

Australian Absolute Growth Fund (AUT)

(available to Australian tax residents only)



November 2018

Portfolio Managers



William Curtayne
Portfolio Manager



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Portfolio Manager

The Fund fell 0.7% in November. While most global equity markets achieved modest gains in November, the Australian share market underperformed with a 2.2% decline.

Falling domestic house prices, next year's federal election and growth concerns in China are responsible for the negative sentiment towards the Australian market.

Mining and oil companies were particularly weak over the month. While the Fund has no exposure to non-gold mining companies, we do have oil exposure through our investments in Sundance Energy, Woodside Petroleum and Origin Energy. These three stocks fell 39.3%, 10.9% and 11.1% respectively and were the worst performers for the month.

Collins Food once again performed strongly over the month with a 14.7% rally on the back of its half year earnings release. Collins' KFC stores in Australia continue to perform strongly while initiatives in Europe with KFC and Australia with Taco Bell continue to develop as future growth drivers.

Automotive repair shop operator, AMA Group, rallied 11.0% as some strategic shareholders provided the business with capital. We also had positive gains from our gold mining companies.

Overall the Fund remains cautiously positioned as the weak Australian housing market and slower growth in China are likely to have some negative impact on the Australian economy in 2019.

Investment Performance to November 2018*



* 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. May use derivatives and foreign currency hedging.
Benchmark	RBA Cash Rate + 5% p.a.
Redemption Price <small>as at 30 Nov</small>	\$1.0328
NAV <small>as at 30 Nov</small>	\$86.6 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.

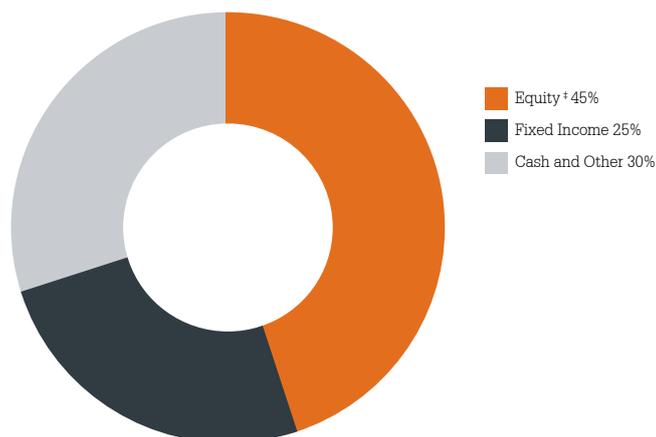
Investment Performance to November 2018*

	1 Month	6 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)**
Australian Absolute Growth Fund (AUT)	-0.71%	-2.94%	2.02%	-	-	6.69%
Benchmark	0.53%	3.20%	6.50%	-	-	6.53%

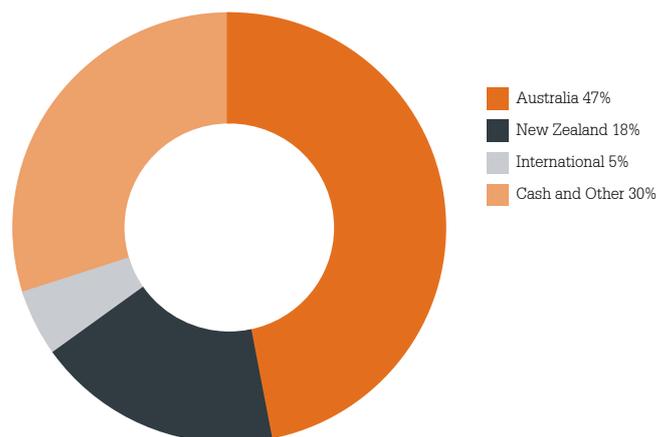
* Net performance figures are shown after all fees and expenses, and assumes reinvestment of distributions.

** Inception date of the Fund is 2 October 2017

Current Asset Allocation¹



Current Country Allocation^{1†}



Top Security Holdings

Holdings	% of Fund's NAV
ANZ 2.14% 2018	3.94%
Transurban Group	3.58%
ANZ 2.97% 2019	3.53%
Kiwibank 3.10% 2019	3.53%
Orora	2.64%
Scentre Group	2.52%
National Australia Bank	2.42%
Collins Foods	2.24%
Unibail-Rodamco-Westfield	2.11%
Evolution Mining	2.03%

Note: Fixed interest securities are reported in the following format: Issuer name, interest (coupon rate), maturity year.

¹The actual investment mix incorporates the notional exposure value of equity derivatives and credit default swaps, where applicable.

[†]Equity will be the net amount, ie the total long less any shorts.

[†]Typically the country in which the company issuing the share/bond primarily operates

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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