

Monthly Fund Report - March 2016

Fund Commentary

The Affluence Investment Fund returned 1.2% in March as most markets recovered from a tough start to the year. We saw a significant recovery in investor confidence during the month, a trend that has continued into the early part of April. For the quarter, the Fund delivered a return of 0.3%. The Australian stock market (including dividends) lost 2.7% over the same period.

Almost all our investments delivered positive returns in March. Our best returns came from smaller company funds as markets recovered. Our worst were one or two funds with overseas exposure. This was due mostly to an appreciating Australian dollar. We have struggled to find significantly better value in most offshore markets for some months now and hence we continue to have a relatively low allocation to global funds.

The Fund portfolio continues to be conservatively placed. In the last month we made two small investments into market neutral funds. Such funds are (at least in theory) able to make money in both up and down markets. Both are run by exceptional managers with great long term track records.

At 31 March, the Affluence Fund held investments in 17 unlisted funds, which represented 66% of the total portfolio. It also held 22 smaller investments in listed investment companies and securities, representing 15% of the portfolio. The balance of 19% was held in cash. We are actively looking to deploy part of that cash and have another 3-4 investments in advanced stages of due diligence.

We know how painful it can be to complete application forms and have recently launched an online application form for the Affluence Fund. This can be accessed directly from our website. It can save you significant time through faster processing and pre-verification of certain information which reduces the amount of paperwork you have to provide. If you would like to invest with us or add to an existing holding, we encourage you to utilise this facility. A reminder, the cut-off for monthly investments is the 25th. If you know anyone else that may be interested in the Fund, feel free to let them know.

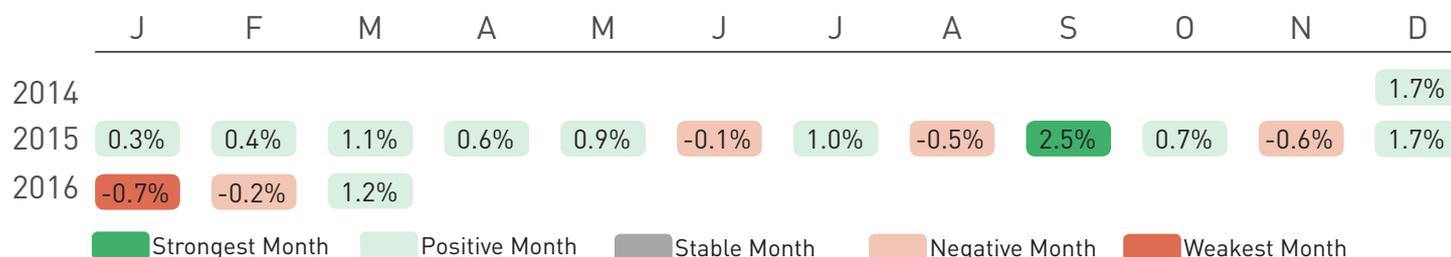
Fund Performance

To 31 March 2016

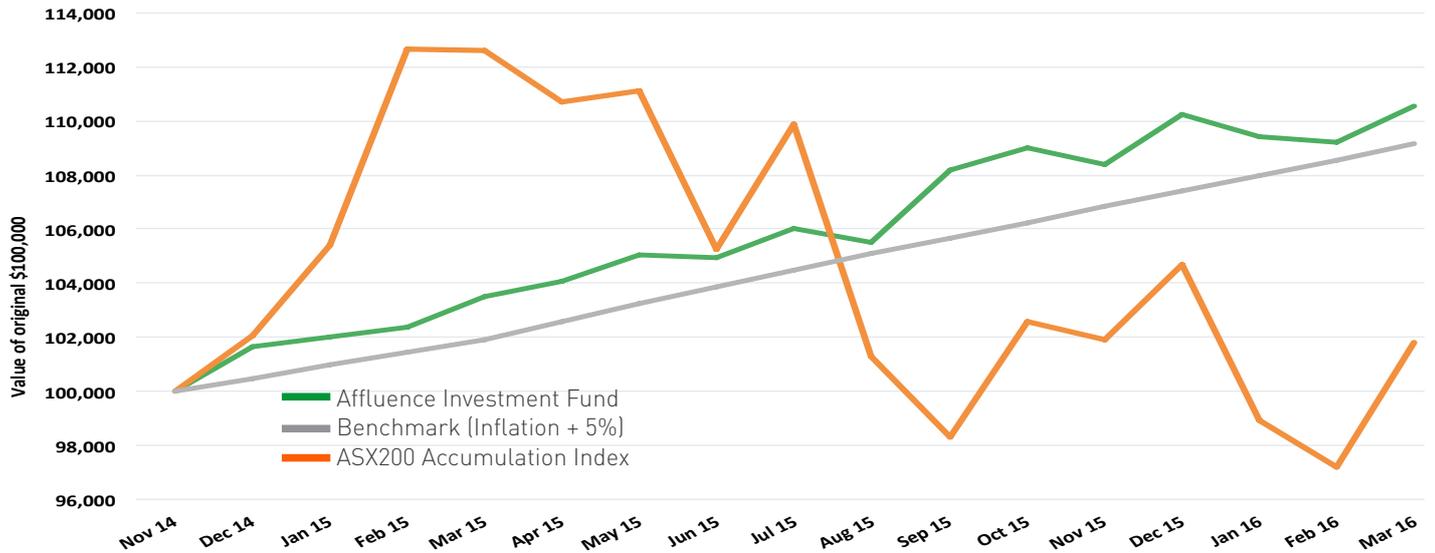
	1 Month	3 Months	6 Months	1 Year	Inception	Volatility
Affluence Investment Fund	1.2%	0.3%	2.2%	6.8%	7.8%	3.2%
Benchmark - Inflation + 5%	0.5%	1.6%	3.3%	7.1%	6.8%	N/A
Outperformance against Benchmark	0.7%	(1.4%)	(1.1%)	(0.3%)	1.0%	N/A
ASX200 Accumulation Index (AI)	4.7%	(2.7%)	3.6%	(9.6%)	1.3%	14.5%
Outperformance against ASX200AI	(3.5%)	3.0%	(1.4%)	16.4%	6.5%	N/A

Total returns are net of fees and costs (excluding buy-sell spread) using the mid prices and assume the reinvestment of distributions. Returns of more than one year are annualised. Inception date is 28 November 2014.

Fund Return History

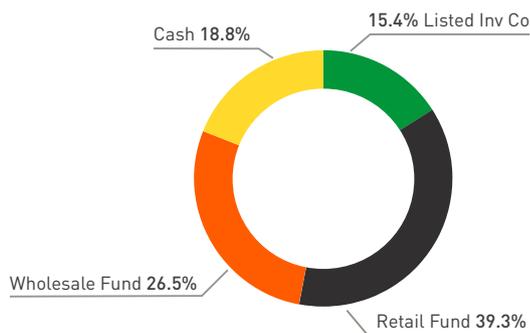


Return on \$100,000 Investment

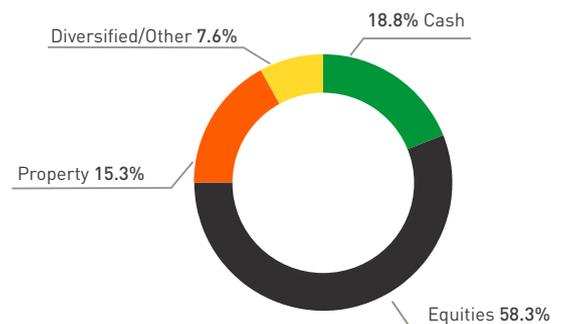


Portfolio Summary

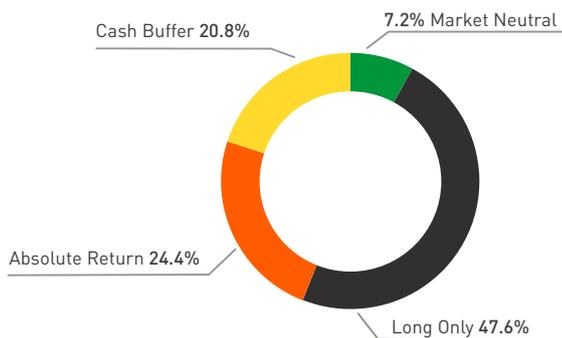
Underlying Investment Types



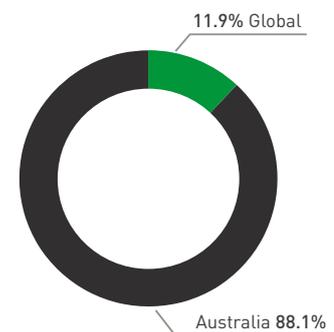
Asset Class



Equities Strategies



Geographic Exposure



Top 10 Largest Investments

Cash	Sandon Capital Activist Fund
Cromwell Direct Property Fund	Microequities Deep Value Microcap Fund
LHC Capital Australia High Conviction Fund	Ophir High Conviction Fund
Cromwell Phoenix Opportunities Fund	Insync Global Titans Fund
Wentworth Williamson Fund	Totus Capital Alpha Fund

What Makes This Fund Different

Traditional Fund Managers	Affluence - Invest Differently
Follow The Herd: Traditional managers are too scared to fail, so they don't succeed. Most don't outperform the index.	Actively Pursue Out-performance: From our fee structure alignment to our investment methodology, our strategy targets positive returns and low volatility.
Restricted Product Selection: Commonly places clients into their own managed funds or choose from a restricted list of 'approved' funds.	Best Of Breed: We will seek the best fund managers, and combine them in a way which cushions against market corrections.
Traditional Asset Classes: Manage large amounts in traditional asset classes (e.g. ASX200 equities), which minimises chances of excess performance.	Unique Strategies: We prefer managers who operate in specialised markets with less funds under management and a competitive advantage.
High, Fixed Fees: Take fees regardless of performance.	No Fixed Fees: Our fees are 100% performance based.

Key Statistics

Investment Class	Diversified
Minimum Investment	\$20,000
Suggested Timeframe	At least 5 years
Benchmark Returns	Inflation + 5%
Entry Price	\$1.0122
Exit Price	\$1.0051
Annual Distributions	5.10 cpu
Distribution Yield	5.04% p.a.
Distribution Frequency	Monthly
Applications	Monthly
Withdrawals	Monthly
Management Fees	Nil
Performance Fee	12.5% of positive performance
Buy/Sell Spread	0.35%/0.35%

Contact Us

If you have any questions, please do not hesitate to contact us:

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Investment Strategy

We believe that exposure to quality investments across multiple asset classes, managers, geographies and strategies should be an essential part of any well diversified portfolio.

The Fund provides access to a diversified investment portfolio of the best fund managers as selected by Affluence. We aim to provide a distribution yield of approximately 5% pa paid monthly and a total annualised return of at least inflation plus 5% over rolling 3 year periods. We aim to deliver these returns with less volatility than the stock market.

The Investment Team



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