



Affluence LIC Fund

Fund Report - March 2017

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Fund Commentary

The ASX 200 Accumulation Index increased by 3.3% in March, continuing a very strong period since November 2016. In contrast, the Affluence LIC Fund increased by 0.1%, in what was a difficult month for LICs, with limited buying interest. Despite that, we have now seen the Fund go for 11 months since inception with no negative results. Returns to date have been very healthy at 13.4%. Despite underperforming the market slightly during this period, returns for the Fund have been delivered with very low volatility, and we are well positioned to withstand any market downturn.

At the end of March, the Fund held investments in 21 Listed Investment Companies representing 77% of the Fund, plus 22% 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 mostly globally focused LICs such as Templeton (TGG) and Platinum Asia (PAI). As the market rallied quite strongly our market neutral LICs and put options lost value. We increased our large-cap exposure in March, purchasing Argo Investments (ARG) for the first time as it traded well below NTA. We also sold Platinum Asia and bought Platinum Capital (PMC). We topped up our holding in Century (CYA) as the chances of Wilson Asset Management taking control of this LIC increased substantially.

Currently this Fund is closed to new investors, however if you qualify as a

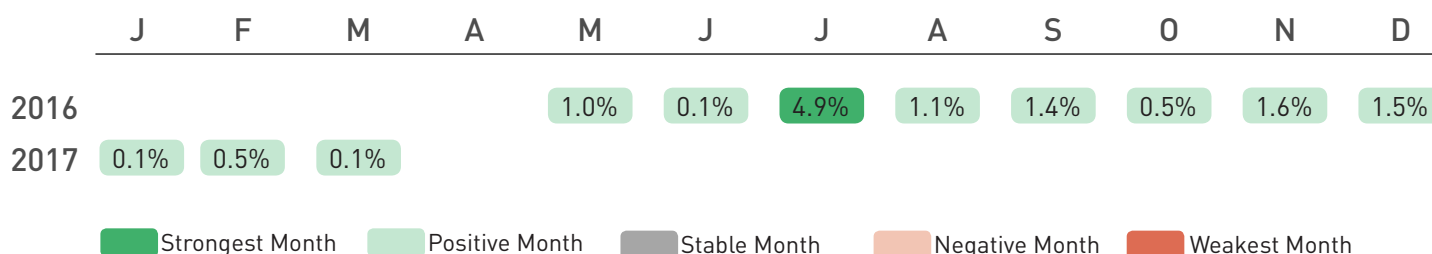
wholesale/sophisticated investor and are interested in the Fund, please let us know and we will place you on the waiting list if we open it again in the future. Alternatively, you can gain access through our Affluence Investment Fund, which currently invests around 20% of its portfolio in the Affluence LIC Fund.

Fund Performance

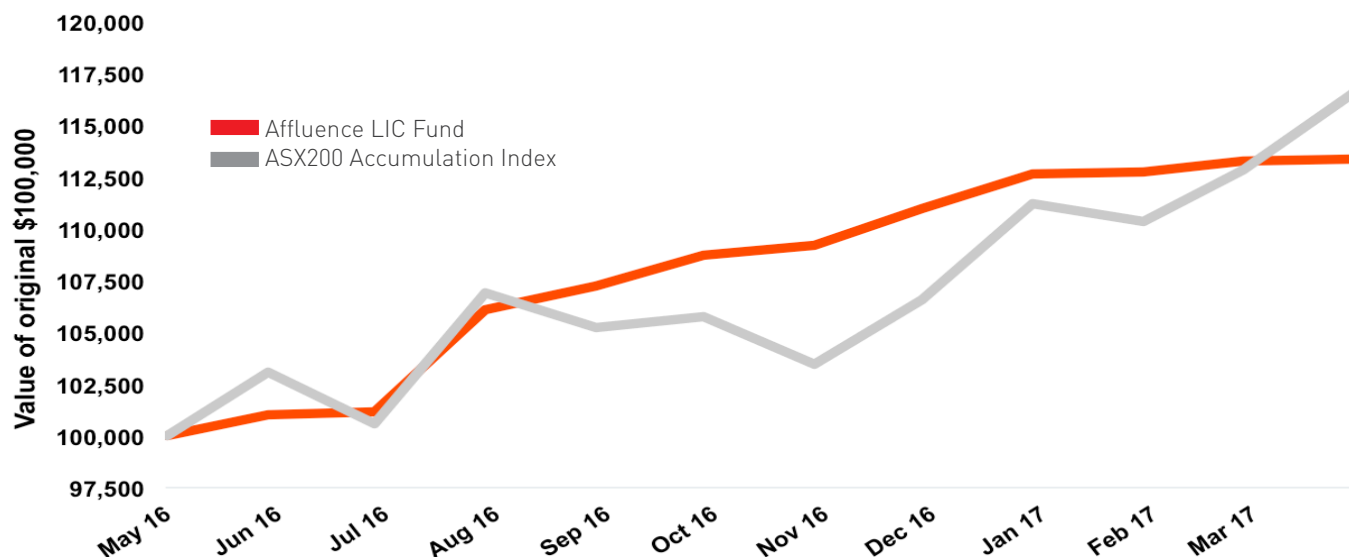
To 31 March 2017	1 Month	3 Months	6 Months	Inception	Volatility
Affluence LIC Fund	0.1%	0.7%	4.3%	13.4%	4.7%
ASX200 Accumulation Index (AI)	3.3%	4.8%	10.2%	16.6%	10.1%
Outperformance against ASX200AI	(3.2%)	(4.1%)	(5.9%)	(3.2%)	

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

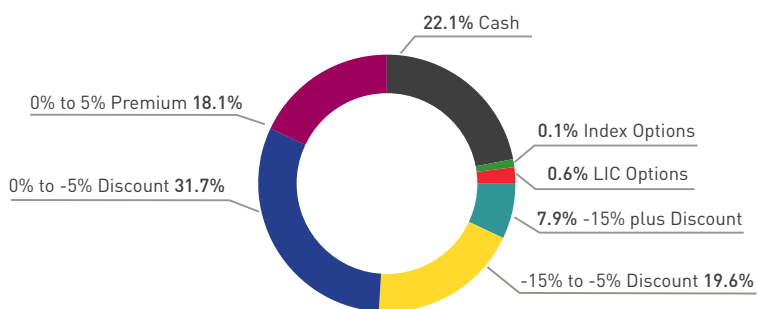


Return on \$100,000 Investment

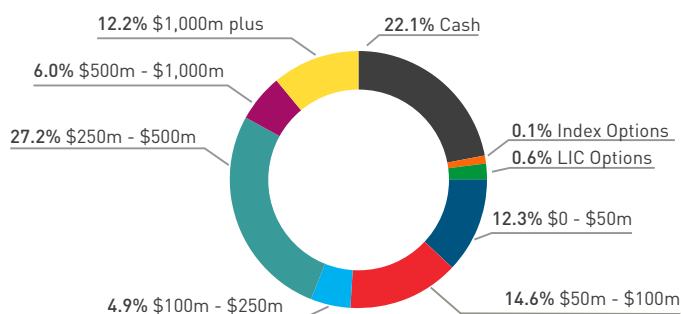


Portfolio Summary

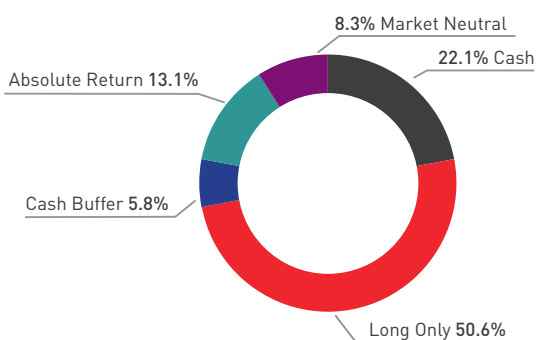
NTA Discount Band



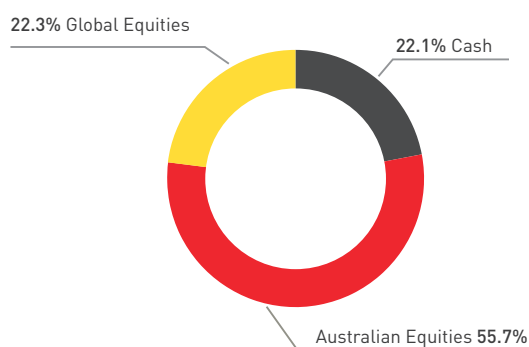
Portfolio by Market Cap



Equities Strategy



Geographic Exposure



Largest Investments

Australian Foundation Investment Company (AFI)

Future Generation Investments (FGX)

MFF Capital Investments (MFF)

Absolute Equity Performance (AEG)

Future Generation Global (FGG)

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	\$1.1255
Exit Price	\$1.1232
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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Affluence Funds Management Limited ABN 68 604 406 297 ("AFM") has prepared this report and is the trustee, and the issuer of units in, the Affluence Investment Fund. The Fund is not currently open for investment but is expected to be during 2017. The information in this report has been prepared without considering your objectives, financial situation or needs. Therefore, in deciding whether to acquire or continue to hold an investment in the Fund, you should consider any future IM and assess, with or without your financial or taxation adviser, whether the product fits your objectives, financial situation or needs.