

W | A | M Active

Focus: market mispricing within the Australian equity market (ASX: WAA)

Portfolio update

The WAM Active investment portfolio decreased 5.7% in October. During the month restaurant chain operator Collins Foods (ASX: CKF) held an investor day, where it announced its intentions to roll out 50 new Taco Bell restaurants. Steadfast Group (ASX: SDF) held its annual general meeting, upgrading FY19 net profit after tax (NPAT) guidance to \$85 to \$90 million following a better than expected first quarter. Detractors to performance during the month included Seven Group Holdings (ASX: SVW), Templeton Global Growth Fund (ASX: TGG) and The a2 Milk Company (ASX: A2M).



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Lead Portfolio Manager

Net tangible asset (NTA) figures

The below NTA figures are **after** the fully franked final dividend of 2.85 cents per share paid on 26 October 2018. Since inception, WAM Active has paid 62.8 cents per share in fully franked dividends to shareholders.

NTA before tax	101.56c
NTA after tax and before tax on unrealised gains	103.47c
NTA after tax	103.45c

Pre-tax net tangible assets

\$1.02

Gross assets

\$47.6m

Fully franked dividend yield[^]

5.3%

Performance (p.a. since January 2008)

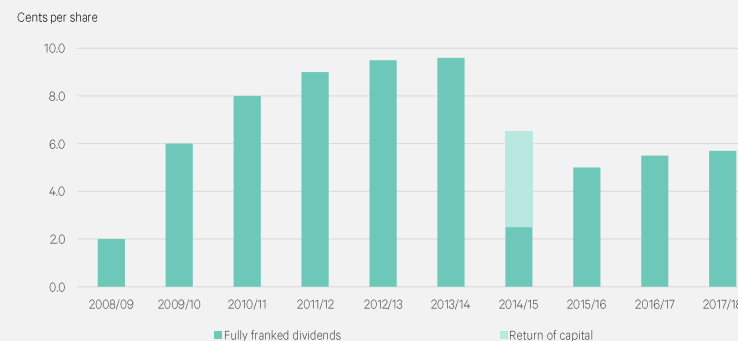
12.2%

Performance at 31 October 2018

	1 mth	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	10 yrs %pa	Since inception %pa (Jan-08)
WAA Investment Portfolio	-5.7%	-2.8%	4.6%	11.2%	10.0%	14.2%	12.2%
S&P/ASX All Ordinaries Accumulation Index	-6.5%	-4.7%	3.1%	8.3%	6.2%	8.6%	3.6%
Outperformance	+0.8%	+1.9%	+1.5%	+2.9%	+3.8%	+5.6%	+8.6%
UBS Bank Bill Index (Cash)	0.2%	0.7%	1.9%	1.9%	2.2%	3.1%	3.5%
Outperformance	-5.9%	-3.5%	+2.7%	+9.3%	+7.8%	+11.1%	+8.7%

Investment performance and Index returns are before expenses, fees and taxes.

Fully franked dividends since inception



Top 20 holdings in alphabetical order

ALS Limited	ALQ
Aristocrat Leisure Limited	ALL
Cleanaway Waste Management Limited	CWY
Collins Foods Limited	CKF
CSL Limited	CSL
Downer EDI Limited	DOW
Macquarie Group Limited	MQG
Macquarie Media Limited	MRN
NEXTDC Limited	NXT
Pengana International Equities Limited	PIA
QBE Insurance Group Limited	QBE
Seven Group Holdings Limited	SVW
Smartgroup Corporation Limited	SIQ
Southern Cross Media Group Limited	SXL
Steadfast Group Limited	SDF
Templeton Global Growth Fund Limited	TGG
360 Capital Group Limited	TGP
Wealth Defender Equities Limited	WDE [*]
Wesfarmers Limited	WES
Westoz Investment Company Limited	WIC

^{*}WAM Active accepted the takeover bid in relation to Wealth Defenders Equities Limited in October 2018.

Investment type	September 2018		October 2018	
	\$m	%	\$m	%
Listed equities	32.4	62.7	28.7	60.3
Short portfolio	(0.1)	(0.2)	(0.1)	(0.1)
Fixed interest & cash	19.4	37.5	19.0	39.8
Gross assets	\$51.7m	100.0	\$47.6m[*]	100.0
Market capitalisation	\$52.8m		\$49.6m	
Total shares on issue	45,741,397		45,969,433 ^{**}	

^{*}Based on the 31 October 2018 share price of \$1.08 per share and the FY18 fully franked full year dividend of 5.7 cents per share.

^{*}This figure is after the 2.85 cents per share fully franked final dividend paid on 26 October 2018.

^{**}During the month, 228,036 shares were issued under the Dividend Reinvestment Plan for the final dividend.