

## **AMYF5 CHAIRMAN'S ADDRESS**

**Friday, 29 November 2019, 12.30pm**

Welcome to the Annual General Meeting for the Australian Masters Yield Fund No 5 (**AMYF5 or Fund**) for the financial year ended 30 June 2019. The Fund is part of the Australian Masters Yield Fund Series.

### **Chairman's Address –**

I would like to begin today's Chairman's Address by briefly reviewing events that have had an impact on global financial markets in the prior 12 months. At last year's Annual General Meeting the outlook for the global economy, particularly in the United States was improving, and central banks were raising rates and/or beginning to unwind the unconventional monetary policy tools then in place. The US-China trade negotiations and Brexit continued to overhang the global economy throughout the year and the global growth trajectory has also eroded. Subsequently, throughout 2019 we have seen a reversal in the direction of central bank policy to support the United States, European and Australian economies. The outlooks for inflation and growth have been trimmed across most regions, and we have witnessed a significant decline in bond yields across the market over the past 12 months.

Bonds have had a strong 12 months, with yields falling to historical lows. As an example, the Australian Government 10-year bond yield has declined from approximately 2.7% to 1.1%, and credit spreads have narrowed to 10-year lows. Subsequently, on 2 August 2019 the Fund announced that in light of attractive market pricing, the Fund resolved to sell all remaining investments prior to their maturity dates (from 13 May 2020 to 20 November 2020 under the terms of the issue).

At the General Meeting held on 20 September 2019 shareholders approved the return of remaining capital and the Fund was suspended from trading on the ASX on 25 September 2019. The final return of capital was paid to shareholders with a dividend on 2 October 2019. Consistent with the Prospectus and Information Memorandum for the Fund and the Notice of Meeting for this AGM, shareholders are being asked to consider the voluntary winding up of the Fund.