

# W | A | M Research

Focus: small to mid-cap Australian companies  
(ASX: WAX)

## Portfolio update

The WAM Research investment portfolio decreased 2.0% in November. During the month, Trade Me (ASX: TME) announced it had received a preliminary, non-binding, indicative proposal to acquire 100% of the shares on issue at a cash price of NZD\$6.40 per share from UK company Apax Partners. In December, TME also received a second proposal to acquire 100% of shares at a cash price of NZD\$6.45 per share from US private equity company Hellman and Partners. In November, IPH Limited (ASX: IPH) confirmed that it had made a number of approaches to buy its listed rival, QANTM IP (ASX: QIP) with a final bid being offered at \$1.80 per share. The QANTM IP Board immediately rejected the indicative bid, believing that a proposed merger of equals with competitor Xenith IP (ASX: XIP) would offer shareholders greater value.



**Oscar Oberg**  
LLB BBus CFA  
Lead Portfolio Manager

## Net tangible asset (NTA) figures

<b>NTA before tax</b>	<b>114.80c*</b>
<b>NTA after tax and before tax on unrealised gains</b>	<b>114.37c</b>
<b>NTA after tax</b>	<b>114.45c</b>

\*The NTA before tax is after the payment of \$38k (0.02 cents per share) in tax during the month.

\*Based on the 30 November 2018 share price of \$1.39 per share and the FY18 fully franked full year dividend of 9.5 cents per share.

Pre-tax net tangible assets

**\$1.15**

Gross assets

**\$218.3m**

FY18 fully franked dividend yield\*

**6.8%**

Performance (p.a. since July 2010)

**16.2%**

Performance at 30 November 2018	1 mth	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	7 yrs %pa	Since change in investment strategy %p.a. (Jul-10)
WAX Investment Portfolio	-2.0%	-6.3%	-1.1%	9.6%	13.6%	17.8%	16.2%
S&P/ASX All Ordinaries Accumulation Index	-2.2%	-6.9%	-1.1%	7.7%	6.0%	9.2%	8.0%
<b>Outperformance</b>	<b>+0.2%</b>	<b>+0.6%</b>	<b>+0.0%</b>	<b>+1.9%</b>	<b>+7.6%</b>	<b>+8.6%</b>	<b>+8.2%</b>

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

## Fully franked dividends since inception



## Top 20 holdings in alphabetical order

Accent Group Limited	AX1
Adairs Limited	ADH
Austal Limited	ASB
City Chic Collective Limited	CCX
Codan Limited	CDA
Credit Corp Group Limited	CCP
Emeco Holdings Limited	EHL
Event Hospitality and Entertainment Limited	EVT
GTN Limited	GTN
Index Limited	IMD
IPH Limited	IPH
Lifestyle Communities Limited	LIC
Mayne Pharma Group Limited	MYX
Myer Holdings Limited	MYR
Noni B Limited	NBL
PSC Insurance Group Limited	PSI
Seven West Media Limited	SWM
Tabcorp Holdings Limited	TAH
Vocus Group Limited	VOC
WorleyParsons Limited	WOR

Investment type	October 2018		November 2018	
	\$m	%	\$m	%
Listed equities	137.8	61.8	126.6	58.0
Fixed interest & cash	85.2	38.2	91.7	42.0
<b>Gross assets</b>	<b>\$223.0m</b>	<b>100.0</b>	<b>\$218.3m</b>	<b>100.0</b>
Market capitalisation	\$281.5m		\$263.5m	
Total shares on issue	189,561,267		189,561,267	