



Investment Objective and Strategy

The Gryphon Capital Income Trust (ASX Code: GCI) is designed for investors seeking sustainable, monthly income through exposure to an actively managed portfolio of securitised, floating rate bonds held in a Listed Investment Trust structure. The Target Return is equal to RBA Cash Rate + 3.50% pa. The Australian securitised market comprises floating rate, Residential Mortgage-Backed Securities (RMBS) and Asset Backed Securities (ABS) and is a key pillar of the Australian fixed income market.

GCI's 3 strategic objectives

1. Sustainable monthly cash income



2. High risk-adjusted return

3. Capital Preservation

Fund Performance

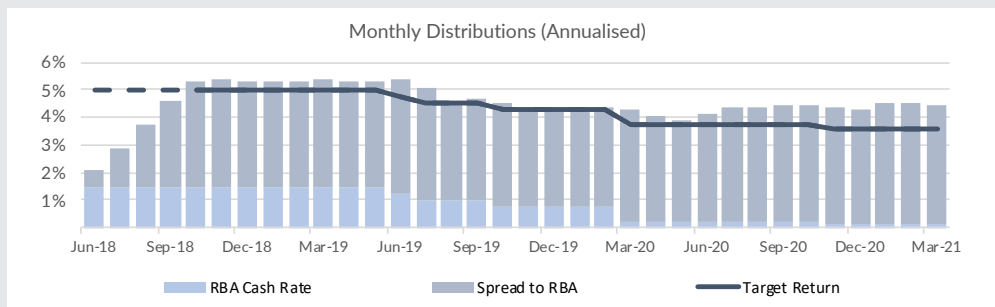
	1 Mth	3 Mth	6 Mth	1 Yr	Incep (Ann) ¹
Net Return (%)	0.45	1.36	3.15	5.56	4.88
RBA Cash Rate (%)	0.01	0.02	0.06	0.19	0.86
Net Excess Return (%)	0.44	1.33	3.08	5.36	3.99
Distribution ¹ (%)	0.37	1.09	2.18	4.31	4.49
Distribution (¢/unit)	0.75	2.18	4.35	8.47	8.82

¹ Inception date – 21 May 2018

Note: Past performance is not a reliable indicator of future performance.

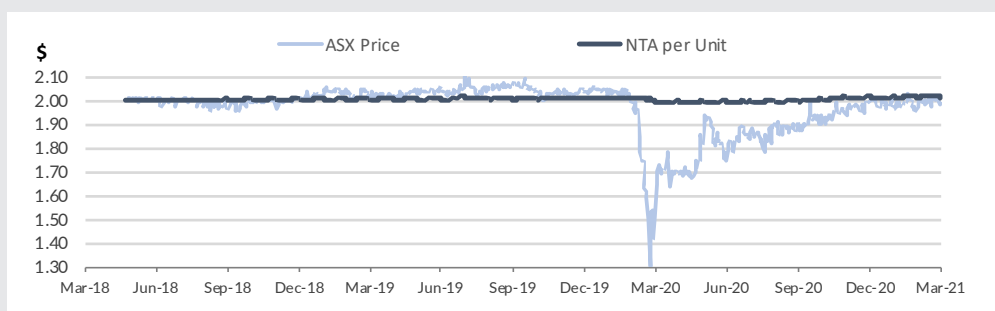
Distribution

GCI announced a 0.75 cents per unit distribution for the month, generating a trailing 12-month distribution return of 4.31% (net)².



² Actual distribution as % of NTA, assuming distribution reinvestment.

Net Tangible Asset (NTA) / Unit and ASX Price Performance



continued overleaf...

ABOUT THE MANAGER

Gryphon Capital Investments Pty Ltd ("Gryphon") is a specialist fixed income manager with significant experience in the Australian and International fixed income markets. Gryphon manages individual segregated accounts on behalf of institutional investors and GCI on behalf of wholesale and retail investors seeking opportunities in fixed income credit markets including RMBS and ABS. Gryphon currently manages funds in excess of \$2.3 billion.

SNAPSHOT

ASX Code	GCI
IPO Date	25 May 2018
Asset	Fixed Income, floating rate
Market Cap/Unit	\$411.2m/\$2.00
NTA/Unit	\$415.6m/\$2.02
Investment Management Fee ³	0.72%
Performance Fee	None
Distributions	Monthly
Unit Pricing	Daily

³ Includes GST, net of reduced input tax credits

CHARACTERISTICS

Current Yield ⁴	4.52%
Distributions (12m) ⁵	4.31%
RBA Cash Rate	0.10% pa.
Interest Rate Duration	0.04 years
Credit Spread Duration	1.47 years
Number of Bond Holdings	99
Number of Underlying Mortgage Loans	112,772

⁴ March 2021 distribution as % of unit price, annualised.

⁵ Actual distribution for the 12 months to 31 March, as a % of NTA, assuming distribution reinvestment.

RESEARCH

BondAdviser

INDEPENDENT INVESTMENT RESEARCH



Lonsec

WEBSITE

www.gcainvest.com/our-lit



Commentary

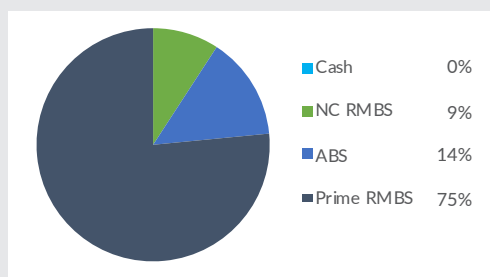
March was a bumper month for new issues with eight primary RMBS transactions totalling \$6.45 billion; seven Prime RMBS transactions and one Non-Conforming RMBS. Additionally, there were three ABS transactions including two auto transactions and one by Zip, a BNPL (buy now, pay later). All these transactions were met with strong investor demand across all rating tranches. Due to a combination of credit, relative value and portfolio optimisation considerations, the Gryphon Capital investment committee elected to participate in only two Prime RMBS transactions for the GCI portfolio.

From bushfires to COVID in 2020, the start of 2021 brought flooding to parts of regional Australia. Consistent with our monitoring during the bushfires, Gryphon actively monitored the impacted areas using various information sources including postcode data, to determine what impact (if any) the floods may have had on GCI's RMBS investments. As expected, our detailed analysis showed that the Australian RMBS investments had relatively low exposures to areas which were impacted by the floods. Due to their geographic diversity, RMBS have only small exposures to rural and regional areas.

S&P confirmed Gryphon's analysis with a report "How Will The Recent Floods Affect Australian RMBS" concluding "We do not expect our ratings on most Australian RMBS to be affected by the recent floods, given the strong geographic diversification in most RMBS portfolios. Furthermore, the credit support buffers available in most transactions should be adequate to absorb an increase in the loss severity for affected loans in flood-affected areas." S&P further stated, "We took no rating actions on RMBS when arrears rose in areas affected by previous natural disasters, such as the Black Saturday fires in 2009, floods in 2011, and bushfires in 2019."

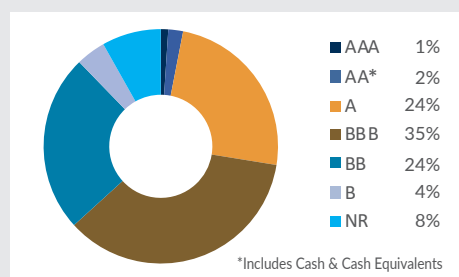
Portfolio Construction

Sector Allocations¹



¹ Excludes Manager Loan.

Rating Breakdown¹



Portfolio Underlying Residential Mortgage Loan Statistics¹

	Total	Prime	Non-conforming ²
No. of Underlying Loans	112,772	104,944	7,828
Weighted Average Underlying Loan Balance	\$494,060	\$478,917	\$626,764
Weighted Average LVR	66%	66%	68%
Weighted Average Seasoning	28 months	28 months	27 months
Weighted Average Interest Rate	3.42%	3.27%	4.79%
Owner Occupied	65%	65%	64%
Interest Only	22%	22%	23%
90+ Days in Arrears as % of Loans	0.27%	0.23%	0.59%
% Loans > \$1.5m Balance	0.85%	0.70%	2.17%

¹ Please note that although the values in this Investment Report are accurate portfolio statistics, the return and performance of actual credit instruments invested in are assessed individually.

² Non-conforming loans are residential mortgage loans that would not typically qualify for a loan from a traditional prime lender and are generally not eligible to be covered by LMI. Borrowers may not qualify due to past credit events, non-standard income (self employed) or large loan size.

continued overleaf..

INVESTMENT HIGHLIGHTS

Income	Sustainable monthly cash income.
Large, institutional fixed income market	Australian ABS market >A\$110 billion is double the size of the corporate bond market
Security, capital preservation	Defensive asset class with a track record of low capital price volatility No investor has ever lost a \$ of principal investing in Australian Prime RMBS
Portfolio diversification	Allows retail and SMSF investors to access a fixed income asset class that generally has only been available to institutional investors
Investment Manager	Exposure to a specialist investment manager with a proven track record of investment outperformance

PARTIES

Responsible Entity

One Managed Investment Funds Limited
ACN 117 400 987 AFSL 297042

Manager

Gryphon Capital Investments Pty Ltd
ACN 167 850 535 AFSL 454552

AVAILABLE PLATFORMS INCLUDE:

Asgard	BT Panorama
BT Super Wrap	BT Wrap
First Wrap	HUB24
Macquarie Wrap	Mason Stevens
MLC	Navigator
Netwealth	North

FURTHER INFORMATION AND ENQUIRIES

Gryphon Capital Income Trust
www.gcapinvest.com/our-lit

General

Email info@gcapinvest.com

Boardroom (Unit Registry)

Phone 1300 737 760

Email enquiries@boardroomlimited.com.au



SME Portfolio Statistics

Sub sector	%	A	BBB	BB	B
ABS SME	14.3%	2.8%	6.5%	3.5%	1.6%

SME Portfolio Underlying Mortgage Loan Statistics¹

No. of Underlying Loans	5,406	Borrower Type	
Weighted Average Underlying Loan Balance	\$469,936	SMSF	71.3%
Weighted Average LVR	58.5%	Company	14.6%
% > 80% LVR	0.26%	Individual	14.1%
Weighted Average Borrowers' Equity	\$333,492	Property Type	
90+ Days in Arrears as % of Loans	0.08%	Residential	39.3%
% > \$1.5m Current Balance	1.18%	Commercial	59.5%
		Mixed	1.2%

¹ Please note that although the values in this Investment Report are accurate portfolio statistics, the return and performance of actual credit instruments invested in are assessed individually.

Distributions (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	0.37	0.34	0.37	-	-	-	-	-	-	-	-	-	1.09
2020	0.36	0.34	0.36	0.33	0.33	0.34	0.36	0.36	0.36	0.37	0.35	0.36	4.29
2019	0.44	0.40	0.45	0.42	0.44	0.43	0.42	0.38	0.38	0.38	0.35	0.36	4.96
2018	-	-	-	-	-	0.23	0.24	0.31	0.37	0.44	0.43	0.44	2.48

Fund Returns (Net)² (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD ³
2021	0.33	0.57	0.45	-	-	-	-	-	-	-	-	-	1.36
2020	0.38	0.34	(0.45)	0.36	0.30	0.41	0.36	0.39	0.49	0.71	0.67	0.37	4.42
2019	0.50	0.42	0.49	0.43	0.42	0.45	0.74	0.43	0.35	0.41	0.38	0.39	5.54
2018	-	-	-	-	0.02	0.24	0.25	0.31	0.39	0.44	0.45	0.45	2.58

Total Unitholder Returns⁴ (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD ³
2021	(0.62)	(0.67)	2.20	-	-	-	-	-	-	-	-	-	0.85
2020	0.85	(2.60)	(16.7)	3.12	7.76	(3.75)	8.15	1.45	(0.94)	3.33	0.63	3.73	2.55
2019	2.43	(0.10)	(1.03)	0.42	2.43	0.91	2.35	(1.54)	1.34	(1.56)	0.34	0.36	6.42
2018	-	-	-	-	0.50	(0.27)	0.24	0.06	(0.88)	1.97	(1.07)	2.48	3.01

² Fund Return reflects compounded movements in the NTA.

³ Assuming monthly compounding.

⁴ Total Unitholder Returns comprises compounded distributions plus compounded movements in the listed price of ASX:GCI.

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ASX release date: 15 April 2021

Authorised for release by One Managed Investment Funds Limited, the responsible entity of Gryphon Capital Income Trust.

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