

# Affluence Small Company Fund

## Fund Report - June 2021

### Fund Commentary

The Affluence Small Company Fund increased by 4.9% in June, outperforming the ASX Small Ordinaries Index which increased by 3.1%. The Fund has now returned 10.8% per annum since inception in April 2016, compared to the ASX Small Ordinaries Index which has increased by 11.4% per annum.

The strongest performing investments in June included the Fund's holding in the CD Private Equity series (CD1, CD2, CD3), the Samuel Terry Absolute Return Fund and the QVG Opportunities Fund.

At the end of June the portfolio included six unlisted funds (55% of the portfolio), five LICs (17%) and eight ASX listed Small Companies (19%). The balance 9% was cash and hedges.

If you would like to know more about the investment portfolio, including our top holdings and weightings, visit the Affluence Small Company Fund page at <https://affluencefunds.com.au/asf/> or the Members area of our website. You must be registered as an Affluence Member to view the portfolio.

The Affluence Small Company Fund is only open to existing Affluence investors who are also Wholesale and Sophisticated Investors. The cut-off for this month's applications is 23rd July. Units will be issued effective 1st August. If you are interested in the Fund, contact us or visit the website to find out more.

## Fund Performance

To 30 June 2021

	1 Month	1 Year	3 Years	5 Years	Inception	Volatility
Affluence Small Company Fund Total Returns	4.9%	49.2%	13.0%	11.2%	10.8%	12.2%
ASX Small Ordinaries Index (Small Ords)	3.1%	33.2%	8.6%	11.2%	11.4%	17.6%
<b>Performance compared to Small Ords Index</b>	<b>1.8%</b>	<b>16.0%</b>	<b>4.4%</b>	<b>0.0%</b>	<b>(0.6%)</b>	

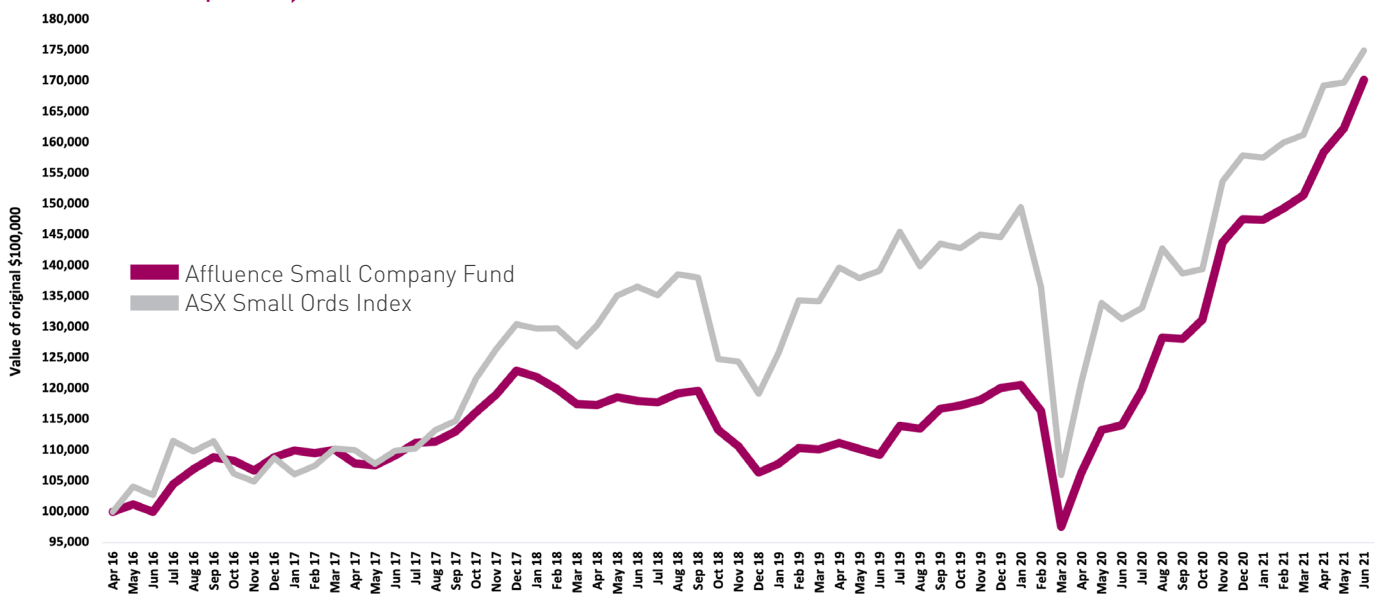
Total returns are net of fees and costs (excluding buy-sell spread) using the mid prices and assume the reinvestment of distributions. Returns of more than 1 year are annualised. Inception date is 21 April 2016. Past performance is not indicative of future performance.

## Fund Monthly Return History

	J	F	M	A	M	J	J	A	S	O	N	D	Year
2016					1.2%	-1.2%	4.5%	2.3%	1.8%	-0.5%	-1.5%	2.1%	8.9%
2017	1.0%	-0.4%	0.5%	-2.0%	-0.3%	1.5%	1.9%	0.2%	1.5%	2.7%	2.5%	3.2%	12.9%
2018	-0.8%	-1.6%	-2.0%	-0.1%	1.1%	-0.5%	-0.2%	1.2%	0.3%	-5.3%	-2.3%	-3.9%	-13.5%
2019	1.3%	2.4%	-0.2%	1.0%	-0.9%	-0.8%	4.3%	-0.4%	2.9%	0.5%	0.8%	1.6%	12.9%
2020	0.4%	-3.5%	-16.2%	9.6%	6.5%	0.7%	5.0%	7.1%	-0.2%	2.4%	9.6%	2.6%	22.9%
2021	-0.1%	1.2%	1.5%	4.6%	2.4%	4.9%							

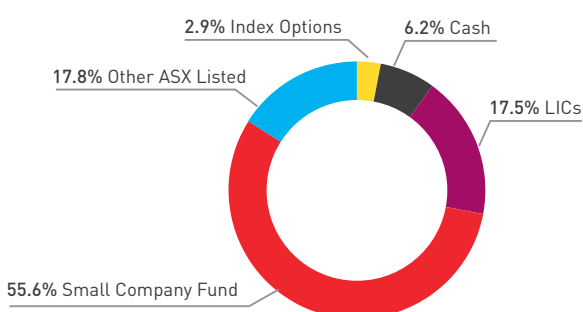
■ Strongest Month   
 ■ Positive Month   
 ■ Stable Month   
 ■ Negative Month   
 ■ Weakest Month

## Return on \$100,000 Investment



## Portfolio Summary

### Underlying Investment Type



## Five Largest Investments

- Samuel Terry Absolute Return Fund
- Phoenix Opportunities Fund
- Terra Capital Natural Resources Fund
- Kangaroo Island Plantation Timbers (KPT)
- QVG Opportunities Fund

## What Makes This Fund Different

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

## Key Statistics

Investment Class	ASX Small Companies
Minimum Investment	\$20,000
Suggested Timeframe	At least 5 years
Benchmark Returns	ASX Small Ords Accumulation Index
Entry Price	\$1.2211
Exit Price	\$1.2126
Distributions	Quarterly, target 5% p.a.
Applications	Monthly
Withdrawals	Monthly
Management Fees	Nil
Performance Fee	12.5% of positive performance
Buy/Sell Spread	0.35%/0.35%

## Investment Strategy

We believe that exposure to Small Company stocks through quality investments across different managers, investment strategies and structures can provide higher risk adjusted returns from this asset class.

The Fund provides access to a diversified portfolio of Small Company Equities unlisted funds and LIC's as selected by Affluence. We aim to outperform the ASX Small Ordinaries Accumulation Index over rolling 5 year periods and to deliver these returns with lower volatility.

## Contact Us

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

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## Meet The Portfolio Managers



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Years in the Industry: 20

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### Greg Lander

**Portfolio Manager**

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