



Thinktank.

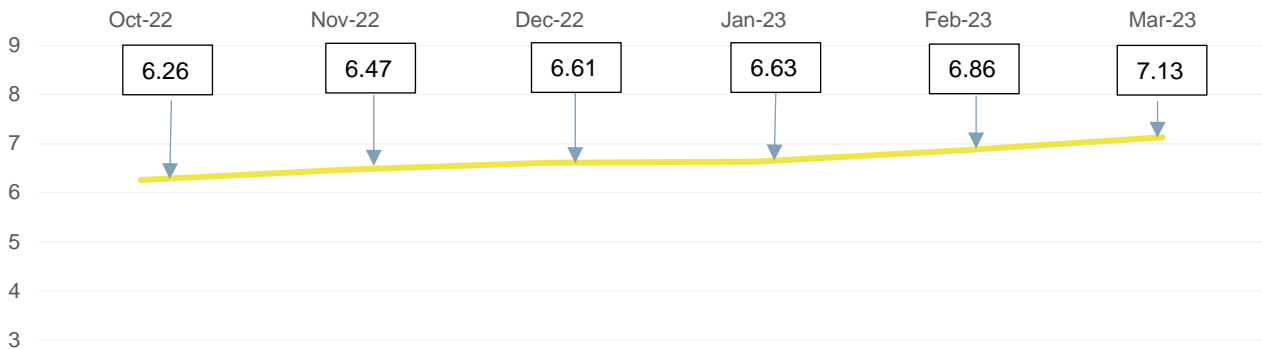
Income Trust
Monthly
Performance
Report

MARCH 2023

Income Trust Monthly Performance Report

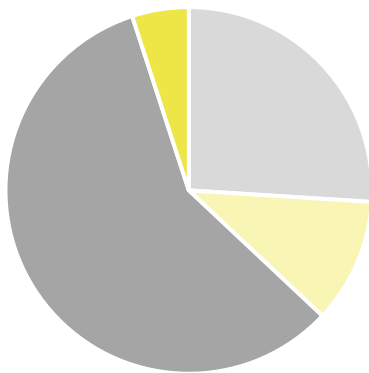
RETURN AS AT MARCH 31, 2023

Annualised Return %



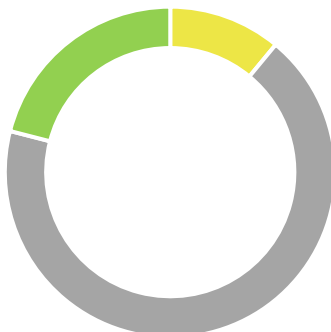
Thinktank Loan Book Metrics

Loan by Security Type*



■ Industrial ■ Office ■ Residential ■ Retail

Loan Purpose*



■ Refinance ■ Purchase ■ Equity Takeout

Investment Overview

Performance and Activity

In March the Income Trust returns to investors increased for another month. Since inception in August 2017 the Income Trust has experienced zero losses and as at 31st March 2023 the Income Trust has zero loans in arrears.

Investment strategy

Originate loans secured by registered first mortgages held over Australian commercial & residential real estate to generate monthly income returns.

Distributions

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

Minimum investment

\$10,000

Minimum term

12 months

Average loan-to-value ratio

68.06% as at 31-March-2023

**Data as at 31st March 2023*

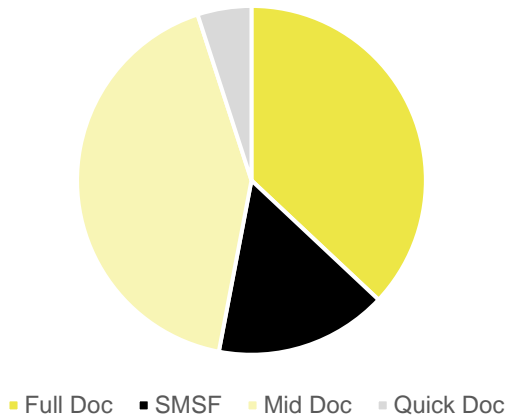
Income Trust Monthly Performance Report

RETURN AS AT MARCH 31, 2023

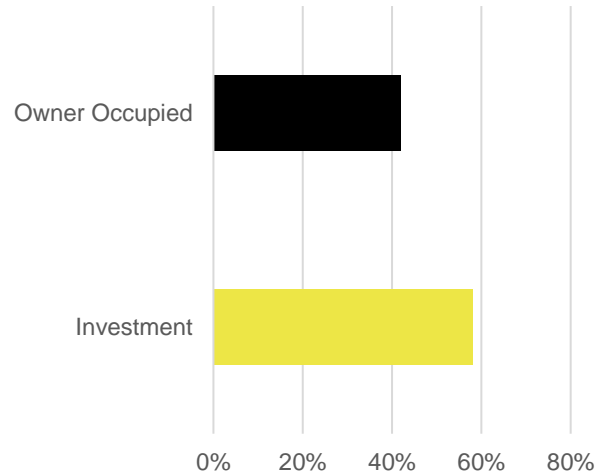


Thinktank Loan Book Metrics

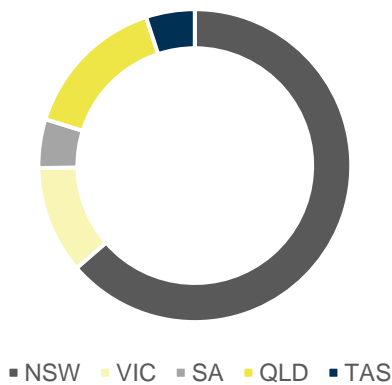
Loan by Product Type*



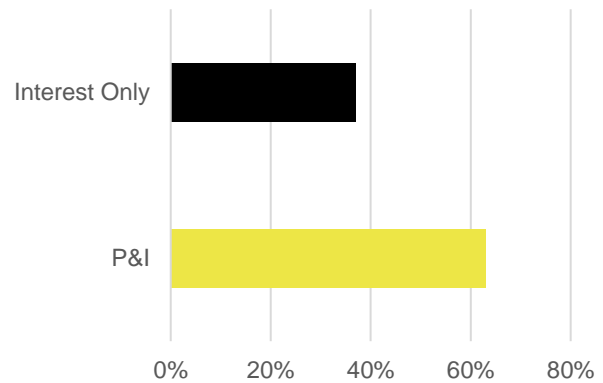
Loan by Occupancy*



Loans by State*



Repayment Type*



Market Ratings

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

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 Iryan@thinktank.net.au Thinktank Nominees Pty Ltd (AFSL No. 333 163).





Market Commentary

by Per Amundsen, Head of Research

The Westpac-MI Consumer Sentiment Index was steady in March at 78.5 after reversing its unexpected January gain in February and falling to near historic lows described as “deep pessimism” impacted by inflation and interest rate increases. The AiG Australian Industry Index was launched in a different format in February and in March lost 4.4 points to -6.1 as new orders evaporated. The index has now been in contraction for nearly a year since May 2022. The sub-indicators were split with the PMI up 11.9 at 5.6 and the PCI slightly down 0.8 to -5.8. At its April meeting, the RBA Board paused the Cash Rate at 3.60% after increasing it from 0.10% less than a year ago. While not forecast by all commentators it is seen as a welcome relief even if further increases resume as suggested by quite a few market economists and the Governor himself in both the release accompanying the Rate announcement and, in a speech, the following day. While further increases may be expected by some, the slowing of the pace of increase over the past few months is viewed positively but there is still plenty of debate about the terminal rate we will see and when rates might begin to fall. CoreLogic dwelling prices for March finally reversed their decline on a National basis for the first time since April 2022. National Housing values posted a 0.6% gain for the month compared to -1.0% fall in February. The improvement was based on gains in Sydney and Melbourne of 1.4% and 0.6% respectively for the month with Brisbane and Perth also posting gains. We see this as a continuation of last month’s initial recovery that will be further assisted by the RBA’s decision this month to pause its interest rate increase cycle. We have reflected the improvement of Residential in almost all areas and have adjusted our ratings and trends for Melbourne to match Sydney at Fair and Stable. Across other Capitals we have also adopted those same ratings which are slight adjustments down for Adelaide and Perth and up for Brisbane. Retail continues to be showing some recovery as sales continue to improve as noted above. Industrial remains very strong and we are maintaining our Ratings and Trends which are either Strong or Good with an Improving or Stable Trend in each of the Capitals. Office continues its slow recovery from the pandemic lockdowns but is just Fair.



Investment Commentary

by Lauren Ryan, Investor Relations

Not long after the RBA increased the Official Cash Rate to 3.6% on 7th March, capital markets and global banking world felt the effects of the collapse of Silicon Valley Bank, and to a lesser degree Signature Bank in the United States and Credit Suisse being bailed out by the Swiss National Bank and subsequently acquired by UBS. This sparked much discussion domestically around the liquidity, security and balance sheet stability of Australian banks and financial sector more broadly. I would like to take this opportunity to advise investors that Thinktank has not been affected by the events in the US & Europe and has strong, committed funding lines supporting uninterrupted loan origination. Christopher Kent, the RBA Assistance Governor – Financial Markets, at the KangaNews Debt Capital Markets Summit on 13th March confirmed the strength of the Australian banking sector to the comfort of many investors and market participants. On Tuesday 4th April the RBA held interest rates steady at 3.6% which was a relief to borrowers, however many believe that further rises will still occur in 2023. Thinktank saw another month of increased loan settlements in March of \$228 million. As at 31st March, Thinktank’s portfolio arrears were 1.3% while the Income Trust returned 7.13%.

A downloadable copy of Thinktank’s Monthly Market Focus can be found [here](#).

For more information about Thinktank’s Investment Trusts, please contact Lauren Ryan on lryan@thinktank.net.au or 0401 974 839.

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