



# Generation Fund

## Monthly Investment Report as at 31 May 2018

### Asset Class

Multi-Manager

### Investment Objective

To invest in a broad range of asset classes in order to provide a positive return net of fees and before taxes in excess of the Morningstar Australian Multi-Sector Growth Index over 3 to 5 years

### APIR Code

DAM4177AU

### ARSN

618 473 126

### Fund Inception Date

29 June 2017

### Benchmark

Morningstar Australian Multi-Sector Growth Index

### Buy/Sell Spread

+0.20%/-0.20%

### Management Costs

1.69% p.a.<sup>1</sup>

### Distribution Frequency

Quarterly

### Minimum Investment

\$15,000

### Fund Size

\$35.5 million

### Exit Price

\$1.0628

### Performance Review

The Generation Fund (the 'Fund') returned 0.73% (net) for the month of May, underperforming the benchmark's return 0.82% by 0.09%.

May was another positive month for most markets, carrying on from the stellar bounce that occurred in April. There was no significant economic news that has changed the manager's view of the markets with earnings growth and US interest rate trajectory still being one of the most important.

Sector contributions were overall positive with most funds contributing to overall returns. Funds that tend to have a lower volatility profile provided solid contributions including Bennelong, Capital Group and Perpetual.

However, there were some stand out detractors that negatively impacted the overall net returns. Allan Gray and Antipodes have seen stellar performances to date and the pull back in their portfolio are seen to be related more towards their conservative portfolio positioning and contrarian attitudes towards market behaviour. The manager supports their decisions to be more contrarian at this point of the cycle.

The manager has also identified a couple of weak funds and the committee is in the process of doing their due diligence with the possibility of making a couple of changes.

### Performance (NET of fees)

	Growth Return (net) (%)	Income Return (net) (%)	Total Return (net) (%)	Benchmark Return (%)	Active Return (%)
1 month	0.73	0.00	0.73	0.82	-0.09
3 months	0.90	0.30	1.20	2.03	-0.83
6 months	1.69	0.30	2.00	1.87	0.13
3 years (p.a.)	N/a	N/a	N/a	N/a	N/a
Since inception <sup>2</sup> (p.a.)	6.51	0.45	6.96	8.28	-1.32

Past performance is not an indication of future performance. Net performance figures are calculated using exit prices, net of fees and reflect the annual reinvestment of distribution.

<sup>1</sup> For full breakdown of management costs, refer to the PDS dated 30 September 2017.

<sup>2</sup> This figure represents the annualised performance of the Fund since inception.

### Top and Bottom Contributors over the month

#### Top 5 Contributors

Manager Name
Bennelong Ex-20 Australian Equities Fund
Vanguard Australian Property Securities Index
Capital Group New Perspective Fund
Perpetual Wholesale Global Share Fund
MAN AHL Alpha (AUD) Fund

#### Top 5 Detractors

Manager Name
Allan Gray Australian Equity
Antipodes Global
T Rowe Price Dynamic Global Bond
MBA Global Listed Infrastructure Fund
Invesco Wholesale Global Targeted Returns

### Contact Details

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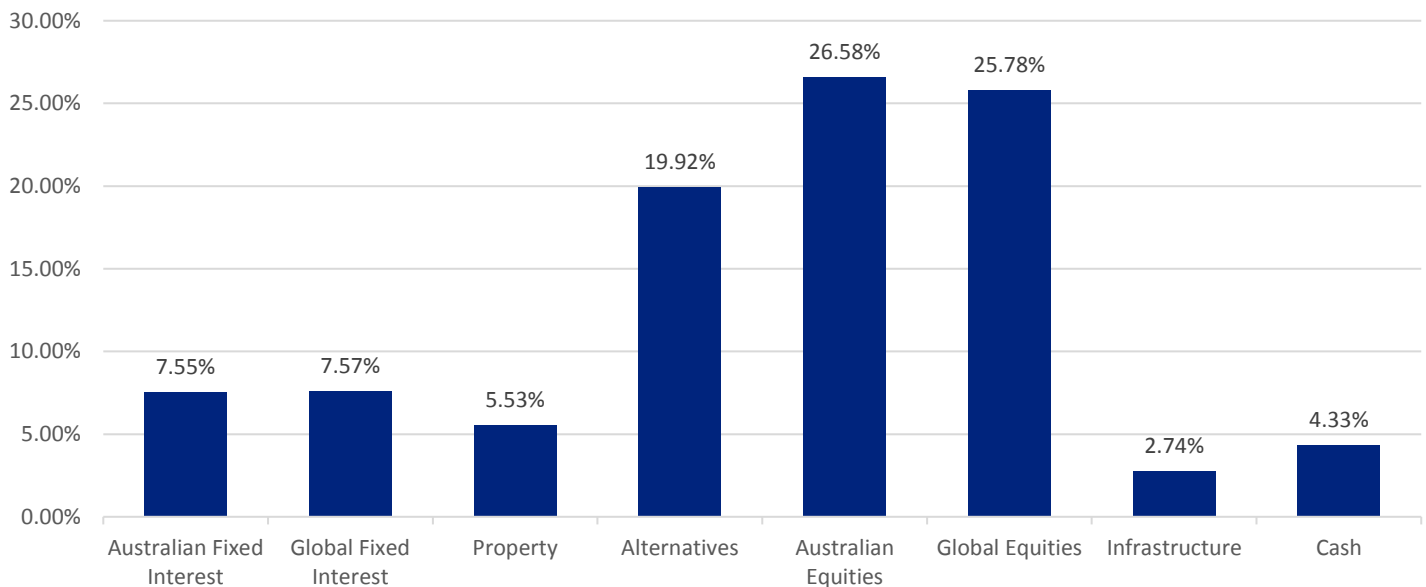


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## Portfolio Allocation (%)

<b>Australian Equities</b>	<b>26.58</b>	<b>Australian Fixed Interest</b>	<b>7.55</b>
Bennelong Ex 20 Australian Share	8.24	Macquarie True Index Australian Fixed Interest	7.55
Allan Gray Australian Equity- Class B	8.62	<b>Global Fixed Interest</b>	<b>7.57</b>
Ausbil 130/30 Focus	5.23	T Rowe Price Dynamic Global Bond	4.54
Vanguard Australian Shares Index	4.49	Payden Global Income Opportunities	3.03
<b>Global Equities</b>	<b>25.78</b>	<b>Property</b>	<b>5.53</b>
Capital Group New Perspective- Hedged	5.46	Vanguard Australian Property Securities Index	5.53
Antipodes Global	3.88	<b>Alternatives</b>	<b>19.92</b>
Perpetual Wholesale Global Share- Hedged- Class A	6.92	Invesco Wholesale Global Targeted Returns	7.56
Ironbark LHP Global Long/Short – Wholesale	2.58	Ironbark LHP Diversified Investments	4.93
Pendal Concentrated Global Share Fund	6.94	Man AHL Alpha (AUD)- Class B	7.43
<b>Infrastructure</b>	<b>2.74</b>	<b>Cash</b>	<b>4.33</b>
MBA Global Listed Infrastructure Fund- Hedged	2.74	SSAL Bank Account	4.33



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