



Affluence Investment Fund

Fund Report - September 2017

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Fund Commentary

The Affluence Investment Fund had a strong month in September, increasing by 1.1%. Since commencing in December 2014 the Fund has returned 9.4% per annum. Over that period the Fund has outperformed both our benchmark of 6.6% per annum (inflation plus 5%) and the ASX 200 (including dividends) of 7.1% per annum. Volatility of returns continues to be low, with the Fund's volatility only 2.9% per annum, compared to the ASX 200 of 11.7% per annum.

The strongest investments for the Fund during September were the Wentworth Williamson Fund (up 5.6%), the Packer Investigator Trust (up 3.7%), and the Totus Capital Alpha Fund (up 3.3%). Pleasingly, there were few negative contributors this month, and none that were significant. The best performing categories were Australian equities (against the market which was flat) and global equities, in part helped by a weaker Australian dollar.

We added a new fund during the month, the Coopers Investors Brunswick Fund. Coopers are well known Australian equity managers, Although reasonably large, with over \$12 billion of FUM, they manage to maintain a boutique mindset. In particular, the Brunswick Fund is unconstrained and is managed by the founder Peter Cooper. It has an excellent track record of outperforming the ASX 200, and we get the opportunity to invest alongside a legendary manager.

At month end, 66% of the Fund was invested in unlisted funds, 16% in the Affluence LIC Fund, 7% in other listed investments, and 11% in cash. If you'd like further details of the investment portfolio, including our top holdings and weightings, register on our website as an Affluence Member and follow the link to the Members Area to view the portfolio.

If you would like to invest with us and get access to a diverse range

of Australia's best fund managers, including over 25 unlisted funds as well as more than 20 LIC's and other listed entities, visit the fund page on our website at <https://affluencefunds.com.au/aif/>. There, you can get information on the Fund, apply online or download the application pack. If you'd like to add to your existing investment in the Fund, you can either complete the one-page form available on our website, or use the online facility.

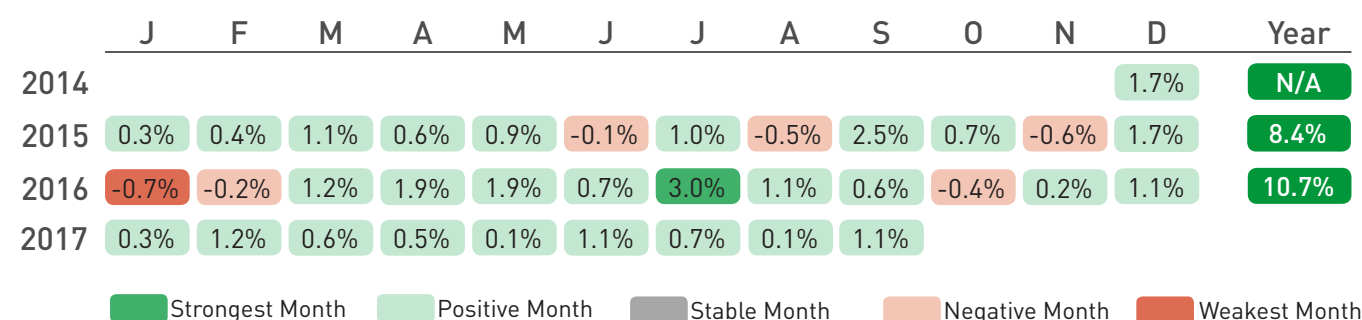
The cut-off for this month's applications is 25th October. Units will be issued effective 1st November.

Fund Performance

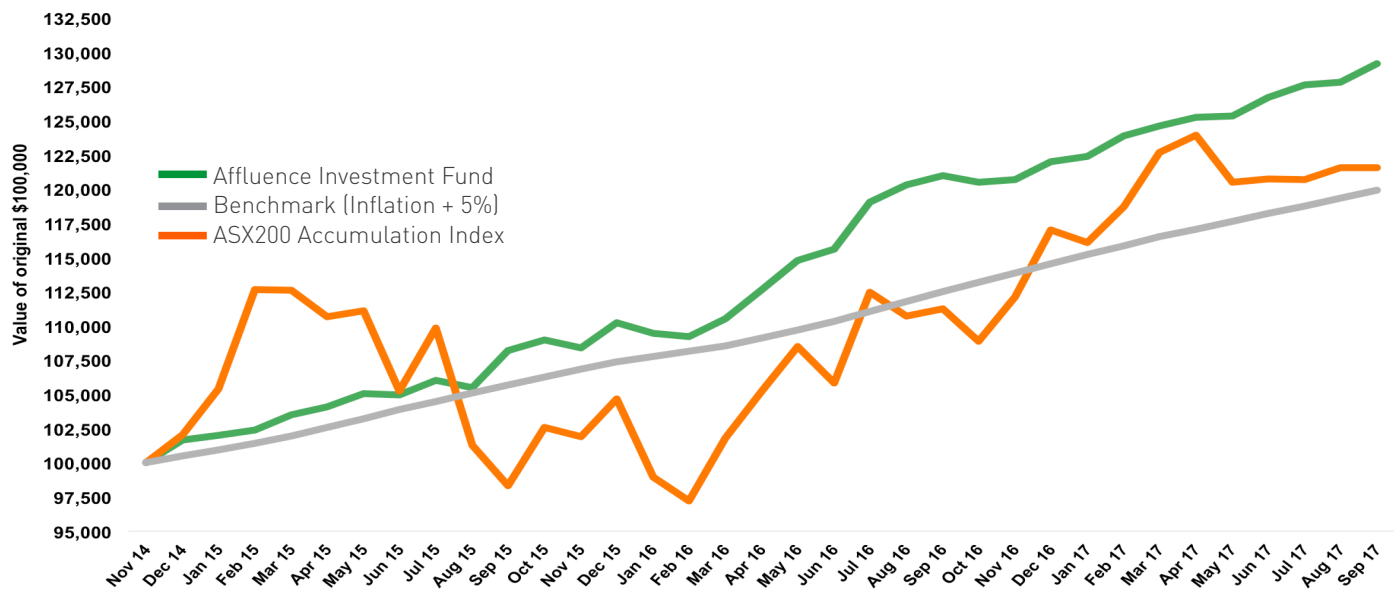
To 30 September 2017	1 Month	6 Months	1 Year	2 Years	Inception	Volatility
Income Distributions	0.4%	4.2%	6.8%	5.9%	6.9%	
Capital Growth	0.7%	(0.6%)	(0.1%)	3.4%	2.5%	
Total Return	1.1%	3.6%	6.7%	9.3%	9.4%	2.9%
Benchmark - Inflation + 5%	0.5%	2.9%	6.6%	6.5%	6.6%	
Outperformance against Benchmark	0.6%	0.7%	0.1%	2.8%	2.8%	

Total returns are net of fees and costs (excluding buy-sell spread) using the mid prices and assume the reinvestment of distributions. Returns for periods of more than 1 year are annualised. Past performance is not indicative of future performance. Inception date is 28 November 2014. The Fund aims to pay distributions of approximately 5% pa paid monthly. Distributions are not guaranteed and may be paid above or below this amount.

Fund Monthly Return History

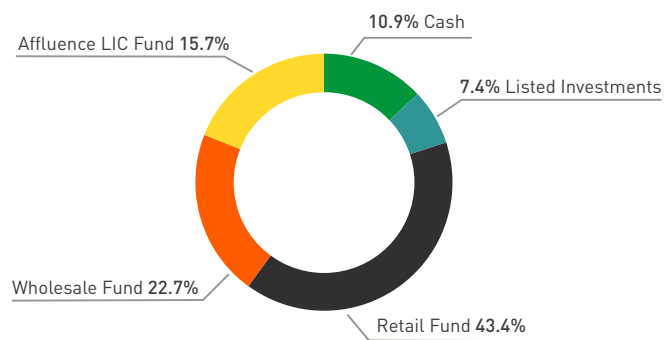


Return on \$100,000 Investment

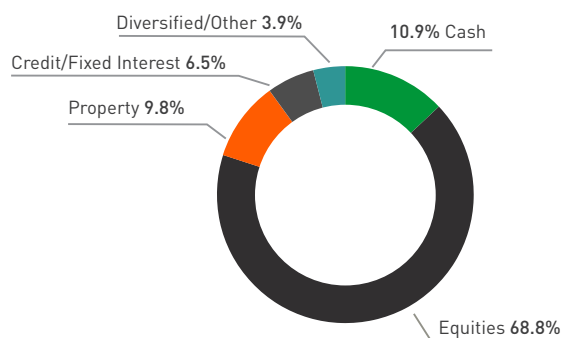


Portfolio Summary

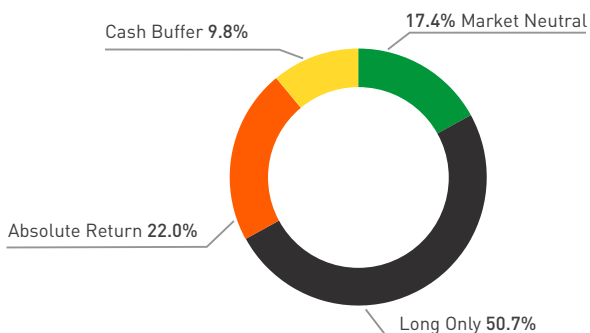
Underlying Investment Types



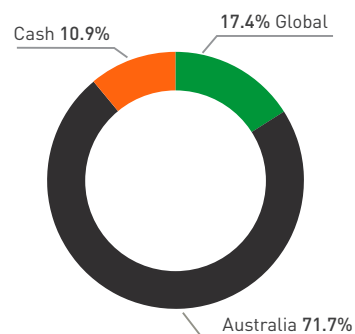
Asset Class



Equities Strategies



Geographic Exposure



Top 10 Largest Investments

Affluence LIC Fund

Phoenix Opportunities Fund

Cromwell Direct Property Fund

Wentworth Williamson Fund

Cooper Investors Brunswick Fund

Packer & Co Investigator Trust Fund

Alexander Credit Opportunities

EGP Concentrated Value Fund

KIS Asia Long Short Fund

Antipodes Global 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	\$7.7m
Entry Price	\$1.0757
Exit Price	\$1.0681
Annual Distributions	5.40 cpu
Distribution Yield	5.0% 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:

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Meet The Portfolio Managers



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