



FUNDS MANAGEMENT
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Affluence LIC Fund

Fund Report - April 2017

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Fund Commentary

The ASX 200 Accumulation Index increased by 1% in April, continuing a very strong period since November 2016. The Affluence LIC Fund celebrated its first birthday this month, and increased by 0.5%. We have now seen the Fund go for 12 months since inception with no negative results. Returns for the first year have been very pleasing at 13.9%. Despite underperforming the market during this period, returns for the Fund have been delivered with very low volatility, and we believe we are well positioned to withstand any market downturn.

At the end of April, the Fund held investments in 22 Listed Investment Companies representing 86% of the Fund, 13% in cash, and 1% in LIC options which can provide potential upside if markets rally strongly from here. We also held a small

number of index put options which may contribute positively if markets fall substantially over the next few months.

Positive contributors during the month were made by Wealth Defender (WDE), MFF Capital Investments (MFF) and we recycled some options in Antipodes Global Investments for a profit (APL). We topped up quite a few positions in April, but overall the portfolio remains fairly similar. We believe we have a good mix of Alpha Generators (those managers who we believe can outperform their relative market benchmarks) and Discount Capture (trading the discount to NTA for a profit). We continue to increase our weighting towards long short and market neutral strategies, to ensure the portfolio is well positioned for a variety of market conditions.

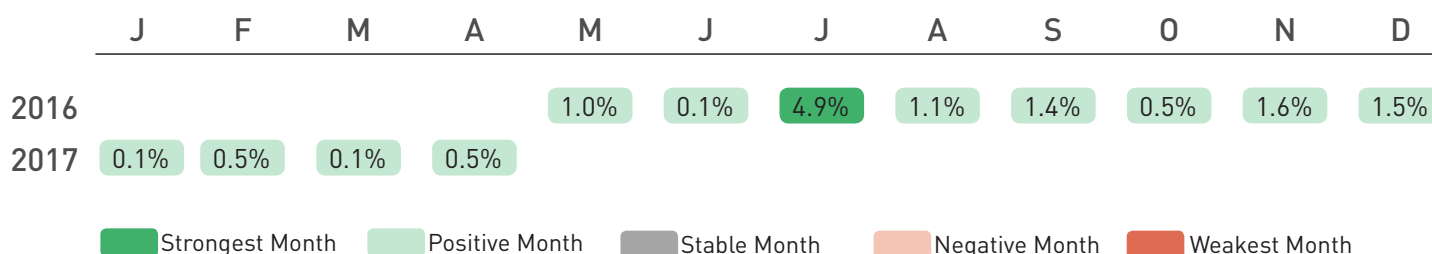
Currently this Fund is closed to new investors, however if you qualify as a wholesale/sophisticated investor and are interested in the Fund, please let us know and we will place you on the waiting list when we open it again in the future. Alternatively, you can gain access through our Affluence Investment Fund, which currently invests around 20% of its portfolio in the Affluence LIC Fund.

Fund Performance

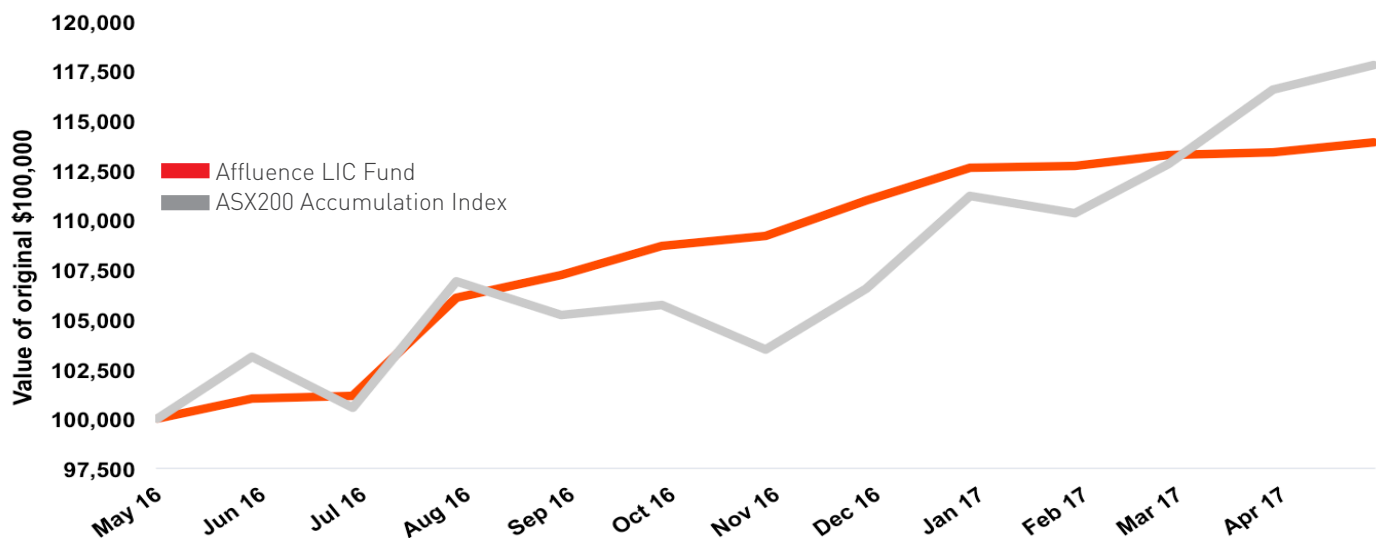
To 30 April 2017	1 Month	3 Months	6 Months	1 Year	Inception	Volatility
Affluence LIC Fund	0.5%	1.1%	4.3%	13.9%	13.9%	4.6%
ASX200 Accumulation Index (AI)	1.0%	6.7%	13.8%	17.8%	17.8%	9.6%
Outperformance against ASX200AI	(0.5%)	(5.6%)	(9.5%)	(3.9%)	(3.9%)	

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

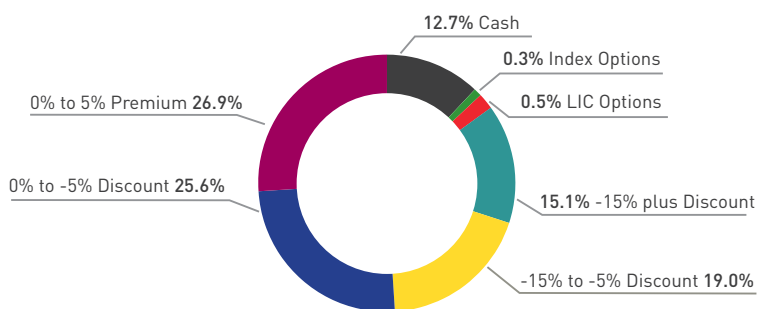


Return on \$100,000 Investment

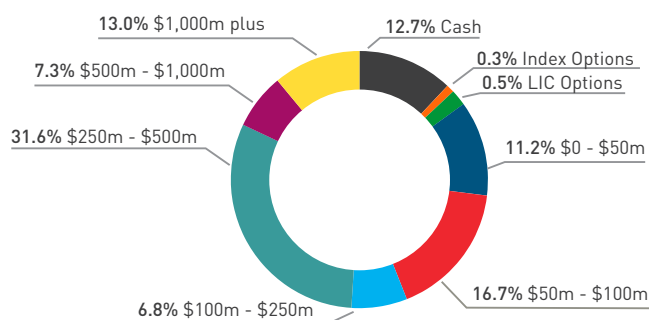


Portfolio Summary

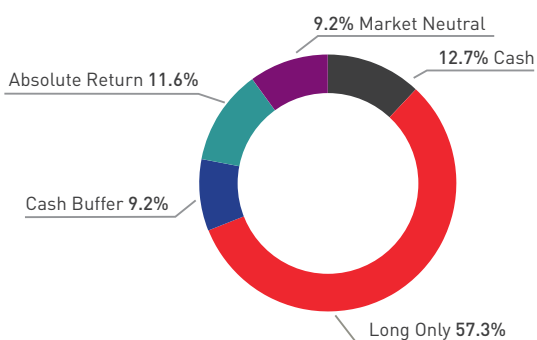
NTA Discount Band



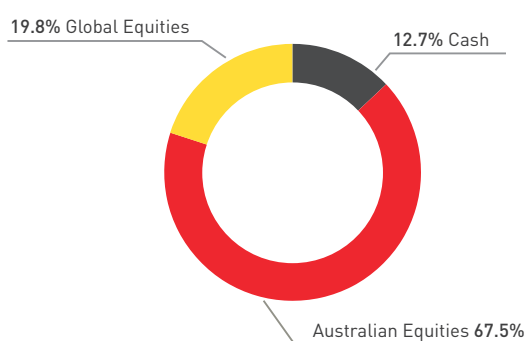
Portfolio by Market Cap



Equities Strategy



Geographic Exposure



Largest Investments

MFF Capital Investments (MFF)

Australian Foundation Investment Company (AFI)

Future Generations Investment Fund (FGX)

Absolute Equity Performance (AEG)

Plato Income Maximiser (PL8)

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 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	Listed Investment Companies
Minimum Investment	\$20,000
Suggested Timeframe	At least 5 years
Benchmark Returns	ASX200 Accumulation Index
Entry Price	\$1.1308
Exit Price	\$1.1285
Applications	By Offer
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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