



# MAPLE-BROWN ABBOTT

INVESTMENT MANAGERS SINCE 1984

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

31 July 2017

<b>Investment objective</b>	The Fund aims to outperform (before fees) the S&P 200 Index (Total Returns) over rolling four-year periods.								
<b>Performance*</b>	<b>Return</b>	<b>1 Month</b>	<b>3 Months</b>	<b>1 Year</b>	<b>3 Years</b>	<b>4 Years</b>	<b>5 Years</b>	<b>10 Years</b>	<b>Inception</b>
		%	%	%	% p.a.	% p.a.	% p.a.	% p.a.	% p.a.
	Growth	1.53	-8.22	3.17	-5.56	-1.32	3.07	-3.15	-0.06
	Distribution	0.00	5.65	11.69	9.68	8.50	8.02	7.57	8.33
	Total	1.53	-2.57	14.86	4.12	7.18	11.09	4.42	8.27
	Benchmark <sup>1</sup>	-0.01	-2.59	7.33	5.11	7.86	10.88	3.83	8.40
	* The Fund performance relates to wholesale investors only. If you are a retail 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 1998								
	<sup>1</sup> Benchmark: S&P/ASX 200 Index (Total Returns)								
<b>Market commentary</b>	<p>The Australian equity market had a steady month, with the S&amp;P/ASX 200 Index (Total Returns) virtually unchanged. Local economic data was generally positive, with business conditions, employment growth and May retail sales data all exceeding expectations. Inflation was a notable exception, with the June quarter release below expectations. Australian Government 10-year bond yields rose by 8 basis points to close at 2.68% and the Australian Dollar (AUD) strengthened by more than 3 cents against the US Dollar (USD). The best performing sectors were resources, supported by stronger commodity prices, and banks, supported by the APRA bank capital announcement, which set less onerous targets than feared. In this context, lacklustre market performance was somewhat unusual and reflected poor performance from most other sectors. There was particular weakness in some of the perceived growth, interest rate sensitive and US-exposed stocks that have been trading on very high multiples. Looking to specific performance by sector, Materials (+3.6%) was the strongest, followed by Financials (+1.2%), Consumer Staples (+1.1%) and Energy (+0.4%). Health Care (-7.5%) was the weakest, followed by Utilities (-5.3%), Telecommunication Services (-4.3%) and Industrials (-3.2%).</p>								
<b>Fund commentary</b>	<p>The Fund had a positive return of 1.53% (after fees) for the month, outperforming the benchmark by 1.54%.</p> <p>The portfolio was well-positioned to benefit from the key trends seen over the month and accordingly our outperformance was broad-based. Our resource holdings performed well, benefiting from strength in commodity prices and in particular that of iron ore, oil and coking coal. Overweight positions in BHP Billiton and Rio Tinto were amongst the top contributors. Our decision not to hold many of the growth and interest rate sensitive stocks that de-rated over the month was also very supportive. The list is long, but notable omissions from the portfolio include CSL, Aristocrat Leisure, Amcor, Sonic Health Care and Sydney Airport. Whilst we were underweight the strongly performing banking sector, the sector proved a net positive as our holdings were focused in the better performing banks. Outside of these themes, we had a number of strongly performing overweight positions. Among these was Harvey Norman Holdings, with the stock outperforming as the market seemingly reappraised the risks posed by the looming entry of Amazon. Our overweight position in Woolworths also contributed positively, with building sales momentum in the supermarkets business creating upside risk for the upcoming full-year result. Our overweight holding in Coca-Cola Amatil was a significant detractor from performance. The stock was impacted by a series of customer issues, with Woolworths announcing that it will destock a number of lines and Domino's Pizza Enterprises terminating its entire supply agreement in favour of competitor Pepsi/Schweppes. Our overweight position in Incitec Pivot also underperformed, weighed down by lower fertiliser prices and the stronger AUD/USD exchange rate.</p>								
<b>Actual asset allocation by sector</b>		<b>Fund %</b>							<b>Benchmark %</b>
	Energy	8.4							4.0
	Materials	21.6							16.7
	Industrials	0.7							7.1
	Consumer discretionary	4.6							4.9
	Consumer staples	12.0							7.1
	Healthcare	2.1							7.0
	Financials	36.3							38.0
	Information technology	2.0							1.4
	Telecommunication services	4.2							3.6
	Utilities	1.4							2.2
	Real Estate	1.5							8.0
	Cash	5.2							0.0
	Total	100.0							100.0



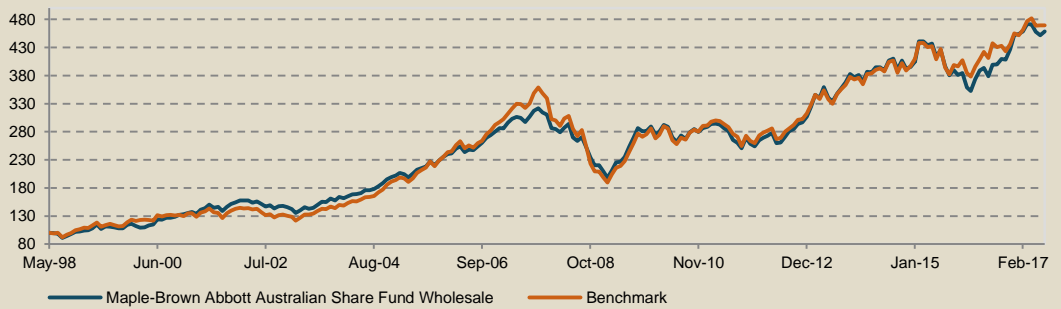
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## Top 10 holdings

	Fund %	Benchmark %
BHP Billiton	9.9	5.5
Westpac Banking Corporation	9.0	7.2
Australia & New Zealand Banking Gp	8.3	5.8
National Australia Bank	6.9	5.3
Wesfarmers	5.2	3.1
Rio Tinto	4.8	1.8
Woodside Petroleum	4.4	1.4
Telstra Corporation	4.2	3.2
Woolworths	4.1	2.3
Origin Energy	3.9	0.8

## Value of \$100 invested at inception



## Key features

Fund size	\$402.0 million
APIR code	ADV0046AU
Date established	June 1998
Distribution frequency	Quarterly
Minimum investment	\$25,000 ( \$1,500 with a regular savings plan) <sup>1</sup>
Minimum withdrawal	\$10,000
Management costs <sup>1</sup>	0.92% pa <sup>2</sup>
Distribution reinvestment	Yes
Buy/Sell spread (%)	0.20/0.20
Exit Fee	Nil

<sup>1</sup> Conditions apply

<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

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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.