Ares Global Credit Income Fund

ARSN 639 123 112 APIR HOW4476AU

November 2023 - Monthly Fact Sheet

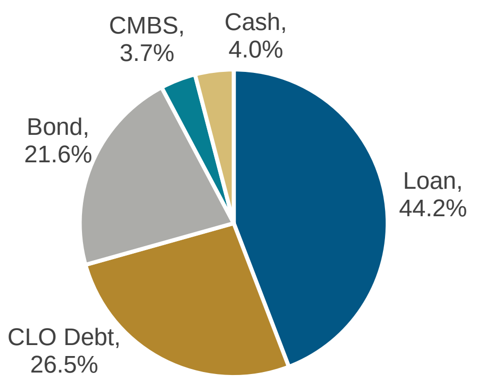
Performance	1 Month %	3 Month %	6 Month %	1-Year %	2-Year % p.a.	3-Year % p.a.	Inception % p.a.
Fund return (gross)[1]	1.6	1.6	5.1	9.3	3.3	3.9	5.9
Fund return (net)[2]	1.5	1.4	4.8	8.5	2.5	3.1	5.2
Bloomberg AusBond Bank Bill Index	0.3	1.0	2.1	3.8	2.4	1.6	1.3
Active return	**1.1**	**0.4**	**2.7**	**4.7**	**0.1**	**1.5**	**3.8**

[1] Returns are calculated before fees have been deducted and assume distributions have been reinvested. No allowance is made for tax when calculating these figures.
[2] Returns are calculated after fees have been deducted and assume distributions have been reinvested. No allowance is made for tax when calculating these figures.
Past performance is not a reliable indicator of future performance. **Data Source: Fidante Partners Limited, 30 November 2023.**

Fund Facts

Portfolio managers	Charles Arduini, Seth Brufsky, Samantha Milner, Boris Okuliar
Inception date	1 May 2020
Management fee	0.75% p.a.
Fund Objective	To outperform the AusBond Bank Bill Index over a three-year period
Buy/sell spread[3]	+0.40% / -0.40%
Strategy FUM	$98.0 M

Asset Class Allocation[6]



Fund Features

Attractive income: The Fund aims to provide a stable income stream for investors by seeking to offer monthly distributions.

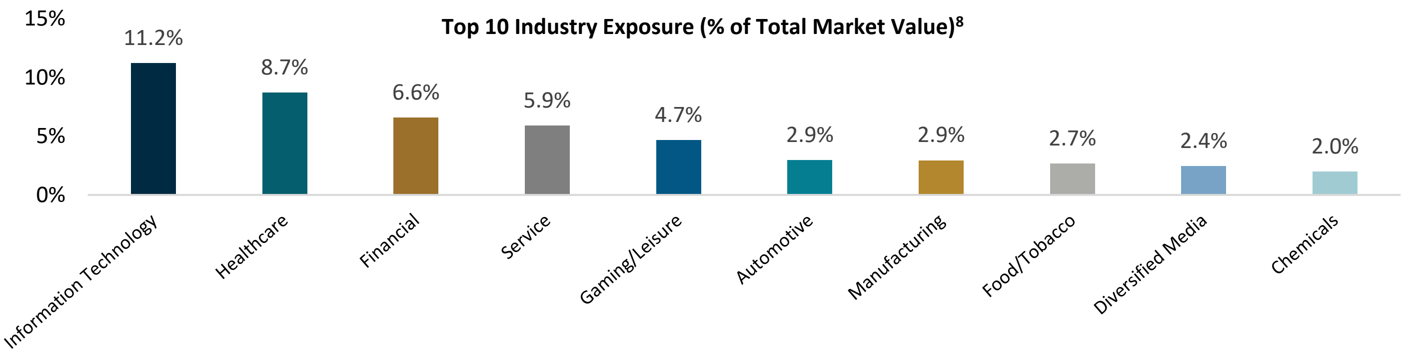
Focus on downside protection:[4] Ares believes protecting principal is key to superior performance and therefore places emphasis on dampening volatility and minimising defaults.

Dynamic asset allocation: The Fund has the ability to dynamically allocate capital based on the best relative value opportunities across industries, issuers and regions within the credit spectrum.

Diversification:[5] The Fund provides access to investment opportunities and asset classes which are generally unavailable to individual investors.

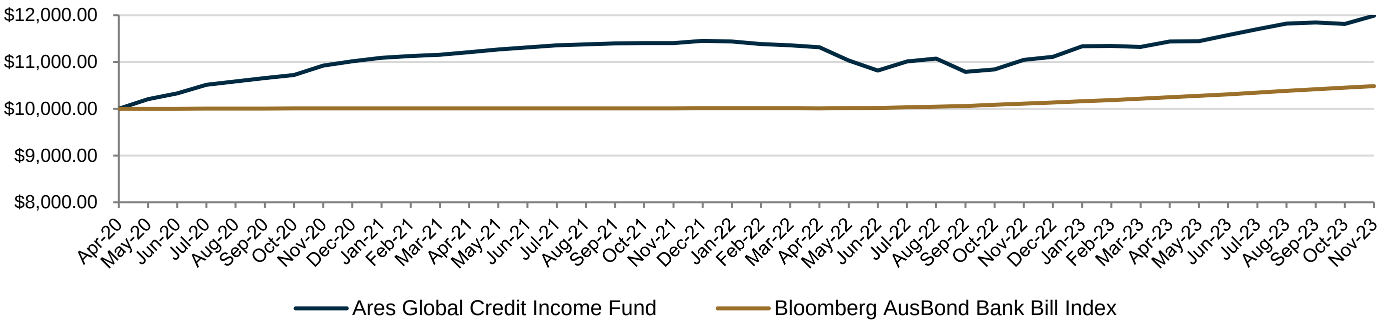
Leading global investment team: The Fund offers access to a leading global investment team with 20+ years of experience investing in global credit markets. The experienced management team applies an integrated and collaborative approach using the scale and power of the platform seeking to deliver compelling risk-adjusted returns through market cycles.

Key Attributes	Fund	Change from 31 Oct 2023
Number of issuers	252	+8
Weighted Average Spread (L+)	359	+1
Current Yield (AUD-Hedged)	7.35%	+0.13%
Yield to Worst (AUD-Hedged)	6.91%	-0.54%
Current Yield (Unhedged)	8.31%	+0.02%
Yield to Worst (Unhedged)	7.86%	-0.66%
Duration	0.92	-0.02
Spread Duration	3.47	-0.18
Weighted Average Credit Quality[7]	BB	-
Total Investment Grade Exposure	56.45%	-2.43%



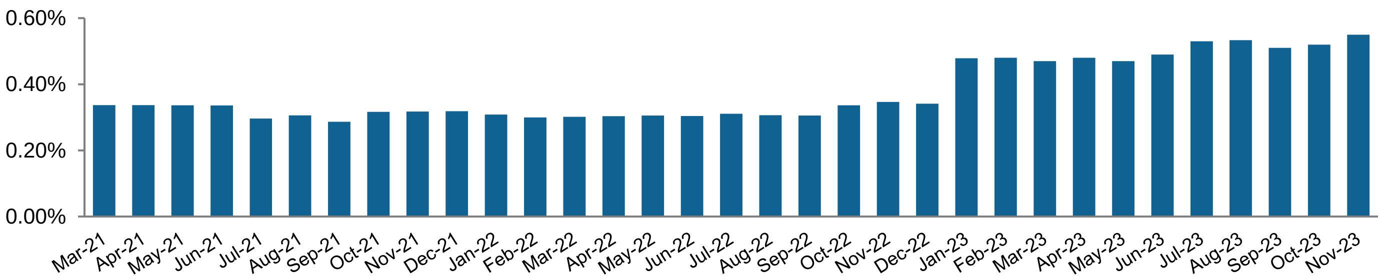
[3] Source: Ares. During normal market conditions, bid/ask spreads have averaged 25 -100bps, however, during periods of volatility, we have observed spreads widen out to 300-400bps.
[4] References to "downside protection" or similar language are not guarantees against loss of investment capital or value.
[5] Diversification does not assure profit or protect against market loss.
[6] The Fund's allocation is based on recent market conditions and is subject to change based on future market conditions at the time of investment and may differ materially from that set forth herein.
[7] Reflects the risk-adjusted weighted average higher of rating using Moody's, S&P, and Fitch.
[8] Credit Suisse Industry Distribution. Excludes CLO debt, CMBS and cash.

Growth of $10,000 Since Inception (Net of Fees)



Past performance is no indication of future performance. Represents performance of a hypothetical $10,000 investment made in this fund from the inception date. There is no guarantee of future results and this may not provide adequate basis for evaluating the performance of the Fund over varying market conditions or economic cycles. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance data quoted. The Fund's inception date is 1 May 2020.

Monthly Distribution Rate



Past performance is no indication of future performance. There is no assurance monthly distributions paid by the Fund will be maintained at targeted level or paid at all. Calculated as the cents per unit (CPU) distribution at month end divided by the ex-distribution unit price at the start of the month.

Market Commentary

During the month, global risk assets rallied amid resilient economic growth, favourable inflation data, and relatively dovish commentary from central banks. As a result, the market has priced in five interest rate cuts in 2024 and economists have lowered their forecasts of a U.S. recession in the next 12 months.

The U.S. high yield market returned 4.55%[1] in November as bond spreads tightened amid a rate induced rally, generally positive macro news and a stronger bid for fixed rate assets. Capital market activity for high yield bonds increased with $19.4 billion of bonds pricing over the course of the month, following $9.4 billion in October. Meanwhile, demand for the asset class improved in November with high yield funds reporting $12.5 billion of inflows, following $8.1 billion of outflows in October.[2]

U.S. leveraged loans underperformed fixed rate peers, returning 1.19%[3] in November. The asset class experienced steady retail inflows amid robust CLO creation and negligible net new supply. Notably, primary market activity slowed with $27.9 billion of loan paper pricing over the course of the month. Meanwhile, U.S. loan funds reported $900 million of inflows, following $1.1 billion of outflows in October.[2]

CLO debt securities posted positive returns during the month with all ratings tranches generating gains.[4] U.S. CLO issuance in November was robust, marking the second highest monthly volume this year, as tighter spreads supported new middle-market CLO pricings during the month.[5]

U.S. investment grade bonds returned 4.53%[6] in November as bond prices rebounded amid resilient growth data, moderating inflation and minimal supply.

Meanwhile, European high yield bonds and leveraged loans returned 2.94%[7] and 0.97%[8] in November, respectively. European credit spreads trended tighter during the month amid better-than-expected Euro area inflation data and dovish global central bank rhetoric. Further, European leveraged credit market technicals remained firm in November due to resilient capital market activity and stable demand.

Market Outlook

Leveraged credit markets have rallied thus far in December as spreads tightened alongside a rally in rates and equities due to softer-than-expected inflation data prints which continue to reinforce the narrative that we are nearing the end of the Federal Reserve's (the "Fed") hiking cycle. Specifically, year-over-year core inflation has reached the Fed's 2% target when excluding the rent component, and leading rental indicators are forecasting disinflation in the coming months. As a result, the market is now pricing in five interest rate cuts in 2024 versus three at the beginning of November. Against this backdrop, economists and market strategists have lowered their forecasts of a U.S. recession in the next 12 months. Despite optimistic sentiment for an improving economy, we remain cautious as several leading indicators are signaling concern. Regarding fundamentals, Q3'2023 corporate earnings have been better-than-expected; however, forward guidance remains conservative, and the number of misses has increased, leading to elevated single name dispersion. Meanwhile, the technical environment should remain supportive heading into 2024 amid improving capital markets activity, stable demand from global institutional investors and a pick-up in bond retail inflows. Looking ahead, we continue to closely monitor potential headwinds including the 2024 elections, labor strikes, and the potential impacts of elevated geopolitical tensions. Importantly, we remain focused on security selection as we expect single-name dispersion to continue to increase in the coming months.

Fund Commentary

The Ares Global Credit Income Fund ("AGCIF" or the "Fund") returned 1.56% gross and 1.49% net for the month of November. Returns across component asset classes were positive, with the portfolio's allocation to high yield, bank debt and CLO Debt being the largest contributors to returns in November. The high yield cohort benefitted from disciplined credit selection within Double-B rated bonds, while bank debt continued to benefit from an allocation to European loans in addition to disciplined credit selection within Single-B rated loans. Specific to structured credit, CLO Debt continued to be supported by a strong underlying loan technical.

In terms of positioning, we maintained our higher quality risk posture in November and continued to focus on identifying opportunities arising from today's evolving economic environment. We remained overweight floating rate assets and marginally increased our fixed rate exposure in November with the goal of adding convexity to the portfolio as we near what we believe is the end of a hiking cycle. We continue to actively trade around relative value across individual credits, taking profits on select loan names that we view as having more credit risk and topping up on other discounted credits that we believe are undervalued. From a sector perspective, we remain overweight defensive sectors with favorable supply-demand dynamics and earnings trajectories, as well as sectors more upstream in supply chains and companies with strong pricing power, including software and necessary services sectors. We are underweight sectors that are more susceptible to consumer discretionary income weakness, input cost pressures and general cyclicality, and we are closely monitoring certain sectors where liquidity may be challenged, such as certain segments of the technology and healthcare sectors. Specific to structured credit, we continue to favor transactions with top tier managers that we know well, specifically within Triple-B rated CLO debt. From a geographical perspective, we increased our European exposure during the month, moving closer to a market-neutral weight given the reset wider of credit spreads in Europe. Importantly, we continue to be mindful of softer economic growth and increased dispersion in credit fundamentals in the months ahead and remain focused on security selection, both in seeking to outperform against the upcoming default cycle, as well as to avoid the significant downdraft in price/liquidity that we have seen when a company misses earnings.

As of 30 November 2023. Sources: (1) ICE BofA US High Yield Index "H0A0", (2) JP Morgan, (3) Credit Suisse Leveraged Loan Index "CSLLI", (4) CLOIE, (5) LCD News, (6) Bloomberg Barclays U.S. Aggregate Bond Index, (7) ICE BofA European Currency High Yield Constrained Index Hedged to EUR, (8) Credit Suisse Western European Leveraged Loan Index Hedged to EUR.

Views expressed are those of the Ares Global Credit Income Fund Portfolio Managers as of 30 November 2023 are subject to change at any time, and may differ from the views of other portfolio managers or of Ares Australia Management as a whole.

Index Definition & Disclosure:
The Bloomberg AusBond Bank Bill Index is engineered to measure the Australian money market by representing a passively managed short term money market portfolio. This index is comprised of 13 synthetic instruments defined by rates interpolated from the RBA 24-hour cash rate, 1M BBSW, and 3M BBSW.
Indices are provided for illustrative purposes only and not indicative of any investment. They have not been selected to represent appropriate benchmarks or targets for the strategy. Rather, the indices shown are provided solely to illustrate the performance of well known and widely recognized indices. Any comparisons herein of the investment performance of a strategy to an index are qualified as follows: (i) the volatility of such index will likely be materially different from that of the strategy; (ii) such index will, in many cases, employ different investment guidelines and criteria than the strategy and, therefore, holdings in such strategy will differ significantly from holdings of the securities that comprise such index and such strategy may invest in different asset classes altogether from the illustrative index, which may materially impact the performance of the strategy relative to the index; and (iii) the performance of such index is disclosed solely to allow for comparison on the referenced strategy's performance to that of a well known index. Comparisons to indices have limitations because indices have risk profiles, volatility, asset composition and other material characteristics that will differ from the strategy. The indices do not reflect the deduction of fees or expenses. You cannot invest directly in an index. No representation is being made as to the risk profile of any benchmark or index relative to the risk profile of the strategy presented herein. There can be no assurance that the future performance of any specific investment, investment strategy, or product will be profitable, equal any corresponding indicated historical performance, or be suitable for a portfolio.
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