



Affluence Small Company Fund

Fund Report - June 2017

Fund Commentary

The Australian market increased in June, with the ASX 200 increasing by 0.2% for the month, and the ASX Small Ordinaries increasing by 2.0% for the month. The Affluence Small Company Fund had a strong month and increased by 1.5%, with the Fund returning 7.8% per annum since inception. The Fund has outperformed its benchmark (ASX Small Ordinaries) over 12 months and is slightly behind since inception. The Fund paid a distribution of 1.4 cents for the financial year 2017.

Our best performing Funds this month were the Microequities Deep Value Microcap Fund (up 4.2%), and the Wentworth Williamson Fund (up 4.0%). During June and July we sold the directly held LICs in order to invest in the Affluence LIC Fund. We believe this will produce superior risk adjusted returns going forward.

At the end of June, the Affluence Small Company Fund held investments in 5 unlisted funds (including the Affluence LIC Fund) representing 86% of the total

portfolio, 2 LICs accounting for 6% of the total portfolio, and the balance 8% cash.

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

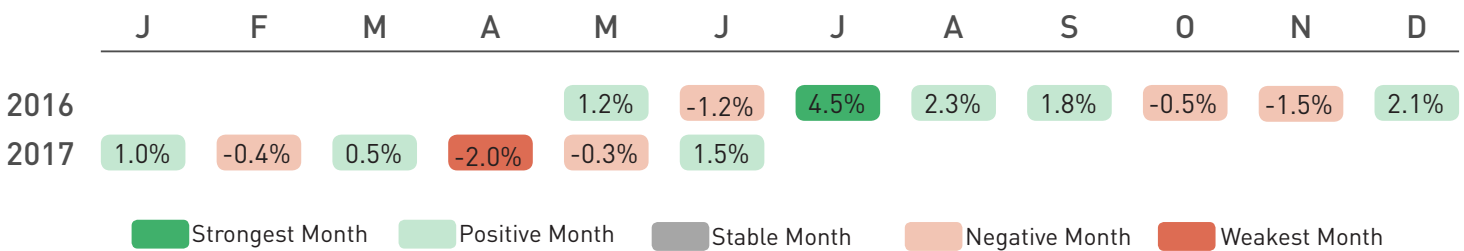
Fund Performance

To 30 June 2017

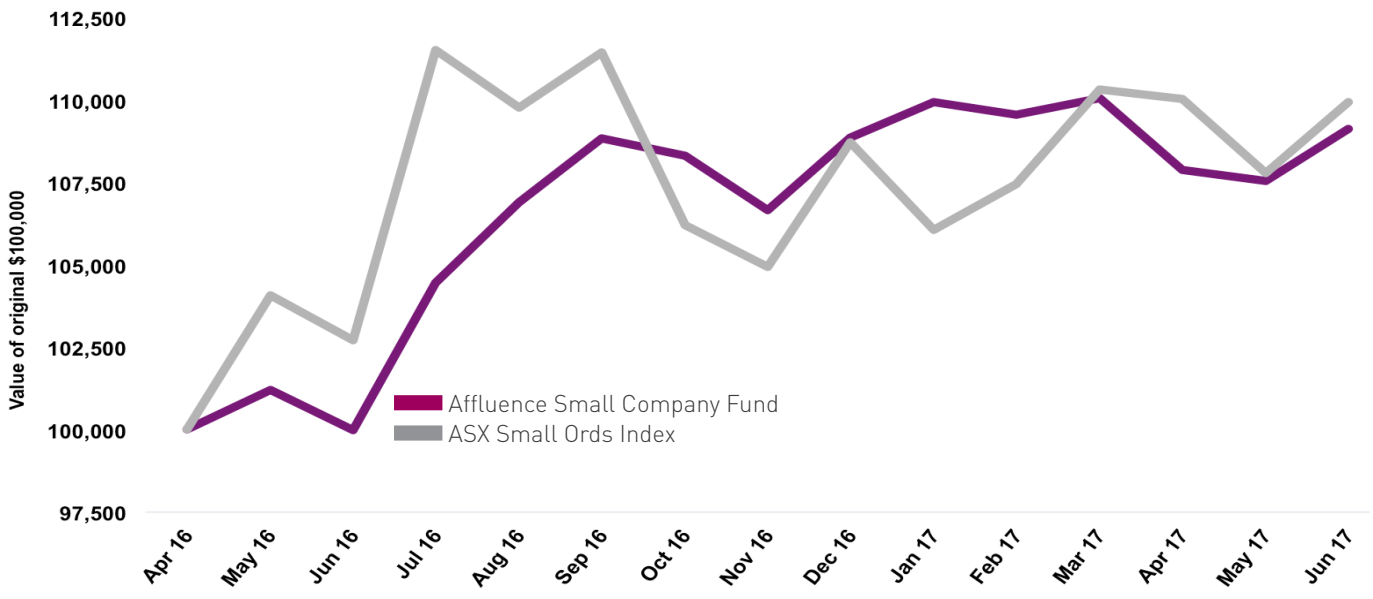
	1 Month	6 Months	1 Year	Inception	Volatility
Affluence Small Company Fund	1.5%	0.2%	9.2%	7.8%	6.1%
ASX Small Ordinaries Index	2.0%	1.1%	7.0%	8.5%	11.7%
Outperformance against ASX Small Ords Index	(0.5%)	(0.9%)	2.2%	(0.7%)	

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.

Fund Monthly Return History

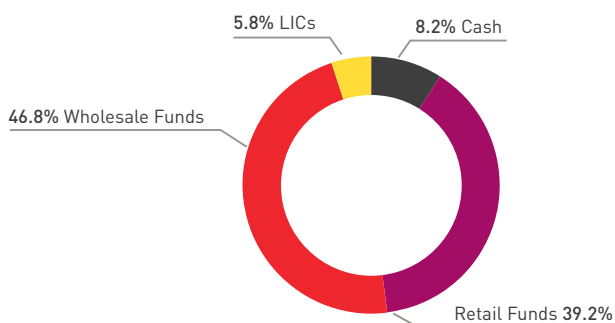


Return on \$100,000 Investment



Portfolio Summary

Underlying Investment Type



Top 5 Largest Investments

- Phoenix Opportunities Fund
- Microequities Deep Value Microcap Fund
- Affluence LIC Fund
- Paragon Fund
- Wentworth Williamson 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	Small Company Equities
Minimum Investment	\$20,000
Suggested Timeframe	At least 5 years
Benchmark Returns	ASX Small Ords Accumulation Index
Entry Price	\$1.0232
Exit Price	\$1.0161
Applications	Please Contact Us
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 Equities 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 3 year periods and to deliver these returns with lower volatility.

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

Meet The Portfolio Managers



Daryl Wilson

CEO/Portfolio Manager

Years in the Industry: 18

Email: 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

Phone: +61 409 645 893

The information in this report has been prepared by Affluence Funds Management Limited ABN 68 604 406 297 AFS licence no. 475940 (Affluence) as general information only. This report contains information in relation to an offer Affluence intends to make to subscribe for units in the Affluence Small Company Fund (ASF). ASF is not yet open for investment. An information memorandum (IM) for ASF is intended to be issued by Affluence during 2017 or 2018. The IM will contain important notices and disclaimers, important information about the offer, as well as investment risks. Any forecast or projected information, including financial, is not guaranteed and there is no guarantee of any investment return or repayment of capital. Offers to invest in ASF will only be available to persons who qualify as Eligible Investors. Affluence will not issue units in ASF to a person unless it is satisfied the person is an Eligible Investor. The information in this report does not purport to be complete and does not take into account your investment objectives, financial situation or needs. Prospective investors in ASF should consider those matters and read the IM offering units in ASF when it becomes available before making an investment decision. The information in this report is not a recommendation by Affluence or any of its officers, employees, agents or advisers and potential investors are encouraged to obtain independent expert advice before making a decision to invest in ASF.