

# Australian Masters Equity Fund

## Performance Report to 31 March 2017

Managing the Managers

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### Investment objective

The fund aims to outperform the S&P/ASX300 Accumulation Index over a rolling three year period.

### Investment strategy

The Australian Masters Equity Fund is designed to provide investors with access to some of Australia's top fund managers that are normally only accessible to high net worth investors.

The current five underlying funds all have distinctively different methods of investing, providing exposure to the entire breadth of the market. They are highly transparent, 'long only' investors. The size of their individual funds allows them to remain nimble enough to trade quickly as market conditions change, and helps eliminate the possibility that they become index funds.

**Distribution frequency** Half Yearly (Minimum yearly) **Suggested minimum investment time frame** 5 years

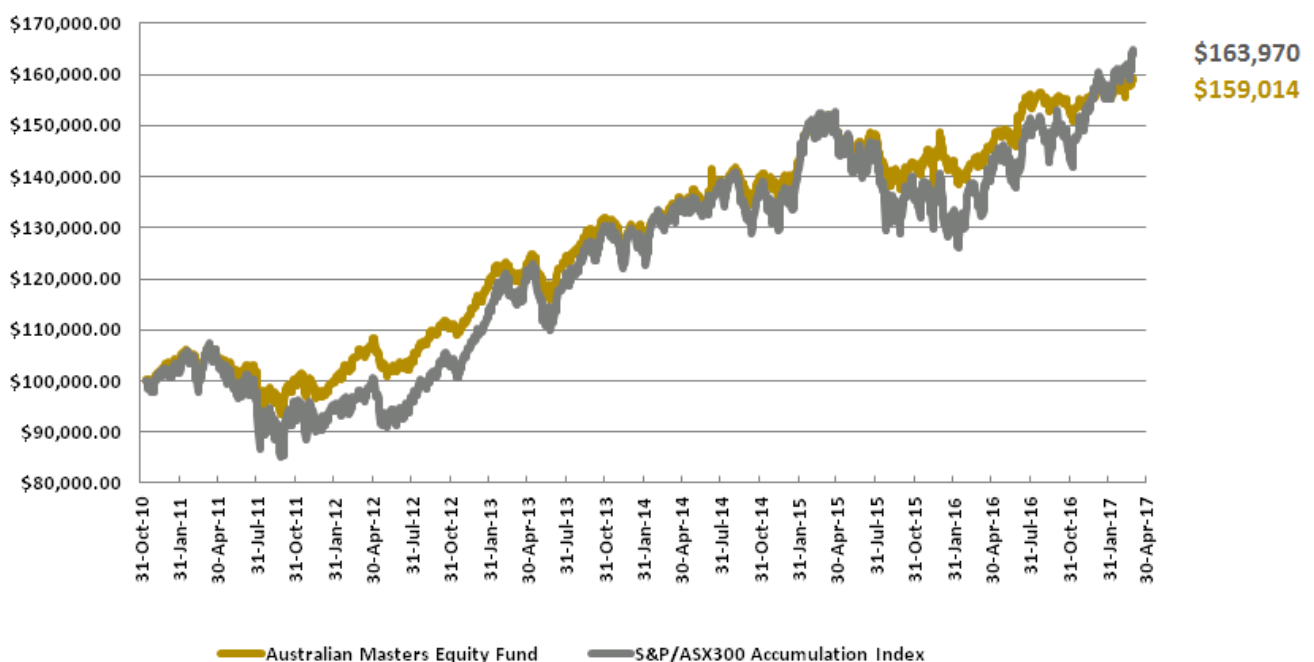
### Fund performance at 31 March 2017

	3 Months	12 Months	3 Years	5 Years	Since Inception**
AMEF	2.29%	10.43%	6.14%	8.55%	59.01%
Benchmark*	4.71%	20.24%	7.51%	10.84%	63.97%
Difference	-2.42%	-9.81%	-1.37%	-2.29%	-4.96%

\* S&P/ASX300 Accumulation Index

\*\* Inception Date- 12 November 2010 (total return)

### Growth of \$100,000 invested since inception



Please note- past performance is not a reliable indicator for future performance. The Australian Masters Equity Fund inception date is 12th November 2010 and fund returns are to 31 March 2017. Performance is based on the NAV prices and is calculated by compounding daily time weighted returns and assumes 100% reinvestments of income. The S&P/ ASX300 Accumulation index assume 100% reinvestments of dividends.



**Airlie Concentrated Share Fund** returned 1.87% in the month of March, underperforming the S&P/ASX 300 accumulation index, which returned 3.28%. Since inception the Fund has returned 62.73%, compared to the S&P/ASX 300 accumulation index which has returned 57.33% over the same period. The portfolio remains cautiously positioned, with the cash weighting in the portfolio just under 30%. Airlie is now beginning to use the cash on specific opportunities that have emerged post reporting season. The top three active positions in the portfolio are Nick Scali Ltd, Caltex Australia Ltd and Gowing Bros Ltd.



**Ophir Opportunities Fund** decreased 1.0% during the month of March, underperforming the S&P/ASX Small Ordinaries Accumulation Index which rose 2.7%. Key contributors to the portfolio performance included A2 Milk (A2M), CBL Insurance (CBL) and Steadfast (SDF). Key detractors to Fund performance included NetComm Wireless (NTC), PWR Holdings (PWH) and Mayne Pharma (MYX). Since inception the Fund has returned 331.6%, compared to the 32.1% returned by the S&P/ASX Small Ordinaries Accumulation Index.



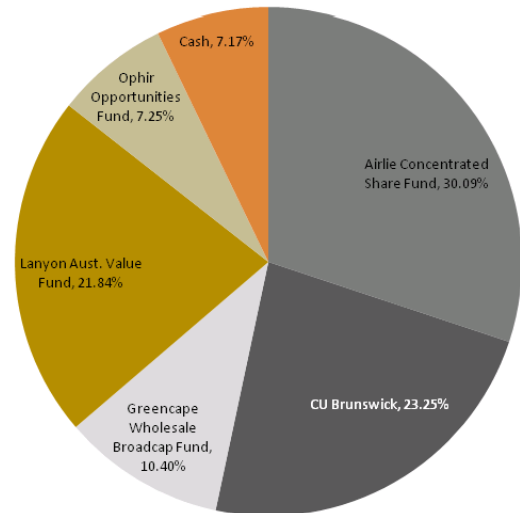
**Cooper Investors Brunswick Fund** returned 3.09% for the quarter ending 31 March, underperforming the S&P/ASX 200 Accumulation Index which returned 4.82%. The key contributors to the portfolio performance were CSL, Bega (BGA) and Washington H Soul Pattinson (SOL). Portfolio stocks that performed poorly include Eureka Group (EGH), Servcorp (SRV) and Aconex (ACX). Since inception the Fund has returned 642.54%, compared to the 191.77% returned by the S&P/ASX 200 Index over the same period.

### Portfolio Holdings as at 31 March 2017

	Strategic Weight
Airlie Concentrated Share Fund	30.09%
CI Brunswick Fund	23.25%
Greencape Wholesale Broadcap Fund	10.40%
Lanyon Australian Value Fund	21.84%
Ophir Opportunities Fund	7.25%
Cash	7.17%



**Greencape Wholesale Broadcap Fund** returned 4.83% for the quarter ending 31 March, outperforming the S&P/ASX 300 Accumulation Index which returned 4.71%. Key contributors to the portfolio performance were A2 Milk (A2M) and G8 Education Ltd (GEM). Key detractors to the portfolio performance were Brambles Ltd (BXB), AirXpanders Inc (AXP), Mineral Resources Ltd (MIN), EML Payments Ltd (EML) and Tox Free Solutions Ltd (TOX).



**Lanyon Australian Value Fund** decreased by 0.20% (net fees) during the month of March, underperforming the broader market (S&P/ASX 300 Accumulation Index) which returned 3.28%. During the quarter, the Chairman of Austock Group Ltd (ACK) resigned and was replaced by two new directors, one of whom is also a substantial shareholder in the company. Lanyon view the change of directors as a welcomed development likely to drive improved shareholder returns. The Fund's cash balance at month end was 60.7%, which was up from 53.4% as at the end of December 2016.

*Unless otherwise specified, any information contained in this publication is current as at 31 March 2017 and is provided by the Australian Masters Equity Management (AMEM) ABN 28 141 461 083. It should be regarded as general information only & not as advice as all investments within the fund involve risk. This has been prepared without taking into account your investment objectives & financial situations. Each person should obtain a Product Disclosure Statement (PDS) relating to the Australian Masters Equity Fund & consider the PDS before making any decision about the product. A copy of the PDS can be obtained from AMEM on 1800 425 451 or on our website [www.amem.com.au](http://www.amem.com.au). Some or all of the directors of AMEM may benefit from fees & commissions of the Australian Masters Equity Fund.*