

Australian Absolute Growth Fund

November 2017



Portfolio Managers



William Curtayne
Portfolio Manager



Wayne Gentle
Portfolio Manager

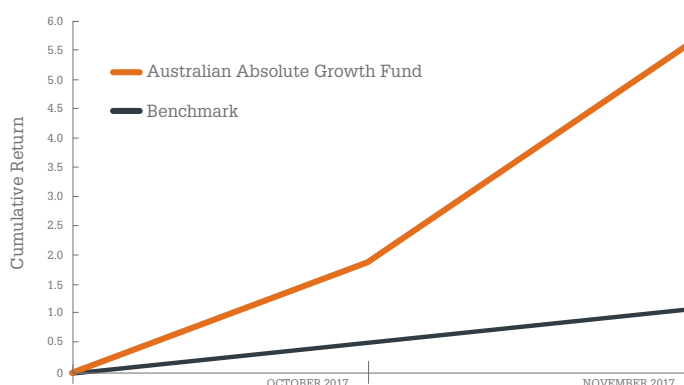
The Fund produced a pleasing 3.7% return in November, bringing the total return since inception to 5.7%. The Fund outperformed the Australian equity market return of 1.6% largely due to strong performances from Virgin Australia (+57%) and the IPO of Netwealth (+44%).

We had established a position in Virgin Australia upon launch of the Fund last month following meetings with the company and its main competitor, Qantas, and a view that a substantial earnings recovery is underway. Virgin's earnings (and its share price) have suffered over the last few years as it focused on building out its Australian domestic route coverage and frequency. It also dealt with a sub-optimal aircraft fleet mix following the acquisitions of Skywest Airlines and Tiger Airways. The airline is now nearing the end of a fleet rationalisation which will see substantial efficiency improvements and has also achieved its route coverage targets so will be more able to focus on profitability than growing its network. We are also expecting strong earnings growth from its Velocity Frequent Flyer program where Virgin has been investing in improved technology and systems. At its AGM last month Virgin announced that its first quarter profit before

tax had improved \$18m on the previous year, so we are seeing evidence that the turnaround is underway.

We believe the Australian market is likely to consolidate its recent strong performance over the coming months, but we will still see good stock specific opportunities.

Investment Performance to November 2017*



*Cumulative performance since inception, after all fees and expenses, and assumes reinvestment of distributions.

Key Fund Facts

Objective	Absolute returns with an annualised return of 5% above the benchmark while seeking to preserve investor capital.
Description	A diversified portfolio of predominantly Australian equities, complemented by selective exposure to international equities, fixed interest securities and cash. The Fund may use derivatives and foreign currency hedging.
Benchmark	RBA cash rate + 5% per annum
Redemption Price <small>as at 30 Nov</small>	\$1.0603
NAV <small>as at 30 Nov</small>	\$34.8 million
Inception Date	October 2017
Minimum Investment	\$20,000

Recommended Investment Timeframe	5 years+
Buy-sell spread	+/- 0.20%
Entry/Exit Fee	Nil
Distribution frequency	Annual (30 June)
Management Fee*	1.00%
Capped expense recovery*	0.10%
Performance Fee*	15% p.a. of returns above the benchmark subject to achieving the high watermark.
Fund pricing	Daily

*Fees are stated exclusive of GST.

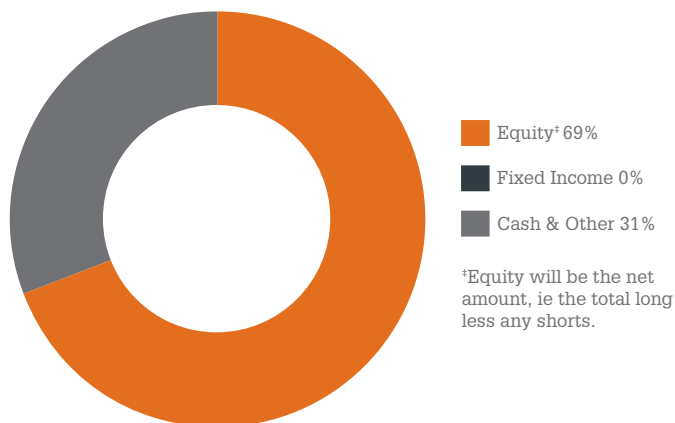
Investment Performance to November 2017*

	1 Month	6 Months	1 Year	3 Years (p.a.)	5 Years (p.a.)	Since inception**
Australian Absolute Growth Fund	3.70%	-	-	-	-	5.67%
Benchmark	0.53%	-	-	-	-	1.06%

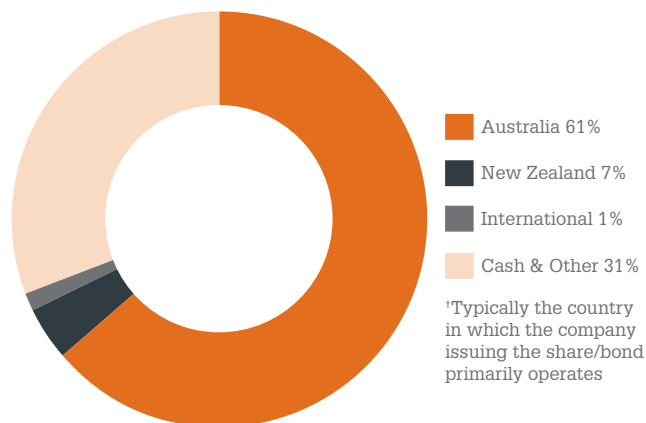
*Net performance figures are shown after all fees and expenses, and assumes reinvestment of distributions.

** Inception date of the Fund is 2 October 2017.

Current Asset Allocation



Current Country Allocation†



Top Security Holdings

Companies	% of Fund Net Assets
National Australia Bank	2.97%
Westfield Corp	2.41%
Virgin Australia Holdings	2.37%
Suncorp Group	2.26%
Amcor Limited	2.12%
Westpac Banking Corp	2.08%
Orora	2.08%
Australian Finance	1.77%
Netwealth Group	1.76%
People Infrastructure	1.75%

Fund Changes

There have been no material changes to the below information since the last monthly report:

- The Fund’s risk profile
- The Fund’s strategy

There have been no changes to the below information since the PDS was issued:

- Key service providers
- Individuals playing a key role in investment

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