

INVESTMENT OBJECTIVE

To provide investors with capital growth, attractive risk-adjusted returns, and stable distributions over the long-term through exposure to quality Australian equities that are well positioned to deliver sustainable earnings growth and returns on capital.

PORTFOLIO UPDATE

September was a weaker month for the S&P/ASX 200 as news of increasing trade tensions between the US and China weighed on global equity markets. In Australia more specifically, residential property prices continued to decline in certain cities, and the finance sector awaited the release of the Financial Services Royal Commission's interim report.

On the back of the commodity price increases resource stocks performed strongly during September. The Fund's top 3 performing stocks this month were all resource related with Monadelphous (up 15%), Woodside Petroleum (up 5%) and BHP Billiton (up 7%). Underweight positions in Rio Tinto (up 8%) and South 32 (up 15%) were two of the major negative contributors to performance.

The strong run in the higher growth stocks partly unwound during September with a pullback in the more highly valued stocks in the portfolio, namely CSL (down 11%), REA Group (down 6%) and Blackmores (down 19%).

PORTFOLIO CONSULTANTS



Ben Chan
Portfolio
Consultant

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Portfolio
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NTA per unit \$1.60	Unit price \$1.62	Gross assets \$32.5 MILLION	12 month distribution yield (target) 5.0%	Performance since inception (21 June 2018) ¹ 3.2%
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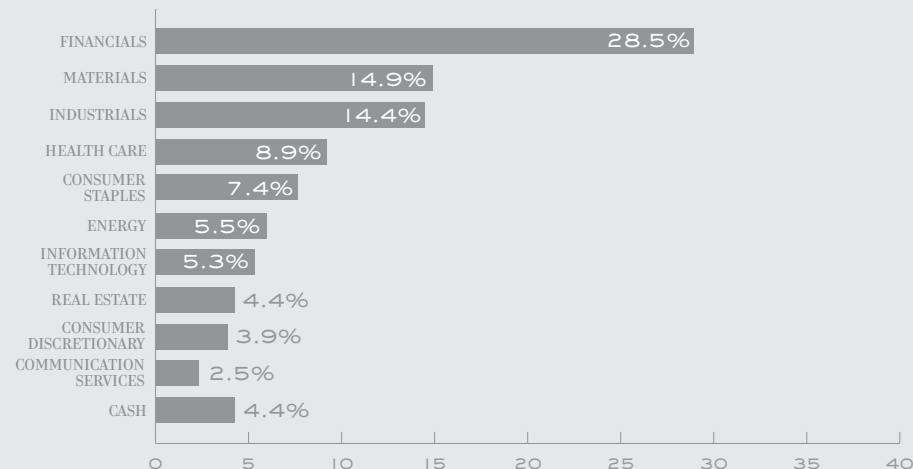
FUND PERFORMANCE¹

	1 MONTH	3 MONTH	6 MONTH	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION
NTA (%)	-1.8%	2.6%	-	-	-	-	3.2%
S&P/ASX 200 Accumulation Index	-1.3%	1.5%	-	-	-	-	1.1%
Excess Return	-0.6%	1.0%	-	-	-	-	2.1%

TOP 10 PORTFOLIO HOLDINGS

ANZ Banking Group	FINANCIALS	Sydney Airport	INDUSTRIALS
BHP Billiton Ltd	MATERIALS	Transurban Group	INDUSTRIALS
Commonwealth Bank of Australia	FINANCIALS	Wesfarmers Ltd	CONSUMER STAPLES
CSL Ltd	HEALTH CARE	Westpac Banking Corporation	FINANCIALS
Macquarie Group Limited	FINANCIALS	Woodside Petroleum Limited	ENERGY

SECTOR EXPOSURE



Source: Investment Manager, Bloomberg

Notes: Data at 30 September 2018 unless stated. Numbers may not sum due to rounding. 1. All returns are total returns, inclusive of reinvested distributions. NTA returns are net of fees and costs. Past performance is not a reliable indicator of future performance. Inception 21 June 2018.



ABOUT WALSH & COMPANY

Walsh & Company is a multi-billion-dollar global funds management firm founded in 2007, with assets under management across global equities, residential and commercial property, private equity, fixed income, and sustainable and social investments. It provides access to unique investment strategies not readily accessible to investors and focuses on building high-quality, diversified portfolios.

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IMPORTANT INFORMATION

This report has been prepared by Evans and Partners Investment Management Pty Limited (**Investment Manager**) (ACN 619 080 045, CAR No. 1255264), as investment manager for the Evans & Partners Australian Flagship Fund (**Fund**) (ARSN 625 303 068).

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