



Australian Share Fund

"Where sensible investing goes to work"

Factsheet and Performance Review

NOVEMBER 2017

TOTAL RETURNS (AFTER FEES) AS AT 30 NOVEMBER 2017

	Nov	Oct	Sept	3 MTHS	6 MTHS	12 MTHS	INCEPTION (p.a.)	(Total)
Meme Australian Share Fund	+ 4.39 %	+ 7.08 %	+ 1.23 %	+ 13.16%	+ 13.80%	+ 3.34%	+ 14.15%	+ 79.46%
All Ordinaries Accumulation Index	+ 1.91 %	+ 4.06 %	+ 0.05 %	+ 6.10%	+ 7.44%	+ 17.66%	+ 10.21%	+ 53.68%
Performance Relative to Benchmark	+ 2.48 %	+ 3.02 %	+ 1.18 %	+ 7.06 %	+ 6.36%	- 14.32%	+ 3.94%	+ 25.78%

Past performance is not necessarily indicative of future performance. Portfolio results assume distributions totalling \$0.15015 have been reinvested. Inception was 1 July, 2013.

INVESTMENT OBJECTIVE: To outperform the S&P/ASX All Ordinaries Accumulation Index over rolling three year periods, through active investment in ASX listed securities outside the S&P/ASX 20.

INVESTMENT APPROACH: The Fund takes an evidence-based quantitative approach to investing and uses a robust and back-tested trend-following strategy to identify investment opportunities expected to provide both positive price appreciation and relative price out-performance over the medium to long term. The Fund rigorously applies a set of capital management rules to manage both risk and return such that any losses are taken while they are small while gains are given room to compound until their long-term price trends become exhausted or their relative out-performance becomes impaired.

The Fund employs a non-thematic, bottom-up investment style which allows us to quantify both the absolute and relative merits of each investment opportunity and to allocate the Funds' investment capital accordingly. The resulting exposures to the various market sectors are essentially a consequence of that process, such that the strategy at the individual investment level guides the Funds' sector exposure and not the other way around.

The Fund only takes long positions and does not use derivatives. The Fund will hold an allocation to cash to the extent that there are at any time insufficient investment opportunities at appropriate levels of risk.

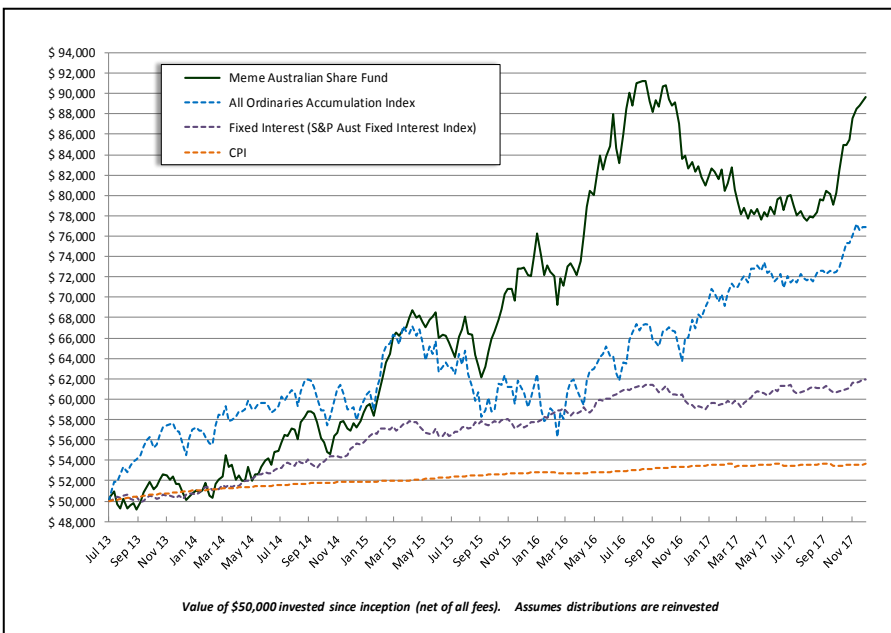
KEY PORTFOLIO METRICS

Assets Under Management	\$ 5.78 mill
Net Asset Value per unit	\$ 1.5848
Number of Holdings	86
Portfolio Components	Cash 0.58% Equities 99.42%

KEY PERFORMANCE METRICS

Open Positions	
Winning Positions	88.4%
Avg Profit / Avg Loss	5.42
All Positions (last 12 months)	
Winning Positions	41.3%
Avg Profit / Avg Loss	3.37

COMPARATIVE PERFORMANCE



	Up Weeks		Rel Mthly Perf when B'mark is	
	Fund	B'mark	Up	Down
1 Year	57.7%	59.6%	-0.85%	+1.60%
2 years	55.8%	56.7%	-0.19%	+0.16%
Inception	59.7%	57.6%	-0.18%	+1.26%

TOP 10 HOLDINGS

Stock	%
A2 Milk (A2M)	5.60
Big Un (BIG)	5.21
Appen (APX)	4.15
Invocare (IVC)	3.22
McMillan Shakespeare (MMS)	3.09
NextDC (NXT)	2.64
Platinum Asset Mgmt (PTM)	2.61
Monadelphous Group (MND)	2.46
Lynas Corp (LYC)	2.36
Mineral Resources (MIN)	2.10
Total Top 10	33.44

MONTHLY PERFORMANCE % BY YEAR (after fees)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013							-0.99	-0.67	4.19	2.94	-1.96	-1.00	2.39
2014	-1.32	3.66	0.16	1.01	1.84	1.01	6.12	1.59	-4.60	1.10	0.42	3.79	15.41
2015	3.29	8.38	2.09	-0.04	1.76	-5.97	5.56	-7.50	4.93	7.12	3.11	4.40	30.48
2016	-4.89	-1.71	3.38	8.60	5.43	0.61	7.18	-3.75	3.68	-4.39	-5.07	-0.72	7.33
2017	-0.81	-1.83	-1.40	-0.30	0.66	0.23	-1.86	2.23	1.23	7.08	4.39		9.65

DISTRIBUTIONS

	Jun	Dec
2013		1.6358
2014	0.6277	1.7428
2015	8.2160	0.0000
2016	1.9278	0.3543
2017	0.5106	

INVESTMENT MANAGER'S COMMENTARY

Review. The positive performance of the Fund continued in November with a strong return of +4.39% compared to the broad market's total return of +1.91%. This most recent result brings the Fund returns since inception to +14.15% per annum, comfortably ahead of the market's +10.21% and increasing the outperformance since inception in 2013 to +3.94% per annum.

Market returns in November were positive across all sectors apart from Telecommunications with the strongest performances provided by the Property, Information Technology and Energy sectors. The recent pattern of dominance of the smaller cap stocks continued through November, with the ASX20 returning just 0.97% while the Small Ordinaries (ASX100-ASX300) and Emerging Companies (ASX300+) stocks returned +3.90% and +4.24% respectively. That our portfolio bettered these top performing segments is reflective of the strategys' tendency to be biased towards the strongest stocks amongst the strongest sectors. Our active bottom up investment style guides our portfolio allocations such that they continue to respond to these market performance characteristics as they evolve over time.

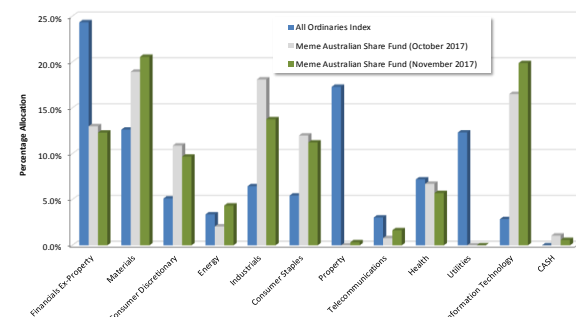
Attribution. The five most positive contributors to the funds' November performance of +4.39% were Big Un (BIG, +1.50%), Appen (APX, +1.00%), McMillan Shakespeare (MMS, +0.33%), NextDC (NXT, 0.29%), and Lynas Corp (LYC, +0.27%) while the five most negative contributors were Living Cell Technologies (LTC, -0.23%), A2 Milk (A2M, -0.19%), Maca Ltd (MLD, -0.19%), Fisher & Paykel (FPH, -0.18%) and Xero Ltd (XRO, -0.15%).

Allocations. In line with the continuing market bias towards smaller cap stocks, our allocation to this group continues to increase, with our exposure to stocks outside the ASX100 rising from 86.4% to 88.7% over the month. The fund remains fully invested with cash remaining low at about 0.6%. Our largest sector allocations continue to be Materials, Industrials and Information Technology which collectively account for over 54% of the funds' investment capital (compared to comprising just 22% of the broad market). Our capitalisation and sector allocations are primarily a risk-adjusted response to investment opportunities as they arise and they continue to be materially non-correlated to the broad market. We continue to hold strongly to the view that the passive use of capitalisation alone constitutes a very poor premise on which to base meaningful portfolio allocations.

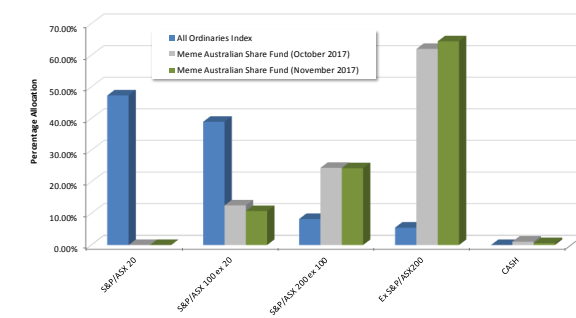
Outlook. The broad market recorded a new post-GFC high in November after breaking the psychologically important 6,000 level early in the month. Prices have since held above that level which at this early stage appears to providing some support as the market appears to have assumed another sideways drift between 6,000 and 6,125. The technical weakness noted in previous months has now somewhat dissipated, giving some confidence that the broad market character has changed post the 6,000 break. We have however noted increased volatility amongst the strongest stocks and anticipate that a number of profit-taking opportunities may present themselves as we close in on year end.

Regardless of the market action from here, our investment strategy will continue to monitor and respond to the market dynamics such that portfolio rotation, expansion or contraction will naturally occur in response to the evolving market circumstances.

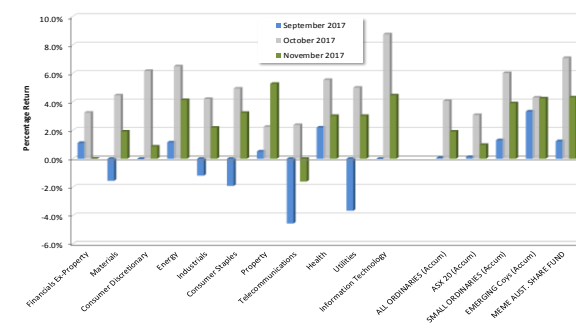
PORTFOLIO ALLOCATION BY SECTOR



PORTFOLIO BY MARKET CAPITALISATION



MARKET PERFORMANCE BY SECTOR (last 3 months)



KEY FEATURES

APIR Code	MMC0003AU	Morningstar™	Ticker: 40932 Category: Equity Australia Mid/Small Growth
Investment Horizon	3 to 5 years	Minimum Investment	\$20,000
Investor Type	Wholesale	Buy/Sell Spread	±0.25% on applications and withdrawals.
Valuations	Weekly and last day of each month.	Distributions	Six-monthly, 30 June and 31 December.
Fees and Costs	Investment Management	1.10% pa (incl. GST but net of applicable Reduced Input Tax Credits (RITC)).	
	Recoverable Expenses	Maximum of 0.77% pa (incl. GST but net of applicable Reduced Input Tax Credits (RITC)).	
	Performance Fee	11.00% pa (incl. GST but net of applicable Reduced Input Tax Credits (RITC)) of out-performance over the All Ordinaries Accumulation Index. High water mark applies.	

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Past performance is not indicative of future performance.

Interests associated with the Investment Manager maintain a significant holding in the Meme Australian Share Fund.

FURTHER INFORMATION

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