

Listed Investment Companies (LICs)

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Disclosure

The author owns no shares in any of the companies mentioned.

Sector Report

Monthly LIC update – top picks

This report contains a LIC sector update and performance review of our coverage list for the month of October 2018. The table on page two provides an update of the overall sector, as at 30 November 2018, with our estimated current NTAs derived from our model portfolios for the LICs.

Top picks: Our top picks refer to preferred exposures within each sector based on numerous quantitative and qualitative factors. However, they should not be treated as official stock recommendations but merely as a guide to where we would apportion funds at this particular point in time.

Traditional LICs: The All Ordinaries Accumulation Index (XAOAI) fell 6.5% in a volatile month. On average, traditional LICs outperformed the XAOAI in Oct-18 by 3.5% and 0.7% on total shareholder return (TSR) and NTA growth bases respectively. Historically, LICs have typically outperformed the XAOAI (on a TSR basis) during times of volatility and this trend is currently holding true. As a result of this TSR outperformance, and with in-line NTA growth (with the XAOAI), we estimate a number of traditional LICs are currently trading at premiums to NTA. Our current top picks include Milton Corp (MLT) and Diversified United Investments (DUI), trading at estimated 3.2% and 2.1% discounts to NTA respectively.

Mid-capitalisation: WAM Leaders (WLE) and Perpetual Equity Investments (PIC) are our current top picks. WLE outperformed the XAOAI in Oct-18 by 2.0%, benefitting from defensive (gold) positioning within the portfolio. We believe the 2.6% discount to NTA provides an attractive entry point to investors. Elsewhere, following a \$101m raise in Sept-18, PIC's cash weighting has increased to 29%. We believe the recent market volatility may provide PIC more attractive entry points to deploy its current cash weighting. PIC is currently trading at an estimated 0.9% premium to NTA.

Small capitalisation: Top pick Acorn Capital (ACQ) outperformed the ASX Small Ordinaries Accumulation Index (XSOAI) in Oct-18 by 2.2%. We believe ACQ's unlisted holdings provide diversification during times of volatility. ACQ is now yielding 5.5% (trailing) and we note ACQ's significant dividend reserve (-5 years of coverage). For the 12 months ending 31-Oct, ACQ was a top performer in our LIC coverage universe, up 23.9%. Trading at an estimated 4.2% discount to NTA, ACQ is a top pick. Elsewhere, Westoz (WIC), a WA resources focused LIC, also outperformed the XSOAI in Oct-18 – with gold exposure at 15% of the portfolio. For investors seeking exposure to small cap resources, WIC is our top pick, trading at an estimated 8.2% discount to NTA.

International: Our current top international picks remain MFF Capital Investments (MFF), PGF Global Opportunities Fund (PGF) and Templeton Global Growth (TGG). The discounts of PGF and TGG increased during Oct-18, as share prices dropped by more than their respective NTAs. We believe the discounts for our top picks reverted in Nov-18 due to AUD/USD appreciation (+3.2%). Despite this, MFF, PGF and TGG remain our top picks, trading at estimated 0.0%, 5.0%, and 6.4% discounts to NTA respectively.

Changes to coverage list: We remove Wealth Defender from our coverage list following the takeover by WAM Capital (WAM). We add **NGE Capital (NGE)** and **Ryder Capital (RYD)** to our coverage list.

Sector Update

BAILLIEU - EQUITY RESEARCH Listed Investment Companies Coverage by Sector

Figures as at: 30 November 2018

Traditional LICs	Code	Share Price	Market Cap. (\$m)	Dividend (cents)	Dividend Yield	Grossed Up Yield	TSR since Nov 1	Current Est. NTA	Current Estimated Disc/Prem	Oct NTA	Oct Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	MER
Australian Foundat.	AFI	5.98	7152.2	24.0	4.0%	5.7%	-1.3%	5.70	5.0%	5.82	4.1%	0.7%	1.5%	0.14%
Argo Investments	ARG	7.67	5467.8	31.5	4.1%	5.9%	-0.8%	7.44	3.1%	7.62	1.4%	0.5%	1.6%	0.17%
Australian United In	AUI	8.22	1025.6	35.0	4.3%	6.1%	-1.3%	8.49	-3.1%	8.67	-3.9%	-4.0%	-5.0%	0.10%
BKI Investment Ltd	BKI	1.47	1076.7	7.3	5.0%	7.1%	-4.2%	1.51	-2.9%	1.53	0.3%	-0.6%	1.7%	0.15%
Djerriwarrh	DJW	3.22	718.6	20.0	6.2%	8.9%	-0.3%	3.00	7.4%	3.05	5.9%	5.3%	16.2%	0.46%
Diversified United	DUI	3.98	841.8	15.0	3.8%	5.4%	-0.7%	4.11	-3.2%	4.22	-5.0%	-5.3%	-5.9%	0.13%
Milton Corporation	MLT	4.37	2945.7	19.0	4.3%	6.2%	-0.9%	4.46	-2.1%	4.55	-3.1%	-1.5%	-0.7%	0.12%

Large Capitalisation	Code	Share Price	Market Cap. (\$m)	Dividend (cents)	Dividend Yield	Grossed Up Yield	TSR since Nov 1	Current Est. NTA	Current Estimated Disc/Prem	Oct NTA	Oct Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	MER
Australian Leaders	ALF	0.98	257.4	2.0	2.1%	2.9%	-2.0%	n.a	n.a	1.18	-15.7%	-13.8%	-1.4%	1.00%
Concentrated Leaders	CLF	1.20	71.3	5.8	4.8%	6.8%	0.0%	1.26	-5.0%	1.27	-5.5%	-6.0%	-8.2%	0.75%
AMCIL Limited	AMH	0.86	230.2	4.3	5.0%	7.1%	-1.2%	0.91	-5.5%	0.92	-6.0%	-6.4%	-2.9%	0.65%
Clime Capital	CAM	0.88	79.5	5.0	5.7%	8.2%	-0.6%	0.86	2.0%	0.88	0.0%	-8.3%	-8.5%	0.83%
CBG Capital	CBC	0.91	23.8	3.1	3.4%	4.9%	-7.4%	0.97	-6.4%	0.98	2.0%	-13.4%	-11.1%	1.00%
Cadence Capital	CDM	0.99	320.3	8.0	8.1%	11.5%	-8.3%	1.02	-3.2%	1.04	3.6%	4.8%	8.7%	1.00%
Contango Inc Gen Ltd	CIE	0.81	85.8	6.6	8.1%	11.6%	-7.3%	0.89	-9.3%	0.93	-4.1%	-5.8%	-4.8%	0.95%
Carlton Investments	CIN	31.07	826.3	121.0	3.9%	5.6%	-1.4%	35.37	-12.2%	35.37	-10.9%	-11.4%	-12.1%	0.09%
Future Gen Ltd	FGX	1.19	458.5	4.5	3.8%	5.4%	-4.4%	n.a	n.a	1.16	7.4%	-1.4%	-1.9%	0.00%
Mirrabeeka Invest.	MIR	2.56	408.7	12.0	4.7%	6.7%	-3.4%	2	9.0%	2.36	12.3%	7.0%	12.8%	0.65%
Perpetual Equity Ltd	PIC	1.07	369.0	6.3	5.9%	8.5%	-2.3%	1.06	0.9%	1.11	-2.1%	-0.3%	-5.2%	1.00%
Plato Income Max.	PL8	1.03	302.6	5.8	5.7%	8.1%	3.5%	n.a	n.a	1.05	-4.9%	-2.3%	-0.2%	0.80%
Qv Equities Limited	QVE	1.08	297.6	5.2	4.8%	6.9%	1.9%	1.11	-3.1%	1.13	-6.2%	-0.9%	1.7%	0.90%
WAM Capital Limited	WAM	2.22	1586.1	15.5	7.0%	10.0%	-5.5%	n.a	n.a	1.93	25.8%	20.6%	18.7%	1.00%
WAM Leaders Limited	WLE	1.08	774.5	5.0	4.6%	6.6%	-2.7%	1.11	-2.6%	1.13	-1.7%	-2.5%	-1.6%	1.00%
Whitefield Ltd	WHF	4.34	379.7	18.8	4.3%	6.2%	-1.4%	5	-7.4%	4.76	-5.5%	-6.9%	-8.0%	0.25%

Small Capitalisation	Code	Share Price	Market Cap. (\$m)	Dividend (cents)	Dividend Yield	Grossed Up Yield	TSR since Nov 1	Current Est. NTA	Current Estimated Disc/Prem	Oct NTA	Oct Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	MER
Acorn Cap Inv Fund	ACQ	1.13	59.7	6.2	5.5%	6.5%	-4.3%	1.17	-4.2%	1.22	-3.8%	-12.4%	-13.7%	0.95%
Barrack St Invest	BST	0.90	16.7	3.3	3.6%	4.2%	-1.1%	1.12	-19.5%	1.11	-18.0%	-19.1%	-17.2%	1.00%
Naos Small Cap Opp	NSC	0.74	125.1	4.4	5.9%	6.9%	3.1%	n.a	n.a	0.83	-12.0%	-11.1%	-10.0%	1.25%
Forager Aust. Shares	FOR	1.45	164.5	21.3	14.7%	14.7%	-5.2%	1.38	5.1%	1.45	5.5%	10.7%	11.4%	1.00%
Glennon SML Co Ltd	GC1	0.93	44.3	4.0	4.3%	5.1%	-1.1%	n.a	n.a	1.04	-9.6%	-14.2%	-9.2%	1.00%
Naos Emerg Opp	NCC	1.15	70.4	7.3	6.3%	9.0%	-4.6%	n.a	n.a	1.19	1.3%	2.3%	-2.3%	1.25%
NGE Capital	NGE	0.60	22.3	0.0	n.a	n.a	-4.0%	n.a	n.a	0.80	-21.7%	-21.7%	na	1.90%
Ozgrowth Limited	OZG	0.17	58.8	0.5	3.0%	4.3%	-5.7%	0.20	-15.8%	0.21	-17.1%	-19.9%	-19.8%	1.00%
Ryder Capital	RYD	1.17	59.8	3.0	2.6%	3.7%	-1.3%	n.a	n.a	1.38	-14.5%	-16.9%	-9.2%	1.25%
Spheria Emerging Co	SEC	1.80	114.4	4.0	2.2%	3.2%	2.0%	1.94	-7.1%	1.97	-10.3%	-6.5%	na	1.00%
WAM Research Ltd	WAX	1.39	263.5	9.5	6.8%	9.8%	-6.4%	n.a	n.a	1.16	27.7%	23.2%	20.5%	1.00%
Westoz Inv Ltd	WIC	1.05	141.2	6.0	5.7%	8.2%	-2.8%	1.14	-8.2%	1.21	-11.0%	-9.8%	-12.2%	1.00%
8lp Emerg Co Ltd	8EC	0.85	34.9	4.0	4.7%	6.7%	13.3%	n.a	n.a	0.94	-20.0%	-15.4%	-12.3%	1.25%

International	Code	Share Price	Market Cap. (\$m)	Dividend (cents)	Dividend Yield	Grossed Up Yield	TSR since Nov 1	Current Est. NTA	Current Estimated Disc/Prem	Oct NTA	Oct Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	MER
Argo Global Ltd	ALI	1.86	265.0	3.8	2.0%	2.0%	-1.3%	2.18	-14.7%	2.22	-15.1%	-14.5%	-11.7%	1.25%
Antipodes Global	APL	1.08	590.2	5.0	4.6%	4.6%	-0.5%	1.20	-9.7%	1.15	-5.2%	-4.2%	-2.5%	1.10%
Ellerston Asian	EAI	0.99	108.6	1.0	1.0%	1.0%	2.6%	1.05	-5.8%	1.00	-3.6%	-7.0%	-9.1%	0.75%
Ellerston Global Inv	EGL	1.00	110.0	4.0	4.0%	5.7%	4.2%	1.05	-4.8%	1.08	-10.8%	-8.2%	-10.1%	0.75%
Future Glb Invest Co	FGG	1.29	501.5	1.0	0.8%	1.1%	-4.1%	n.a	n.a	1.31	2.1%	-0.5%	-0.4%	0.00%
Global Value Fnd Ltd	GVF	1.06	159.5	6.3	6.0%	8.5%	1.4%	1.10	-4.2%	1.08	-3.5%	0.1%	-1.5%	1.50%
Pengana International	PIA	1.07	277.0	7.0	6.5%	9.3%	-1.8%	1.15	-7.3%	1.16	-6.4%	-5.4%	-6.7%	1.50%
MFF Capital Invest.	MFF	2.69	1439.1	3.0	1.1%	1.6%	0.7%	2.69	0.0%	2.84	-5.9%	-8.5%	-9.4%	1.25%
Magellan Global Trust	MGG	1.65	1751.3	6.0	3.6%	5.2%	-1.8%	1.61	2.5%	1.68	0.0%	-0.5%	na	1.35%
Pm Capital Asian Ops	PAF	1.05	59.9	4.5	4.3%	6.1%	0.0%	1.03	2.2%	1.03	1.6%	2.0%	-5.6%	1.00%
Platinum Asia Ltd	PAI	1.12	408.6	10.0	8.9%	12.8%	6.2%	1.00	11.8%	1.01	4.2%	3.7%	-0.2%	1.10%
Pm Capital Fund	PGF	1.19	417.9	3.6	3.0%	4.3%	0.4%	1.25	-5.0%	1.29	-8.0%	-2.5%	-8.1%	1.00%
Platinum Capital Ltd	PMC	1.80	524.1	10.0	5.6%	7.9%	0.6%	1.52	18.7%	1.57	14.1%	11.3%	8.6%	1.10%
Templeton Global	TGG	1.30	288.2	8.0	6.2%	8.8%	1.6%	1.39	-6.4%	1.43	-10.7%	-9.1%	-10.4%	1.20%
VGI Partners Global	VGI	2.35	663.5	0.0	n.a	n.a	-0.8%	2.25	4.6%	2.27	4.4%	5.5%	4.7%	1.50%

Specialist	Code	Share Price	Market Cap. (\$m)	Dividend (cents)	Dividend Yield	Grossed Up Yield	TSR since Nov 1	Current Est. NTA	Current Estimated Disc/Prem	Oct NTA	Oct Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	MER
Blue Sky Alt Access	BAF	0.94	180.2	5.0	5.3%	7.6%	11.3%	1.11	-15.7%	1.11	-24.2%	-11.1%	-2.5%	1.20%
Bailador Tech Inv	BTI	0.74	89.0	0.0	n.a	n.a	-6.3%	1.16	-36.2%	1.16	-31.9%	-24.1%	-16.6%	1.75%
Lowell Resource Fund	LRT	5.10	14.3	0.0	n.a	n.a	4.1%	5.99	-14.8%	6.06	-19.1%	-8.5%	na	2.16%
Lion Selection Grp	LSX	0.34	53.3	0.0	n.a	n.a	21.4%	n.a	n.a	0.43	-34.9%	-0.4%	-8.8%	1.50%
Monash Absolute	MA1	0.79	34.8	1.0	n.a	n.a	-1.9%	n.a	n.a	0.94	-15.3%	-14.9%	-9.4%	1.50%
NAOS ex-50 Opport.	NAC	0.92	48.3	3.9	4.2%	6.0%	-1.3%	n.a	n.a	1.01	-6.4%	-11.1%	-6.9%	1.75%
Sandon Capital Ltd	SNC	0.87	42.4	7.0	8.0%	11.5%	-4.9%	n.a	n.a	0.98	-6.2%	-2.6%	-4.7%	1.25%
Thorney Opp Ltd	TOP	0.65	132.4	1.5	2.3%	3.3%	2.4%	n.a	n.a	0.73	-13.9%	-12.8%	-8.7%	0.75%
URB Investments	URB	0.92	67.1	1.5	1.6%	2.3%	-6.2%	n.a	n.a	1.06	-8.0%	-6.1%	-3.5%	0.50%
WAM Active Limited	WAA	1.05	48.5	5.7	5.4%	7.8%	-2.8%	n.a	n.a	1.03	4.4%	4.2%	3.7%	1.00%
Watermark Fund Ltd	WMK	0.81	72.7	2.5	3.1%	4.4%	-0.6%	n.a	n.a	0.93	-12.4%	-12.2%	-5.3%	1.00%

Source: Company releases, Bloomberg, Baillieu estimates

Performance table – October 2018

Code	Company	1 Year			3 Year (annualised)			5 Year (annualised)		
		NTA performance	TSR Performance	Avg. Prem/Disc	NTA performance	TSR Performance	Avg. Prem/Disc	NTA performance	TSR Performance	Avg. Prem/Disc
AFI	Australian Foundat.	1.8%	5.9%	0.7%	5.7%	5.5%	1.5%	3.9%	4.2%	2.4%
ARG	Argo Investments	1.6%	1.3%	0.5%	6.0%	4.0%	1.6%	4.6%	5.5%	2.1%
AUI	Australian United In	3.1%	2.8%	-4.0%	7.4%	8.3%	-5.0%	4.3%	5.7%	-4.7%
BKI	BKI Investment Ltd	-1.0%	-3.2%	-0.6%	3.6%	1.8%	1.7%	2.8%	4.1%	0.7%
DJW	Djerriwarrh	0.0%	-2.0%	5.3%	4.8%	-2.6%	16.2%	2.1%	-1.4%	20.2%
DUI	Diversified United	6.8%	7.1%	-5.3%	10.4%	9.7%	-5.9%	6.8%	7.5%	-5.8%
MLT	Milton Corporation	3.0%	0.9%	-1.5%	5.9%	5.3%	-0.7%	4.8%	4.9%	0.3%
Code	Company	1 Year			3 Year (annualised)			5 Year (annualised)		
		NTA performance	TSR Performance	Avg. Prem/Disc	NTA performance	TSR Performance	Avg. Prem/Disc	NTA performance	TSR Performance	Avg. Prem/Disc
ALF	Australian Leaders	0.8%	-4.8%	-13.8%	0.0%	-5.8%	-1.4%	0.1%	-4.5%	2.5%
CLF	Concentrated Leaders	1.3%	5.6%	-6.0%	7.2%	9.8%	-8.2%	4.8%	2.4%	-5.1%
AMH	AMCIL Limited	3.5%	2.8%	-6.4%	4.7%	4.5%	-2.9%	4.3%	2.8%	-2.0%
CAM	Clime Capital	2.2%	9.7%	-8.3%	3.0%	6.4%	-8.5%	-0.4%	1.6%	-8.5%
CBC	CBG Capital Limited	1.2%	15.0%	-13.4%	1.8%	7.6%	-7.8%	na	na	na
CDM	Cadence Capital	-8.3%	-9.8%	4.8%	-1.1%	-3.9%	8.7%	1.8%	1.5%	6.2%
CIE	Contango Inc Gen Ltd	-3.8%	0.4%	-5.8%	3.2%	3.3%	-4.8%	na	na	na
CIN	Carlton Investments	-1.6%	1.5%	-11.4%	3.5%	3.5%	-12.1%	7.6%	8.4%	-11.5%
FGX	Future Gen Ltd	1.6%	14.8%	-1.4%	3.9%	8.4%	-1.9%	na	na	na
MIR	Mirrabooka Invest.	4.6%	7.0%	7.0%	6.2%	7.8%	12.8%	6.7%	5.6%	13.7%
PIC	Perpetual Equity Ltd	2.6%	4.4%	-0.3%	6.1%	8.0%	-5.2%	na	na	na
PL8	Plato Inc Max Ltd.	4.2%	-4.5%	-2.3%	na	na	na	na	na	na
QVE	Qv Equities Limited	-0.7%	-15.7%	-0.9%	5.6%	4.9%	1.7%	na	na	na
WAM	WAM Capital Limited	5.6%	2.8%	20.6%	8.9%	13.2%	18.7%	8.7%	11.6%	14.4%
WLE	WAM Leaders Limited	0.4%	4.0%	-2.5%	na	na	na	na	na	na
WHF	Whitefield Ltd	-2.0%	0.5%	-6.9%	4.5%	5.8%	-8.0%	5.2%	5.7%	-7.2%
Code	Company	1 Year			3 Year (annualised)			5 Year (annualised)		
		NTA performance	TSR Performance	Avg. Prem/Disc	NTA performance	TSR Performance	Avg. Prem/Disc	NTA performance	TSR Performance	Avg. Prem/Disc
ACQ	Acorn Cap Inv Fund	8.9%	23.9%	-12.4%	11.9%	19.2%	-13.7%	na	na	na
BST	Barrack St Invest	2.0%	2.8%	-19.1%	1.7%	3.2%	-17.2%	na	na	na
NSC	Naos Smlcap Com Ltd	-9.3%	-14.1%	-11.1%	0.3%	-2.1%	-10.0%	-0.8%	-1.5%	-9.8%
FOR	Forager Aust Shs Fnd	-7.6%	-18.7%	10.7%	na	na	na	na	na	na
GC1	Glennon SML Co Ltd	0.2%	5.5%	-14.2%	1.5%	1.2%	-9.2%	na	na	na
NCC	Naos Emerg Opp	-7.2%	-11.8%	2.3%	9.7%	12.4%	-2.3%	3.4%	6.8%	-5.5%
NGE	NGE Capital Limited	30.4%	35.9%	-21.7%	na	na	na	na	na	na
OZG	Ozgrowth Limited	-0.5%	2.7%	-19.9%	12.2%	11.2%	-19.8%	2.1%	3.7%	-16.9%
RYD	Ryder Capital Ltd	-2.8%	-0.9%	-16.9%	13.8%	6.5%	-9.2%	na	na	na
SEC	Spheria Emerging Co	0.3%	-9.9%	-6.5%	na	na	na	na	na	na
WAX	WAM Research Ltd	2.1%	-0.4%	23.2%	7.8%	13.4%	20.5%	9.0%	11.4%	14.6%
WIC	Westoz Inv Ltd	4.3%	6.7%	-9.8%	11.9%	15.3%	-12.2%	2.7%	4.9%	-10.6%
8EC	8lp Emerg Co Ltd	-14.0%	-20.3%	-15.4%	na	na	na	na	na	na
Code	Company	1 Year			3 Year (annualised)			5 Year (annualised)		
		NTA performance	TSR Performance	Avg. Prem/Disc	NTA performance	TSR Performance	Avg. Prem/Disc	NTA performance	TSR Performance	Avg. Prem/Disc
ALI	Argo Global Ltd	6.5%	6.9%	-14.5%	4.9%	0.8%	-11.7%	na	na	na
APL	Antipodes Global Inv	0.2%	-9.2%	-4.2%	na	na	na	na	na	na
EAI	Ellerston Asian	-13.9%	-5.0%	-7.0%	-0.4%	-0.9%	-9.1%	na	na	-8.8%
EGI	Ellerston Global Inv	-7.5%	-9.5%	-8.2%	-0.9%	-1.0%	-10.1%	na	na	na
FGG	Future Glb Invest Co	8.8%	20.0%	-0.5%	6.7%	7.7%	na	na	na	na
GVF	Global Value Fnd Ltd	3.6%	-4.6%	0.1%	2.4%	6.2%	-1.5%	na	na	na
PIA	Pengana Int Equ Ltd	3.3%	-2.8%	-5.4%	0.1%	2.3%	-6.7%	6.4%	9.0%	-8.7%
MFF	MFF Capital Inv Ltd	21.3%	30.5%	-8.5%	13.7%	13.4%	-9.4%	18.4%	15.7%	-6.4%
MGG	Magellan Glob Trust	10.4%	10.3%	-0.5%	na	na	na	na	na	na
PAF	Pm Capital Asian Ops	-14.6%	-9.6%	2.0%	-0.1%	7.1%	-5.6%	na	na	na
PAI	Platinum Asia Ltd	-11.7%	-4.5%	3.7%	3.8%	4.3%	-0.2%	na	na	na
PGF	Pm Capital Fund	1.9%	6.0%	-2.5%	4.8%	7.8%	-8.1%	na	na	na
PMC	Platinum Capital Ltd	-6.6%	-1.1%	11.3%	3.8%	4.2%	8.6%	5.7%	7.3%	8.5%
TGG	Templeton Global	-1.2%	-3.4%	-9.1%	2.5%	3.8%	-10.4%	5.8%	4.6%	-8.0%
VG1	Vgi Partners Global	11.3%	11.3%	5.5%	na	na	na	na	na	na
Code	Company	1 Year			3 Year (annualised)			5 Year (annualised)		
		NTA performance	TSR Performance	Avg. Prem/Disc	NTA performance	TSR Performance	Avg. Prem/Disc	NTA performance	TSR Performance	Avg. Prem/Disc
BAF	Blue Sky Alt Access	2.7%	-25.6%	-11.1%	7.4%	-2.3%	-2.5%	na	na	na
BTI	Bailador Tech Inv	7.4%	-7.1%	-24.1%	2.0%	-7.6%	-16.6%	na	na	na
LRT	Lowell Res Fund	-26.6%	-41.3%	-8.5%	na	na	na	na	na	na
LSX	Lion Selection Grp	26.5%	-26.3%	-0.4%	14.0%	11.0%	-8.8%	-7.1%	-12.6%	-18.0%
MA1	Monash Absolute	-1.2%	-2.5%	-14.9%	na	na	na	na	na	na
NAC	Naos Ex-50	2.8%	-2.4%	-11.1%	3.1%	3.6%	-6.9%	na	na	na
SNC	Sandon Capital Ltd	8.1%	-0.7%	-2.6%	7.3%	9.6%	-4.7%	na	na	na
TOP	Thorney Opp Ltd	-6.6%	-8.7%	-12.8%	10.5%	9.1%	-8.7%	na	na	na
URB	URB Investments Ltd	4.4%	-3.0%	-6.1%	na	na	na	na	na	na
WAA	WAM Active Limited	2.4%	0.1%	4.2%	7.2%	8.1%	3.7%	5.5%	2.9%	3.1%
WMK	Watermark Fund Ltd	0.5%	-7.2%	-12.2%	1.1%	-0.2%	-5.3%	2.6%	0.1%	-5.3%

Source: Bloomberg, Baillieu

Inclusion to coverage list

NGE Capital (NGE)

www.ngecapital.com.au

- **About:** NGE was launched as a LIC in October 2016, following a vote by shareholders for a change of structure and activities. NGE is managed by Kentgrove Capital, a boutique investment manager in Melbourne.
- **Investment philosophy:** NGE seeks to generate strong returns with an adequate margin of safety, holding a high conviction concentrated portfolio of securities.
 - **Bottom-up analysis:** Stock selection is derived from bottom-up fundamental research focusing on the fundamentals of individual companies rather than market trends. Proprietary research is conducted with a focus on:
 - **Board and management:** track record and skin in the game;
 - **Credit risk:** gearing, debt profile, interest coverage;
 - **Earnings:** free cash flows including timing and likelihood, margins, payout ratio, growth potential;
 - **Valuations:** Multiples, discounted cash flow analysis, break-up value; and
 - **Competition:** market share, industry position, sensible market operating conditions.
- **Investment process:** NGE's investment process involves a five stage process including:
 - 1) Idea generation:**
 - Screening;
 - Identify mispricing; and
 - Leverage network of contacts.
 - 2) Proprietary research:**
 - Fundamental analysis;
 - Company meetings/site visits; and
 - Speak with experts.
 - 3) Investment decision:**
 - Determine whether to Buy, Hold, Sell or wait;
 - Investment committee approval as required; and
 - Portfolio weight and investment structure based on risk-reward pay off.
 - 4) Assessment:**
 - Qualify against investment philosophy;
 - Stress test valuation and assumptions; and
 - Refine hypothesis.
 - 5) Monitor and exit:**
 - Update assessment for new information; and
 - Remained updated on current events.

- **Investment mandate:** NGE's investment mandate is intended to be as broad as permitted under ASX Listing Rules. As such, NGE expects that it will focus its investments on equity securities in listed or unlisted entities, however NGE's investment mandate will allow it to be an active investor in a wide range of assets including derivatives (warrants and options), hybrids and convertible instruments, bonds and fixed income securities, secured and unsecured loans, and currencies.
- **Fees:** NGE's current MER is ~2.6% of NTA. With management and staff costs ~1.9% NTA.
- The total shareholder return for the year ending 31 October 2018 was 35.9%, with pre-tax net asset backing increasing 30.4%. The active return (TSR) was 33.3%.

Fig.1: NGE snapshot

NGE Snapshot		Top Holdings	
Price (31 October 2018)	\$0.63	POWERWRAP (UL)	20.1%
Share price range (12 months)	\$0.42- \$0.73	UNITED COMPANY RUSAL (HKE)	13.3%
Shares on issue (Mn)	37.2	NOT DISCLOSED	11.8%
Market capitalisation (\$Mn)	\$23	HORIZON OIL	9.5%
Pre-tax asset backing*	\$0.80	EUREKA GROUP	8.9%
Post-tax asset backing*	-	BASE RESOURCES	6.1%
Premium/(Discount) to pre-tax NTA	-21.7%	MILLENNIUM SERVICES	3.3%
Premium/(Discount) to post-tax NTA	-21.7%		
Dividend yield	0.0%		
Dividend per share (cents)	0.0		
Franking	100%		
Management expense ratio	1.90%		

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
NGE	35.9%	16.0%	7.3%	NTA growth	30.4%	na	na
Active return	33.3%	5.5%	1.3%	Active return	27.8%	na	na

Source: Source: IRESS, Bloomberg, Baillieu, Company reports. Figures as at 31 October 2018. Active return refers to TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.2: NGE TSR vs ASX All Ordinaries Accumulation Index



Source: Bloomberg, Baillieu

- For the year ending Oct-18, NGE was the top performing LIC from our coverage universe on both a TSR and NTA growth bases.

Ryder Capital (RYD)

www.rydercapital.com.au

- **About the manager:** The manager, established in 2008, is an active, value manager that follows a fundamental bottom-up investment process. RYD provides exposure to a concentrated portfolio of micro and small cap securities listed on Australian exchanges. The portfolio is actively managed focusing on delivering long-term capital growth and income.
- **Investment process:** RYD's investment process utilises seven key components (as per its prospectus) which are constantly being reviewed and refined. The seven key components are:
 - **Discount to intrinsic value:** The manager takes a flexible approach to valuation tools by utilising some of the following methodologies: 1) discounted cash flow; 2) capitalised adjusted earnings; and 3) discount to private market value or break-up value.
 - **Quality of earnings (annuity qualities):** The manager assesses the underlying quality of earnings being derived from a business with the framework of their repeatability, cyclicity or once off nature. Earnings that recur on a regular basis over the medium to longer-term time frames with minimum levels of ongoing capital expense are considered highly valuable and desirable.
 - **Balance sheet strength:** The manager assesses gross and net debt levels with a favourable score given to lowly geared and conservatively financed companies.
 - **Quality of business:** The quality of a business is assessed primarily on the basis of competition and in particular the propensity of competition to undermine a company's market position, pricing power, earnings and return for shareholders. This is often referred to as the strength of a company's franchise or competitive moat.
 - **Quality of management:** The manager believes poor management don't often change and continue to make poor business decisions and do not always act as co-owners. The manager prefers companies that are run by managers with a track record of creating shareholder value and who are incentivised to act in the interest of all the owners of the company.
 - **Clear and observable business plan:** The company must have a clear, concise and observable business plan that can be enunciated and adhered to with resources either currently available or in the process of being procured.
 - **Identifiable value catalysts:** To avoid value traps where a company can remain perpetually cheap, the manager attempts to identify probable catalysts that will cause the market to re-rate a company's value over time.
- **Company valuation:** After assessing, reviewing and scoring the seven key investment criteria filters, the manager will arrive at a valuation for a prospective company. The manager typically favours a discounted cash flow valuation methodology.
- **Company score and capital allocation:** The manager will score an investment thesis based on the seven key investment criteria review. The company score is constantly being reviewed and may change over time. The initial scorecard is:
 - **0:** Not considered investable or a sell based on value
 - **1:** 1-3% of capital allocation
 - **2:** 3-5% of capital allocation
 - **4:** 5%-10% of capital allocation
 - **5:** 10%+ capital allocation

- The manager will also give consideration to specific industry exposure, limiting any single industry exposure to 30% of the portfolio at cost. Individual security exposure cannot exceed 20% of the portfolio at cost.
- **Position limits:** The Company may hold up to 50% of the portfolio in cash at any given time. Up to 20% of the portfolio may be invested in unlisted securities, on the condition that these securities are proposed to be listed within 12 months.
- **Current portfolio:** RYD's top five holdings equates to ~54% of the fund. RYD is currently holding 20% of the portfolio in cash (highest levels in CY18).
- **Option expiry:** RYD currently has ~20.5m options outstanding with a \$1.25 exercise price and 10-Dec-18 expiry date.
- **Fees:** The manager is entitled to a management fee of 1.25% pa (plus GST) of the portfolio's NTA, paid monthly in arrears. The manager is also entitled to a performance fee of 20% (plus GST) of the portfolio outperformance over the benchmark. The benchmark is the RBA cash rate plus 4.25% pa.
- The total shareholder return for the year ending 31 October 2018 was -0.9% with pre-tax net asset backing decreasing 2.8%. The active return (TSR) was -4.0%.

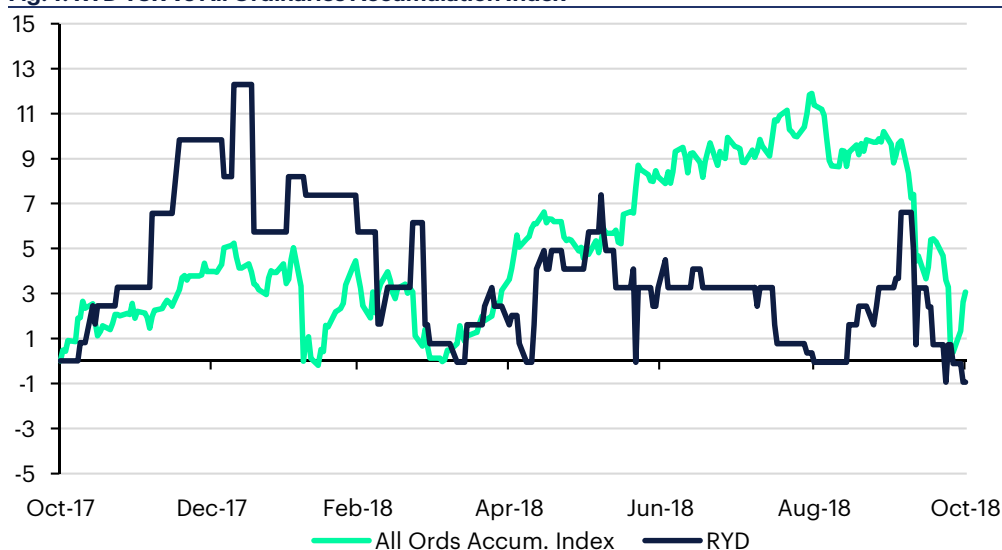
Fig.3: RYD snapshot

RYD Snapshot		Top Holdings		%
Price (31 October 2018)	\$1.18	UPDATER INC		
Share price range (12 months)	\$1.15- \$1.37	AURELIA METALS		
Shares on issue (Mn)	71.6	CODAN		
Market capitalisation (\$Mn)	\$84	NEXTDC		
Pre-tax asset backing*	\$1.44	SRG GLOBAL		
Post-tax asset backing*	-	CUMULATIVE WEIGHTING		53.6%
Premium/(Discount) to pre-tax NTA	-18.0%			
Premium/(Discount) to post-tax NTA	-10.2%			
Dividend yield	2.5%			
Dividend per share (cents)	3.0			
Franking	100%			
Management expense ratio	1.25%			

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
RYD	-0.9%	6.5%	na	NTA growth	-2.8%	13.8%	na
Active return	-4.0%	-1.7%	na	Active return	-5.9%	5.5%	na

Source: Source: IRESS, Bloomberg, Baillieu, Company reports. Figures as at 31 October 2018. Active return refers to TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.4: RYD TSR vs All Ordinaries Accumulation Index



Source: Bloomberg, Baillieu

Acorn Capital (ACQ)

www.acorncapital.com.au

- Acorn Capital was founded in 1998 and is one of the largest specialist microcap investor in the Australian market. ACQ commenced trading on the ASX in May 2014.
- Utilising a sector neutral investment style, ACQ invests in ASX listed companies outside the top 250 by market capitalisation and unlisted opportunities if they are evaluated to be more attractive than listed opportunities.
- At Jun-18 ACQ had a dividend reverse which equates to approximately 5 years over dividend coverage (assuming 7.0cps on current capital structure).
- The total shareholder return for the year ending 31 October 2018 was 23.9% with pre-tax net asset backing increasing 8.9%. The active return (TSR) was 21.3%.

Fig.5: ACQ snapshot

ACQ Snapshot		Top Holdings	
Price (31 October 2018)	\$1.18	TELEX PHARMACEUTICALS LTD	6.1%
Share price range (12 months)	\$1.03- \$1.3	CALIX LTD	5.6%
Shares on issue (Mn)	52.8	GENEA LIMITED (UL)	3.9%
Market capitalisation (\$Mn)	\$62	REDHILL EDUCATION LTD	3.4%
Pre-tax asset backing*	\$1.37	REDBUBBLE LTD	3.0%
Post-tax asset backing*	\$1.18	CARBON REVOLUTION PTY LTD (UL)	2.8%
Premium/(Discount) to pre-tax NTA	-14.2%	MOULA MONEY PTY LTD (UL)	2.7%
Premium/(Discount) to post-tax NTA	-0.6%	SHINE CORPORATE LTD	2.5%
Dividend yield	5.3%	INNOVATIVE ASSET SOLUTIONS GRP (UL)	2.3%
Dividend per share (cents)	6.2	DEPARTMENT 13 INTERNATIONAL (UL)	2.1%
Franking	100%		
Management expense ratio	0.95%		

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
ACQ	23.9%	19.2%	na	NTA growth	8.9%	11.9%	na
Active return	21.3%	8.7%	na	Active return	6.3%	1.4%	na

Source: IRESS, Bloomberg, Baillieu, Company reports. Figures as at 31 October 2018. Active return refers to TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.6: ACQ TSR vs ASX Small Ordinaries Accumulation Index



Source: Bloomberg, Baillieu

Diversified United Investments (DUI)

www.dui.com.au

- Diversified United Investments was founded in 1991 by Australia United Investments, Barclay Investments (a Myer family investment company), the late Sir Ian Potter and The Ian Potter Foundation.
- It invests predominantly in Australian equities, however it also invests in global ETFs, property trusts and fixed income securities.
- DUI has a target range for international equities of 10-20% (primarily through global ETF's). Current international exposure represents 16.0% of the portfolio.
- The total shareholder return for the year ending 31 October 2018 was 7.1% with pre-tax net asset backing increasing 6.8%. The active return (TSR) was 4.0%.

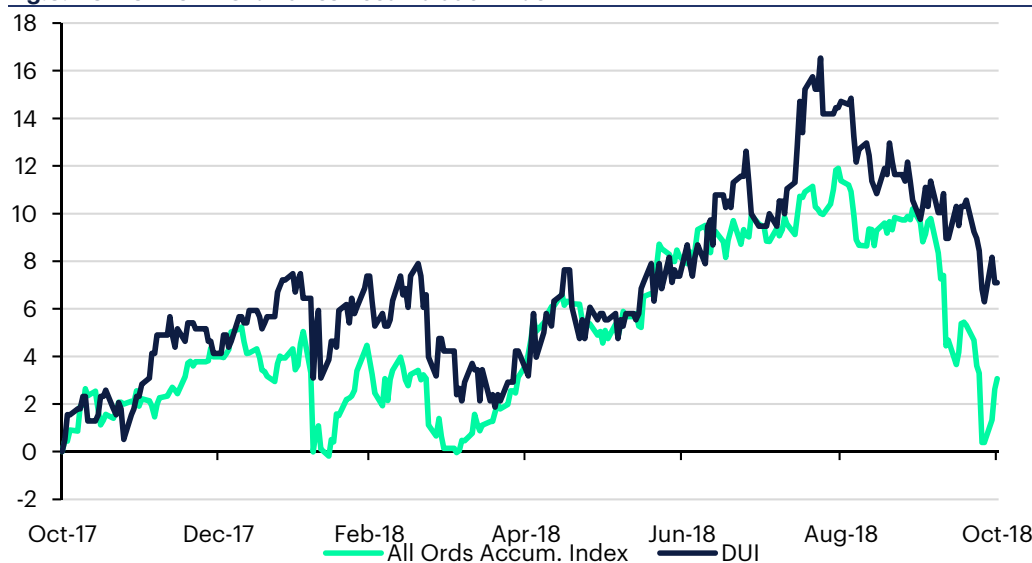
Fig.7: DUI snapshot

DUI Snapshot		Top Holdings	
Price (31 October 2018)	\$4.01	CSL LTD	10.8%
Share price range (12 months)	\$3.88- \$4.45	COMMONWEALTH BANK OF AUSTRAL	6.8%
Shares on issue (Mn)	210.4	TRANSURBAN GROUP	5.9%
Market capitalisation (\$Mn)	\$844	AUST AND NZ BANKING GROUP	5.4%
Pre-tax asset backing*	\$4.22	WESTPAC BANKING CORP	5.0%
Post-tax asset backing*	\$3.62	WOODSIDE PETROLEUM LTD	4.1%
Premium/(Discount) to pre-tax NTA	-5.0%	NATIONAL AUSTRALIA BANK LTD	4.0%
Premium/(Discount) to post-tax NTA	10.8%	BHP BILLITON LIMITED	4.0%
Dividend yield	3.7%	RIO TINTO LTD	3.5%
Dividend per share (cents)	15.0	WESFARMERS LTD	3.1%
Franking	100%		
Management expense ratio	0.13%		

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
DUI	7.1%	9.7%	7.5%	NTA growth	6.8%	10.4%	6.8%
Active return	4.0%	1.4%	1.3%	Active return	3.8%	2.1%	0.6%

Source: IRESS, Bloomberg, Baillieu, Company reports. Figures as at 31 October 2018. Active return refers to TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.8: DUI TSR vs All Ordinaries Accumulation Index



Source: Bloomberg, Baillieu

Milton Corporation (MLT)

www.milton.com.au

- Milton Corporation was formed in 1938 and listed in 1958. Its objective is to invest in a diversified portfolio that provides an increasing income stream over time.
- Milton is not a speculative investor and does not sell assets to increase profits for shareholders. It maintains a relatively heavy focus on banking with 27.9% of total assets invested in the sector.
- The total shareholder return for the year ending 31 October 2018 was 0.9% with pre-tax net asset backing increasing 3.0%. The active return (TSR) was -2.1%.

Fig.9: MLT snapshot

MLT Snapshot			Top Holdings		%
Price (31 October 2018)		\$4.41	WESTPAC BANKING CORP		9.3%
Share price range (12 months)		\$4.29- \$4.83	WASHINGTON H. SOUL PATTINSON		8.7%
Shares on issue (Mn)		664.9	COMMONWEALTH BANK OF AUSTRAL		7.2%
Market capitalisation (\$Mn)		\$2,932	WESFARMERS LTD		4.4%
Pre-tax asset backing*		\$4.55	BHP BILLITON LIMITED		4.3%
Post-tax asset backing*		\$4.03	NATIONAL AUSTRALIA BANK LTD		4.0%
Premium/(Discount) to pre-tax NTA		-3.1%	CSL LTD		3.7%
Premium/(Discount) to post-tax NTA		9.4%	AUST AND NZ BANKING GROUP		2.9%
Dividend yield		4.3%	WOOLWORTHS GROUP LTD		2.8%
Dividend per share (cents)		19.0	MACQUARIE GROUP LTD		2.6%
Franking		100%			
Management expense ratio		0.12%			

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
MLT	0.9%	5.3%	4.9%	NTA growth	3.0%	5.9%	4.8%
Active return	-2.1%	-3.0%	-1.3%	Active return	0.0%	-2.4%	-1.4%

Source: IRESS, Bloomberg, Baillieu, Company reports. Figures as at 31 October 2018. Active return refers to TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.10: MLT TSR vs All Ordinaries Accumulation Index



Source: Bloomberg, Baillieu

MFF Capital Investments (MFF)

www.magellangroup.com.au/mff/

- The MFF Capital Investments was listed on the ASX in December 2006.
- The fund is focused on North American companies; more than 85% of its portfolio consists of US domiciled corporations that are leaders in emerging markets as well as developed markets.
- MFF has been one of the top performing LICs from our coverage universe over 1, 3 and 5 years.
- The total shareholder return for the year ending 31 October 2018 was 30.5% with pre-tax net asset backing increasing 21.3%. The active return (TSR) was 20.4%.

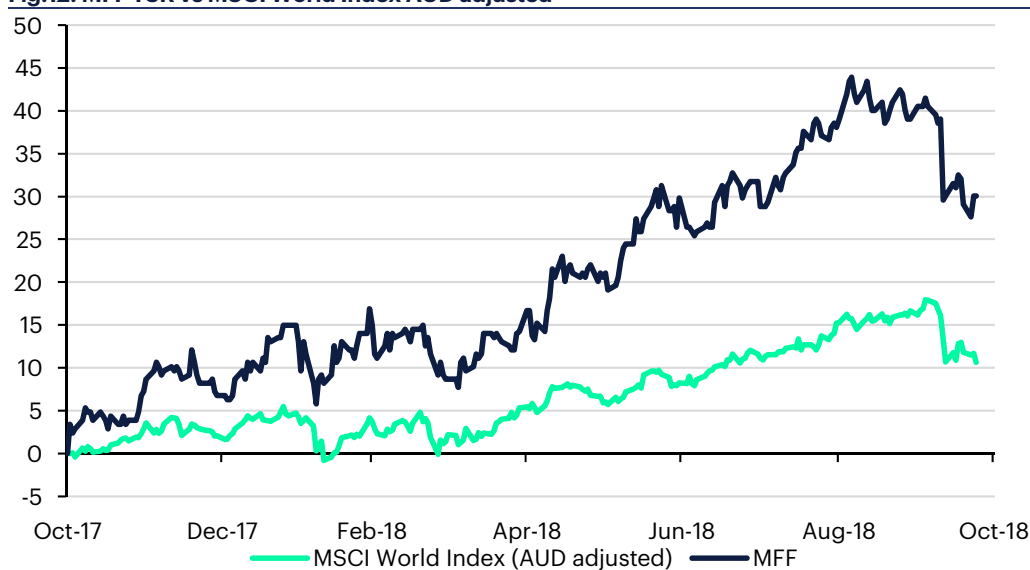
Fig.11: MFF snapshot

MFF Snapshot		Top Holdings	
Price (31 October 2018)	\$2.67	VISA INC-CLASS A SHARES	14.9%
Share price range (12 months)	\$2.12- \$2.99	MASTERCARD INC - A	13.4%
Shares on issue (Mn)	541.0	HOME DEPOT INC	10.0%
Market capitalisation (\$Mn)	\$1,444	BANK OF AMERICA CORP	8.4%
Pre-tax asset backing*	\$2.84	ALPHABET INC-CL A	6.4%
Post-tax asset backing*	\$2.34	JPMORGAN CHASE & CO	5.9%
Premium/(Discount) to pre-tax NTA	-5.9%	LOWE'S COS INC	5.2%
Premium/(Discount) to post-tax NTA	14.0%	HCA HEALTHCARE INC	4.5%
Dividend yield	1.1%	WELLS FARGO & CO	4.1%
Dividend per share (cents)	3.0	FACEBOOK INC-CLASS A	3.9%
Franking	100%		
Management expense ratio	1.25%		

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
MFF	30.5%	13.4%	15.7%	NTA growth	21.3%	13.7%	18.4%
Active return	20.4%	4.5%	1.9%	Active return	11.1%	4.8%	4.6%

Source: IRESS, Bloomberg, Baillieu, Company reports. Figures as at 31 October 2018. Active return refers to TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.12: MFF TSR vs MSCI World Index AUD adjusted



Source: Bloomberg, Baillieu

PM Capital Global Opportunities Fund (PGF)

www.pmcapital.com.au

- Managed by PM Capital, PGF began trading on the ASX on 11 December 2013.
- Current Investment themes include: 1) Global Domestic Banking; 2) Alternative Asset Managers; 3) Post GFC Housing Recovery (US/Europe); and 4) Service Monopolies.
- Key underlying regional exposure is North America (39.9%), Europe (30.2%) and International (14.3%) with currency exposure of the portfolio weighted towards to the USD at 68.3%.
- The total shareholder return for the year ending 31 October 2018 was 6.0% with pre-tax net asset backing increasing 1.9%. The active return (TSR) was -4.2%.

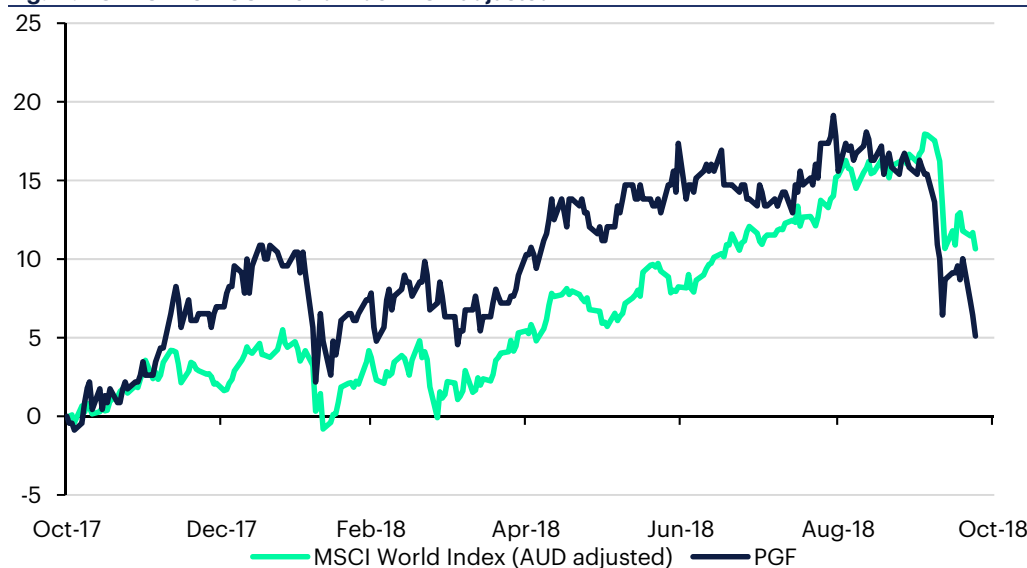
Fig.13: PGF snapshot

PGF Snapshot		Top Holdings		%
Price (31 October 2018)	\$1.19	HOWARD HUGHES		na
Share price range (12 months)	\$1.115- \$1.35	CAIRN HOMES		
Shares on issue (Mn)	351.2	BANK OF AMERICA		
Market capitalisation (\$Mn)	\$416	ALPHABET		
Pre-tax asset backing*	\$1.39	MGM CHINA HOLDINGS		
Post-tax asset backing*	\$1.22	KKR & CO		
Premium/(Discount) to pre-tax NTA	-15.0%	<i>**current stock examples**</i>		
Premium/(Discount) to post-tax NTA	-2.7%			
Dividend yield	3.0%			
Dividend per share (cents)	3.6			
Franking	100%			
Management expense ratio	1.00%			

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
PGF	6.0%	7.8%	na	NTA growth	1.9%	4.8%	na
Active return	-4.2%	-1.0%	na	Active return	-8.2%	-4.1%	na

Source: IRESS, Bloomberg, Baillieu, Company reports. Figures as at 31 October 2018. Active return refers to TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.14: PGF TSR vs MSCI World Index AUD adjusted



Source: Bloomberg, Baillieu

Baillieu Limited is raising capital for PTrackERS and will earn fees in relation to that activity.

Please also refer to the general disclosure at the end of this report.

Perpetual Equity Investment Company (PIC)

www.perpetualequity.com.au

- Perpetual Equity Investment Company listed on 18 December 2014 and is managed by Perpetual. Perpetual currently has ~\$30 billion of funds under management.
- PIC follows a bottom-up investment approach, focusing on mid-caps with a concentrated exposure of 20–40 securities. Additionally, a global allocation is included, up to 25% of the portfolio. Currently 7.0% of the portfolio is allocated to international securities. At 31-Oct, PIC held 29% of the portfolio in cash.
- The total shareholder return for the year ending 31 October 2018 was 4.4% with pre-tax net asset backing increasing 2.6%. The active return (TSR) was 1.6%.

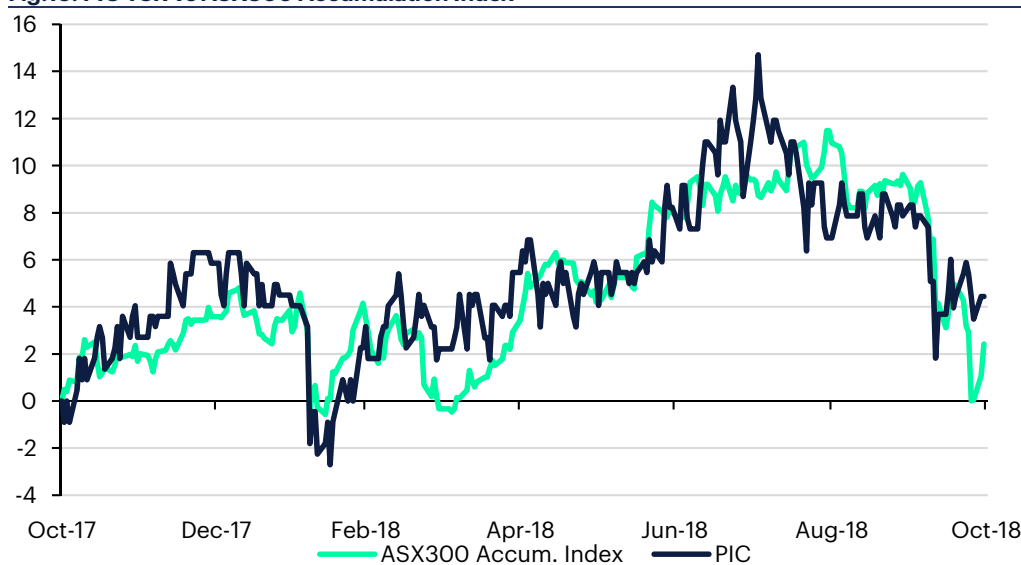
Fig.15: PIC snapshot

PIC Snapshot			Top Holdings		%
Price (31 October 2018)		\$1.09	SUNCORP GROUP LTD		5.2%
Share price range (12 months)		\$1.0495- \$1.2335	WESTPAC BANKING CORP		5.1%
Shares on issue (Mn)		344.8	COMMONWEALTH BANK OF AUSTRAL		4.1%
Market capitalisation (\$Mn)		\$376	TABCORP HOLDINGS LTD		4.0%
Pre-tax asset backing*		\$1.11	EVOLUTION MINING LTD		3.7%
Post-tax asset backing*		\$1.12			3.9%
Premium/(Discount) to pre-tax NTA		-2.1%	GLOBAL TOP HOLDINGS		
Premium/(Discount) to post-tax NTA		-2.2%	SHIRE PLC		3.9%
Dividend yield		5.8%	GENERAL ELECTRIC CO		1.4%
Dividend per share (cents)		6.3	TECHNIPFMC PLC		1.0%
Franking		100%			
Management expense ratio		1.00%			

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
PIC	4.4%	8.0%	na	NTA growth	2.6%	6.1%	na
Active return	1.6%	-0.2%	na	Active return	-0.3%	-2.1%	na

Source: IRESS, Bloomberg, Baillieu, Company reports. Figures as at 31 October 2018. Active return refers to TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.16: PIC TSR vs ASX300 Accumulation Index



Source: Bloomberg, Baillieu

Templeton Global Growth Fund (TGG)

www.tggf.com.au

- The Templeton Global Growth Fund was listed on the ASX in 1987 by Franklin Templeton Investment Group, an American investment group with more than 50 years' experience.
- Templeton's investment approach is to seek out fundamentally undervalued securities with a focus on long-term growth.
- Its portfolio gives Australian investors access to a diversified portfolio of international securities.
- TGG is overweight European exposure (43.0%) whilst underweight North America (33.0%) when compared MSCI All Country World Index.
- The total shareholder return for the year ending 31 October 2018 was -3.4% with pre-tax net asset backing decreasing 1.2%. The active return (TSR) was -13.5%.

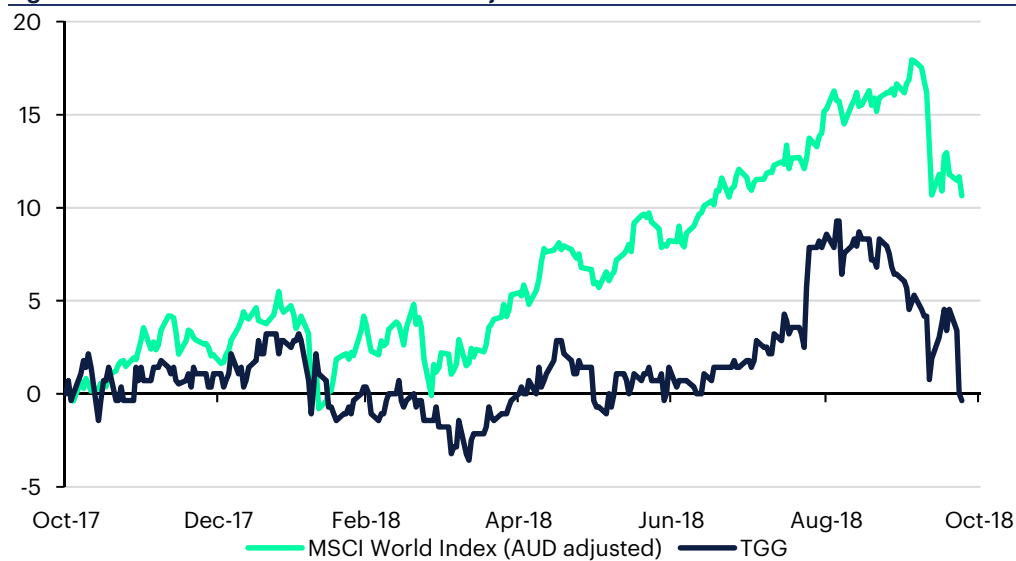
Fig.17: TGG snapshot

TGG Snapshot		Top Holdings		%
Price (31 October 2018)	\$1.28	BP PLC		na
Share price range (12 months)	\$1.25- \$1.5037	ORACLE CORP		
Shares on issue (Mn)	220.8	ROYAL DUTCH SHELL		
Market capitalisation (\$Mn)	\$283	SANOFI		
Pre-tax asset backing*	\$1.43	SIEMENS AG		
Post-tax asset backing*	\$1.41	CITIGROUP INC		
Premium/(Discount) to pre-tax NTA	-10.7%	SAMSUNG ELECTRONICS		
Premium/(Discount) to post-tax NTA	-8.9%	BNP PARIBAS SA		
Dividend yield	6.3%	COMCAST CORP		
Dividend per share (cents)	8.0	TEVA PHARMACEUTICAL		
Franking	100%			
Management expense ratio	1.00%			

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
TGG	-3.4%	3.8%	4.6%	NTA growth	-1.2%	2.5%	5.8%
Active return	-13.5%	-5.1%	-9.2%	Active return	-11.3%	-6.3%	-8.0%

Source: IRESS, Bloomberg, Baillieu, Company reports. Figures as at 31 October 2018. Active return refers to TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.18: TGG TSR vs MSCI World Index AUD adjusted



Source: Bloomberg, Baillieu

WAM Leaders (WLE)

www.wamfunds.com.au

- Incorporated in May 2016, WAM Leaders is managed by Wilson Asset Management International (WAMI) Pty Ltd. WAMI also manages WAM, WAX and WAA within the LIC space.
- WLE seeks to deliver a stream of fully franked dividends, provide capital growth over the medium-to-long term and preserve capital. The portfolio will predominately comprise of large cap companies within the S&P/ASX 200 Index.
- WLE employs a two-tiered investment process including research driven investing (fundamental bottom up approach) and a market driven approach which seeks to take advantage of short-term relative arbitrages and mispricing opportunities.
- The current portfolio position has a large cap bias with ~50% of the portfolio invested in the ASX top 20.
- The total shareholder return for the year ending 31 October 2018 was 4.0% with pre-tax net asset backing increasing 0.4%. The active return (TSR) was 1.0%.

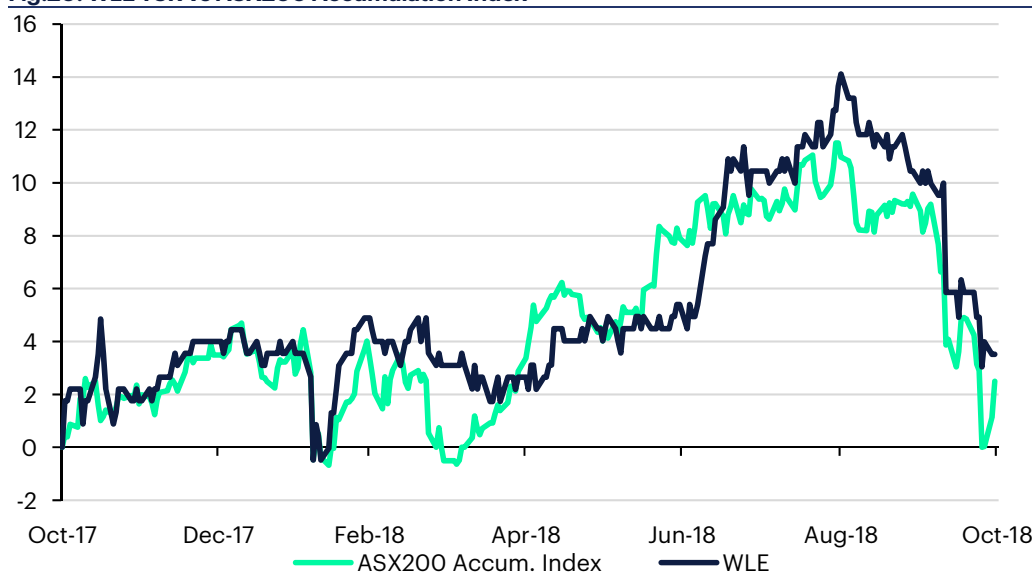
Fig.19: WLE snapshot

WLE Snapshot		Top Holdings		%
Price (31 October 2018)	\$1.11	ARISTOCRAT LEISURE LTD		na
Share price range (12 months)	\$1.065- \$1.25	AUST AND NZ BANKING GROUP		
Shares on issue (Mn)	704.1	BHP BILLITON LIMITED		
Market capitalisation (\$Mn)	\$782	COMMONWEALTH BANK OF AUSTRAL		
Pre-tax asset backing*	\$1.13	CSL LTD		
Post-tax asset backing*	\$1.13	FORTESCUE METALS GROUP LTD		
Premium/(Discount) to pre-tax NTA	-1.7%	INSURANCE AUSTRALIA GROUP		
Premium/(Discount) to post-tax NTA	-1.4%	JAMES HARDIE INDUSTRIES-CDI		
Dividend yield	4.5%	MACQUARIE GROUP LTD		
Dividend per share (cents)	5.0	NATIONAL AUSTRALIA BANK LTD		
Franking	100%			
Management expense ratio	1.00%	<i>**listed in alphabetical order**</i>		

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
WLE	4.0%	na	na	NTA growth	0.4%	na	na
Active return	1.0%	na	na	Active return	-2.5%	na	na

Source: IRESS, Bloomberg, Baillieu, Company reports. Figures as at 31 October 2018. Active return refers to TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.20: WLE TSR vs ASX200 Accumulation Index



Source: Bloomberg, Baillieu

Westoz Investment Company (WIC)

www.westozfunds.com.au

- Westoz Funds, established in 2005, initially focused on investments in Western Australian based companies outside the ASX100. Recently, WIC has invested in companies outside of Western Australian, within the industrial sector.
- The company has stated a policy to pay out a minimum of 50% of realised after tax profits to shareholders by way of dividends.
- The total shareholder return for the year ending 31 October 2018 was 6.7% with pre-tax net asset backing increasing 4.3%. The active return (TSR) was 3.7%.

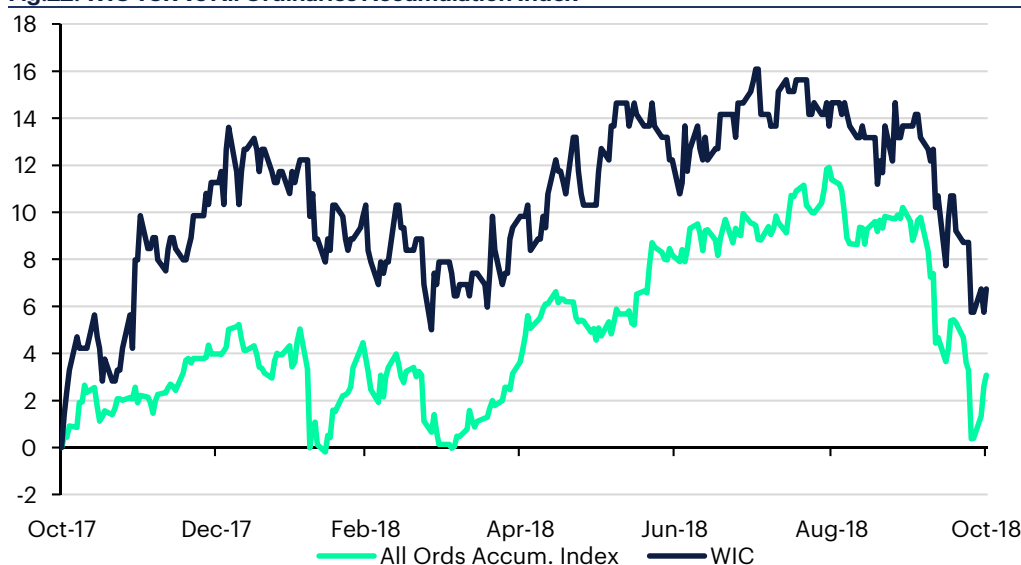
Fig.21: WIC snapshot

WIC Snapshot		Top Holdings	
Price (31 October 2018)	\$1.08	AUSTRALIS OIL & GAS LTD	12.0%
Share price range (12 months)	\$1.05- \$1.215	CEDAR WOODS PROPERTIES LTD	9.0%
Shares on issue (Mn)	133.2	AUSDRILL LTD	6.0%
Market capitalisation (\$Mn)	\$144	FINBAR GROUP	6.0%
Pre-tax asset backing*	\$1.21	COOPER ENERGY	6.0%
Post-tax asset backing*	\$1.19	MACMAHON HOLDINGS	5.0%
Premium/(Discount) to pre-tax NTA	-11.0%	MOUNT GIBSON IRON	5.0%
Premium/(Discount) to post-tax NTA	-9.5%	EVOLUTION MINING	5.0%
Dividend yield	5.6%	SOUTHERN CROSS ELECTRICAL	4.0%
Dividend per share (cents)	6.0	INDEPENDENCE GROUP	4.0%
Franking	100%		
Management expense ratio	1.00%		

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
WIC	6.7%	15.3%	4.9%	NTA growth	4.3%	11.9%	2.7%
Active return	3.7%	7.1%	-1.3%	Active return	1.2%	3.6%	-3.5%

Source: IRESS, Bloomberg, Baillieu, Company reports. Figures as at 31 October 2018. Active return refers to TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.22: WIC TSR vs All Ordinaries Accumulation Index



Source: Bloomberg, Baillieu

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