



# WAM Leaders (ASX: WLE)

FY2016 update

17August 2016

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# WAM Leaders (ASX: WLE)

WILSON  
ASSET MANAGEMENT

- Research Driven
- Active
- Index and sector unaware
- Focused on opportunities in the S&P/ASX 200 Index



## Investment objectives:

- ① Deliver a stream of fully franked dividends
- ② Provide capital growth
- ③ Preserve capital

## As at 16 August 2016

Share price: \$1.17

Option price: \$0.065

Package: \$1.235

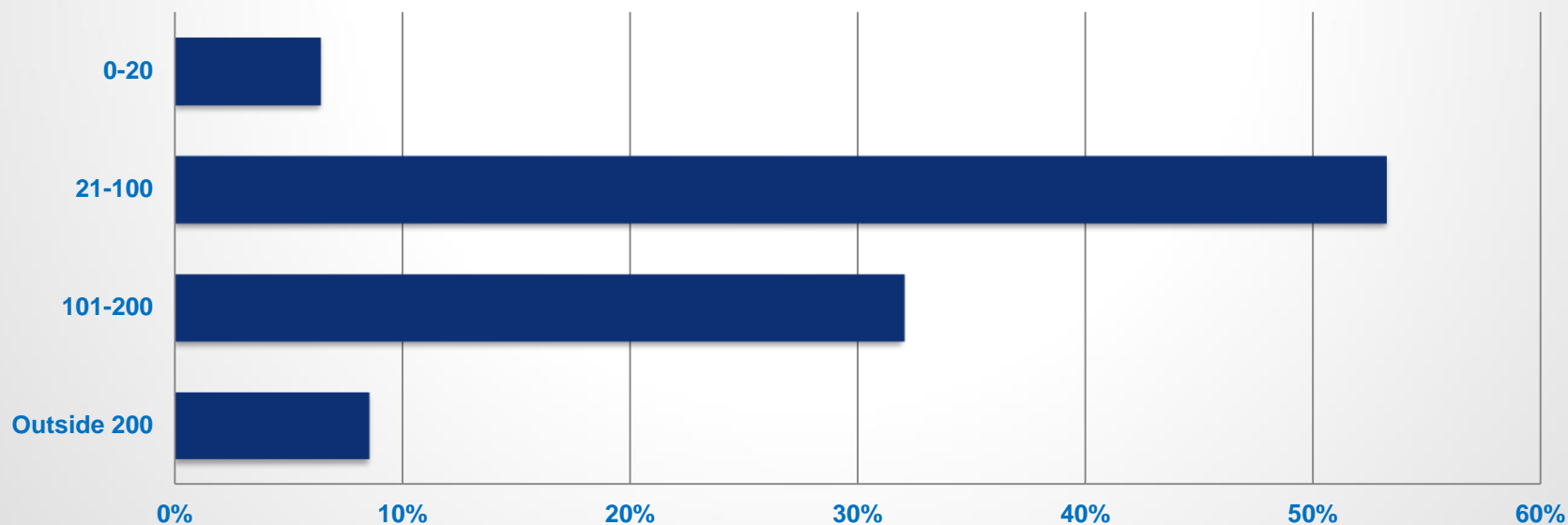
# WAM Leaders (ASX: WLE)

## Portfolio structure

15 August 2016

Investment type	\$m	%
Listed equities	313.6	78.2
Short Portfolio	(17.0)	(4.2)
Fixed interest and cash	104.6	26.0
Gross assets	\$401.2	100.0
Total ordinary shares on issue		358,755,160

## Portfolio composition by market capitalisation



# Top holdings (as at 15 August 2016)

Code	Company	Market Value \$	Market Value as % Gross Assets
<b>ORA</b>	<b>Orora Limited</b>	18,675,805	4.8%
<b>ALQ</b>	<b>ALS Limited</b>	16,916,338	4.2%
<b>CCP</b>	<b>Credit Corp Group Limited</b>	16,578,998	4.1%
<b>ALL</b>	<b>Aristocrat Leisure Limited</b>	15,907,962	4.0%
<b>RWC</b>	<b>Reliance Worldwide Corporation Pty Limited</b>	13,223,258	3.3%
<b>JHX</b>	<b>James Hardie Industries</b>	12,398,100	3.1%
<b>TPM</b>	<b>TPG Telecom Limited</b>	12,364,924	3.1%
<b>RCG</b>	<b>RCG Corporation Limited</b>	11,400,345	2.8%
<b>AAD</b>	<b>Ardent Leisure Group</b>	10,883,635	2.7%
<b>ECX</b>	<b>Eclix Group Limited</b>	10,221,937	2.6%

# Global market overview and outlook

**1** Post Brexit vote, it appeared that market volatility would increase and it was a perfect chance for the market to sell off.

**2** Initial uncertainty in the days following saw global yields fall off, which then became the catalyst for the market to rally.

**3** Despite the potential global growth environment having deteriorated and risks increased, equities rallied off the back of flatter yield curves.

**4** Concern remains around the Italian bank situation – a bail out package will likely need to be arranged in the next few weeks.

**5** Economic data out of UK remains a risk, as evidenced by recent PMI figures.

**6** Despite risks to underlying economic conditions, central banks across the world are likely to provide support.

**7** We expect ECB, BOE, RBA, and BOJ all to implement easier policies over the next months.

# Australian market overview and outlook

**WILSON**  
ASSET MANAGEMENT



**1** Domestically, economic data remains relatively strong.

**2** Unemployment rates are holding but underemployment is increasing.

**3** Growth is at steady levels.

**4** The RBA cut the cash rate to 1.5% in August, a record low , with potential for further cuts

**5** Reporting season will be a test to the markets' current valuations versus the current and expected earnings growth of the market

# What we like – Research Driven



**Reliance  
Worldwide  
Corporation**  
(ASX: RWC)

MARKET CAP  
**\$1.7bn**

FY17 PE  
**27x**

EPS GROWTH  
**27%**

Designer and manufacturer of water flow and control products for “behind the wall” plumbing

## WHY WE LIKE IT:

- Current product suite demonstrates growth in repair and renovate market.
- Key product - “Sharkbite”, utilises ‘Push To Connect’ brass fittings to provide more efficient plumbing solutions for plumbers and DIY trades.
- Pending launch of patent-protected ‘EvoPEX’ later this year presents new market opportunity.



# What we like – Research Driven



**Orora Ltd**  
(ASX: ORA)

MARKET CAP  
**\$3.8bn**

FY17 PE  
**21x**

EPS GROWTH  
**16%**

Orora is a leading packaging company with operations in Australia and America.

## WHY WE LIKE IT:

- We like the defensive nature of the business with its exposure to beverage and food consumption
- Potential for growth opportunities through further acquisitions: Recent acquisition of IntegraColor in the US provides a platform for growth
- Continued utilisation improvements and cost out initiatives to drive margin improvement.

# What we like – Research Driven



Credit Corp Group

**Credit Corp  
Group Ltd**

(ASX: CCP)

MARKET CAP

**\$793m**

FY17 PE

**14x**

EPS GROWTH

**20%**

CCP is a receivable management company which provides debt purchase and collection services in Australia, NZ and the USA.

## WHY WE LIKE IT:

- CCP has a market leading offering with a strong and experienced management team
- Well positioned to capitalise on new market opportunities in the US
- Market still underappreciated growth trajectory of earnings outlook

# What we like – Market Driven



**Aristocrat  
Leisure Ltd**  
(ASX: ALL)

MARKET CAP

**\$10bn**

FY17 PE

**22x**

EPS GROWTH

**20%**

Aristocrat is a developer, manufacturer and distributor of gaming content/platforms/systems around the world.

## WHY WE LIKE IT:

- Strong market position: ALL continues to grow its market share in the Australian poker machine industry
- New products such as Lighting Links and Buffalo Grand continue to provide platform for growth in US market in both recurring revenue and outright sales categories
- Digital platform revenue and profit continue to produce exceptional results

# Investor communication



Weekly emails  
including market  
updates



Half yearly  
national investor  
presentations



Monthly NTA  
announcement  
& investment update



Half & full year  
financial results



Website  
[wamfunds.com.au](http://wamfunds.com.au)



Media



Industry  
conferences



Independent  
research

# Investor presentations – November 2016

<b>Adelaide</b>	<b>Perth</b>	<b>Canberra</b>
<b>Wednesday 16 November</b>	<b>Thursday 17 November</b>	<b>Monday 21 November</b>
The Playford 120 North Terrace Adelaide SA 5000	The Duxton 1 St Georges Terrace Perth WA 6000	Belconnen Premier Inn 110 Benjamin Way Belconnen ACT 2616
Presentation: 10.00am – 12.00pm	Presentation: 10.00am – 12.00pm	Presentation: 10.00am – 12.00pm
<b>Sydney</b>	<b>Melbourne</b>	<b>Brisbane</b>
<b>Wednesday 23 November</b>	<b>Thursday 24 November</b>	<b>Friday 25 November</b>
The Hilton 488 George St Sydney 2000	Melbourne Convention Centre 1 Convention Centre Place South Wharf VIC 3006	Brisbane Exhibition & Convention Centre Cnr Merivale & Glenelg St Southbank QLD 4101
Presentation: 11.00am – 1.00pm	Presentation: 10.00am – 12.00pm	Presentation: 10.00am – 12.00pm

# Contact us

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