

30 November 2020

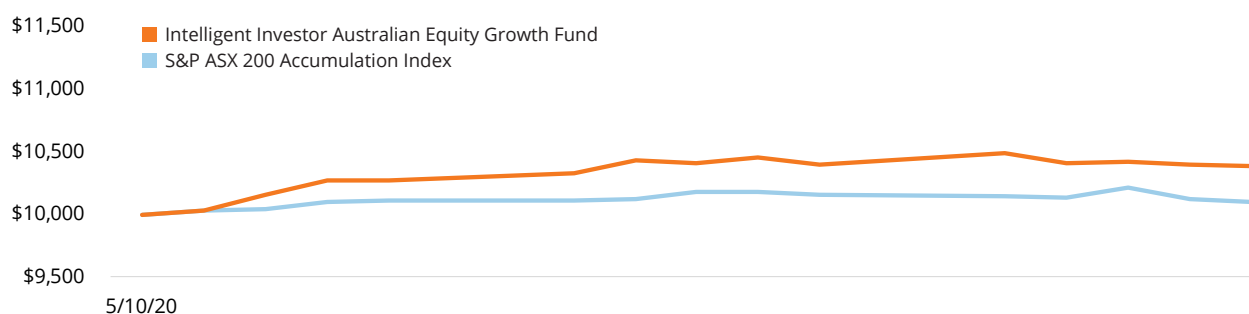
Monthly Update

Intelligent Investor Australian Equity Growth Fund

(Managed Fund) (ASX: IIGF)

As at 30 November 2020

Performance of \$10,000 since inception



Performance (after fees)

	1 mth	3 mths	6 mths	1 yr	S.I. (p.a)
II Australian Equity Growth Fund	11.1%	N/A	N/A	N/A	7.5%
S&P ASX 200 Accumulation Index	10.2%	N/A	N/A	N/A	10.0%
Excess to Benchmark	0.9%	N/A	N/A	N/A	-2.5%

Asset allocation

Information Technology	30.5%
Consumer Discretionary	20.3%
Financials	13.0%
Industrials	11.4%
Cash	9.9%
Materials	5.3%
Energy	4.6%
Real Estate	2.9%
Utilities	2.1%

Top 5 holdings

Frontier Digital Ventures (FDV)	8.6%
Star Entertainment Group (SGR)	6.7%
RPMGlobal (RUL)	6.4%
Pinnacle Investment Mgmt Group (PNI)	6.4%
Audinate (AD8)	5.8%

About Us

With a 20-year track record of beating the market, clear and straightforward language, and an 'open book' approach to stock research and analysis, *Intelligent Investor* offers actionable, reliable recommendations on ASX-listed stocks.

In 2014, *Intelligent Investor* became a part of the InvestSMART family, extending our expertise to even more Australian investors seeking quality analysis and advice.

Portfolio overview

The Intelligent Investor Equity Growth Portfolio is a concentrated portfolio of 10 - 35 Australian-listed stocks. The Portfolio invests in a mix of large, mid and small cap stocks, focusing on highly profitable industry leaders that have long-term opportunities to reinvest profits at high rates of return.

As contrarian value investors, producing safe and attractive returns in the stock market means sticking to a disciplined and repeatable process. We do this by patiently waiting for overreactions in share prices, so we can buy at a large discount to our estimate of intrinsic value.

Investment objective

The portfolio aims to achieve a return of 2% above the S&P/ASX 200 Accumulation Index p.a. over five year rolling periods with minimal turnover to allow returns to compound in a favourable tax environment.

Who manages the investment?

Nathan Bell, has over 20 years of experience in portfolio management and research and is supported by our Investment Committee, chaired by Paul Clitheroe. Nathan returned to *Intelligent Investor* in 2018 as Portfolio Manager, having previously been with *Intelligent Investor* for nine years, spending five of those as Research Director. Nathan has a Bachelor of Economics and subsequently completed a Graduate Diploma of Applied Investment and Management. Nathan is a CFA Charterholder.

Key Fund Details

INVESTMENT CATEGORY

A portfolio of individually-selected Australian Equities

INVESTMENT STYLE

Active Stock Selection, Value Investing Approach

BENCHMARK

S&P/ASX 200 Accumulation Index

INCEPTION DATE

6 October 2020

SUGGESTED INVESTMENT TIMEFRAME

5+ years

NUMBER OF STOCKS

10 - 35

INVESTMENT FEE

0.97% p.a.

PERFORMANCE FEE

N/A

MINIMUM INITIAL INVESTMENT

N/A

SUITABILITY

Suitable for investors who are seeking domestic equity exposure with a growing stream of dividends to offset inflation

Intelligent Investor Australian Equity Growth Fund

30 November 2020 update

'The rule of thumb in high technology has been that the market leader makes a fortune, the first runner-up breaks even, and everyone else goes bankrupt rapidly.'

— Economists Brad Delong and Larry Summers

The fund increased 11.1% during the month compared to a 10.2% gain for the index, as the market is pricing in a stronger economic recovery following the good news that a COVID vaccine should be available early next year.

During the month we added **Infratil**, which has built an excellent track record of acquiring and selling businesses in similar fashion to a private equity operator.

We also added **Omni Bridgeway**, which has a three-decade history of successfully funding litigation claims. The business has recently shifted to a funds-management business model, offering attractive returns to investors prepared to help fund litigation cases.

AMA Group announced the sale of one of its smaller businesses that will help reduce the company's burdensome debt load and allow management to focus on its core smash repair business.

Fast fashion retailer Lovisa announced a cracking deal where it will take over hundreds of new store leases in Europe for a nominal amount. This is exactly the type of decision we expect from entrepreneurial businesses with intelligent insider operators that have plenty of skin in the game.

360 Capital also announced that it expects to double earnings per share to four cents this year, as its rapid launch of new funds starts to impact fee revenue. Boasting a ~5% distribution yield, \$80m of cash, excellent management, a clear growth strategy that's brought in several high calibre executives all while trading at a discount to its net tangible assets, we expect good things over the next few years.

*If you have any questions, as always, please call us on **1300 880 160** or email us at info@intelligentinvestor.com.au.*



Important information

This document has been prepared by InvestSMART Funds Management Limited (ABN 62 067 751 759, AFSL 246441) (InvestSMART), the responsible entity of the Fund and issuer of units in the Fund.

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