

Fidante launches ActiveX

Fidante Partners (Fidante) has today launched ActiveX, a series of actively-managed exchange traded funds (ETFs) which will feature some of Australia's most successful boutique investment managers.

ActiveX will bring a number of active ETFs to the market providing retail investors with easier access to the extensive investment expertise of Fidante's boutique investment managers.

Fidante General Manager Nick Hamilton said the launch of ActiveX seeks to help retail investors increase their exposure to different types of investments in a simple and convenient way, accessible via the ASX.

"ActiveX provides investors with more convenient access to our highly regarded, specialist fund managers," Mr Hamilton said.

"We have developed ActiveX to address the growing popularity of exchange traded products among Australian investors who want the ability to diversify their portfolio through a single security, while benefiting from the expertise of an active fund manager and the flexibility of being able to trade during market hours."

High demand from SMSFs

While ActiveX has been developed with both retail investors, stockbrokers and advisers in mind, Fidante expects to see high demand for its active ETFs from self-directed SMSFs, particularly those seeking a regular, defensive income stream from fixed income.

The first in the ActiveX series is an active fixed income ETF from Ardea Investment Management. The ActiveX Ardea Real Outcome Bond Fund (Managed Fund), available under the ASX ticker code XARO, is the first actively managed fixed income ETF in the Australian market that is not constrained by an index. It is specifically designed for investors seeking to diversify traditional equity and fixed income products as well as stable returns higher than those provided by term deposits and cash.

"Investor allocations to defensive assets are increasing as they seek stability and income in their portfolios but there are few listed options today" Mr Hamilton said.

"The ActiveX Ardea Real Outcome Bond Fund (Managed Fund) can provide SMSF trustees and their trusted advisors with returns that are independent of market direction, interest rate fluctuations and credit market volatility."

XARO invests into the Ardea Real Outcome Fund (the Underlying Fund), which was launched by Ardea Investment Management in 2012 and has a track record of delivering higher returns than cash, bank deposits and inflation, making it a safer option in current conditions where conventional income sources are facing more risk for less return.

Ben Alexander, co-founder of Ardea Investment Management said: "Ardea has a long and successful track record of active management in domestic and global bonds on behalf of many of Australia's largest investors. XARO is a reliable fixed income option for SMSFs that diversifies portfolio risk away from conventional equity, property and credit investments."

Ardea's unique investment approach targets low volatility returns, accessing a broader range of fixed income return sources that aim to provide investors with reliable risk-adjusted returns independent of interest rate or market fluctuations. XARO also provides daily liquidity and has delivered consistently higher returns than bank deposits. This makes it useful for investors seeking a higher income and/or an alternative income source.

Fidante plans to launch more active ETFs from its other boutiques in 2019.

The Ardea Real Outcome Fund has recommended ratings from Lonsec and Zenith Investment Partners.

More information about ActiveX and the ActiveX Ardea Real Outcome Bond Fund is available at www.fidanteactivex.com.au.

ENDS

About Fidante

Fidante Partners is an investment management company that partners with specialist asset management firms to deliver compelling opportunities to an international investor base. Fidante is one of Australia's leading multi-boutique asset managers, and has approximately \$59.5 billion of funds under management at 30 September 2018. Fidante Partners is part of the Challenger Group.

The Fidante boutique stable includes Ardea Investment Management, Avenir Capital, Bentham Asset Management, Greencape Capital, Kapstream Capital, Lennox Capital Partners, Merlon Capital Partners, NovaPort Capital and WaveStone Capital.

About the ActiveX Ardea Real Outcome Bond Fund (Managed Fund)

The ActiveX Ardea Real Outcome Bond Fund (Managed Fund) is a defensive fixed income solution that may be suitable for investors seeking:

- Stable returns above inflation and cash deposit rates
- An alternative source of income, with low volatility
- Diversification of risk away from conventional equity and fixed income investments
- A defensive investment that offers daily liquidity.

The fund is designed to sit in the defensive allocation of a portfolio. The fund can help diversify equity and traditional fixed income exposures, and can be used as a cash alternative.

The fund combines high quality government bonds, with derivative based risk management strategies, to create a diversified portfolio that seeks to prioritise liquidity and capital preservation.

For more information contact:

Jane Keeley

jkeeley@challenger.com.au

Tel (02) 9994 7300

Mob 0402 663 522

Jeremy Kirk

j.kirk@fcr.com.au

Tel (02) 8264 1007