



Affluence LIC Fund

Fund Report - February 2018

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Fund Commentary

After going on a rollercoaster ride, the Affluence LIC Fund decreased by 0.1% in February. The ASX 200 Index ended the month up 0.4%, however was down nearly 5% early in the month before recouping the losses. The ASX Listed Investment Company Index was down 1.1% for the month. Returns since inception for the Fund are 13.1% per annum, compared to the ASX 200 Index of 12.6% per annum. These returns have been delivered with approximately half of the volatility of the index.

There was wide disparity of returns this month. Positive contributors included Acorn Capital (ACQ) up 5.3%, Alternative Investment Trust (AIQ) up 8.2%, and MFF Capital (MFF) up 4.4%. The major detractors were

Bailador Technology (BTI) down 6.9%, NAOS Absolute Opportunities (NAC) down 3.8% and 8IP Emerging Companies (8EC) down 3%.

At the end of February, the Fund held investments in 29 Listed Investment Companies representing 73% of the Fund, 26% in cash, and some LIC call options (in case markets continue to rally) and ASX 200 Index put options (in case markets fall significantly) of 1%. We have been running above 20% cash for the past couple of months, partly due to limited compelling opportunities, and partly due to our sense of increasing risk in the market. In general, share price discounts to NTA are around average to slightly expensive, and overall asset prices are above fair value. We

believe the Fund is well positioned and diversified to withstand most market conditions, and we are constantly looking for attractive opportunities to deploy capital into.

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 15% of its portfolio in the Affluence LIC Fund.

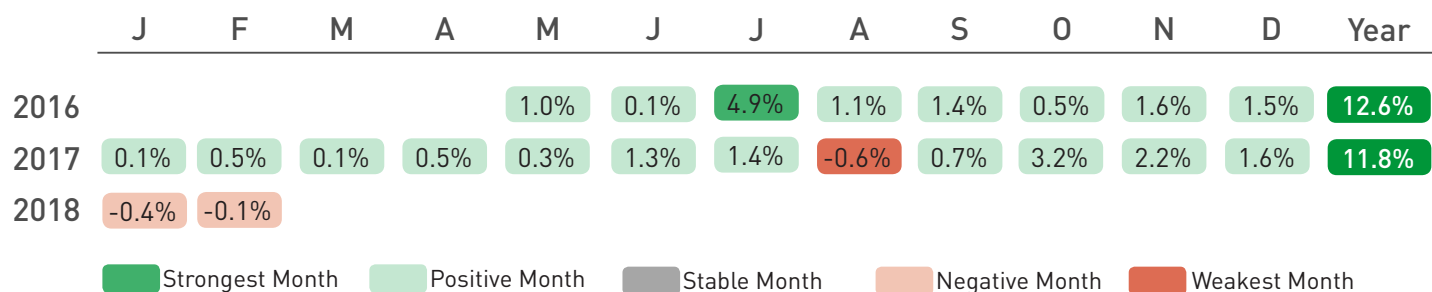
Fund Performance

To 28 February 2018

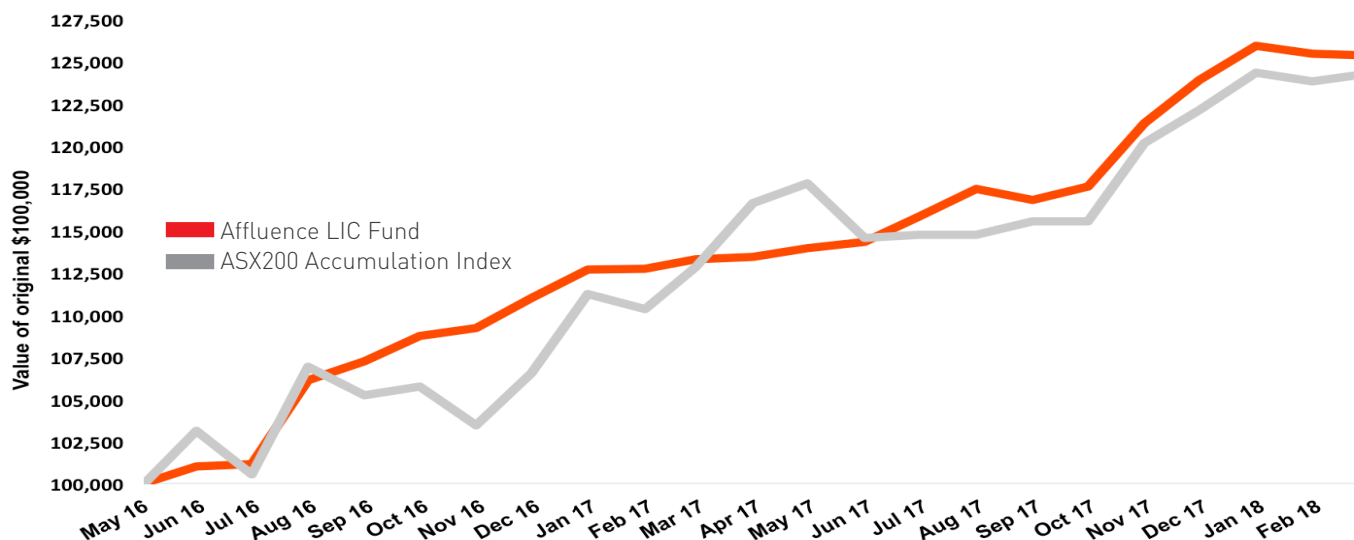
	1 Month	3 Months	6 Months	1 Year	Inception	Volatility
Affluence LIC Fund	(0.1%)	1.2%	7.4%	10.7%	13.1%	4.3%
ASX200 Accumulation Index (AI)	0.4%	1.7%	7.5%	10.1%	12.6%	8.1%
Outperformance against ASX200AI	(0.5%)	(0.5%)	(0.1%)	0.6%	0.5%	

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

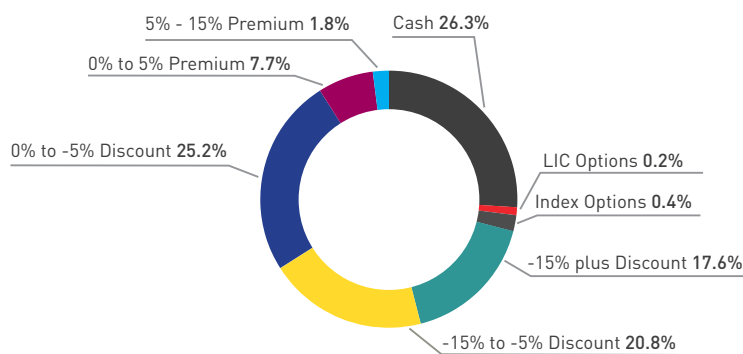


Return on \$100,000 Investment

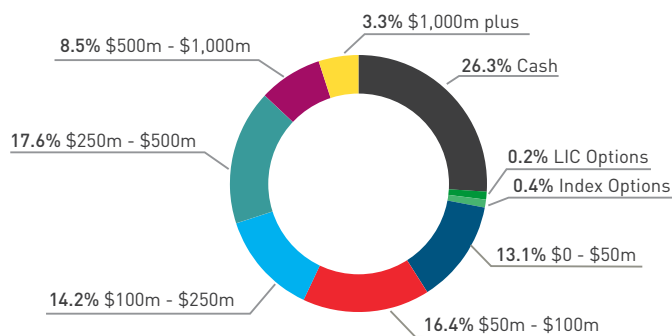


Portfolio Summary

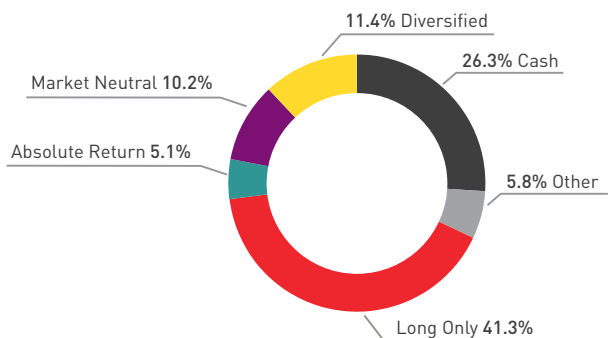
NTA Discount Band



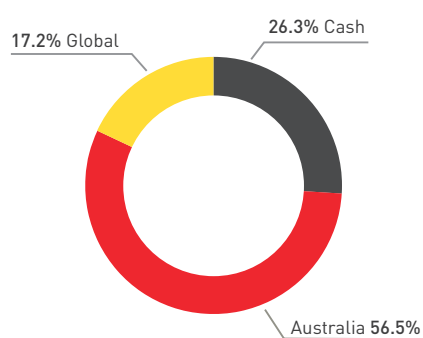
Portfolio by Market Cap



Equities Strategy



Geographic Exposure



Largest Investments

WAM Leaders Fund (WLE)

Future Generation Investment Company (FGX)

Century Australia Investments (CYA)

Future Generation Global Fund (FGG)

Australian Leaders Fund (ALF)

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	\$1.1591
Exit Price	\$1.1568
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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