Zenith Investment Partners Pty Ltd

Highly Recommended
Recommended
Approved
Not Approved
Redeem

Ausbil - Australian Emerging Leaders Fund

30 Apr 2010

Ausbil Dexia Limited's (Ausbil) Emerging Leaders Fund is a well managed portfolio offering a style neutral exposure to mid caps (top 50 to 100 companies) and small caps (ex- top 100 companies) with an expected portfolio split of around 70% / 30% respectively. Ausbil employs a large investment team comprising 14 individuals who are dedicated to both the large cap and small cap segments of the Australian equities market. Zenith rates the investment team highly based on our positive view of the key investment personnel at the Manager, and the structure and depth of the team. Under its unique investment approach, which combines both top-down and bottom-up analysis, the Fund has established an impressive long term track record of relative outperformance of the benchmark and median manager.

Ausbil was established as a boutique Australian equities manager in August 1997 as a joint venture between the foundation investors, including senior members of the investment team, and Dexia Asset Management, a subsidiary of the Dexia group. Dexia, a major European bank, remains a 70% shareholder in Ausbil with the remaining 30% held by the Ausbil investment team.

Ausbil employs a large and highly experienced investment team comprising 14 individuals. Zenith rates the investment team highly based on our positive view of the key investment personnel at the Manager, and the structure and depth of the team. There are 10 staff directly involved in the Australian equities investment process and analyst research responsibilities are divided along industry lines for the top 200 stocks in the index. These analysts are supported by a dedicated quantitative analyst, 2 equities dealers and an economist. The 3 senior members of the investment team, Paul Xiradis, John Grace and Adam Dixon have worked together at Ausbil for over 8 years, which is clearly evident in their collegiate-based approach. Portfolio management decisions are made jointly by these 3 senior members who together form the portfolio construction committee, with Xiradis holding the right to veto portfolio decisions. Zenith has the highest regard for the key investment personnel at Ausbil and considers them to be a critical component of the investment team's strong historical performance.

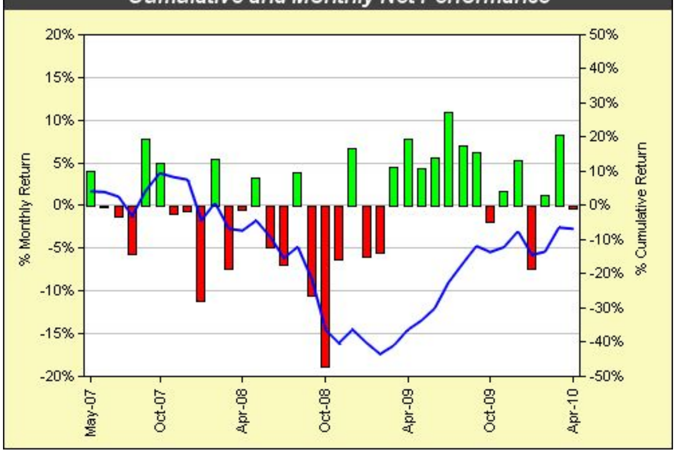
Ausbil's investment process contains four stages including: Macro Analysis; Sectoral Analysis; Stock Selection; and Portfolio Construction. The first 2 stages are a top-down approach, taking a 12 month view which assesses current economic and market conditions and identifies attractive sectors and portfolio themes. Following this, a bottom-up stock selection process is used to uncover the most attractive individual investment opportunities. Ausbil assesses each company based on 2 key factors, those being the strength and sustainability of earnings and the quality of management. The Fund will generally be fully invested and will typically hold between 30 - 40 stocks.

The Ausbil Emerging Leaders Fund is a relatively unique ex-ASX top 50 mandate means that the product sits somewhere between a large cap Australian shares product and a small cap Australian shares product. From a portfolio perspective, the Fund's unique mandate offers the opportunity to blend with a dedicated large cap and small/micro cap fund. In order to avoid significant overlap between fund mandates, Zenith suggests blending with a large cap fund with a top-50 bias and a small/micro cap fund with an ex-200 bias. Alternatively, the Fund can potentially be used by investors seeking a lower volatility exposure to ex-50 Australian Shares, rather than a more volatile dedicated small companies fund.

Based on Zenith's high regard of the investment professionals responsible for the management of the Fund, as well as our positive assessment of Ausbil's disciplined and effective investment process, Zenith has rated the Fund HIGHLY RECOMMENDED. We strongly endorse the product for use within investor portfolios.

Key Features	Description
APIR Code	AAP0104AU
Asset Class	Australian Shares
Sub-Asset Class	Small Companies
Investment Style	Neutral
Benchmark	S&P / ASX Small Ordinaries (Accum)
Recommended Investment Timeframe	5 + years
CEO/Head of Equities	Paul Xiradis
Investment Team Size	14

Cumulative and Monthly Net Performance



Performance Analysis

Performance Statistics	*5 Yrs (% p.a.)*	*3 Yrs (% p.a.)*	*1 Yr (% p.a.)*
Performance - Fund	10.77	-2.38	46.70
Performance - Benchmark	7.16	-8.98	39.27
Performance - Median Manager	10.63	-4.31	49.99

For comparative purposes, the benchmark used in the performance tables of this report is the S&P/ASX Small Ordinaries Accumulation Index. It should be noted however that Ausbil internally uses a composite benchmark, consisting of the S&P/ASX Midcap 50 Accum Index (70% weighting) and the S&P/ASX Small Ordinaries Accum Index (30% weighting).

It should be noted that Ausbil's performance may diverge significantly from the S&P/ASX Small Ordinaries Accum Index over short term time periods. Specifically in rapidly rising bull markets the Fund's mid-cap holdings are expected to the lag small caps holdings. Convesrely, in falling market conditions the Fund should be somewhat insulated by its larger market capitalisation bias relative to the small caps index.

The Fund has established an impressive track record since its inception having significantly outperformed its benchmark and the median manager over both bull and bear market periods. Zenith attributes this outperformance to astute stock and sector selection from the investment team.

The objective of the Fund is to add value across all market conditions. Specifically, the Fund seeks to outperform its combined benchmark by a minimum of 3% pa over rolling 3 year periods. This objective has been exceeded since the Fund's inception.

Consistency Analysis

Consistency Statistics	*5 Yrs*	*3 Yrs*	*1 Yr*
History of Monthly Excess Return (%)	51.67	52.78	58.33
History of Monthly Excess Return (Rising Mkts %)	51.22	50.00	66.67
History of Monthly Excess Return (Falling Mkts %)	52.63	56.25	33.33

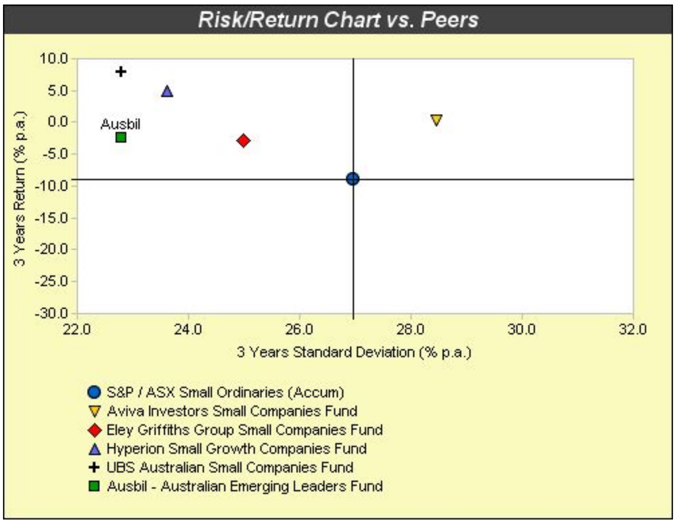
In terms of consistency, the Fund has demonstrated the ability to outperform in both "bull and bear" phases of the market cycle. Zenith believes this is an output of Ausbil's style neutral investment approach, which provides the scope to outperform in all market conditions.

Risk / Return Analysis

Risk / Return Statistics	*5 Yrs*	*3 Yrs*	*1 Yr*
Information Ratio - Fund	0.43	0.70	1.51
Information Ratio - Median Manager	0.29	0.43	1.59
Sharpe Ratio - Fund	0.26	-0.35	2.59
Sharpe Ratio - Median Manager	0.21	-0.44	2.95
Standard Deviation (% p.a.) - Fund	19.35	22.80	16.65
Standard Deviation (% p.a.) - Median Manager	19.78	24.39	14.95
Tracking Error (% p.a.) - Fund	8.46	9.49	4.92
Tracking Error (% p.a.) - Median Manager	7.99	9.22	6.59

Strong relative returns coupled with volatility similar to that of the median manager over the past 5 years has resulted in a strong Information ratio relative to peers over the longer term.

The below risk/return chart graphically illustrates the performance of the Fund relative to some of its competitors.



Investment Personnel

Name	Title	Time with Manager
Paul Xiradis	CEO/Head of Equities	13 Yr(s)
John Grace	Deputy Head of Equities	8 Yr(s)
Adam Dixon	Portfolio Manager	10 Yr(s)
John Honan	Chief Economist / Head of Research	13 Yr(s)
Brendan Wong	Investment Analyst	5 Yr(s)
Nicholas Condoleon	Investment Analyst	3 Yr(s)
Graeme Petroni	Investment Analyst	2 Yr(s)
Sarah Lau	Investment Analyst	3 Yr(s)
Shanelle Hoong	Investment Analyst	3 Yr(s)
Khay-Tuck Chow	Associate Director, Quantitative	10 Yr(s)

Manager Background

Ausbil was established as a boutique Australian equities manager in August 1997 as a joint venture between the foundation investors, including senior members of the investment team, and Dexia Asset Management, a subsidiary of the Dexia group. Dexia Asset Management remains a 70% shareholder in Ausbil with the remaining 30% owned by key Ausbil staff. Currently 9 investment staff retain equity in the firm which Zenith considers important as greater equity participation should promote staff retention. However, Zenith would still prefer an increased share of equity held by the investment team to ensure continued autonomy from an investment perspective. Nevertheless we acknowledge that Ausbil's substantial funds under management and continued future growth means that 30% is a substantial financial stake in the business.

Ausbil is a highly profitable and long standing funds management business with funds under management of $11.3 billion as at 31 January 2010. Whilst the Ausbil business has been highly stable and successful, Dexia Group (the owner of Dexia Asset Management) encountered significant difficulties during the global financial crisis. Whilst Dexia Group has stabilised post the share market recovery following March 2009, Zenith continues to monitor Dexia Group's position. Zenith views organisational uncertainty as a serious issue in Funds Management as it can negatively impact on investment teams. As such, we have held numerous discussions with Ausbil on this issue and we are comfortable with the response provided. Furthermore, we believe that Ausbil has put adequate thought into potential contingency plans should the situation with Dexia Group again deteriorate.

Investment Team

Ausbil employs a large and highly experienced investment team comprising 14 individuals. Zenith rates the investment team highly based on our positive view of the key investment personnel at the Manager, and the structure and depth of the team. There are 10 staff directly involved in the Australian equities investment process, supported by a dedicated quantitative analyst, 2 equities dealers and an economist. The 3 senior members of the investment team, Paul Xiradis, John Grace and Adam Dixon have worked together at Ausbil for over 8 years, which is clearly evident in their collegiate-based approach. Portfolio management decisions are made jointly by these 3 senior members who together form the portfolio construction committee, with Xiradis holding the right to veto portfolio decisions.

Research responsibilities are divided along industry lines (for the top-200 segment of the market), with each analyst responsible for around 25-30 stocks. Xiradis and Grace do not have sector responsibilities and are focused entirely on portfolio construction. Tony Waters and Chris Prunty have limited input in the top 200 as they are responsible for the management of the Ausbil Micro Cap Fund (ex-200 mandate) although Waters still covers ex-100 resource companies.

Xiradis has over 30 years of experience in investment management, including over 10 years at Ausbil. Xiradis' extensive background includes senior fund management roles at: Westpac Investment Management, Mercantile & General Reinsurance, Legal and General Asset Management and BZW Investment Management. Grace has around 25 years of experience in investment management and equity research including roles at stockbrokers McNall & Hordern (Sydney), Cazenove & Co (London), Royal Insurance Asset Management and Legal & General Asset Management where he worked under Xiradis. Dixon has been with Ausbil for over 10 years and has around 15 years of industry experience. Prior to Ausbil, Dixon had roles at MKS Capital and BZW Investment Management where he gained experience in commodity and currency markets. Zenith has the highest regard for the key investment personnel at Ausbil and considers them to be a critical component of the investment team's strong historical performance.

Within the investment team, John Honan takes on the dual role of Chief Economist and Head of Research. Under the latter role he is responsible for management, monitoring and coordination of the equity analyst team. The micro caps team, the quantitative analysts and the dealing team report through to Grace.

Importantly, the 3 members of the portfolio construction committee continue to be intimately involved in the research process and Zenith considers these individuals to be the key to Ausbil's long term success. Whilst Xiradis remains vital to the overall group, particularly given his dual role as CEO/Head of Equities, the "3 pronged" senior structure within the Australian equities team has mitigated a significant component of key person risk.

Ausbil has a strong incentivisation structure which in-addition to the prospect of obtaining equity in the boutique (9 members of the team have equity) also includes incentivisation via a bonus structure. Bonuses are based on portfolio outperformance, stock selection outperformance and a discretionary component. To ensure a focus on performance the bonus is heavily skewed to outperformance and vested over a few years to assist in staff retention. Retention within the investment team has been sound over the life of the business bar for a brief period of turnover where 4 analysts over the 2006/2007 period. The investment team now appears settled and none of the departures were considered by Zenith to be critical and we do not believe that the departures were due to a poor work related environment.

Zenith has a positive view in regards to the quality of investment professionals and the overall structure of the Ausbil organisation. We believe Ausbil successfully combines a collegiate investment approach, where all team members are encouraged to put forward stock or sector views (both positive and negative) for discussion. Following team based discussion there is a clear decision making hierarchy in place that leverages off the experience of the senior portfolio managers.

Investment Process

The Manager believes that stock price movements are a function of macroeconomic, sectoral and individual stock influences and hence incorporates both top-down (macroeconomic) analysis and bottom-up (stock selection) analysis into its process. Ausbil's investment philosophy is centered on a core belief that earnings and earnings revisions are the key drivers of stock prices.

Ausbil will seek to position its portfolio towards those sectors and stocks which it believes will experience positive earnings revisions and through early identification of revisions, will attempt to pre-empt stock price movements.

Ausbil will seek to exploit inefficiencies through the adoption of a style-neutral active investment process across the entire market spectrum (ex- the ASX top 50) and throughout the market cycle.

Security Selection

There are 2 stages to the Ausbil stock selection process:

1. Macro & Sectoral Analysis

Ausbil arrives at a view of the current macro economic and market framework after identifying the global and local influences at work on the Australian sharemarket. Factors considered in this analysis include international economic developments (e.g. US, Japan, Europe, and China), the outlook for the Australian economy (e.g. growth, employment, inflation, profits, and currency), the company earnings outlook, offshore market trends, equity valuations and liquidity flows. A formal draft paper is prepared for a monthly macroeconomic meeting chaired by John Honan (Chief Economist). Xiradis is also heavily involved in this top-down debate.

Sectoral analysis seeks the early identification of sectors subject to earnings revisions, both upwards and downwards, over the coming 12 months. Each analyst is responsible for assigning a strategic and tactical bias to each of their respective sectors. The strategic bias looks at the overall long term attractiveness of each sector "through the cycle" while the tactical bias looks at the current direction of price "within the cycle". In addition to the individual analyst sector input, Xiradis prepares a financial market overview paper and chairs the sector debate.

Ausbil expects to derive approximately 20% of its value add from macro & sectoral analysis, with the remainder sourced from bottom-up fundamental research. Ausbil's focus on top-down market influences is a key competitive advantage, enabling the manager to identify what it considers to be attractive segments of the market and direct its fundamental research accordingly.

2. Individual Securities Analysis

The most critical stage of the process is to identify those stocks which Ausbil believes will achieve the strongest 12 month outperformance, which it achieves via a combined qualitative and quantitative approach. The qualitative process primarily focuses on 2 key factors: sustainability of earnings; and quality of management. In assessing earnings sustainability Ausbil considers each company's business profile, growth outlook, margins and balance sheet strength, while the assessment of management quality focuses on factors including track record and technical ability. Given that this part of the process requires an in-depth understanding of each stock and a significant company visitation schedule, Ausbil's significant team depth is an important factor in its ability to effectively cover the stock universe.

Company valuation is backed by a proprietary quantitative ranking model, FERRET (Forecast Earnings Relative Ranking Evaluation Tool). There are 3 components to the model: 65% TERRA (Total Expected Relative Return Analysis), which calculates the expected stock performance over the coming 12 month period; 20% REMA (Relative Earnings Momentum Analysis), which monitors consensus earnings revisions; and 15% 2 Years earnings per share (EPS) growth. The actual output of the TERRA component of the model is a forecast P/E relative (for comparison with the current P/E relative), which is based on consensus forecast 12 month EPS growth and a multi-factor qualitative/financial scorecard.

The valuation output is assessed in conjunction with the qualitative analysis and a recommendation (positive, neutral or negative) is assigned for each stock. These recommendations are discussed formally at a monthly stock selection meeting, with any stock developments or recommendation changes discussed informally at the daily team meeting.

The Ausbil universe covers approximately 150 stocks, all of which have 2 written pro-forma template reports: a snapshot (which contains the analyst recommendation, P/E relative chart, market data, and earnings forecasts); and a research paper (SWOT analysis etc). Of these 150 stocks, approximately 105 have had detailed financial models constructed, which drill down to separate divisions of the business.

Zenith is of the opinion that the Ausbil investment process is one of the most robust we have reviewed, incorporating top-down indicators, a sound valuation process and intuitive qualitative inputs. While the shorter term forecast period used within the process differentiates the manager from many in the marketplace, Zenith is supportive of this aspect given the additional uncertainty introduced by long-term forecasting.

Portfolio Construction

The aim of the portfolio construction process is to combine the output of Ausbil's macroeconomic/sub-sector analysis and its bottom-up fundamental analysis. Xiradis, Grace and Dixon make up the portfolio construction team and meet on a monthly basis usually the day after the stock selection meeting. A distinguishing feature of this collegiate approach is that each member brings to the meeting, an independently derived recommended model portfolio (based on the output of the Security Selection process). In practice, differences between team members tend to be with regard to weighting decisions rather than on stock or strategy issues. The final agreed stock weighting or active bet at the portfolio level is a subjective call made by the portfolio construction team.

The portfolio will be biased towards those sub-sectors and stocks most likely to outperform, subject to liquidity guidelines and other risk considerations. Prior to taking an aggressive sub-sector or stock position, Ausbil generally waits for confirmation of earnings revisions. We consider this a conservative and prudent approach, ensuring that a company has the ability to deliver on expectations before taking significant portfolio risks.

Active stock positions are typically index plus 1 to 3%, ensuring that all positions carry a meaningful exposure and no "dead money" exists in the portfolio. The portfolio is expected to contain around 30-40 stocks (typically 33 to 37), providing a relatively concentrated exposure. Portfolio turnover tends to average around 75% p.a. Analysts recommendations and expected return forecasts are particularly important in the portfolio construction stage. The relative weighting that a stock is likely to have in the model portfolio is largely influenced by the expected return forecast through FERRET. All buy/sell decisions are formally reviewed from a risk/return perspective assuring that the tracking error of the portfolio remains within its risk parameters.

In terms of market capitalisation biases Ausbil's internal composite benchmark consists of a 70% weighting to mid caps (top 50 to 100 companies) and a 30% weighting to small caps (ex-top 100 companies). The Manager expects to remain relatively in line with this internal benchmark over time.

The dealing responsibility is assigned to the dedicated dealing team. The dealer's objective is to outperform VWAP (Volume Weighted Average Price), which is a measure of the price at which the majority of a given day's trading in a given security took place. Zenith believes the employment of a dedicated dealing team and the clear objectives that the team has been set, demonstrates that Ausbil regard dealing as a vital component of execution. Zenith believes this aspect will assist in extracting maximum value from Ausbil's investment process.

Zenith has a positive view of Ausbil's portfolio construction process. In our view, the fact that each member of the portfolio construction committee brings their own individually derived portfolio to the construction meeting ensures the whole committee is playing a part in value add for the portfolio, and ensures rigorous debate at both a stock holding and weighting level.

Risk Management

Portfolio Constraints	*Description*
Security Numbers	30 to 40
Weight - Security Rel. Index (%)	-5% to 10%
Weight - Holding Rel. Portfolio (%)	max: 10%
Weight - Holding Rel. Issued capital (%)	max: 10%
Portfolio Turnover (% p.a.)	Typically around 75% up to Max 100%
Market capitalisation ($)	Will invest down to the 200th stock by market capitalisation
Tracking error - ex ante (% p.a.)	max: 6% p.a.
Cash (%)	0% to 10% Typically fully invested

Ausbil has implemented several risk management guidelines based on stock relative to index, sector tilts and a liquidity test (assuming the portfolio is being managed at Ausbil's funds under management maximum capacity target). In addition, a cash limit, tracking error constraint and stock number limit exists.

While these guidelines are typically adhered to, they are not "hard" constraints and the manager does have the flexibility to breach these limits. While moving beyond the guidelines is the exception rather than the rule and will typically only occur due to strong price appreciation (which is a positive for portfolio performance), Zenith would become alarmed if the frequency of these events increased.

If a stock moves outside the composite benchmark (e.g. moves into the ASX top 50) the portfolio has 1 calendar month to exit the position. This constraint is tighter than many of its peers but ensures the portfolio remains true to its mid cap mandate and is considered a plus with regard to risk management and portfolio construction.

Given the fact that the risk management guidelines are wide compared with many of its peers, Zenith would be more comfortable if these guidelines were changed to formally mandated constraints.

There is also a liquidity constraint in place whereby each stock is assigned a liquidity rank, based on its prior 30 day trading volume. This attempts to align market liquidity with portfolio movements. Another liquidity constraint is that the Fund will not invest in companies below the 200th stock by market capitalisation.

Risks of the Fund

Market Risks

As is the case with all Australian equities based products, the biggest risk to this Fund is a sustained downturn in the Australian shares sector, which could lead to negative performance. This risk can be significantly reduced by investors adopting a medium to long-term (5+ years) investment time frame when investing in this Fund.

The risks of this Fund are slightly different to that of many other smaller companies funds in that this Fund's investment universe can include mid cap stocks. This means that the returns from the Fund will not closely track "small cap" performance given its different risk / return profile. None-the-less, it is important for investors to note that the mid and small companies segment of the market will typically be more volatile than the large companies segment of the market. Small and mid companies have traditionally underperformed large caps in bear market environments where there is typically a 'flight to quality'.

Manager Specific Risks

The Fund is well positioned to cope with gyrating markets given its focus on picking up changes in earnings and earnings surprises (on a rolling 12 month basis). Operating under a style-neutral investment approach also protects the Fund from market conditions that are biased towards value or growth. Value and growth cycles can cause dramatic changes in the fortunes of managers with certain market conditions favouring growth or value managers.

Although Ausbil is a highly profitable and long standing funds management business, Dexia Group (the owner of Dexia Asset Management) encountered significant difficulties during the global financial crisis. As a result Dexia Group has sought to sell or close down certain components of its business including its underlying lending operations in Australia. This uncertainty at the Dexia Group level raised concerns over its ongoing ownership stake in Ausbil. Although these concerns appear to have past with the recovering share market post March 2009, Zenith remains congnisant of the risks associated with a further deterioration in Dexia Group's position. In Zenith's view organisational uncertainty can have a negative impact on Fund Managers and in turn on investment teams. Zenith is however comfortable that Ausbil has adequate contingency plans in place should the situation at Dexia Group deteriorate again.

Another major risk for fund managers is excessive funds under management (FUM). Excessive FUM can cause serious problems particularly in the small companies sector given its lower liquidity and can therefore hinder a manager's ability to react to market movements in a timely manner. Ausbil managed a total of approximately $1.03 billion in the Emerging Leaders strategy as at 31 January 2010. This equates to approximately 0.31% of the mid and small cap universe by market capitalisation. Investors should note that this does not include allocations from Ausbil's large cap portfolios which can invest in mid and small cap stocks (there are typically around 5 mid or small cap names in the large cap funds).

Zenith notes that with Ausbil's combined investments from its large cap and emerging leaders funds that it may be forced to take larger positions in companies held across both portfolios and that this may impinge on its liquidity. Ausbil is well aware of this risk and monitors stock liquidity at an aggregated firm wide level rather than at fund specific level. Ausbil's final capacity figure dynamically changes with market movements and stock liquidity. Zenith has undertaken detailed analysis on Ausbil's capacity methodology and models and believes that the Manager adequately manages its liquidity profile. As a general 'rule of thumb' Zenith considers small and mid cap manager's capacity to be around 1% of the market capitalisation of the universe.

Zenith will continue to monitor Ausbil's FUM, however, pleasingly the Manager is closed to new institutional mandates and we therefore consider fund flows to be manageable. Zenith is cognisant that assessing FUM as a percentage of market capitalisation is a crude measure of determining capacity and therefore assesses each Manager on an individual basis (with reference to the manager's specific investment approach and style).

As with most boutiques and mainstream fund managers, key person risk needs to be considered. In Zenith's view, there are 3 key members of the Ausbil team, being Xiradis, Grace and Dixon and the departure of any of these individuals would be a material loss. Zenith acknowledges that each of these individuals is well incentivised to remain with the Firm, given their significant equity ownership stakes that they have in the firm.

Applications of the Fund

3 years Excess Correlation Table	
Fund Name	***Excess Correlation***
Aviva Investors Small Companies Fund	0.29
Eley Griffiths Group Small Companies Fund	0.39
Hyperion Small Growth Companies Fund	0.39
UBS Australian Small Companies Fund	0.48

The Ausbil Emerging Leaders Fund is a relatively unique ex-ASX top 50 mandate means that the product sits somewhere between a large cap Australian shares product and a small cap Australian shares product. This mid-cap space is an area of the market that is not heavily utilised, meaning that the Fund offers a degree of diversity within the Australian Equities market.

Zenith considers the Fund as most appropriate for those investors seeking a growth based investment and who are prepared to invest for at least 5 years to maximise their potential for optimal results. From a portfolio perspective, the Fund's unique mandate offers the opportunity to blend with a dedicated large cap and small/micro cap fund. In order to avoid significant overlap between fund mandates, Zenith suggests blending with a large cap fund with a top-50 bias and a small/micro cap fund with an ex-200 bias. Alternatively, the Fund can potentially be used by investors seeking a lower volatility exposure to ex-50 Australian Shares, rather than a more volatile dedicated small companies fund.

Portfolio turnover tends to average around 75% p.a. which is marginally higher than most competitors. Investors should therefore be aware that slightly higher levels of income distributions should be expected, which has tax consequences for investors.

Ausbil's investment process can be broadly described as "style neutral". In other words Ausbil is indifferent to style, meaning that the portfolio can over time have either a value or growth tilt depending upon market opportunities. Due to its solid, well rounded offering, the Fund is suitable for all investors seeking a mid/small cap exposure in Australian equities.

Fees

Fees include the Management Fee of 0.85% and a performance fee of 15% of the gross outperformance of the benchmark for this Fund subject to a high water mark. The benchmark used is a mix of 70% S&P / ASX Midcap 50 Accumulation Index and 30% S&P/ASX Small Ordinaries Accumulation Index.

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