

## Chi-X Australia launches funds offering with Kapstream Active ETF

Chi-X Australia today officially launched the Chi-X Funds market by quoting Fidante Partners' ActiveX Kapstream Absolute Return Income Fund (Managed Fund), with ticker XKAP.

The arrival of Chi-X Funds marks a significant expansion of the Exchange capabilities, enabling issuers to have their funds (both ETFs and QMFs) quoted & traded on Chi-X and providing investors with access to a range of new investments.

Commenting on the launch, CEO of Chi-X Australia Vic Jokovic said the arrival of Chi-X Funds further demonstrated the firm's continued commitment to innovation and lowering costs of Australian investors.

"The launch of Chi-X Funds is an important step forward for us and is indicative of Chi-X's growing position within the Australian market. We are committed to transforming and improving the investment landscape by providing greater choice for Australian investors. We are look forward to continuing to broaden our offering with additional issuers over the coming months," Mr Jokovic said.

Mr Jokovic added that up to 40 per cent of trading volumes in Australian ETFs already takes place on the exchange and the arrival of Chi-X Funds is expected to further strengthen its volumes as the funds trend grows.

Kapstream Managing Director and Portfolio Manager Steve Goldman said he was delighted that the exposure to the successful Kapstream Absolute Return Income Fund (Underlying Fund) will be available through Chi-X to investors via XKAP.

"The \$5.8 billion underlying Kapstream Absolute Return Income Fund, now in it's thirteenth year, targets returns of two to three per cent above cash, with the objective of providing a steady income stream with very low volatility and capital stability. It invests predominantly in global corporate bonds with an average 'A' rating. Since inception the underlying fund has provided a net return of 4.75 per cent per annum<sup>1</sup> and has been widely used by those seeking a better performing alternative to term deposits, a trend that has accelerated again more recently with falling bank deposit rates" Mr Goldman said.

A key difference to note between bank term deposits and investments in funds such as XKAP or the Underlying Fund is that capital invested and investment returns are not guaranteed.

"Kapstream has itself been a successful 'disrupter' in its own space, and we're pleased to be partnering with Chi-X who bring innovation and competition to the funds market here in Australia," Mr Goldman added.

Kapstream operates as an autonomous boutique subsidiary of Janus Henderson Investors. All back office, administrative and retail distribution services are provided by Fidante Partners, a leading global multi-boutique asset manager that is part of Challenger Limited.

Chi-X Funds is the latest innovation to be introduced by Chi-X Australia and joins a range of other tradeable securities including the recently launched Transferable Custody Receipts (TraCRs), as well as Warrants and Indices.

*<sup>1</sup>Performance figures are as at 30 September 19 and are calculated after fees have been deducted and assume distributions have been reinvested. Now allowance is made for tax when calculating these figures. Past Performance is not a reliable indicator of future performance.*

**-ENDS-**

### **About Chi-X® Australia**

Chi-X Australia (CXA) is a regulated stock exchange committed to transforming, improving and growing Australia's securities and derivatives markets. Chi-X has experienced strong and sustained growth and has achieved significant milestones including gaining over 20% market share, \$1billion traded in value in equity trading and up to 50% of the Australian ETF market (trading and reporting).

The Chi-X investment products platform offers a range of unique products exclusively traded on Chi-X, including funds (ETFs & Quoted Managed Funds), Transferable Custody Receipts (TraCRs) and Chi-X Warrants. For more information visit: [www.chi-x.com.au](http://www.chi-x.com.au).

### **About Fidante – Active X**

ActiveX, a series of actively-managed exchange traded funds (ETFs) was created by Fidante Partners with the aim of providing investors with easier access to the extensive investment expertise of Fidante's boutique investment managers. The ActiveX Kapstream Absolute Return Income Fund (Managed Fund) is managed by Kapstream Capital, a specialist manager of global fixed income strategies. Kapstream steps beyond the traditional 'core manager' fixed income approach by actively and flexibly investing in a wide range of strategies to exploit market inefficiencies across the full spectrum of fixed income markets. This expertise, together with the broad investment universe that Kapstream can utilise, enables Kapstream to deliver consistent and positive returns to investors over time.

More information about the ActiveX series and the ActiveX Kapstream Absolute Return Income Fund (Managed Fund) (XKAP) is available at [www.fidanteactivex.com.au](http://www.fidanteactivex.com.au).

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