

# Dynamic Fund (AU)

(available to Australian tax residents only)

## November 2019



### Portfolio Managers



**William Curtayne**  
Portfolio Manager



**Michael Higgins**  
Portfolio Manager

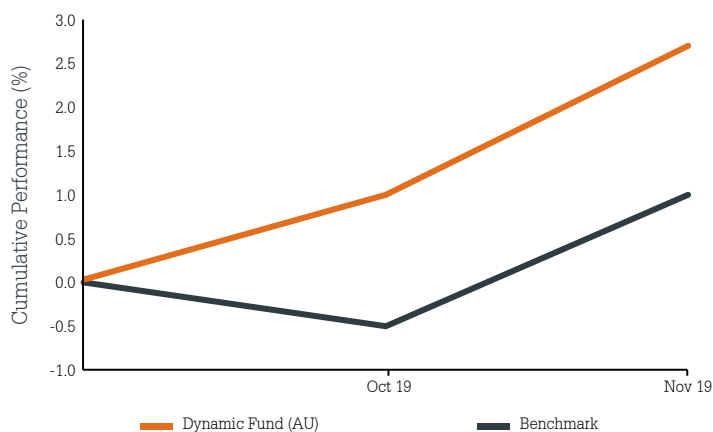
Domestic equity markets remained robust through November as low rates and US-China trade optimism provided a healthy kick to the growthy-end of the market. The Fund delivered a 1.6% return for the month.

Performance was led by companies such as payments processor SmartPay Holdings (+125.0%), digital payments provider EML Payments (+19.7%) and a2 Milk (+19.4%). SmartPay announced the sale of its NZ business to American multinational Verifone for NZ \$70m cash. The stock rallied hard on the unexpected news which highlighted to the market the hidden value in the business. EML announced the highly accretive acquisition of Prepaid Financial Services and a2 Milk recovered recent losses after positive trading commentary at its AGM.

Laggards included panel beating consolidator AMA Group (-9.8%) which continues to digest the acquisition of Capital S.M.A.R.T. and mortgage broker AFG (-7.8%) which pared some recent strong gains.

While our recent performance has been strong, the market remains volatile. We remain cognisant that we are in a period of elevated uncertainty with a broad range of potential market moving scenarios in play. While it is too early to position strongly for an upswing in global growth, a trade truce and of course Brexit, we are cautiously optimistic into Christmas.

### Investment Performance to November 2019\*



\* Cumulative performance since inception, after all fees and expenses, and assumes reinvestment of distributions.

### Key Fund Facts

|  |  |
|--|--|
| Objective                                    | The fund targets outperformance of the S&P/ASX Small Ordinaries (TR) Index       |
| Description                                  | Primarily invests in small to mid-cap Australian equities                        |
| Benchmark                                    | S&P/ASX Small Ordinaries (TR) Index  |
| Redemption Price <small>as at 30 Nov</small> | \$1.0267   |
| NAV <small>as at 30 Nov</small>              | \$21.1 Million   |
| Inception Date                               | October 2019   |
| Minimum Investment                           | \$20,000   |
| Recommended Investment Timeframe             | 5 years +  |
| Buy-sell Spread                              | +/-0.30%   |
| Entry/Exit Fee                               | Nil  |
| Distribution Frequency                       | Annual (30 June)   |
| Management Fee*                              | 1.10%  |
| Capped Expense Recovery*                     | 0.10%  |
| Performance Fee*                             | 20% p.a. of returns above the benchmark subject to achieving the high watermark. |
| Fund Pricing                                 | Daily  |

\* Fees are stated exclusive of GST.

## Investment Performance to November 2019\*

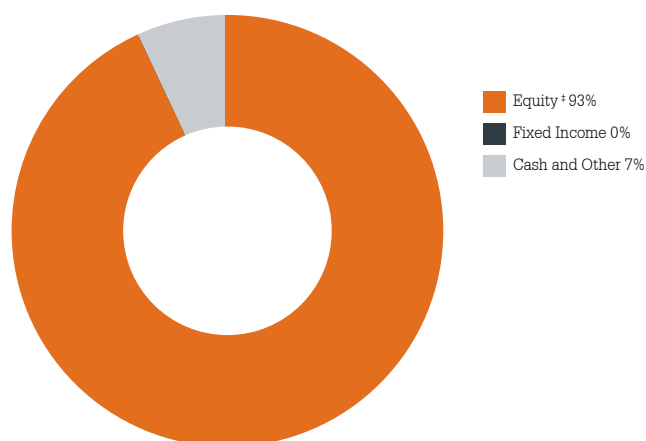
|                   | 1 Month | 6 Months | 1 year | 3 years (p.a.) | 5 years (p.a.) | Since Inception ** |
|-------------------|---------|----------|--------|----------------|----------------|--------------------|
| Dynamic Fund (AU) | 1.64%   | -        | -      | -              | -              | 2.98%              |
| Benchmark         | 1.56%   | -        | -      | -              | -              | 1.05%              |

Past performance is not a reliable indicator of future performance.

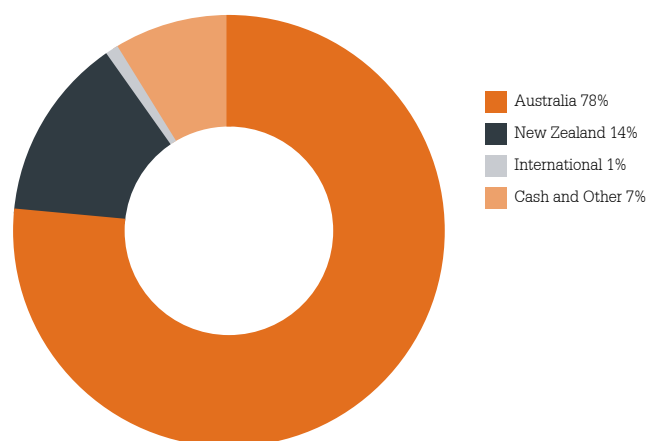
\* Net performance figures are shown after all fees and expenses, and assumes reinvestment of distributions.

\*\* Inception date of the Fund is 1 October 2019

## Current Asset Allocation<sup>1</sup>



## Current Country Allocation<sup>1</sup>



## Top Security Holdings

| Holdings                 | % of Fund's NAV |
|--------------------------|-----------------|
| Credit Corp Group        | 3.95%           |
| EML Payments             | 3.70%           |
| IDP Education            | 3.09%           |
| Bapcor                   | 3.05%           |
| Australian Finance Group | 3.03%           |
| Seven Group Holdings     | 2.99%           |
| AMA Group                | 2.89%           |
| a2 Milk Company          | 2.78%           |
| EQT Holdings             | 2.74%           |
| Northern Star Resources  | 2.60%           |

## Fund Changes

There have been no material changes to the below information since the last monthly report:

- The Fund's risk profile
- The Fund's strategy

There have been no changes to the below information since the PDS was issued:

- Key service providers
- Individuals playing a key role in investment

<sup>1</sup> The actual investment mix incorporates the notional exposure value of equity derivatives and credit default swaps, where applicable.

<sup>2</sup> Equity will be the net amount, ie the total long less any shorts.

<sup>3</sup> Typically the country in which the company issuing the share/bond primarily operates

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