



Affluence LIC Fund

Fund Report - December 2017

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Fund Commentary

The Affluence LIC Fund's strong run continues, increasing by 1.6% in December. The overall market continues to perform strongly, with the ASX 200 Index up 1.8%, and the ASX Listed Investment Company Index was up 2.1% for the month. Returns since inception for the Fund are 14.8% per annum, compared to the ASX 200 Index of 14% per annum. These returns have been delivered with less than half of the volatility of the index.

Our best performers for the month were Acorn Capital Investments (ACQ), WAM Microcap Limited (WMI), Future General Limited (FGX), Future Generation Global Limited (FGG), and Australian Foundation Investment Company (AFI). There were limited detractors. The portfolio remained relatively unchanged, however we

continue to constantly monitor for signs of trouble on the horizon.

At the end of December, the Fund held investments in 29 Listed Investment Companies representing 86% of the Fund, 14% in cash, and some LIC call options (in case markets continue to rally) and ASX 200 Index put options (in case markets fall significantly). Our allocation to global equities has reduced over the past few months. This is partly due to our caution around increasing global valuation levels, as well as overall discounts in the sector compressing.

If you qualify as a wholesale/sophisticated investor and are interested in the Fund, contact us and we will let you know when the Fund is next open. Alternatively, you can gain access through our

Affluence Investment Fund, which currently invests around 20% of its portfolio in the Affluence LIC Fund.

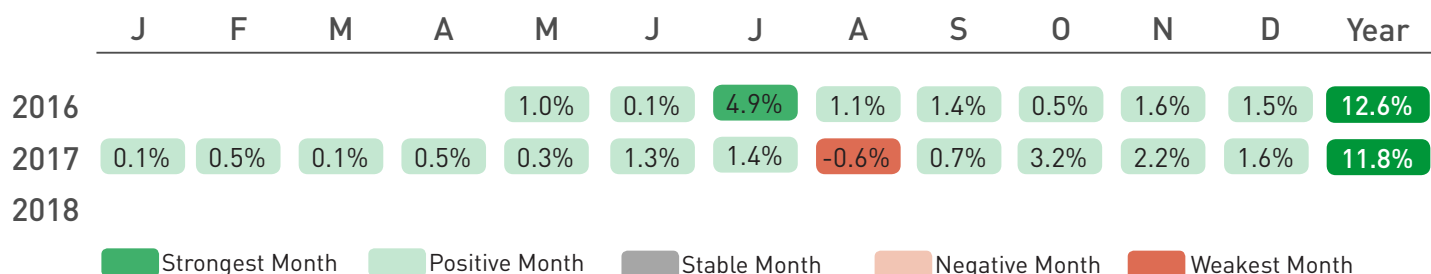
Fund Performance

To 31 December 2017

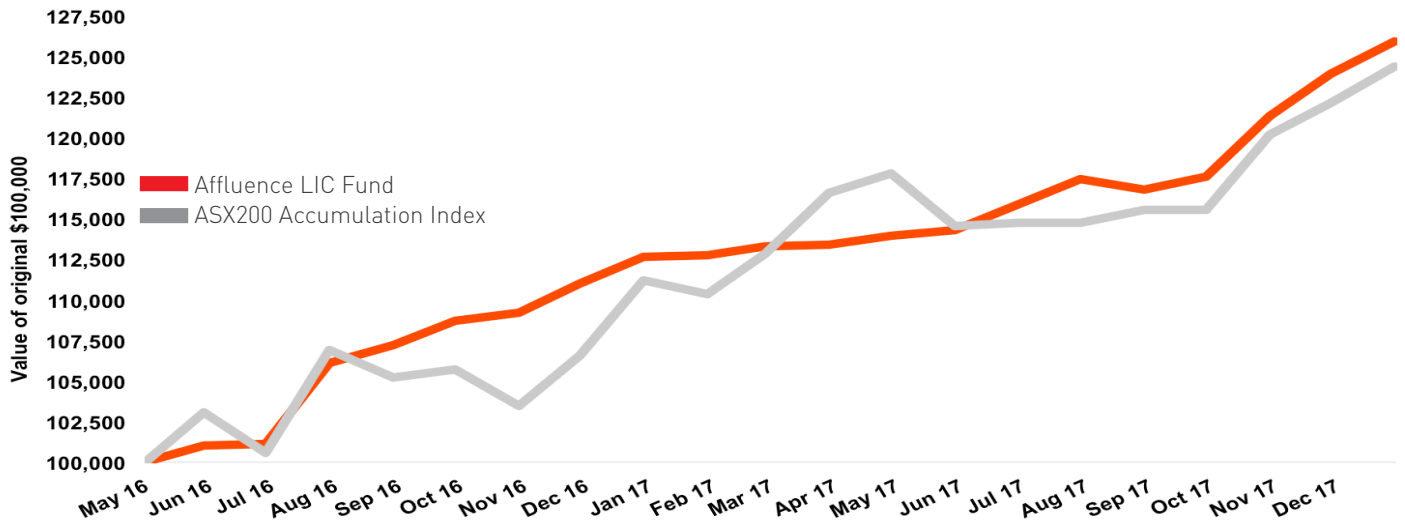
	1 Month	3 Months	6 Months	1 Year	Inception	Volatility
Affluence LIC Fund	1.6%	7.1%	8.7%	11.8%	14.8%	4.2%
ASX200 Accumulation Index (AI)	1.8%	7.6%	8.4%	11.8%	14.0%	8.5%
Outperformance against ASX200AI	(0.2%)	(0.5%)	0.3%	0.0%	0.8%	

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 3 May 2016.

Fund Monthly Return History

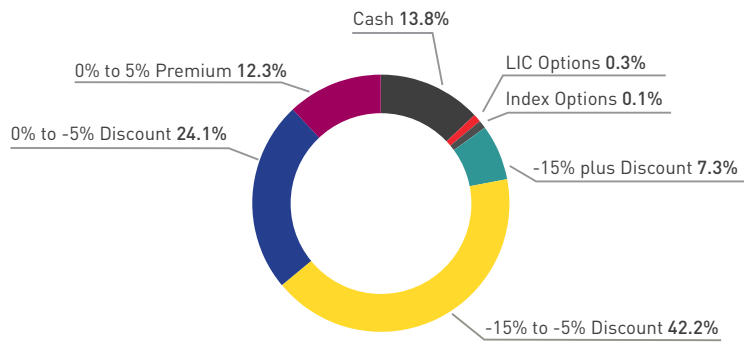


Return on \$100,000 Investment

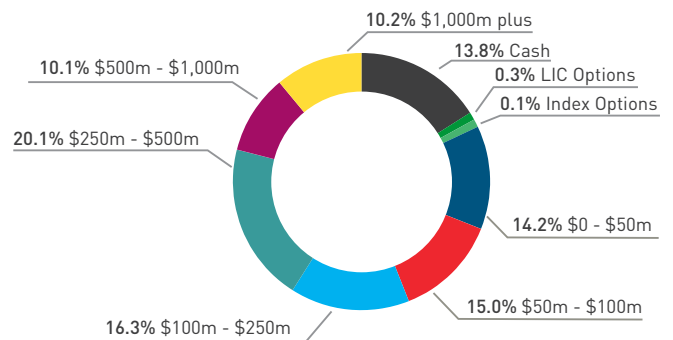


Portfolio Summary

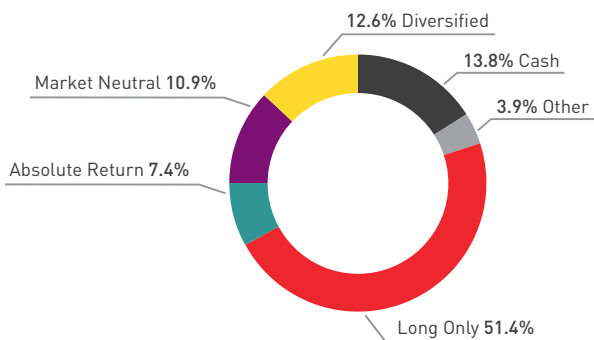
NTA Discount Band



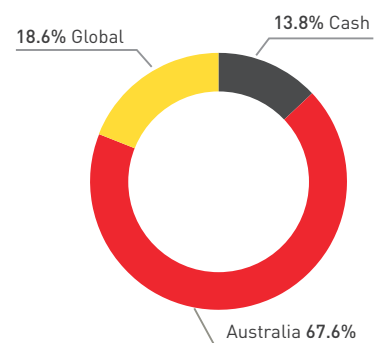
Portfolio by Market Cap



Equities Strategy



Geographic Exposure



Largest Investments

- Future Generation Investment Company (FGX)
- WAM Leaders Fund (WLE)
- Australian Foundation Investment Company (AFI)
- Future Generation Global Fund (FGG)
- MFF Capital Investments (MFF)

Want to know more about Listed Investment Companies (LICs)?

Download our free guide to LICs by clicking [here](#).

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 LICs, 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	Listed Investment Companies
Minimum Investment	\$20,000
Suggested Timeframe	At least 5 years
Benchmark Returns	ASX200 Accumulation Index
Entry Price	\$1.1642
Exit Price	\$1.1619
Annual Distributions	5.50cpu
Distribution Yield	4.7% p.a.
Distribution Frequency	Quarterly
Applications	Please Contact Us
Withdrawals	Monthly
Management Fees	Nil
Performance Fee	12.5% of positive performance
Buy/Sell Spread	0.10%/0.10%

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 ASX Listed Investment Companies as selected by Affluence. We aim to outperform the ASX200 Accumulation Index over rolling 3 year periods and 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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