



Affluence Investment Fund

Monthly Fund Report - July 2016

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Fund Commentary

July was our best ever month. The Affluence Fund delivered total returns of 3.0%, helped enormously by the ASX 200 Accumulation Index, which was up 6.3% for the month. Amongst our 22 unlisted Fund investments, 21 delivered a positive return this month. In addition, our ASX-listed LIC investments returned over 6% in July.

Our best returns came from our investments in long/short funds and the Baker Steel Gold Fund. With sentiment for gold stocks sky-high and record long gold positions from traders and other speculators, we took some profits on half our Baker Steel investment this month.

We made additional investments into two of our existing holdings in July. We also added two new investments to the Fund portfolio, Bronte Capital and Lanyon.

Bronte Capital is a long/short fund. The majority of their investments are in a concentrated portfolio of global shares with a value style. But they are much better known in the industry for finding and exploiting shorting opportunities. A quality

team we have been monitoring for a while and a distinctly different strategy make this one of the more interesting investments in the Fund's portfolio.

The Lanyon Australian Value Fund had previously been closed to new investors, but reopened briefly in July and were overwhelmed with over \$30 million applications in just a few days. We were lucky enough to secure a small allocation into this fund that has returned around 14%pa over the past few years while holding on average 50% cash. A rather exceptional result we think.

We plan to write more about both these funds in coming months.

Among our listed investments, the best contributions for the month came from the recently listed WAM Leaders Fund and our small investment in Seven Group preference shares.

At the end of July, the Affluence Fund held investments in 22 unlisted funds, which represented 58% of the total portfolio. It also held investments in 17 listed investment

companies and other securities, representing 16% of the portfolio. The balance of 26% was held in cash.

If you'd like further details of the Affluence Fund portfolio at any time, just email us and we'll provide it to you.

If you would like to invest with us and get access to over 30 of Australia's best fund managers, we encourage you to utilise our online application facility. Just follow the link on our website. If you'd like to add to your existing investment, you can either complete the one-page form available on our website, or use the online facility. A reminder, the cut-off for this month's investment intake is August 25th.

If you know anyone that may be interested in the Fund, feel free to let them know.

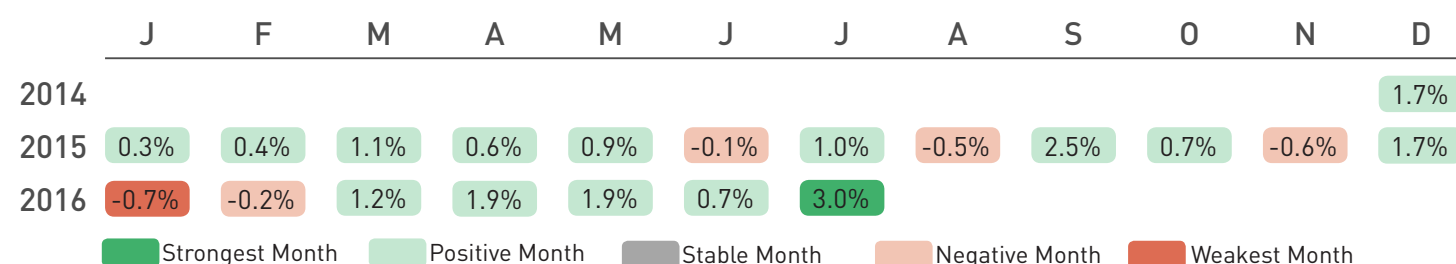
Fund Performance

To 31 July 2016

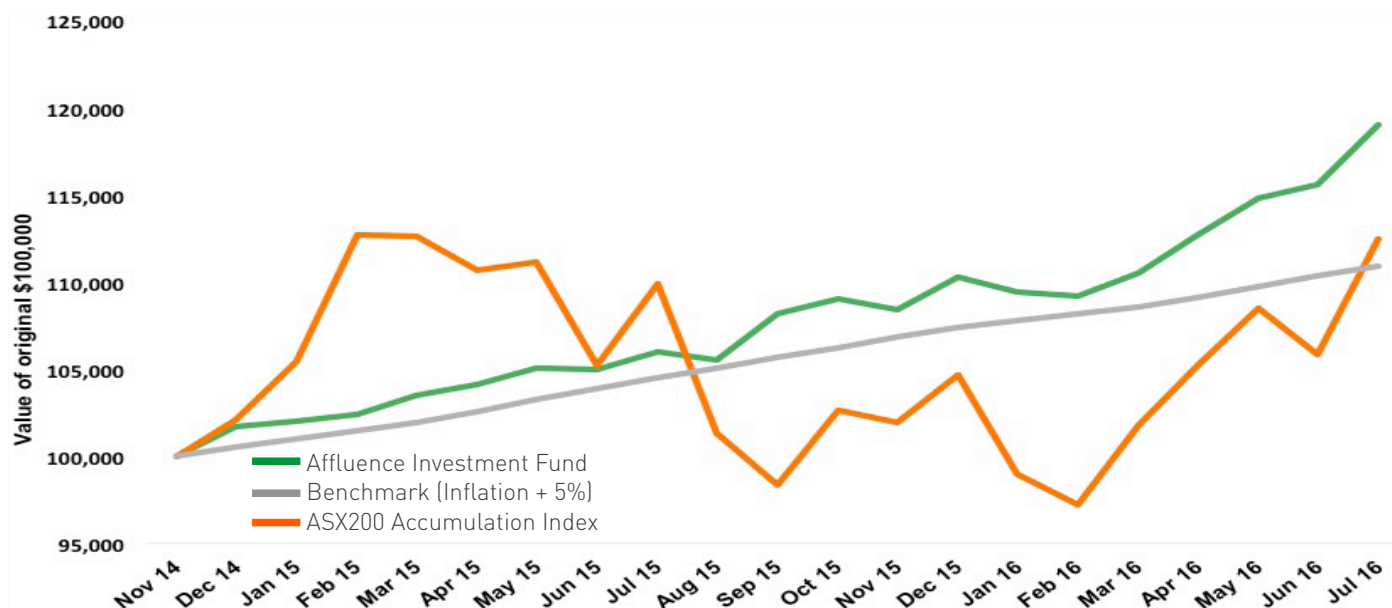
	1 Month	3 Months	6 Months	1 Year	Inception	Volatility
Affluence Investment Fund	3.0%	5.6%	8.8%	12.3%	11.0%	3.6%
Benchmark - Inflation + 5%	0.5%	1.6%	2.9%	6.2%	6.4%	N/A
Outperformance against Benchmark	2.5%	4.0%	5.9%	6.1%	4.6%	N/A
ASX200 Accumulation Index (AI)	6.3%	6.9%	13.7%	2.4%	7.3%	14.3%
Outperformance against ASX200AI	(3.3%)	(1.3%)	(4.9%)	9.9%	3.7%	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 Monthly Return History

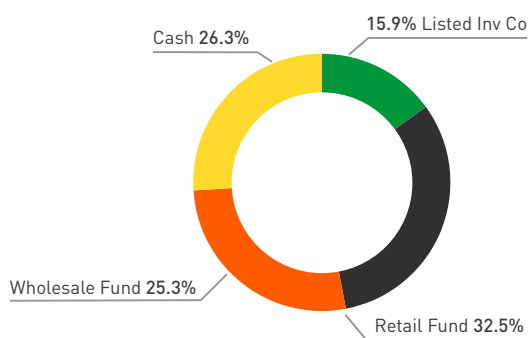


Return on \$100,000 Investment

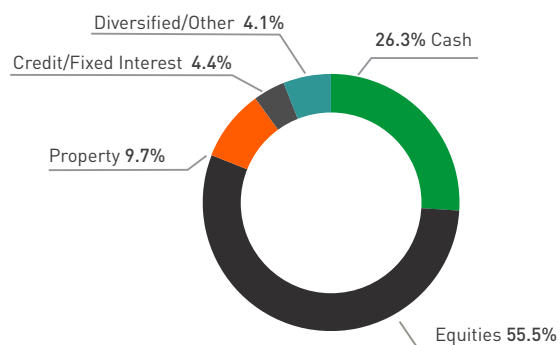


Portfolio Summary

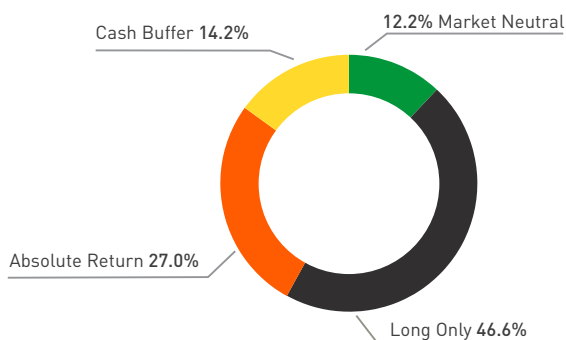
Underlying Investment Types



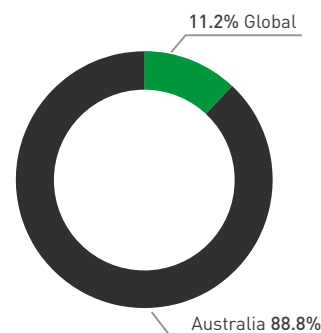
Asset Class



Equities Strategies



Geographic Exposure



Top 10 Largest Investments

Cash	Auscap Long Short Australian Equities Fund
Cromwell Direct Property Fund	Lanyon Australian Value Fund
Phoenix Opportunities Fund	Terra Capital Natural Resources Fund
LHC Capital Australia High Conviction Fund	Cromwell Riverpark Trust
Wentworth Williamson Fund	Bronte Capital Amalthea 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	\$1.0678
Exit Price	\$1.0604
Annual Distributions	5.25 cpu
Distribution Yield	4.9% 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:

Phone: 1300 AFFLUENCE (1300 233 583)

Email: invest@affluencefunds.com.au

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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