Partners Group
REALIZING POTENTIAL IN PRIVATE MARKETS

PARTNERS GROUP GLOBAL INCOME FUND

Monthly report as of 31 January 2020

For personal use only

Investment objective

The investment objective is to provide monthly income through exposure to a diversified pool of global private debt investments.

Target distribution

The target cash distribution is RBA Cash Rate +4% per annum, net of fees, costs and taxes, and paid monthly. This is a target only and may not be achieved.

Investment strategy

The investment strategy is to access a diversified portfolio of private debt investments through active origination, portfolio construction and risk management.

Private debt is accessed by borrowers that seek or need funding outside, or in addition to, more traditional sources of funding available via the bond markets or receiving a loan directly from a bank. Private debt is a crucial source of financing for companies that are rated Sub-Investment Grade or are unrated.

The strategy will be implemented by dynamically allocating investments across the following three distinct private debt strategies:

- The First Lien loan strategy, representing 60-100%
- The Second Lien and Subordinated loan strategy, representing 0-20%
- The Special Situations strategy, representing 0-25%

Portfolio

The portfolio returned 1.37% for the month of January. In addition, PGG announced its second monthly distribution of approximately AUD 0.01 cents per unit.

Partners Group is pleased to announce that the Global Income Fund has achieved its communicated targets ahead of schedule.

This includes having the portfolio fully invested with broad diversification of obligors (currently 359) and industries. Partners Group has achieved this without any use of the credit line which we had the ability to utilise during the Portfolio ramp up.

Partners Group is paying the planned distribution amount and the fund also continues to demonstrate an NTA above its amount at inception.

Market

The leveraged loan market gained in January, with the US S&P Leveraged Loan Index up 0.56%. In Europe , the ELLI Index gained 0.61% in January, similar to December's 0.62% showing.

In the US and Europe, overall market demand for risk assets increased until concerns over the coronavirus hit. As a result, several repricings were pulled from the market. Overall weighted average bid of the S&P/LSTA index improved 23bps in January. While prices soared across the stack, there was an increased dispersion within a rating, especially noticeable is the price difference between newly issued and downgraded to B- loans. Current gap between the two is at 534bps in January, while it was 445bps back in June 2018. In Europe, lower-rated loans outperformed higher rated ones, with single Bs up 0.34% and double Bs up just 0.03%. The weighted averaged bid of the ELLI index rose 30 bps over the month.

In Australia, the Reserve Bank cash rate is remained unchanged at 0.75% in January, with the Reserve Bank of Australia continuing to monitor the increase of global growth risks and weak consumer spending trends.

Key information

In AUD	31.01.2020
Trust	Partners Group Global Income Fund
ASX code	PGG
Listing date	26.09.2019
Market capitalization	566'562'717
Total NTA	554'068'801
Manager	Partners Group Private Markets (Australia) Pty Ltd
Responsible entity	Equity Trustees Limited
Distribution frequency	Monthly
Target net cash distribution	RBA Cash Rate +4% p.a.

Key figures

In AUD	31.12.2019	31.01.2020
Unit price	2.04	2.06
NTA per unit	2.02	2.01
Premium (Discount) to NTA	1.2%	2.3%
Leverage (in %)	0.0%	0.0%

Net performance (based on NTA per unit)

In %	1 month	3 months	6 months	1 year	Since inception
Total return	0.37%	1.87%	n.a.	n.a.	1.52%
Distribution	0.40%	0.79%	n.a.	n.a.	0.79%
RBA cash rate	0.06%	0.19%	n.a.	n.a.	0.27%
Excess return	0.31%	1.68%	n.a.	n.a.	1.25%

Net performance (based on ASX unit price)

In %	1 month	3 months	6 months	1 year	Since inception
Total return	1.37%	1.76%	n.a.	n.a.	3.80%
Distribution	0.40%	0.79%	n.a.	n.a.	0.79%
Distribution (¢ per unit)	0.008	0.016	n.a.	n.a.	0.016

Portfolio statistics

In AUD	31.01.2020
Number of obligors	359
Current yield	5.1%
Current cash yield	5.1%
Current cash margin (bps)	412
Weighted average rating	B
Spread duration (years)	4.6

Monthly net performance (based on ASX unit price)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019									2.5%	-0.5%	-0.5%	0.9%	**2.4%**
2020	1.4%												**1.4%**

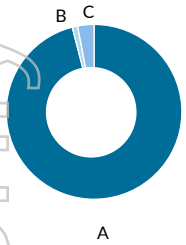
Past performance is not indicative of future results. There is no assurance that similar investments will be made nor that similar results will be achieved.

Partners Group
REALIZING POTENTIAL IN PRIVATE MARKETS

PARTNERS GROUP GLOBAL INCOME FUND

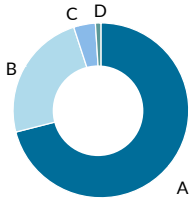
Monthly report as of 31 January 2020

Investments by type



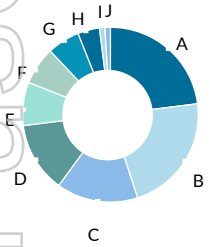
A	First Lien	94%
B	Second Lien	1%
C	Special Situation	5%

Investments by currency



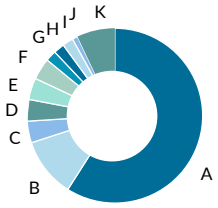
A	USD	70%
B	EUR	24%
C	GBP	4%
D	AUD	2%

Investments by industry sector



A	Consumer Discretionary	25%
B	Health Care	20%
C	Information Technology	16%
D	Industrials	12%
E	Financials	8%
F	Telecommunication Services	6%
G	Materials	6%
H	Consumer Staples	5%
I	Utilities	1%
J	Energy	1%

Investments by country



A	USA	63%
B	United Kingdom	10%
C	Netherlands	4%
D	France	4%
E	Germany	4%
F	Spain	3%
G	Australia	2%
H	Canada	2%
I	Sweden	2%
J	Finland	1%
K	Others	5%

Largest 10 investments

Company name	Country	Industry sector	in %
Acrisure	USA	Financials	1.5%
athenahealth	USA	Health Care	1.5%
Consolidated Precision Products	USA	Industrials	1.4%
Sedgwick	USA	Financials	1.3%
Upstream Rehabilitation	USA	Health Care	1.3%
Sivantos	Singapore	Health Care	1.3%
EG Group	USA	Consumer Discretionary	1.3%
City MD	USA	Health Care	1.2%
Ellie Mae	USA	Financials	1.2%
HUB International	USA	Financials	1.2%
Total largest 10 investments			**13.3%**

Net performance (based on NTA per unit) Past performance is not indicative of future results. **Net performance (based on ASX unit price)** Past performance is not indicative of future results. **Pie Charts** For illustrative purposes only. Based on total value of investments. Diversification does not ensure a profit or protect against a loss. **Largest 10 investments** Based on total NTA.

Research houses
SQM (Superior)
Independent Investment Research (Recommended)
BondAdviser (Subscribe)

Unit Registry
Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000
T +61 2 9290 9600

Platforms
MacquarieWrap, BT Wrap, Asgard, BT Panorama, CFS FirstWrap, Netwealth, MLC (Investment only), Hub 24 (Investment only)

Contact details
Partners Group Private Markets (Australia) Pty Ltd
Level 32, Deutsche Bank Place
126 Phillip Street
Sydney NSW 2000
Australia

Phone: +61 (2) 8216 1900
Fax: +61 (2)8216 1901
www.partnersgroupaustralia.com.au

Equity Trustees Limited
Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the Partners Group Global Income Fund. Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT) and is the Responsible Entity. This monthly report has been prepared by Partners Group Private Markets [Australia] Pty Ltd ACN 624 981 282 AFSL 509285 ("Partners Group"), to provide general information only. In preparing this monthly report, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither Partners Group, Equity Trustees nor any of its related parties, their employees or directors, provide any warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the Product Disclosure Statement before making a decision about whether to invest in this product.

The advice provided in this Monthly report is provided by Partners Group Private Markets (Australia) Pty Limited ACN 624 981 282 AFSL 509285 (PGA). Any advice provided is general financial product advice only and does not take into account your objectives, financial situation or needs. Before acting on the advice, you should consider how appropriate it is having regard to your objectives, financial situation and needs. You should consider the product disclosure statement for the Partners Group Global Income Fund ARSN 634 678 381 (Fund), and consider talking to a financial adviser before making a decision to invest in, or continuing to hold, interests in the Fund. Interests in the Fund are issued by Equity Trustees Limited ACN 004 031 298 AFSL 240 975. The product disclosure statement for the Fund is available at https://www.partnersgroupaustralia.com.au/en/global-income-fund/global-income-fund-overview/product-disclosure-statement-pds/?pg_protection_id=28620-bn4sov9haddelr819veg.

PGA has been appointed as the promoter and the investment manager of the Fund by EQT in its capacity as responsible entity of the Fund. PGA may receive fees in these roles. These fees will generally be calculated as a percentage of the funds under management within the Fund. See section 7 of the PDS for further information about the management fee charged by the investment manager. You may request particulars of the fees that are paid to PGA and its related companies within a reasonable time of receiving the advice contained in this Monthly report.

Investors should refer to the research report and associated disclaimer contained within finalised by Independent Investment Research (Aust) Pty Limited in July 2019 and based on the PDS dated 29 July 2019 issued by the Partners Group Private Markets (Australia) Pty Ltd. The research report is published on http://www.independentresearch.com.au/?pg_protection_id=28620-bn4sq5phaddelr81a3f0.

The rating contained in this document is issued by SQM Research Pty Ltd ABN 93 122 592 036 AFSL 421913. SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system. The SQM Research star rating system is of a general nature and does not take into account the particular circumstances or needs of any specific person. The rating may be subject to change at any time. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Fund Manager for the research and rating of the managed investment scheme.

BondAdviser has acted on information provided to it and the content of the research report is not intended to provide financial product advice and must not be relied upon as such. The statements and/or recommendations in the research report are the opinions of BondAdviser only. Neither the accuracy of the data nor the methodology used to produce the report can be guaranteed or warranted. BondAdviser has taken all reasonable steps to ensure that any opinion or recommendation in the content or the research reports is based on reasonable grounds, noting that some of the information in the content or the reports is based on information from third parties. Details regarding BondAdviser methodology and regulatory compliance are available at http://bondadviser.com.au/documents-and-links?pg_protection_id=28621-bn4tki1jbcrdetga5k30. BondAdviser recommends investors read the full research report and disclaimers therein.

For personal use only