

## Ardea's Real Outcome Fund wins praise and 'Recommended' rating from Zenith

### PRESS RELEASE

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**Sydney, 25 September 2017** – Fixed income fund manager Ardea Investment Management has received a 'Recommended' rating for its Real Outcome Fund from Zenith Investment Partners and strong endorsement of the quality of its investment team.

Ardea's Real Outcome Fund is a defensive fixed income solution that targets a stable return in excess of inflation. The Fund primarily uses government bonds to create a diversified portfolio of high quality fixed income securities that prioritises liquidity and capital preservation.

The investment team has been endorsed by the major asset consultants and has grown funds under management to A\$9.5bn, as a trusted investment manager for some of Australia's largest and most sophisticated investors. Building on this strong foundation, the rating by Zenith supports the expansion of Ardea's long established investment capabilities into the retail fund market.

Over the past year the Fund has generated a return of 5.31%\*, exceeding CPI by 3.7% and cash rates by 3.6%. The Fund has generated a return of 3.51% since inception in July 2012.

In its rating report, Zenith said the Fund is managed by "a high-quality investment team", with a focus on "relative value trades that offer high risk-adjusted returns, and are combined with other lowly correlated trades to generate a consistent and stable return stream." They further stated that "Ardea has a competitive advantage in identifying and structuring relative value trades that offer incremental returns with low downside risk".

The benefits of this approach are reflected in the Fund's significant outperformance relative to the negative 1.40% return of the Australian bond market over the past year\*\*.

Ardea's investment team has a depth and diversity of skills and experience, that is reflected in the firm's strong track record. Zenith singled out Ardea principal, co-founder and Real Outcome Fund leader Ben Alexander as an "impressive investment professional with strong portfolio management skills".

Ardea was established in 2008 by Mr Alexander, Andrew Bartlett, Tamar Hamlyn and Stephen Clout, who together own the majority of the firm. Ardea is partly owned by Fidante Partners, which supports specialist funds management businesses.

Mr Alexander said Ardea was delighted that Zenith thought so highly of the investment team and the quality of its investment approach. Both factors had underpinned the Fund's performance since inception. "This rating is tremendously encouraging as we begin making this Fund available to a broad retail audience," he said.

\* As at August 2017 (net of fees)

\*\* Bloomberg AusBond Govt. Index

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### About Ardea Investment Management

Formed in 2008 by its four founding principles, Ardea is a specialist fixed income investment manager, focused on delivering stable, risk-controlled returns to investors. With extensive capabilities across Australian and global government bonds, fixed income derivatives, inflation linked bonds and investment grade credit, Ardea has a long and successful track record of actively managing a range of defensive fixed income strategies, including absolute return, benchmark aware and objective based solutions. Ardea's investment philosophy is based on a relative value approach to persistently identifying and exploiting fixed income pricing inefficiencies to generate consistent, low risk returns.

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