14 December 2015

CBG Capital Limited Net Tangible Assets (NTA) per share report and performance update for November 2015

Please find below CBG Capital Limited's monthly NTA per share report as at 30 November 2015, together with a performance update.

Ronni Chalmers

Chief Investment Officer

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CBG CAPITAL

Net tangible assets report and performance update

November 2015

Net tangible assets per share

	Oct-15	Nov-15
NTA pre-tax	$1.0118	$1.0344*
NTA post-tax	$0.9985	$1.0098*

* November prices are ex the 1.5cps fully franked dividend paid in the month.
**Please note that the post-tax figures are theoretical, assuming that all holdings in the portfolio are sold and then tax paid on the gains that would arise on this disposal.

Portfolio performance (after fees)

	Fund %	Benchmark %	Excess %
1 month	3.8%	-0.7%	4.5%
3 months	9.1%	0.6%	8.5%
6 months	1.0%	-8.3%	9.3%
Since inception	7.1%	1.4%	5.8%

CBG Capital

ASX Code	CBC
Option Code	CBCO
Listing date	19 December 2014
Shares on issue	24.2 million
Options on issue	24.2 million
Exercise price	$1.00
Options expiry	30 September 2016
Benchmark	S&P/ASX 200 Accumulation Index
Number of stocks held	48

Contact

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Boardroom
Share registry
1300 737 760

Portfolio commentary

On 19 December 2015 CBG Capital will reach the one year milestone since listing. It is pleasing to report that as at 30 November the portfolio has returned 7.1% since inception (after fees and before tax on unrealised gains), which compares very favourably to the benchmark return of 1.4%. This represents net outperformance of 5.8%.

The portfolio performance has benefited from strong stock selection through the year and an underweight exposure to the resources sector.

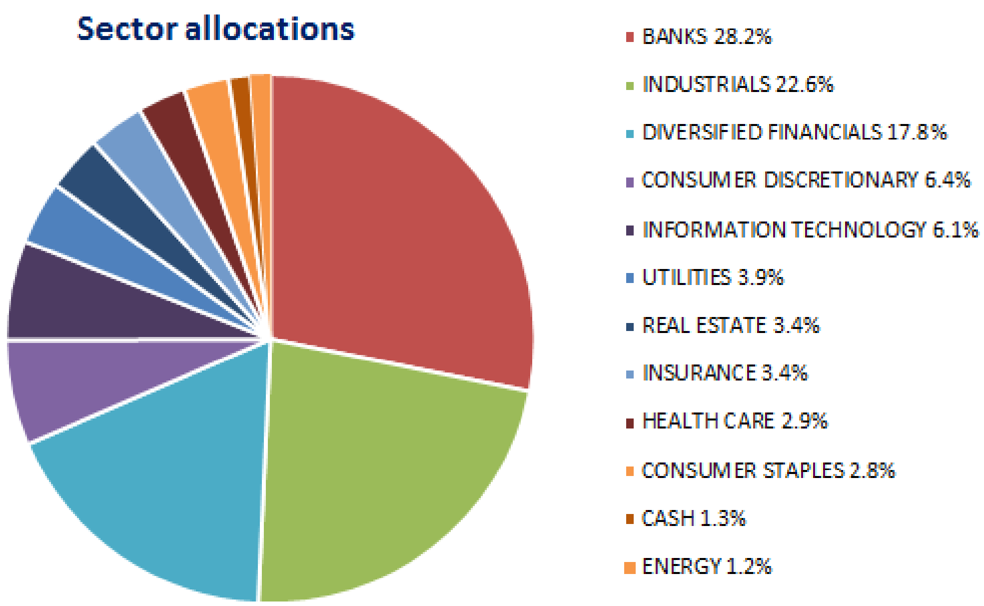
Key contributors to the outperformance since listing included Bellamy's Australia (BAL) 90.8% return, BT Investment Management (BTT) 71.4% return, IPH Limited (IPH) 53.0% return and Henderson Group (HGG) 50.4% return.

BAL is a provider of organic infant formula and baby food. The company is achieving extremely rapid growth in infant formula sales, driven in particular by demand from China. Revenue for the 2015 financial year increased by 156% on the prior year to $125 million. The company also recently announced a 20% increase to the recommended retail price of their formula and has entered into a new manufacturing agreement with Fonterra, increasing the security of processing capacity to manage growth over the long term.

BTT and HGG are both fund managers with globally diversified operations. These stocks materially outperformed their Australian listed fund manager peers over the year given superior inflows and exposure to a declining AUD. BTT subsidiary J O Hambro Capital Management recorded inflows of $6.2 billion in the 12 months to 30 September 2015, equivalent to 22% of opening Hambro's funds under management. Over the same period, HGG recorded inflows of £7.6 billion, equivalent to 10% of opening funds under management.

IPH is one of the leading intellectual property services firms in the Asia-Pacific region. The company has been achieving strong growth in its Asian operations in recent years and also successfully executing on an acquisition strategy. The company completed a $60m institutional placement during November, providing funding to continue the acquisition strategy and CBG Capital participated in this capital raising.

Top 10 holdings as at 30 November 2015		
ASX Code	Name	Weight
CBA	COMMONWEALTH BANK OF AUSTRALIA	9.3%
ANZ	ANZ BANKING GROUP LIMITED	7.5%
WBC	WESTPAC BANKING CORPORATION	7.4%
TCL	TRANSURBAN GROUP	5.4%
HGG	HENDERSON GROUP	4.9%
BTT	BT INVESTMENT MANAGEMENT LTD	4.5%
MQA	MACQUARIE ATLAS ROADS GROUP	4.3%
NAB	NATIONAL AUSTRALIA BANK LIMITED	3.9%
MFG	MAGELLAN FINANCIAL GROUP	3.8%
SYD	SYDNEY AIRPORT	3.0%



Monthly market commentary

Further large falls in commodity prices were a significant feature of the month of November. This included iron ore -14% to US$39 per tonne, nickel -14%, copper -10%, hard coking coal -8% and gold -7%, while thermal coal gained +3%. Australian private capital expenditure reported for the September quarter was also worse than expected, down 20% on the previous corresponding period, driven by the slow-down in resources investment.

The iron ore price declined further in November (US$/tonne)

Despite this area of weakness for the domestic economy, labour force data surprised significantly to the upside, with a 59k increase in employment resulting in a 0.3% reduction in the unemployment rate to 5.9%.

Another area of strength for the domestic economy is tourism, with a lower AUD providing support to international arrivals and influencing Australians to spend more of their tourism dollars at home. Since the AUD began to depreciate in early 2013, the delta in net exports of tourism has so far added 0.5% to GDP.

Positive US economic data has continued to firm up expectations of a December lift-off for US interest rates when the Federal Reserve meets this week. The increase in non-farm payrolls reported in the month of 271k exceeded the consensus forecast of 184k, nudging the unemployment rate down 0.1% to 5.0%. Chinese economic data in the month was generally weak, including the official purchasing manager's index, which was below expectations and signalling continued contraction in manufacturing. Conversely, retail sales were better than expected, +11.0% on the previous corresponding period. Eurozone GDP reported for the September quarter increased by 0.3% over the previous quarter to be up 1.6% for the year, which was in line with expectations.

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