

# Clime Australian Income Fund

Investment Report - August 2016

## Investment Objective

The Fund aims to achieve a return of at least 3% p.a. above the average 1 year term deposit rate and to minimise volatility and thus maximise capital stability and protection.

## Investment Strategy

The Clime Australian Income Fund (Fund) seeks to provide an income stream above term deposits from a portfolio of Australian listed and unlisted securities, with a view to capital preservation.

The Fund's goal is to select high quality individual investments that allow the creation of a best ideas portfolio for income generation. Portfolio returns are likely to be added to by franking credits.

## Fund Profile - Wholesale

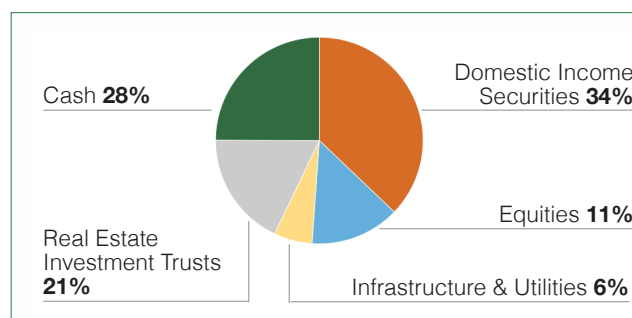
Investment Manager	Clime Asset Management Pty Limited
Investments	The Fund's goal is to select high quality individual investments that allow the creation of a best ideas portfolio for income generation.
Fund Size (Wholesale)	A\$3.57 million
Inception Date	1 July 2015
Income Distributions	Quarterly. Unless otherwise requested, distributions are automatically reinvested.
Management Fee	1.28% p.a. <sup>^</sup>
Contribution Fee	Nil
Minimum initial investment	\$200,000
Minimum additional investment	\$10,000
Expenses	0.21% p.a.
Withdrawal Fee	Nil
Benchmark / Hurdle	3% p.a. above the avg. 1 yr term deposit rate
Investment Horizon	Minimum 3 years

## Performance to 31 August 2016

Period	Portfolio Return	#Hurdle
1 month	-0.01%	0.42%
3 months	3.20%	1.27%
6 months	8.84%	2.57%
1 year	9.08%	5.27%
Inception*	8.67%	5.27%

\* Inception: Wholesale Units: 1 July 2015. Performance figures calculated after all applicable fees and taxes. Performance figures compare unit price to unit price for the given period.

## Asset Allocation



## Top 5 Holdings

Stock	Code	Weight %
Multiplex Convertible Notes	MXUPA	2.53
Viva Energy REIT	VVR	2.42
Peet Limited Simple Bond 7.5%	PPCHA	2.30
National Australia Bank Limited	NAB	2.29
Australia & New Zealand Banking Group	ANZ	2.26

## Distributions

Period Ending	Wholesale Units (cents per unit)
30 June 2016	2.1483
31 March 2016	0.8246
31 December 2015	0.2390
30 September 2015	0.5383

## Wholesale Units - Monthly Returns since inception

Financial Year	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	CAIF FYTD	#Hurdle FYTD
2015 - 16	0.5%	0.6%	-1.3%	2.5%	-0.6%	1.5%	-1.6%	-0.3%	2.5%	1.3%	1.7%	0.7%	<b>7.6%</b>	5.4%
2016 - 17	2.5%	-0.01%											<b>2.5%</b>	0.8%

# Based on the published 12mth interest rate of 4 Australian major banks (reset every year) + 3%. FYTD represents net return for the given financial year, calculated after all applicable fees and taxes. Performance figures compare unit price to unit price for the given period. \* Inception date as at 1 July 2015 (Wholesale) at which point the Fund's units NAV was struck at an inception price of AUD 1.00. ^ The Australian Income Fund is currently in the incubation phase and at this time the manager is not charging a management fee. This will be reviewed when the Fund size reaches \$4m AUD

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