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INVESTORS!

Affluence Investment Fund

Fund Report - February 2017

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Fund Commentary

In February the ASX 200 increased by 2.3%, and returned 22.1% over 12 months and 2.6% per annum over 2 years. Over these same periods the Affluence Investment Fund increased by 1.2% in February, 13.4% over 12 months and 10.0% per annum over 2 years. Since inception in December 2014 the Fund has returned 10.0% per annum, ahead of the benchmark (inflation plus 5%) of 6.8% per annum and the ASX 200 of 7.9% per annum.

Our best performing investment this month was the listed Brookfield Prime Property Fund, which increased 25% over the month on the back of a strong financial result and increase in NTA. Other strong results included the Terra Capital Natural Resources Fund up 13.6%, the Phoenix Opportunities Fund up 4.8%, and the India Avenue Equity Fund up 4.3%. Our long only and long short equities funds were mixed, depending on how their portfolios were positioned during the reporting

season. Over the medium to long term, we have confidence in all our managers to produce above benchmark risk adjusted returns.

During the month we made two new investments, increasing our exposure to the Phoenix Opportunities Fund and a new fund called the Paragon Australian Long Short Fund. Paragon is a boutique manager who run a top down theme led, long short strategy that is generally half resources and half financials and industrials. They average around 110% gross exposure and 70% net exposure. While they have displayed higher volatility than most investments in the portfolio, they also have the potential to produce substantial outperformance.

At the end of February, the Fund held investments in 26 unlisted funds representing 57% of the portfolio. The Affluence LIC Fund accounted for 19% of the portfolio, and provided exposure to 19 LIC's. We held

investments in 5 other listed entities which represented 8% of the Fund, with the remaining 16% held as cash.

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.

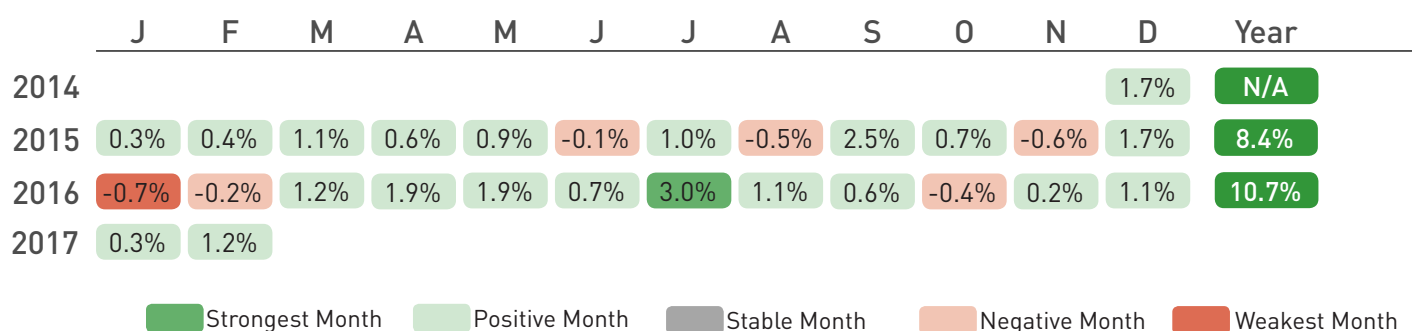
If you would like to invest with us and get access to over 30 of Australia's best fund managers, we encourage you to utilise our online application facility. Just follow the link on our website. If you'd like to add to your existing investment, you can either complete the one-page form available on our website, or use the online facility. A reminder, the cut-off for this month's investment intake is 24th March.

Fund Performance

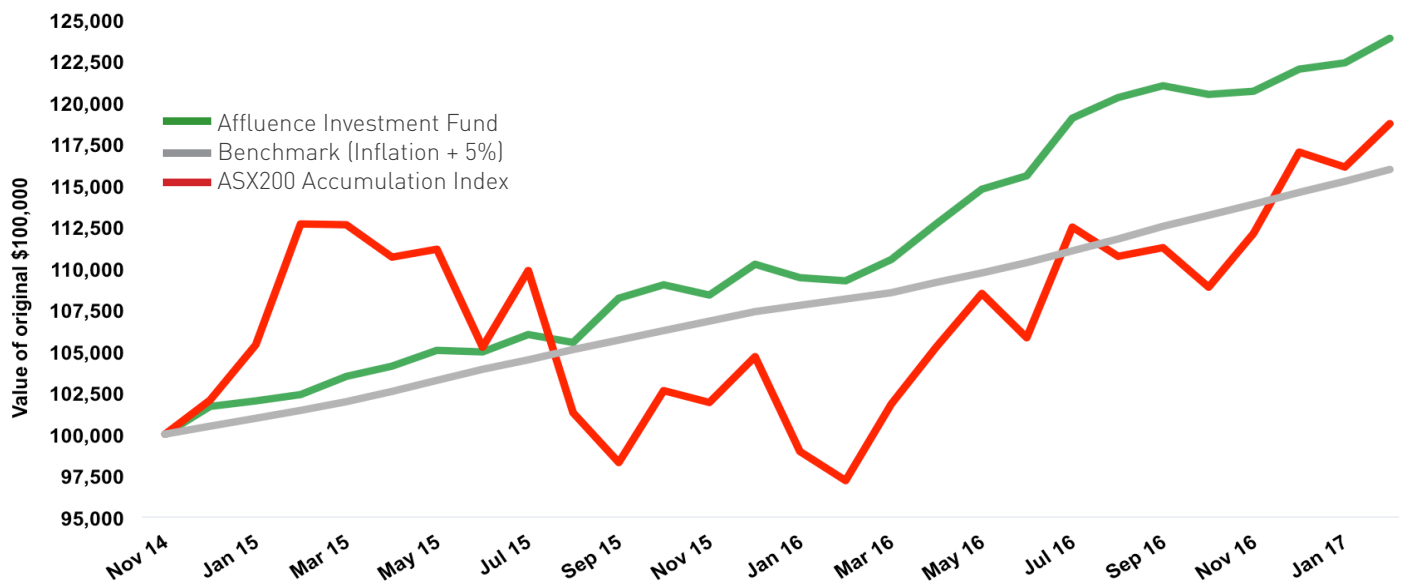
To 28 February 2017	1 Month	6 Months	1 Year	2 Years	Inception	Volatility
Income Distributions	0.4%	2.5%	5.9%	7.4%	6.6%	
Capital Growth	0.8%	0.5%	7.5%	2.6%	3.4%	
Total Return	1.2%	3.0%	13.4%	10.0%	10.0%	3.2%
Benchmark - Inflation + 5%	0.6%	3.7%	7.2%	6.9%	6.8%	
Outperformance against Benchmark	0.6%	(0.7%)	6.2%	3.1%	3.2%	

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

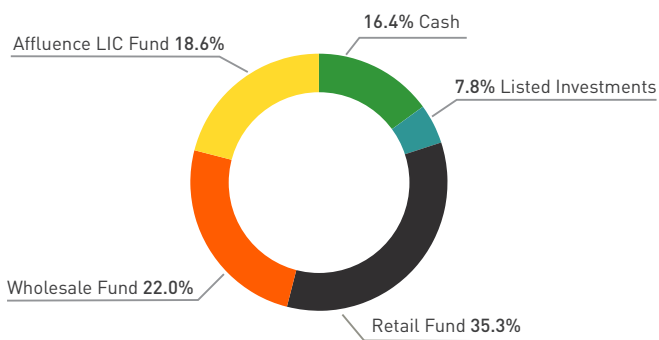


Return on \$100,000 Investment

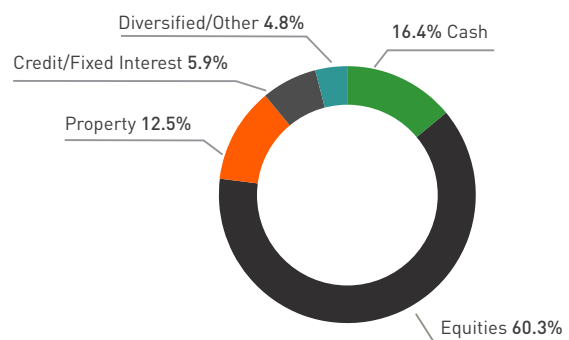


Portfolio Summary

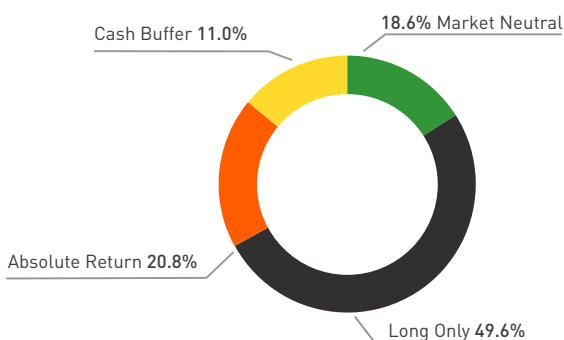
Underlying Investment Types



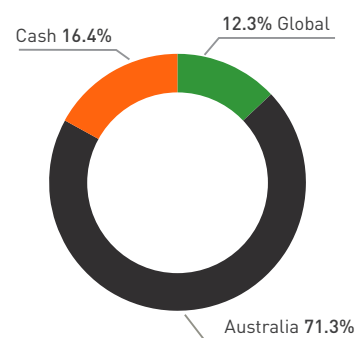
Asset Class



Equities Strategies



Geographic Exposure



Top 10 Largest Investments

Cash	Brookfield Prime Property Fund
Affluence LIC Fund	KIS Asia Long Short Fund
Phoenix Opportunities Fund	Alexander Credit Opportunities Fund
Cromwell Direct Property Fund	Ellerston Australian Market Neutral Fund
Wentworth Williamson Fund	Auscap Long Short Australian Equities 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 3 years
Benchmark Returns	Inflation + 5%
Fund Value	\$4.0m
Entry Price	\$1.0799
Exit Price	\$1.0724
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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