



Investment Approach

Clime's investment approach seeks to deliver strong risk adjusted total returns to investors over the long term. Clime focuses on delivering consistent strong results by identifying undervalued companies and, via the macroeconomic overlay, enhancing return and managing risk. We strive to ensure that risks taken in the portfolio are appropriately compensated and employ a decision framework of:

- Capital deployed;
- At what risk;
- For what likely outcome.

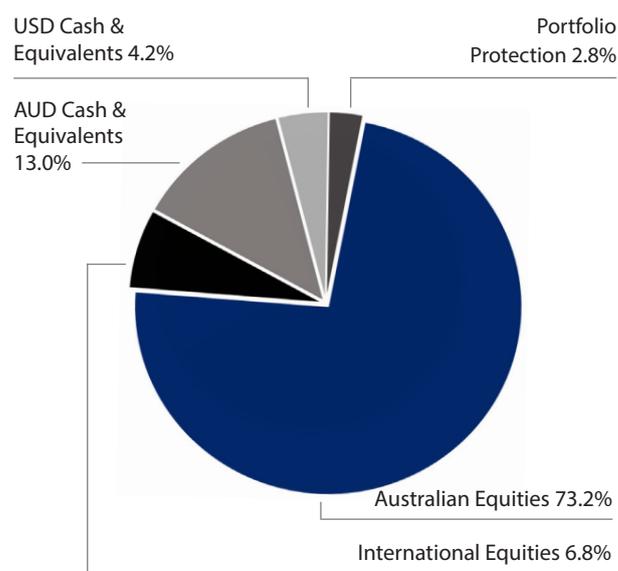
Top Holdings (Weightings %)

Australian Equities - Large Cap	
Australia & New Zealand Banking Group	4.45
National Australia Bank	4.00
Ramsay Healthcare Limited	3.73
Australian Equities - Mid Cap	
Crown Resorts Limited	4.38
Henderson Group	4.34
Qube Holdings Limited	3.94
APN Outdoor Group	3.83
Australian Equities - Small Cap	
Nick Scali Limited	3.52
Collins Foods Limited	3.33
Speedcast International Limited	2.58
International Equities	
iShares Russell 2000 ETF	1.11
China Mobile	0.98
Cognizant Tech Solutions	0.96
AUD Cash	
AUD Cash	13.01
USD Cash	
USD Cash	4.16

Net Tangible Assets (NTA)

	March	February	January
NTA before tax	\$0.91 ^{1,2}	\$0.90 ^{1,2}	\$0.91 ¹
NTA after tax	\$0.92	\$0.91	\$0.91
CAM Share Price	\$0.895	\$0.900	\$0.895
Yield Excl. Franking	5.4%	5.3%	5.3%

Asset Allocation



Company Overview (\$m)

Australian Securities	\$61.96
International Securities	\$5.56
AUD Cash & Equivalents	\$10.61
USD Cash & Equivalents	\$3.39
Total Portfolio including Cash	\$81.52

¹ Fully diluted NTA per share incorporates the fully paid ordinary shares converting preference shares on issue and bonus entitlements due to be paid on conversion of the preference shares. Converting Preference shareholders will accrue the bonus issue and upon conversion will receive 1.387 Ordinary Shares for every Converting Preference Share. Converting Preference shareholders will mandatorily convert into ordinary shares on 30 April 2017.

² On 21 February 2017, the Board declared a fully franked dividend of 4.5 cents per share in respect of the Company's converting preference shares and a fully franked ordinary dividend of 1.20 cents per share for ordinary shareholders for the quarter ending 31 March 2017. These dividends are payable on 27 and 28 April 2017. NTA before and after tax disclosed above for February and March are before the effect of this dividend payment.

Ordinary Shares Overview (ASX:CAM)

Share Price (at month end)	\$0.895
Rolling 12 Month Dividend	4.8cps
Historical Dividend Yield	5.4%
Percentage Franked	100%
Grossed Up Yield	7.7%
Dividend Reinvestment Plan	Yes

** CAMPA will mandatorily convert into ordinary shares on 30 April 2017.

Preference Shares Overview (ASX:CAMPA)**

Share Price (at month end)	\$1.305
Rolling 12 Month Dividend	18.0cps
Historical Dividend Yield	13.8%
Percentage Franked	100%
Grossed Up Yield	19.7%
Dividend Reinvestment Plan	No

Total Shareholder Returns, January 2009 to March 2017: \$10,000



Clime Capital Limited (ASX:CAM)

Data Source: Thomson Reuters

Summary

The Clime Capital (CAM) portfolio delivered a return (net of fees) of 1.3% for the month. On a financial year to date basis, the Clime Capital portfolio has delivered a total return (net of fees) of 8.1%.

Within the portfolio, capital allocation decisions are made across a number of asset classes. These are Australian Equities, International Equities, Hybrids and Interest Bearing Securities and both AUD and USD Cash and Equivalents. The Australian Equity asset class exposure encompasses three sub-portfolios: Large Cap, Mid Cap and Small Cap.

The following changes were made to the portfolio for the month of March:

- Australian Equity Large Cap Sub-Portfolio: Added to existing positions in ANZ & NAB, built out a meaningful new position in RHC.
- Australian Equity Mid Cap Sub-Portfolio: Added to existing positions in AHG, IPH & ISD, introduced a new position in MTR, and exited the position in AAD.
- Australian Equity Small Cap Sub-Portfolio: Added to existing positions in CKF, MUA, MRG, RCG & VRS, marginally reduced weightings in IMF, NCK & SDA.
- International Equity Sub-Portfolio: Added to existing position in GOOGL, exited position in ORCL.

We segment the Company into four sub-portfolios with each component portfolio purposefully designed to deliver stated investment objectives. Key contributors and detractors to the CAM return for the month were:

- Australian Equity Large Cap Sub-Portfolio: Positive contributors RHC (5.0%), NAB (4.2%), ANZ (3.0%), no detractors.
- Australian Equity Mid Cap Sub-Portfolio: Positive contributors QUB (12.1%), MTR (10.6%), AAD (10.7%), HGG (+6.4%), detractors GTY (-2.3%), APO (-1.7%).
- Australian Equity Small Cap Sub-Portfolio: Positive contributors HFA (10.8%), FLK (7.1%), APD (2.4%), detractors CKF (-10.8%), CGL (-6.5%), IMF (-5.3%).
- International Equity Sub-Portfolio: Positive contributors ORCL (5.7%), no meaningful detractors.

Investor optimism continues to drive strong support in global equities. While the 'Trump reflation effect' was sustained over the quarter, there are clearer signs on the economic front that the resilience of the US recovery (even without Trump) is building. We are encouraged by the US Fed's follow-on rate rise in March and increased likelihood of further rate rises over the coming year. We see the paring back of overly stimulatory monetary policy settings as conducive to more efficient capital allocation decisions, something we believe is beneficial to all investors. We believe the portfolios continue to be appropriately positioned in anticipation of deploying capital when asset price volatility provides the opportunity for more attractive entry prices.

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