

## INVESTMENT OBJECTIVE

The fund seeks to achieve positive investment returns over any 3 year time horizon, with less volatility than the ASX 200 Accumulation index.

The fund is ideally suited to the investor who wants to achieve equity style returns but with a reduced risk profile. The manager engages in an active asset allocation strategy that seeks to dramatically reduce the draw downs that commonly occur in standard long only funds.

## PORTFOLIO MANAGER'S COMMENTS

The fund produced a positive return for the June quarter of 5.51% which compared favourably to the ASX200 index return of 2.95%. Over the course of the 2015/16 financial the fund was +7% while the index was -4.1%. The RBA cash rate which had been steady at 2% was cut to 1.75% in early May. Market consensus seems to be for more rate cuts to come, though one may debate the cost/benefit of such at what are already multi-generational lows.

While major holdings remained largely intact, there were a number of new additions. There was a focus on technology plays that have been listed for a while now and had experienced a period of share price underperformance but whose underlying earnings growth stories and balance sheet strength had notably improved. This included geospatial mapping company NEARMAP (NEA) which is expanding into North America and New York based UPDATER (UPD) which provides a suite of logistical and utility solutions to the market of 17 million households which move in that country every year.

A pre-existing position in water treatment company PHOSLOCK (PHK) was added to via a placement which came after they had extinguished all debt covenants and looked to fund themselves for near-term expansion plans. Utilities and infrastructure software solutions company GENTRACK (GTK) was also purchased after displaying proof that a miss on its original IPO earnings forecast was behind it.

The fund's position in data centre provider NEXT DC (NXT) was exited at what proved to be a lower than possible realised price but that money was immediately put to work by increasing exposure to the same group's property trust ASIA PACIFIC (AJD) which we believe will be the ongoing recipient of a positive revaluation by the market.

On the trading side we have engaged in only occasional and partial index hedging through what was a choppy period. We continued to participate in the momentum behind a phalanx of gold, lithium and graphite plays but by the end of the quarter had largely scaled back on such outside of some ongoing gold exposures.

## PERFORMANCE FIGURES

	3 Month	1 Year
<b>Calibre Fund</b>	<b>+5.51%</b>	<b>+7.00%</b>
ASX 200 Index	+2.95%	-4.14%
RBA Cash Rate	+0.44%	+1.93%

## KEY INFORMATION

Risk rating	Moderate
Benchmark	RBA Cash Rate
Inception date	October 2010
Minimum investment	AUD \$50,000
Management company	Sanlam Private Wealth
Portfolio Manager	Albert Landman
Initial fees	Nil
Management fees	1.5% per annum
Withdrawal	Weekly

## ABOUT SANLAM PRIVATE WEALTH

Sanlam Private Wealth is a holistic, integrated wealth management business that provides advice and manages assets for high net worth private individuals, cultural organisations, charitable institutions and similar entities, with investable assets of more than R1 million.

Ranked #1 wealth manager in South Africa for the second year running.

Full details and basis of the award is available on request from Sanlam Private Wealth.

## TOP 5 HOLDINGS

- Asia Pacific Data (AJD)
- Diversa Limited (DVA)
- Gale Pacific (GAP)
- Phoslock Water (PHK)
- Skydive The Beach (SKB)

## APPROXIMATE ASSET BREAKDOWN

