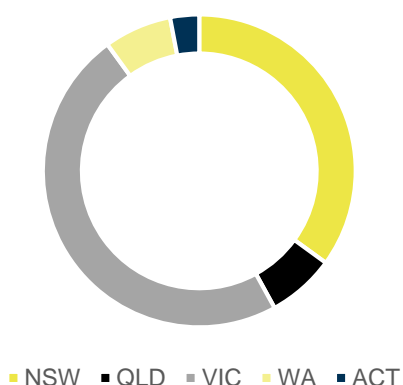
Loan by Product Type*



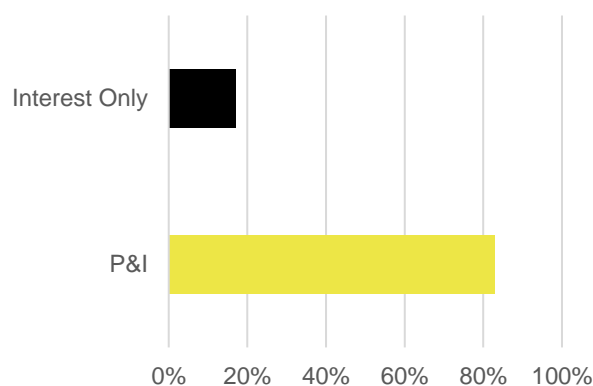
Loan by Occupancy*



Loans by State*



Repayment Type*



Market Ratings

	Sydney		Melbourne		Adelaide		Brisbane (SEQ)		Perth	
Resi-Houses	Strong	Improving	Good	Stable	Good	Stable	Good	Stable	Good	Stable
Resi-Units	Fair	Stable	Fair	Stable	Good	Stable	Good	Stable	Fair	Stable
Office	Good	Stable	Fair	Stable	Strong	Stable	Fair	Stable	Fair	Stable
Retail	Fair	Stable	Weak	Deteriorating	Fair	Deteriorating	Weak	Deteriorating	Weak	Deteriorating
Industrial	Strong	Improving	Good	Improving	Strong	Improving	Good	Stable	Good	Stable

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MARKET COMMENTARY

by Per Amundsen, Head of Research

The Westpac-MI Consumer Sentiment Index fell by 5.2 % in June to 107.2; a fall of this size is significant being 9.7% over the past two months and coming between the most recent Melbourne lockdown and that in Sydney that followed. At its July meeting the RBA Board left the Cash Rate at the record low of 0.10% to no one's surprise but the attention was all on Governor Lowe's remarks afterwards. "The Board will not increase the Cash Rate until actual inflation is sustainably within the 2–3% target range. The Bank's central scenario for the economy is that this condition will not be met before 2024 " The day before the ABS released Retail Trade figures for the month of May up 0.4% for the month and 7.7%. The AUD had fallen significantly over the past month to 0.75 and then fell another cent to 0.74 in early July reflecting falling bond rates. CoreLogic housing prices for June continued the exceptionally strong run of the past few months confirming the positive view of most with their recovery. National Housing values were up by a further 1.9% for the month and a total of 13.5% for the fiscal year end. In Sydney House prices were up 3.0% for the month and a remarkable 19.3% for the year. The results were somewhat less in Melbourne up 1.8% for the month and 5.5% for the quarter but only 8.9% for the year. The rest of the capital cities were all up for the month, the quarter and the past year and apart from Melbourne all were in double digit growth for houses for the past twelve months. There continues to remain a difference between Houses and Units with Houses on a national basis up 15.6% for the year while Units were also up but by considerably less at 6.8%. We are very pleased to see the extension of a strong recovery in Residential and have maintained our recent changes. Retail continues to struggle; we are waiting for signs of a turnaround which may only come with longer term changes to sector strategy. Despite the 7.7% annual growth in May sales the current NSW lockdown will be damaging. Industrial remains very resilient and continues to be the market favourite.



MARKET COMMENTARY

by Lauren Ryan, Investor Relations

As we wave goodbye to FY21, take stock and prepare for what will no doubt be a huge FY22 Greater Sydney has encountered another lockdown. I hope you are all staying safe and healthy during these testing times and restrictions can ease soon so we can see our friends, family and colleagues once again. FY21, despite its challenges, was a huge year for Thinktank as we settled \$1.08 billion in new loans and saw another record month of originations in June with \$161m. In coming months we will have plenty to talk about in regards to interest rates, international and domestic borders, employment figures and many other topics. For now I wanted to say thank you for your continued support and for being part of Thinktank's journey and success, I feel the next 12 months are going to be very exciting for all involved. In June, the High Yield Trust returned 6.51%.

A downloadable copy of Thinktank's July Monthly Market Focus can be found at:
<https://www.thinktank.net.au/news/>

For more information about Thinktank's Investment Trusts, please contact Lauren Ryan on lryan@thinktank.net.au or +61 401 974 839

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