

## CBG Australian Equities Fund (Retail)

The Fund's goal is to generate sustainable long-term capital growth.

The CBG Australian Equities Fund returned -1.7% net of fees in November, compared to a -2.2% return for the S&P/ASX 200 Accumulation Index. Over the twelve months to November, the Fund returned +2.3% net of fees, which is +3.3% ahead of the Index return of -1.0%.

Markets continue to be volatile as investors assess the likely outcomes of China/US trade and Brexit negotiations and the path of global interest rates. Equities were buoyed at month end by a change in US Federal Reserve rhetoric, with Chairman Jerome Powell commenting that rates are "just below" a neutral level. A lower than expected US inflation number was also supportive of a moderating rates outlook. Clime CBG remains focused on identifying mispriced opportunities that may arise in this environment.

The strongest contributors within the portfolio for the month were:

- HUB24 (+21.2%) recovering from an October share price fall after the company reported strong quarterly inflows of \$638m, up 19% on the pcp.
- Afterpay Touch (+15.5%) following a strong update on early success in the US market, where over 300,000 customers have already transacted with APT only six months after launch.
- Jumbo Interactive (+14.6%) after announcing an initial software licencing agreement, which is expected to support margin expansion and is a positive indicator for future deals.

The largest detractors were:

- Bravura Solutions (-11.2%) given concerns around the potential impact of Brexit uncertainty on UK earnings, while management affirmed the strong pipeline of work.
- Lendlease (-28.1%) declined after announcing a \$350m provision for underperforming engineering contracts.
- James Hardie (-14.9%) after second quarter earnings missed expectations on higher input costs in the US.

## Snapshot

November Portfolio return	Net annual return	Fund size
-1.7%	2.3%	\$26m

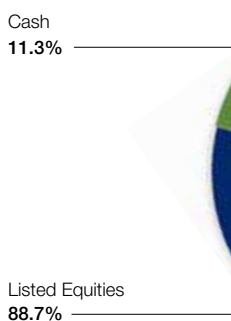
## Fund Performance (30/11/18)

	1 month	6 months	1 year	3 years*	5 years*	Inception
Fund Return	-1.7%	-3.9%	2.3%	3.1%	5.7%	6.0%
S&P/ASX200 Accumulation Index	-2.2%	-3.7%	-1.0%	7.7%	5.8%	5.5%

Inception: 24 March 2006.

\*Performance figures for more than 1 year are annualised, calculated after all applicable fees. Performance figures compare unit price to unit price for the given period. The returns exclude the impact of imputation.

## Asset Allocation



## Top 5 Holdings

Security	Code	Weight%
BHP Billiton Ltd	BHP	8.0%
CSL Ltd	CSL	6.4%
Afterpay Touch Group Ltd	APT	5.7%
Jumbo Interactive Ltd	JIN	5.6%
HUB24 Ltd	HUB	5.3%

## Distributions

Period Ending	Retail Units (cents per unit)
30 June 2018	32.89
30 June 2017	7.08