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INVESTORS!

# Affluence Investment Fund

## Fund Report - April 2017

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## Fund Commentary

In April the ASX 200 increased by 1.0%, 17.8% over 12 months and 5.8% per annum over 2 years. Over these same periods the Affluence Investment Fund increased by 0.5% in April, 11.1% over 12 months and 9.7% per annum over 2 years. Since inception in December 2014 the Fund has returned 9.8% per annum, ahead of the benchmark (inflation plus 5%) of 6.8% per annum and the ASX 200 of 9.3% per annum.

Our strong contributors this month were the Brookfield Prime Property Fund (BPA) (up 14.8%), Bronte Capital Amalthea Fund (up 7%) and the India Avenue Equity Fund (up 5.1%). There were no major detractors this month, however results were fairly choppy across the board, as the trend of the ASX 20 stocks continuing to dominate the markets performance continues.

During April we topped up on a number of investments, including the Phoenix Opportunities Fund, Ophir High Conviction Fund, Bronte Amalthea Fund, Affluence LIC Fund and the Ellerston GEMS Fund. The

Phoenix Opportunities Fund has been in the Fund since inception, and has had exceptionally good results. The manager has now soft closed the Fund. We currently hold investments in six funds that are either soft or hard closed to new investment. While this can cause us some inconvenience as we can't continue to invest additional amounts, we believe it is the sign of a good manager when they acknowledge they would prefer to focus on performance rather than to continue to raise money and then underperform.

As local and global equity markets remain elevated, commercial property transactions continue to get more expensive, and interest rates remain near cyclical lows, we are focusing our efforts on making the Fund's portfolio as resilient as possible for a wide range of eventualities (potential large increases or decreases). At month end, 61% of the Fund was investment in unlisted investments, 20% in the Affluence LIC Fund, 6% in other listed investments, and 13% in cash.

An investment in the Affluence Investment Fund will provide you with access to over 25 unlisted funds, and over 20 LIC's and other listed entities. If you'd like further details of the Affluence Investment Fund portfolio at any time, just email us and we'll provide it to you.

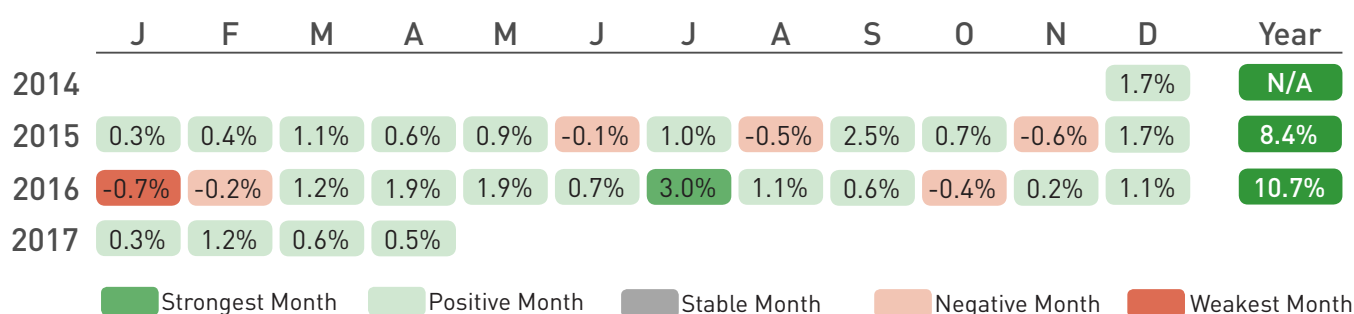
If you would like to invest with us and get access to a diverse range of Australia's best fund managers, we encourage you to utilise our online application facility. Just follow the link on our website. If you'd like to add to your existing investment, you can either complete the one-page form available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

## Fund Performance

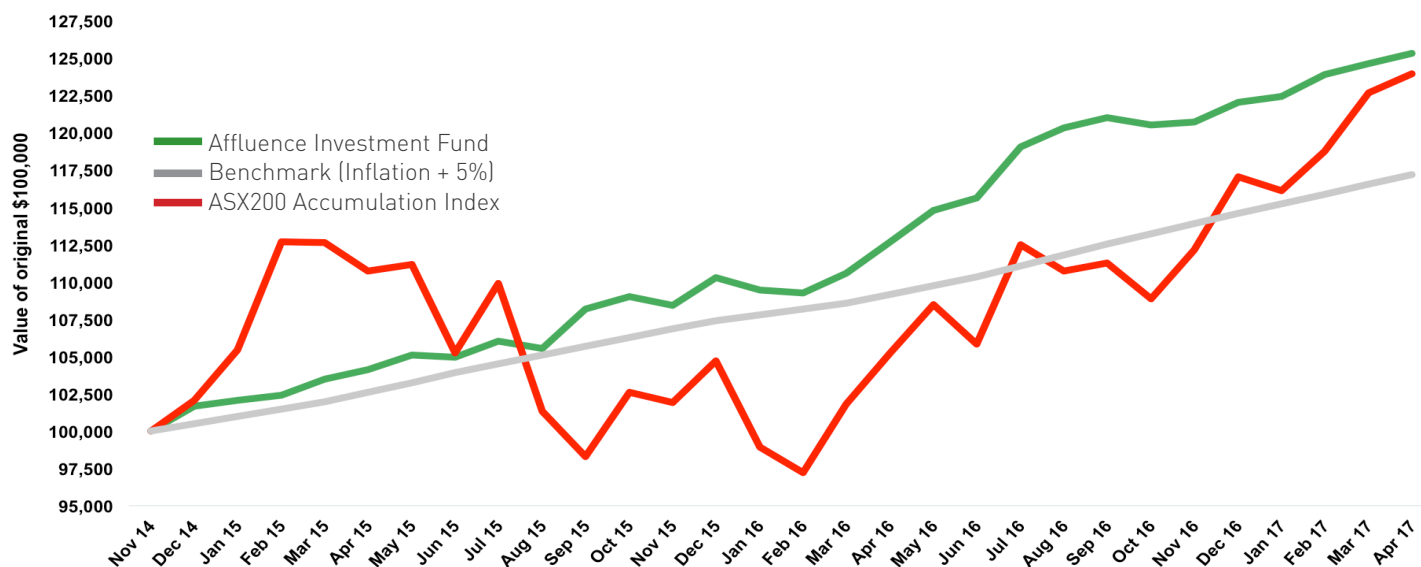
To 30 April 2017	1 Month	6 Months	1 Year	2 Years	Inception	Volatility
Income Distributions	0.4%	2.5%	5.7%	5.6%	6.5%	
Capital Growth	0.1%	1.4%	5.4%	4.1%	3.3%	
<b>Total Return</b>	<b>0.5%</b>	<b>3.9%</b>	<b>11.1%</b>	<b>9.7%</b>	<b>9.8%</b>	<b>3.1%</b>
Benchmark - Inflation + 5%	0.6%	3.5%	7.4%	6.9%	6.8%	
<b>Outperformance against Benchmark</b>	<b>(0.1%)</b>	<b>0.4%</b>	<b>3.7%</b>	<b>2.8%</b>	<b>3.0%</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 28 November 2014. The Fund aims to pay distributions of approximately 5% pa paid monthly. At times distributions may be paid above or below this. The Fund currently distributes 5.25 cents per annum, which is 4.9% on the current unit price.

## Fund Monthly Return History

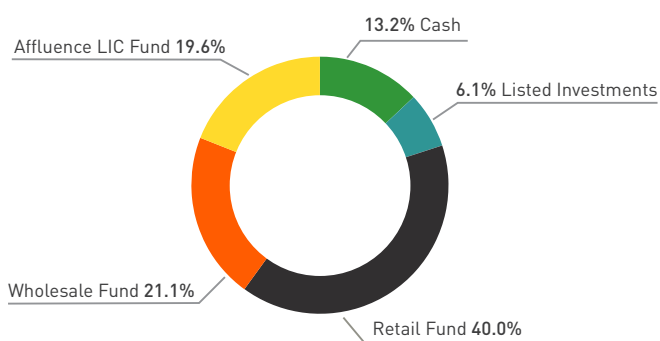


## Return on \$100,000 Investment

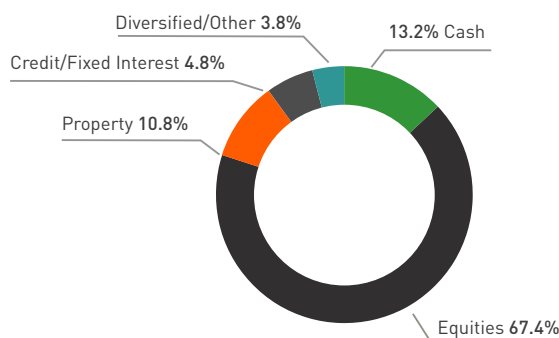


## Portfolio Summary

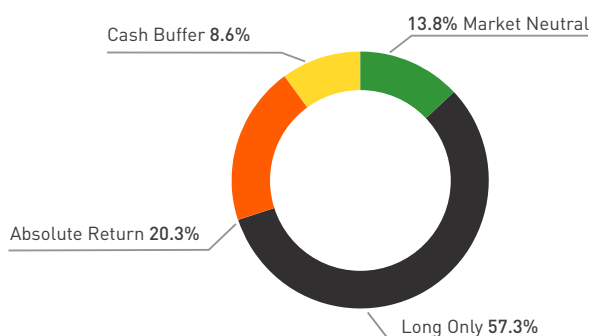
### Underlying Investment Types



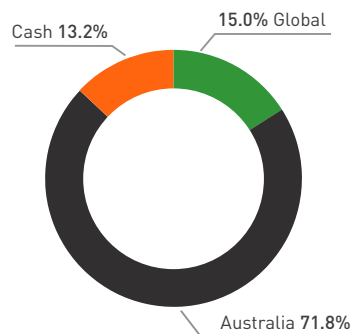
### Asset Class



### Equities Strategies



### Geographic Exposure



## Top 10 Largest Investments

Cash	Packer & Co Investigator Trust
Affluence LIC Fund	Brookfield Prime Property Fund
Phoenix Opportunities Fund	KIS Asia Long Short Fund
Cromwell Direct Property Fund	Alexander Credit Opportunities Fund
Wentworth Williamson Fund	Bronte Capital Amalthea 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	Diversified
Minimum Investment	\$20,000
Suggested Timeframe	At least 3 years
Benchmark Returns	Inflation + 5%
Fund Value	\$4.9m
Entry Price	\$1.0833
Exit Price	\$1.0757
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%

## 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.

## 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](mailto:invest@affluencefunds.com.au)

## Meet The Portfolio Managers



### Daryl Wilson

**CEO/Portfolio Manager**

Years in the Industry: 18

Email: [daryl.wilson@affluencefunds.com.au](mailto:daryl.wilson@affluencefunds.com.au)

Phone: +61 402 046 883



### Greg Lander

**Portfolio Manager**

Years in the Industry: 12

Email: [greg.lander@affluencefunds.com.au](mailto:greg.lander@affluencefunds.com.au)

Phone: +61 409 645 893

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