

W | A | M *Leaders*

Investment update

As at 30 September 2016



Snapshot

Pre-tax net tangible assets

III.46c

Gross assets

\$402.2m

wilsonassetmanagement.com.au

ABN: 33 611 053 751

WAM Leaders

ASX code	WLE
Listed	May 2016
Gross assets	\$402.2m
Market cap	\$411.0m
Share price	\$1.145
Option price	\$0.055
NTA before tax	\$1.115
Shares on issue	358,968,178
Options on issue	357,958,977
Number of stocks held	38

Investment objectives

- Deliver investors a rising stream of fully franked dividends
- Provide capital growth
- Preserve capital

Wilson Asset Management investment & management team

Geoff Wilson	Chairman & Portfolio Manager
Kate Thorley	Chief Executive Officer
Chris Stott	Chief Investment Officer & Portfolio Manager
Matthew Haupt	Portfolio Manager
Martin Hickson	Senior Equity Analyst & Dealer
Tobias Yao	Senior Equity Analyst
John Ayoub	Senior Equity Analyst
Oscar Oberg	Equity Analyst

Company overview

WAM Leaders Limited (ASX: WLE) is a listed investment company managed by Wilson Asset Management. Listed in 2016, WAM Leaders provides investors with diversified exposure to a portfolio of undervalued growth companies within the S&P/ASX 200 Index and exposure to market mispricing opportunities in large-cap companies.

Invitations to our November 2016 shareholder presentations have been mailed to shareholders. To RSVP, visit wilsonassetmanagement.com.au/RSVP

Market overview

The S&P/ASX 200 Accumulation Index closed up 0.48% for the month of September. The month began with the Reserve Bank of Australia (RBA) Governor Glenn Stevens' final board meeting where the RBA kept the cash rate at 1.5% in line with expectations. The RBA comments were consistent with previous months and lead us to believe rates will be on hold barring a dramatic turn in economic data.

Despite hawkish commentary from the US Federal Reserve US interest rates were left on hold sending markets higher. The Bank of Japan surprised markets as they shifted away from specific quantities of asset purchases and instead introduced a new policy of targeting the interest rate yield curve. Oil posted its second straight monthly gain with prices surging in the last days of the month after multinational oil conglomerate OPEC said it would reduce oil supply.

The best performing sector during the month was materials, which posted a gain of 4.9%. This was followed by real estate, up 2.8%. The laggard of the index was the telecommunication sector (-4.1%) following a guidance downgrade from TPG Telecom (ASX: TPM) and the surprise departure of Vocus Communication's (ASX: VOC) Chief Financial Officer.

Portfolio snapshot

In September Senior Equity Analyst John Ayoub visited the United States, attending various company investor days, investment conferences and a series of face-to-face meetings with US executives and Australian listed companies with local operations. John met with Aristocrat Leisure (ASX: ALL), Reliance Worldwide Corporation (ASX: RWC) and Ardent Leisure Group (ASX: AAD) and other comparable companies with relevance to the WAM Leaders portfolio to gather a range of valuable investment ideas and insights into the world's largest economy. John has published a full account his trip on the news and insights page of our website.

Net tangible asset (NTA) figures

NTA before tax	111.46c
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NTA after tax and before tax on unrealised gains	112.75c
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NTA after tax	111.03c
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Performance

In September the portfolio increased 0.91%, outperforming the S&P/ASX 200 Accumulation Index, which rose 0.48%.

Diversified portfolio

Investment Type	August 2016		September 2016	
	\$m	%	\$m	%
Listed equities	281.5	70.6	304.1	75.6
Short portfolio	(1.4)	(0.4)	(4.5)	(1.1)
Fixed interest & cash	118.6	29.8	102.6	25.5
Gross assets	398.7m	100.0	402.2m	100.0
Total shares on issue	358,788,250		358,968,178	

Top 10 holdings

Code	Company	Market value \$	Market value as % gross assets
ORA	Orora Limited	19,415,441	4.8%
ALL	Aristocrat Leisure Limited	17,277,358	4.3%
RWC	Reliance Worldwide Corporation (Aust) Limited	17,104,070	4.3%
CCP	Credit Corp Group Limited	16,181,785	4.0%
LNK	Link Administration Holdings Limited	14,292,361	3.6%
TWE	Treasury Wine Estates Limited	12,628,855	3.1%
ALQ	ALS Limited	12,388,277	3.1%
AAD	Ardent Leisure Group	12,340,782	3.1%
ECX	Eclix Group Limited	11,992,666	3.0%
LLC	Lend Lease Group	11,189,571	2.8%

Equity portfolio composition by market capitalisation

