



# MAPLE-BROWN ABBOTT

INVESTMENT MANAGERS SINCE 1984

## Maple-Brown Abbott Australian Share Fund (Retail)

28 February 2018

<b>Investment objective</b>	The Fund aims to outperform (before fees) the S&P 200 Index (Total Returns) over rolling four-year periods.
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<b>Performance*</b>	<table border="1"> <thead> <tr> <th>Return</th> <th>1 Month</th> <th>3 Months</th> <th>1 Year</th> <th>3 Years</th> <th>4 Years</th> <th>5 Years</th> <th>10 Years</th> <th>Inception</th> </tr> <tr> <td></td> <td>%</td> <td>%</td> <td>%</td> <td>% p.a.</td> <td>% p.a.</td> <td>% p.a.</td> <td>% p.a.</td> <td>% p.a.</td> </tr> </thead> <tbody> <tr> <td>Growth</td> <td>-0.81</td> <td>0.55</td> <td>-4.70</td> <td>-6.37</td> <td>-2.67</td> <td>-0.72</td> <td>-2.28</td> <td>2.78</td> </tr> <tr> <td>Distribution</td> <td>0.00</td> <td>0.99</td> <td>10.09</td> <td>8.63</td> <td>7.40</td> <td>6.58</td> <td>6.56</td> <td>6.93</td> </tr> <tr> <td>Total</td> <td>-0.81</td> <td>1.54</td> <td>5.39</td> <td>2.26</td> <td>4.73</td> <td>5.86</td> <td>4.28</td> <td>9.71</td> </tr> <tr> <td>Benchmark<sup>1</sup></td> <td>0.36</td> <td>1.72</td> <td>10.10</td> <td>5.07</td> <td>7.36</td> <td>8.01</td> <td>5.40</td> <td>9.59</td> </tr> </tbody> </table> <p>* The Fund performance relates to retail investors only. If you are a wholesale investor, you can obtain up to date returns at <a href="http://maple-brownabbott.com.au">maple-brownabbott.com.au</a>. Inception date: 1 June 1986 <sup>1</sup> Benchmark: S&amp;P/ASX 200 Index (Total Returns)</p>	Return	1 Month	3 Months	1 Year	3 Years	4 Years	5 Years	10 Years	Inception		%	%	%	% p.a.	% p.a.	% p.a.	% p.a.	% p.a.	Growth	-0.81	0.55	-4.70	-6.37	-2.67	-0.72	-2.28	2.78	Distribution	0.00	0.99	10.09	8.63	7.40	6.58	6.56	6.93	Total	-0.81	1.54	5.39	2.26	4.73	5.86	4.28	9.71	Benchmark <sup>1</sup>	0.36	1.72	10.10	5.07	7.36	8.01	5.40	9.59
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<b>Market commentary</b>	The Australian equity market was up modestly over the month, with the S&P/ASX 200 Index (Total Returns) rising 0.4%. The key focus of the Australian market was on the half-yearly company reporting season, which delivered results somewhat above expectations. Local economic data was slightly soft on average, with continued weak wages growth and a slowdown in retail sales. Commodity prices were mixed, with iron ore stronger and oil notably weaker. The Australian Dollar weakened against the US Dollar and the Australian Government 10-year bond yield was broadly steady. Looking at performance by sector, Health Care (+7.0%) was strongest, followed by Consumer Staples (+2.2%), Information Technology (+1.3%), Financials (+0.7%) and Materials (+0.4%). Telecommunication Services (-6.0%) was weakest, followed by Energy (-3.7%) and A-REITs (-3.3%).
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<b>Fund commentary</b>	<p>The Fund had a negative return of 0.81% (after fees) for the month, underperforming the benchmark by 1.17%. Our overweight holding in Coca-Cola Amatil (+6.9%) outperformed, with the full-year result showing signs of stabilising volume trends in the key Australian beverages business. Our overweight position in Primary Health Care (+9.9%) also contributed positively. The company delivered a half-year result broadly in line with expectations, but cash flow was solid and management's re-affirmation of full-year guidance was viewed favourably.</p> <p>Our decision not to hold CSL (+11.4%) and A2 Milk (+47.5%) were significant detractors from performance. Despite trading on what in our view were excessive valuations, both stocks outperformed following the release of strong half-year results. Our overweight holding in Woodside Petroleum (-8.9%) was another notable detractor. Whilst it delivered a full-year result broadly in line with expectations, the market was unimpressed with the announcement of an acquisition and rights issue, which will prove earnings per share dilutive over the medium-term. The stock was further impacted by the weaker oil price. Elsewhere in the commodities space, our overweight holding in Rio Tinto (+5.6%) performed well. The company released a solid full-year result, with particular strength in cash flow and debt reduction creating additional options for capital management. The stock was further supported by higher spot iron ore prices. Our overweight position in Harvey Norman Holdings (-11.3%) contributed negatively. The company released a half-year result below expectations, with higher costs in the Australian franchised business and write-downs from non-core operations.</p>
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<b>Actual asset allocation by sector</b>	<table border="1"> <thead> <tr> <th></th> <th>Fund %</th> <th>Benchmark %</th> </tr> </thead> <tbody> <tr> <td>Energy</td> <td>8.5</td> <td>5.1</td> </tr> <tr> <td>Materials</td> <td>21.9</td> <td>18.1</td> </tr> <tr> <td>Industrials</td> <td>1.1</td> <td>7.0</td> </tr> <tr> <td>Consumer discretionary</td> <td>3.5</td> <td>4.6</td> </tr> <tr> <td>Consumer staples</td> <td>12.6</td> <td>7.5</td> </tr> <tr> <td>Healthcare</td> <td>4.2</td> <td>7.8</td> </tr> <tr> <td>Financials</td> <td>35.1</td> <td>35.5</td> </tr> <tr> <td>Information technology</td> <td>0.1</td> <td>2.0</td> </tr> <tr> <td>Telecommunication services</td> <td>4.1</td> <td>2.8</td> </tr> <tr> <td>Utilities</td> <td>1.7</td> <td>2.0</td> </tr> <tr> <td>Real Estate</td> <td>1.5</td> <td>7.6</td> </tr> <tr> <td>Cash</td> <td>5.7</td> <td>0.0</td> </tr> <tr> <td>Total</td> <td>100.0</td> <td>100.0</td> </tr> </tbody> </table>		Fund %	Benchmark %	Energy	8.5	5.1	Materials	21.9	18.1	Industrials	1.1	7.0	Consumer discretionary	3.5	4.6	Consumer staples	12.6	7.5	Healthcare	4.2	7.8	Financials	35.1	35.5	Information technology	0.1	2.0	Telecommunication services	4.1	2.8	Utilities	1.7	2.0	Real Estate	1.5	7.6	Cash	5.7	0.0	Total	100.0	100.0
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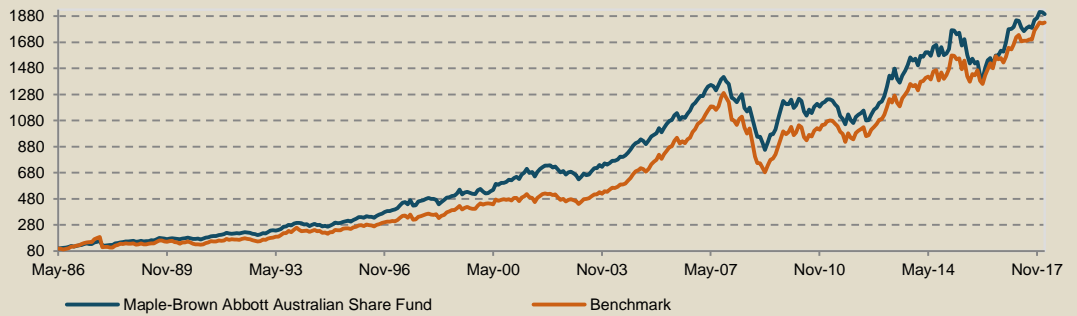
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## Top 10 holdings

	Fund %	Benchmark %
BHP Billiton	10.3	6.1
Westpac Banking Corporation	7.7	6.5
Australia & New Zealand Banking Gp	7.7	5.3
National Australia Bank	7.0	5.1
Wesfarmers	5.4	2.9
Rio Tinto	4.7	2.1
Woodside Petroleum	4.5	1.7
Telstra Corporation	4.1	2.5
Origin Energy	4.1	1.0
Woolworths	4.0	2.2

## Value of \$100 invested at inception



## Key features

Fund size	\$398.8 million
APIR code	ADV0013AU
Date established	June 1986
Distribution frequency	Quarterly
Minimum investment	\$1,500 (\$1,000 with a regular savings plan) <sup>1</sup>
Minimum withdrawal	\$500
Management costs <sup>1</sup>	2.05% pa <sup>2</sup>
Distribution reinvestment	Yes
Buy/Sell spread (%)	Nil
Exit Fee	Nil

<sup>1</sup> Refer to the Product Disclosure Statement and Additional Information Booklet available on our website for further details.

<sup>2</sup> Fees quoted are on a GST inclusive basis and net of any applicable Reduced Input Tax Credits

## Contact us

Investor Services	1800 034 402
Advisor Services	1800 034 402

The Maple-Brown Abbott Australian Share Fund is issued by Maple-Brown Abbott Limited (MBA) ABN 73 001 208 564 AFSL No. 237296. A Product Disclosure Statement (PDS) for the Fund is available at [maple-brownabbott.com.au](http://maple-brownabbott.com.au), by calling 1800 034 402 or from your financial adviser. Financial advisers, please call 1800 034 402. This fact sheet contains general information only and does not take into account individual financial circumstances. Investors should consider the PDS and whether the Fund is appropriate to their circumstances, and seek professional advice before investing in the Fund. An investment in the Fund does not represent an investment in, deposit with or other liability of MBA. It is subject to investment risk, including possible delays in repayment and loss of income and principal invested. MBA does not guarantee the return of capital, performance of the Fund or any specific rate of return. Performance figures are calculated using withdrawal values and assume that income is reinvested. Annual management fees and expenses have been taken into account; however, no allowance has been made for tax or any rebates that may be given. Past performance is not a reliable indicator of future performance.