

Listed Investment Companies (LICs)

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Disclosure

The author owns no shares in any of the companies mentioned.

Sector Report

Monthly LIC update – top picks

This report contains a LIC sector update and performance review of our coverage list for the month of July 2020. The table on page two provides an update of the overall sector, as at 28 August 2020, with our estimated current NTAs derived from our model portfolios for the LICs.

Top picks: Our top picks refer to preferred exposures within each sector based on numerous quantitative and qualitative factors. However, they should not be treated as official stock recommendations but merely as a guide to where we would apportion funds at this particular point in time.

Traditional LICs: The All Ordinaries Accumulation Index (XAOAI) was up 0.9% for the month of July. On average, traditional LICs, on a Net Tangible Asset (NTA) basis, underperformed the index by 1.1% during this period. Positive performances in materials, information technology and consumer sectors helped offset falls in energy, healthcare, industrials, and financials. Leading up to the ex-dividend dates, on a total shareholder return (TSR) basis, traditional LICs in our coverage universe outperformed the XAOAI by 1.5% in July. Our current top picks are Australian Foundation Investment Company (AFI) and Milton Corporation (MLT). AFI is trading at an estimated 3.8% premium to NTA, while MLT is trading at an estimated 5.2% discount to NTA.

Large capitalisation: WAM Leaders (WLE) was trading at a 2.2% discount as at 31 July. With an actively managed portfolio which has outperformed over the past 12 months, along with an increased dividend (3.25 cents) leading up to the ex-div date (19 Oct), we continue to see upside potential. Value top pick LSF is currently trading at an estimated 23.6% discount to NTA. On a TSR basis, LSF returned 4.9% in the month of July and a further 6.3% to August 28. We believe the ongoing buyback and management's focus on the discount will continue to provide an opportunity to capture the discount.

Small capitalisation and specialist: Our small cap top pick, Acorn Capital (ACQ), was trading at a 21.2% discount to NTA as at 31 July whilst continuing to outperform the Small Ordinaries index over 1-, 3- and 5-year time horizons. Despite investing in microcap companies, ACQ recently reaffirmed its intention to pay out a dividend yield (post-tax NTA) of at least 5%. It announced an increased final dividend of 3.75 cents for FY20. Our second small cap top pick is WAM Microcap (WMI), which was trading at a 0.3% premium to NTA as at 31 July. WMI outperformed its benchmark and increased its final dividend to 6 cents (including a 3-cent special). Our specialist top pick, Hearts and Minds (HM1), invests in high conviction ideas from leading managers. We estimate HM1 is trading at an 8.2% discount to NTA.

International: Overseas markets also continued to move higher in July, with the MSCI World Index up 4.8%. On an AUD adjusted basis, the index rose 1.1% in July as the AUD appreciated 3.5% versus the USD. Top pick Magellan Global Trust (MGG) is trading at an estimated 4.4% discount. In August, Magellan Financial Group (MFG) proposed a restructure of three global equities retail funds (including MGG) into a single trust consisting an opened ended class and closed ended class. If the restructure is approved, MFG intends to raise additional capital for the closed ended fund through an entitlement offer and issue of bonus options. MFG is working towards unitholder meetings for the restructure in 4Q 2020. Top pick Platinum Asia Investments Limited (PAI) is trading at an estimated 10.0% discount to NTA.

Sector Update

EL&C BAILLIEU - EQUITY RESEARCH Listed Investment Companies Coverage by Sector

Figures as at: 28 August 2020

Traditional LICs	Code	Share Price	Market Cap. (\$m)	Trailing Dividend (cents)	Dividend Yield	Grossed Up Yield	TSR since Aug 1	Current Est. NTA	Current Estimated Disc/Prem	Jul NTA	Jul Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	MER
Australian Foundat.	AFI	6.29	7613.2	24.0	3.8%	5.5%	2.1%	6.06	3.8%	6.01	4.8%	2.8%	1.4%	0.13%
Argo Investments	ARG	7.65	5509.4	30.0	3.9%	5.6%	5.4%	7.39	3.5%	7.28	1.5%	1.2%	0.4%	0.16%
Australian United In	AUI	8.38	1044.3	36.0	4.3%	6.1%	2.8%	8.67	-3.4%	8.46	-3.7%	-4.0%	-4.5%	0.10%
BKI Investment Ltd	BKI	1.40	1032.8	6.9	5.0%	7.1%	-1.8%	1.46	-4.4%	1.47	-0.7%	-1.7%	-1.3%	0.17%
Djerriwarrh	DJW	2.56	574.1	14.0	5.5%	7.8%	0.1%	2.72	-5.8%	2.71	-3.7%	3.4%	4.8%	0.46%
Diversified United	DUI	4.33	917.5	15.5	3.6%	5.1%	3.6%	4.52	-4.3%	4.39	-4.8%	-3.1%	-4.8%	0.13%
Milton Corporation	MLT	4.15	2786.0	17.5	4.2%	6.0%	0.1%	4.38	-5.2%	4.29	-1.4%	-2.9%	-2.4%	0.13%

Large Capitalisation	Code	Share Price	Market Cap. (\$m)	Trailing Dividend (cents)	Dividend Yield	Grossed Up Yield	TSR since Aug 1	Current Est. NTA	Current Estimated Disc/Prem	Jul NTA	Jul Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	MER
Australian Leaders	ALF	0.92	177.4	5.0	5.4%	6.0%	5.7%	n.a	n.a	1.14	-23.7%	-19.7%	-16.5%	1.00%
Concentrated Leaders	CLF	1.00	59.4	23.0	23.0%	32.9%	10.8%	n.a	n.a	1.08	-14.6%	-8.3%	-6.7%	0.75%
AMCIL Limited	AMH	0.99	277.2	2.5	2.5%	3.6%	7.6%	1.06	-6.6%	1.02	-7.4%	-7.4%	-6.7%	0.65%
Clime Capital	CAM	0.78	88.5	4.9	6.2%	8.9%	1.3%	n.a	n.a	0.80	-3.8%	-1.7%	-3.7%	0.83%
Cadence Capital	CDM	0.70	213.5	4.0	5.7%	8.2%	7.7%	0.89*	-22.5%	0.84	-22.2%	-19.3%	-6.4%	1.00%
Contango Inc Gen Ltd	CIE	0.64	76.7	4.0	6.2%	8.6%	-1.6%	0.81	-21.8%	0.77	-16.5%	-15.4%	-11.3%	0.95%
Carlton Investments	CIN	23.95	634.1	133.0	5.6%	7.9%	6.2%	n.a	n.a	27.42	-17.8%	-16.3%	-13.7%	0.09%
Future Gen Ltd	FGX	1.11	441.4	5.0	4.5%	6.5%	10.0%	n.a	n.a	1.18	-14.5%	-12.3%	-4.9%	0.00%
L1 Long Short Fnd Ltd	LSF	1.36	865.8	0.0	0.0%	0.0%	6.3%	1.76*	-23.6%	1.60	-20.2%	-18.2%	na	1.25%
Mirrabooka Invest.	MIR	2.62	425.3	10.0	3.8%	5.5%	8.3%	2.70	-2.8%	2.52	-4.0%	0.7%	5.7%	0.65%
Ophir High Conviction	OPH	2.97	594.0	0.0	0.0%	0.0%	12.1%	3.06*	-3.9%	2.96	-10.5%	-9.5%	na	1.23%
Perpetual Equity Ltd	PIE	0.99	342.6	6.6	6.7%	9.6%	5.9%	1.11*	-9.9%	1.05	-11.0%	-8.6%	-4.0%	1.00%
Plato Income Max.	PLB	1.05	447.7	5.5	5.3%	7.5%	4.4%	1.00*	3.3%	0.98	3.1%	5.4%	1.3%	0.80%
Qv Equities Limited	QVE	0.83	216.5	6.6	8.0%	11.4%	5.2%	0.94*	-12.3%	0.93	-12.9%	-11.8%	-5.4%	0.90%
WAM Capital Limited	WAM	2.13	1545.2	15.5	7.3%	10.4%	10.6%	n.a	n.a	1.67	15.1%	16.3%	18.4%	1.00%
WAM Leaders Limited	WLE	1.17	916.5	6.3	5.4%	7.7%	1.7%	n.a	n.a	1.17	-2.2%	-5.7%	-4.7%	1.00%
Whitefield Ltd	WHF	4.65	446.4	20.5	4.4%	6.3%	4.0%	4.77	-2.5%	4.63	-3.5%	-3.2%	-6.0%	0.25%

Small Capitalisation	Code	Share Price	Market Cap. (\$m)	Trailing Dividend (cents)	Dividend Yield	Grossed Up Yield	TSR since Aug 1	Current Est. NTA	Current Estimated Disc/Prem	Jul NTA	Jul Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	MER
Acorn Cap Inv Fund	ACQ	1.18	63.0	7.3	6.2%	8.8%	14.6%	n.a	n.a	1.30	-21.2%	-15.5%	-13.3%	0.95%
ECP Emerging Growth	ECP	1.29	23.6	1.8	1.4%	1.9%	14.7%	1.54	-16.2%	1.43	-21.1%	-23.4%	-21.2%	1.00%
Naos Small Cap Opp	NSC	0.59	93.2	3.5	5.9%	8.5%	16.8%	n.a	n.a	0.73	-30.8%	-23.5%	-16.1%	1.25%
Forager Aust. Shares	FOR	1.07	121.6	0.8	0.8%	0.8%	25.1%	1.25*	-18.0%	1.07	-20.1%	-14.5%	-0.8%	1.00%
Glennan SML Co Ltd	GCI	0.70	30.7	1.0	1.4%	2.0%	3.7%	n.a	n.a	0.87	-22.4%	-17.2%	-14.2%	1.00%
Naos Emerg Opp	NCC	0.93	57.5	7.3	7.8%	11.1%	12.7%	n.a	n.a	0.97	-14.9%	-9.1%	-2.6%	1.25%
NGE Capital	NGE	0.53	19.7	0.0	0.0%	0.0%	9.3%	n.a	n.a	0.65	-25.8%	-24.2%	-21.4%	1.90%
Ozgrowth Limited	OZG	0.19	65.2	0.6	3.2%	4.6%	1.6%	0.23*	-18.5%	0.23	-17.8%	-21.0%	-20.0%	1.00%
Ryder Capital	RYD	1.63	98.4	5.0	3.1%	4.4%	14.6%	n.a	n.a	1.75	-17.2%	-14.3%	-14.8%	1.25%
Spheria Emerging Co	SEC	1.48	90.8	7.0	4.7%	6.8%	9.6%	1.93*	-21.6%	1.75	-22.7%	-18.7%	na	1.00%
WAM Research Ltd	WAX	1.48	286.4	9.8	6.6%	9.4%	10.0%	n.a	n.a	1.03	30.1%	24.3%	23.0%	1.00%
Westoz Inv Ltd	WIC	0.96	127.8	6.0	6.3%	9.0%	-0.5%	1.12*	-15.6%	1.12	-11.3%	-13.7%	-11.1%	1.00%
WAM Microcap Ltd	WMI	1.49	211.4	7.5	5.0%	7.2%	8.4%	n.a	n.a	1.37	0.3%	0.2%	3.5%	1.00%

International	Code	Share Price	Market Cap. (\$m)	Trailing Dividend (cents)	Dividend Yield	Grossed Up Yield	TSR since Aug 1	Current Est. NTA	Current Estimated Disc/Prem	Jul NTA	Jul Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	MER
Argo Global Ltd	ALI	2.11	299.5	7.0	3.3%	4.7%	0.0%	2.25*	-8.4%	2.26	-6.6%	-10.0%	-12.5%	1.25%
Antipodes Global	APL	0.91	446.3	4.5	4.9%	6.0%	0.6%	1.12*	-17.6%	1.08	-16.2%	-14.3%	-8.5%	1.10%
Ellerston Asian	EAI	1.08	142.3	3.0	2.8%	4.0%	6.4%	1.25*	-16.0%	1.21	-16.3%	-15.6%	-10.9%	0.75%
Future Glb Invest Co	FGG	1.30	510.2	1.5	1.2%	1.6%	7.0%	n.a	n.a	1.49	-18.7%	-16.7%	-6.0%	0.00%
Global Value Fnd Ltd	GVF	1.04	153.7	5.8	5.6%	8.0%	8.3%	n.a	n.a	1.02	-5.8%	-3.9%	-1.8%	1.50%
Pengana International	PIA	1.14	289.7	6.0	5.3%	7.1%	7.5%	1.31*	-14.8%	1.27	-16.6%	-16.7%	-10.2%	1.50%
MFF Capital Invest.	MFF	2.65	1456.5	24.3	9.2%	13.1%	-0.4%	2.86*	-6.2%	2.71	-2.9%	-4.7%	-7.1%	1.25%
Magellan Global Trust	MGG	1.83	2270.3	6.7	3.7%	3.7%	4.9%	1.91*	-4.4%	1.84	-5.2%	-2.9%	na	1.35%
Pm Capital Asian Ops	PAF	0.74	42.3	3.0	4.1%	5.8%	0.0%	0.93*	-19.4%	0.91	-19.1%	-16.4%	-5.7%	1.00%
Platinum Asia Ltd	PAI	1.14	414.7	7.0	6.1%	8.8%	9.9%	1.22*	-10.0%	1.24	-14.0%	-11.2%	-2.2%	1.10%
Pm Capital Fund	PGF	1.03	363.0	4.0	3.9%	5.6%	11.4%	1.17*	-15.0%	1.14	-19.6%	-17.6%	-10.5%	1.00%
Platinum Capital Ltd	PMC	1.35	392.2	3.0	2.2%	3.2%	7.6%	1.44*	-7.3%	1.41	-10.7%	-6.0%	4.1%	1.10%
Templeton Global	TGG	1.25	247.6	7.0	5.6%	8.0%	8.2%	1.40*	-13.1%	1.36	-14.8%	-14.1%	-11.2%	1.20%
WAM Global	WGB	2.18	462.7	5.0	2.3%	3.3%	8.5%	n.a	n.a	2.37	-15.2%	-13.9%	na	1.25%
VGI Partners Global	VGI	1.89	769.1	2.5	1.3%	1.9%	4.1%	2.36*	-22.1%	2.26	-19.0%	-9.7%	na	1.50%

Specialist	Code	Share Price	Market Cap. (\$m)	Trailing Dividend (cents)	Dividend Yield	Grossed Up Yield	TSR since Aug 1	Current Est. NTA	Current Estimated Disc/Prem	Jul NTA	Jul Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	MER
Blue Sky Alt Access	BAF	0.88	169.6	5.0	5.7%	7.5%	15.9%	n.a	n.a	1.09	-30.5%	-29.0%	-19.8%	1.20%
Bailador Tech Inv	BTI	1.00	122.2	2.5	2.5%	3.6%	16.4%	n.a	n.a	1.24	-31.0%	-27.0%	-25.9%	1.75%
Hearts and Minds	HMI	3.65	821.3	0.0	0.0%	0.0%	14.1%	3.80*	-8.2%	3.58	-10.6%	-3.3%	na	0.00%
Lowell Resource Fund	LRT	1.20	33.3	2.4	2.0%	2.0%	8.6%	1.37*	-10.0%	1.36	-18.8%	-21.5%	na	2.16%
Lion Selection Grp	LSX	0.53	79.6	0.0	0.0%	0.0%	15.2%	n.a	n.a	0.67	-30.8%	-14.1%	-8.9%	1.50%
Monash Absolute	MAI	1.05	47.1	2.0	1.9%	2.7%	8.2%	1.20*	-12.7%	1.12	-13.6%	-12.8%	-15.2%	1.50%
NAOS ex-50 Opport.	NAC	0.94	43.6	5.3	5.6%	8.0%	9.9%	n.a	n.a	1.12	-23.7%	-21.5%	-15.4%	1.75%
Regal Investment Fund	RFI	2.85	320.7	23.0	8.1%	8.1%	12.9%	3.16*	-10.4%	3.05	-17.4%	-9.9%	na	1.50%
Sandon Capital Ltd	SNC	0.65	70.6	7.0	10.8%	15.4%	19.3%	n.a	n.a	0.76	-28.1%	-16.5%	-8.5%	1.25%
Tribeca Glb Resources	TGF	1.22	75.1	0.0	0.0%	0.0%	1.3%	n.a	n.a	1.56	-23.0%	-23.5%	na	1.50%
Thorney Opp Ltd	TOP	0.50	100.0	1.9	3.7%	5.3%	6.4%	n.a	n.a	0.60	-21.8%	-20.8%	-16.9%	0.75%
WAM Active Limited	WAA	1.07	49.9	6.0	5.6%	7.9%	11.5%	n.a	n.a	0.98	-2.1%	-0.9%	1.3%	1.0%

Source: Company releases, Bloomberg, IRESS, EL&C Baillieu estimates

*NTA is last reported NTA, adjusted for any dividends past ex-date. Current premium and discount is based on the discount at date of last disclosed NTA date.

Performance update: July 2020

Code	Company	1 Year			3 Year (annualised)			5 Year (annualised)		
		NTA performance	TSR Performance	Avg. Prem/Disc	NTA performance	TSR Performance	Avg. Prem/Disc	NTA performance	TSR Performance	Avg. Prem/Disc
AFI	Australian Foundat.	-6.0%	0.5%	2.8%	5.2%	5.4%	1.4%	4.1%	4.0%	1.8%
ARG	Argo Investments	-11.8%	-7.8%	1.2%	2.1%	1.3%	0.4%	2.6%	1.7%	1.4%
AUI	Australian United In	-13.0%	-10.7%	-4.0%	3.4%	2.6%	-4.5%	3.8%	3.9%	-4.8%
BKI	BKI Investment Ltd	-10.6%	-10.5%	-1.7%	2.1%	-0.4%	-1.3%	1.8%	1.1%	0.4%
DJW	Djerriwarrh	-15.7%	-24.3%	3.4%	0.1%	-6.9%	4.8%	0.8%	-6.5%	12.4%
DUI	Diversified United	-8.5%	-7.0%	-3.1%	6.9%	6.9%	-4.8%	6.3%	6.8%	-5.3%
MLT	Milton Corporation	-11.2%	-9.4%	-2.9%	2.4%	1.4%	-2.4%	3.0%	1.7%	-1.4%
Code		1 Year			3 Year (annualised)			5 Year (annualised)		
		NTA Performance	TSR Performance	Avg. Prem/Disc	NTA Performance	TSR Performance	Avg. Prem/Disc	NTA Performance	TSR Performance	Avg. Prem/Disc
ALF	Australian Leaders	1.7%	-1.0%	-19.7%	-1.0%	-8.1%	-16.5%	0.7%	-3.9%	-7.6%
CLF	Concentrated Leaders	-6.6%	-14.8%	-8.3%	5.8%	2.4%	-6.7%	4.9%	3.7%	-7.8%
AMH	AMCIL Limited	4.7%	5.0%	-7.4%	8.2%	5.9%	-6.7%	6.4%	5.1%	-4.5%
CAM	Clime Capital	-11.9%	-11.3%	-1.7%	3.6%	2.1%	-3.7%	1.5%	2.9%	-5.0%
CDM	Cadence Capital	-4.1%	-11.9%	-19.3%	-5.0%	-15.0%	-6.4%	-4.7%	-8.9%	0.3%
CIE	Contango Inc Gen Ltd	-17.8%	-16.6%	-15.4%	-2.9%	-7.3%	-11.3%	na	-2.6%	na
CIN	Carlton Investments	-23.1%	-26.0%	-16.3%	-5.8%	-7.7%	-13.7%	-1.7%	-3.2%	-13.1%
FGX	Future Gen Ltd	-2.7%	-12.0%	-12.3%	5.0%	1.4%	-4.9%	4.3%	1.7%	-3.7%
LSF	L1 Long Short Fund	-5.0%	-13.2%	-18.2%	na	na	na	na	na	na
MIR	Mirrabooka Invest.	8.3%	-0.2%	0.7%	9.8%	2.4%	5.7%	8.6%	3.6%	9.6%
OPH	Ophir High Cf	6.9%	1.9%	-9.5%	na	na	na	na	na	na
PIC	Perpetual Equity Ltd	-1.3%	-6.9%	-8.6%	4.1%	1.9%	-4.0%	4.8%	3.6%	-5.4%
PL8	Plato Inc Max Ltd.	-7.0%	-9.5%	5.4%	4.7%	3.5%	1.3%	na	na	na
QVE	Qv Equities Limited	-17.2%	-19.4%	-11.8%	-4.1%	-12.3%	-5.4%	0.7%	-1.7%	-2.4%
WAM	WAM Capital Limited	-3.9%	-4.0%	16.3%	3.1%	-1.4%	18.4%	5.6%	6.4%	17.4%
WLE	WAM Leaders Limited	-2.9%	2.7%	-5.7%	4.9%	5.8%	-4.7%	na	na	na
WHF	Whitefield Ltd	-11.0%	-6.0%	-3.2%	2.3%	3.7%	-6.0%	2.5%	3.8%	-7.0%
Code		1 Year			3 Year (annualised)			5 Year (annualised)		
		NTA Performance	TSR Performance	Avg. Prem/Disc	NTA Performance	TSR Performance	Avg. Prem/Disc	NTA Performance	TSR Performance	Avg. Prem/Disc
ACQ	Acorn Cap Inv Fund	8.0%	2.4%	-15.5%	11.5%	8.1%	-13.3%	11.3%	11.3%	-13.9%
ECP	ECP Emerging Co	12.9%	20.3%	-23.4%	14.0%	13.2%	-21.2%	9.4%	9.3%	-19.5%
NSC	Naos Smlcap Com Ltd	7.4%	-7.8%	-23.5%	-4.7%	-12.7%	-16.1%	-2.0%	-8.0%	-13.5%
FOR	Forager Aust Shs Fnd	-20.7%	-30.3%	-14.5%	-10.6%	-21.6%	-0.8%	na	na	na
GC1	Glennon SML Co Ltd	-10.2%	-16.7%	-17.2%	-0.9%	-6.9%	-14.2%	na	-4.4%	na
NCC	Naos Emerg Opp	-1.9%	-11.3%	-9.1%	-3.9%	-10.4%	-2.6%	3.4%	2.1%	-3.9%
NGE	NGE Capital Limited	-28.4%	-38.5%	-24.2%	1.9%	1.4%	-21.4%	na	2.9%	na
OZG	Ozgrowth Limited	11.1%	12.4%	-21.0%	8.0%	8.2%	-20.0%	9.3%	7.7%	-19.7%
RYD	Ryder Capital Ltd	12.4%	7.3%	-14.3%	13.0%	11.1%	-14.8%	na	na	na
SEC	Spheria Emerging Co	-12.6%	-25.2%	-18.7%	na	na	na	na	na	na
WAX	WAM Research Ltd	-9.1%	2.0%	24.3%	2.6%	0.9%	23.0%	5.5%	9.4%	20.6%
WIC	Westoz Inv Ltd	-2.6%	-6.4%	-13.7%	6.3%	5.7%	-11.1%	7.8%	7.5%	-12.1%
WMI	WAM Microcap Limited	4.6%	14.1%	0.2%	10.8%	9.2%	3.5%	na	na	na
Code		1 Year			3 Year (annualised)			5 Year (annualised)		
		NTA Performance	TSR Performance	Avg. Prem/Disc	NTA Performance	TSR Performance	Avg. Prem/Disc	NTA Performance	TSR Performance	Avg. Prem/Disc
ALI	Argo Global Ltd	-9.3%	-5.4%	-10.0%	6.0%	8.9%	-12.5%	4.3%	3.2%	-11.1%
APL	Antipodes Global Inv	-0.9%	-4.1%	-14.3%	0.2%	-5.8%	-8.5%	na	na	na
EAI	Ellerston Asian	9.9%	7.4%	-15.6%	5.8%	4.2%	-10.9%	na	na	na
FGG	Future Glb Invest Co	5.6%	-10.6%	-16.7%	10.6%	4.2%	-6.0%	na	na	na
GVF	Global Value Fnd Ltd	-1.2%	-0.6%	-3.9%	3.6%	0.1%	-1.8%	1.7%	3.8%	-2.7%
PIA	Pengana Int Equ Ltd	6.3%	3.9%	-16.7%	8.5%	2.6%	-10.2%	3.2%	4.0%	-9.5%
MFF	MFF Capital Inv Ltd	-8.2%	-8.3%	-4.7%	11.9%	14.1%	-7.1%	8.4%	8.9%	-8.0%
MGG	Magellan Glob Trust	2.2%	-3.3%	-2.9%	na	na	na	na	na	na
PAF	Pm Capital Asian Ops	-1.7%	-18.3%	-16.4%	-4.2%	-9.5%	-5.7%	-1.0%	-2.3%	-7.9%
PAI	Platinum Asia Ltd	17.4%	4.7%	-11.2%	9.4%	4.7%	-2.2%	na	na	na
PGF	Pm Capital Fund	-10.0%	-16.9%	-17.6%	2.6%	-2.9%	-10.5%	1.2%	-0.6%	-11.0%
PMC	Platinum Capital Ltd	-8.1%	-18.6%	-6.0%	0.5%	-5.5%	4.1%	1.4%	-2.6%	5.8%
TGG	Templeton Global	-1.6%	-2.3%	-14.1%	2.1%	-0.3%	-11.2%	1.2%	0.7%	-11.2%
WGB	WAM Global	0.2%	-0.4%	-13.9%	na	na	na	na	na	na
VG1	VGI Partners Global	-7.4%	-21.4%	-9.7%	na	na	na	na	na	na
Code		1 Year			3 Year (annualised)			5 Year (annualised)		
		NTA Performance	TSR Performance	Avg. Prem/Disc	NTA Performance	TSR Performance	Avg. Prem/Disc	NTA Performance	TSR Performance	Avg. Prem/Disc
BAF	Blue Sky Alt Access	-0.2%	-0.3%	-29.0%	2.9%	-10.0%	-19.8%	5.4%	-0.9%	-11.1%
BTI	Bailador Tech Inv	-4.9%	-16.8%	-27.0%	5.7%	0.7%	-25.9%	3.1%	0.5%	-20.7%
HM1	Hearts and Minds	17.8%	4.6%	-3.3%	na	na	na	na	na	na
LRT	Lowell Res Fund	107.3%	126.5%	-21.5%	na	na	na	na	na	na
LSX	Lion Selection Grp	41.5%	13.5%	-14.1%	20.5%	4.8%	-8.9%	18.9%	17.0%	-11.9%
MA1	Monash Absolute	3.1%	11.3%	-12.8%	9.6%	8.2%	-15.2%	na	na	na
NAC	Naos Ex-50	15.1%	6.9%	-21.5%	6.3%	-0.8%	-15.4%	7.1%	4.0%	-12.0%
RF1	Regal Invest Fund	25.5%*	8.9%*	-9.9%	na	na	na	na	na	na
SNC	Sandon Capital Ltd	-8.4%	-29.0%	-16.5%	-1.7%	-10.5%	-8.5%	1.8%	-2.7%	-8.1%
TGF	Tribeca Glb Resources	-34.3%	-45.4%	-23.5%	na	na	na	na	na	na
TOP	Thorney Opp Ltd	-30.7%	-30.6%	-20.8%	-6.5%	-10.5%	-16.9%	4.2%	1.4%	-12.8%
WAA	WAM Active Ltd	-2.3%	-3.1%	-0.9%	3.0%	1.0%	1.3%	5.4%	4.4%	2.4%

Source: Bloomberg, IRESS, EL&C Baillieu

Acorn Capital (ACQ)

www.acorncapital.com.au

- Acorn Capital was founded in 1998 and is one of the largest specialist microcap investor in the Australian Market. ACQ commenced trading on the ASX in May 2014.
- Utilising a sector neutral investment style, ACQ invests in ASX listed companies outside the top 250 by market capitalisation and unlisted opportunities if they are evaluated to be more attractive than listed opportunities.
- The total shareholder return for the year ending 31 July 2020 was 2.4%, with pre-tax net tangible asset backing increasing 8.0%. The active return (TSR) was 10.8%.

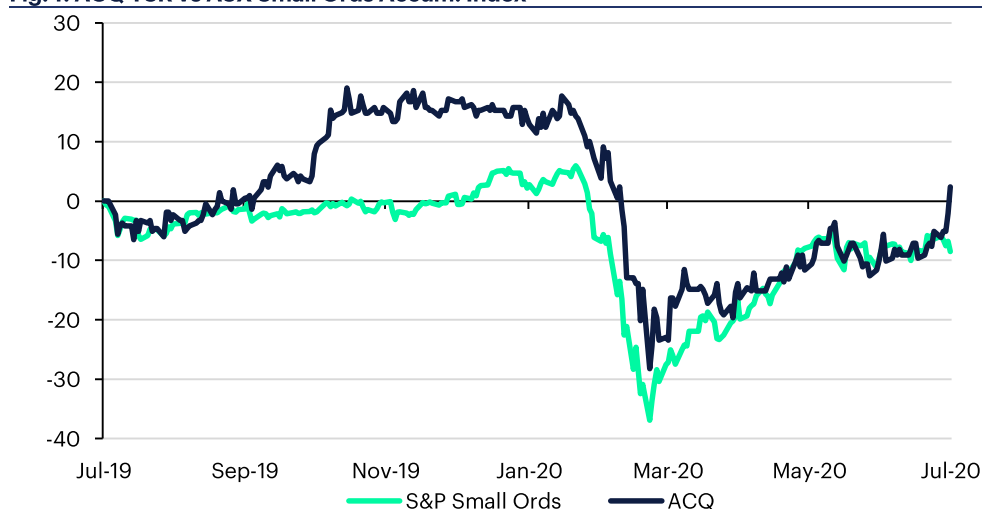
Fig.3: ACQ overview

ACQ Snapshot		Top Holdings	
Price (31 July 2020)	\$1.03	Moula Money Pty Ltd (UL)	7.8%
Share price range (12 months)	\$0.75- \$1.28	Aroa Biosurgery	7.3%
Shares on issue (Mn)	53.6	Telix Pharmaceutical	5.6%
Market capitalisation (\$Mn)	\$55	Redbubble Limited	3.8%
Pre-tax asset backing*	\$1.30	Suncorp Group Ltd	3.7%
Post-tax asset backing*	\$1.23	Calix Limited	3.5%
Premium/(Discount) to pre-tax NTA	-20.8%	Shine Justice Ltd	2.9%
Premium/(Discount) to post-tax NTA	-16.4%	Innovative Asset Solutions Group (UL)	2.6%
Dividend yield	6.2%	Flare HR Pty Ltd (UL)	2.5%
Dividend per share (cents)	7.3	Elenium Automation (UL)	2.2%
Franking	100%		
Management expense ratio	0.95%		

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
ACQ	2.4%	8.1%	11.3%	NTA growth	8.0%	11.5%	11.3%
Active return	10.8%	1.6%	3.4%	Active return	16.4%	5.0%	3.5%

Source: IRESS, Bloomberg, EL&C Baillieu, Company reports. Figures as at 31 July 2020. Active returns refers to the TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.4: ACQ TSR vs ASX Small Ords Accum. Index



Source: Bloomberg, EL&C Baillieu

Australian Foundation Investment Company (AFI)

www.afi.com.au

- AFI was formed in 1928 and is Australia's oldest and largest listed investment company.
- AFI is a long-term, low-risk investor in major companies on both the ASX and New Zealand Stock Exchange.
- Key sector exposures include Banks (17.0%), Health Care (16.4%), Industrials (15.7%), Materials (15.6%) and Other Financials (8.2%).
- The total shareholder return for the year ending 31 July 2020 was 0.5%, with pre-tax net asset backing decreasing 6.0%. The active return (TSR) was 9.5%.

Fig.5: AFI overview

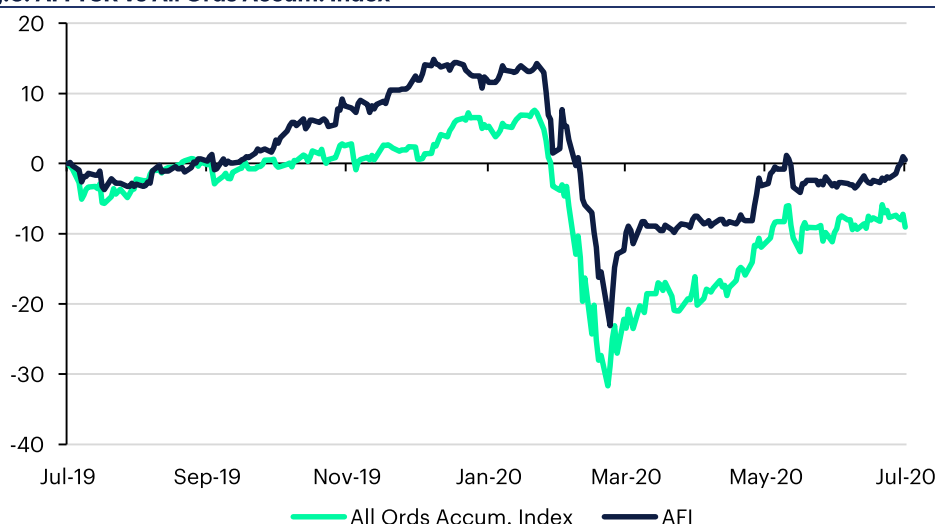
Fig. 3: AFI Overview

AFI Snapshot				Top Holdings				%
Price (31 July 2020)			\$6.30	CSL Limited				8.2%
Share price range (12 months)			\$4.82- \$7.30	Commonwealth Bank.				7.9%
Shares on issue (Mn)			1210.4	BHP Group Limited				7.2%
Market capitalisation (\$Mn)			\$7,625	Wesfarmers Limited				4.8%
Pre-tax asset backing*			\$6.01	Transurban Group				4.5%
Post-tax asset backing*			\$5.19	Macquarie Group Ltd				3.8%
Premium/(Discount) to pre-tax NTA			4.8%	Westpac Banking Corp				3.7%
Premium/(Discount) to post-tax NTA			21.4%	Woolworths Group Ltd				3.1%
Dividend yield			3.8%	National Aust. Bank				3.0%
Dividend per share (cents)			24.0	RIO Tinto Limited				2.9%
Franking			100%					
Management expense ratio			0.13%					

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
AFI	0.5%	5.4%	4.0%	NTA growth	-6.0%	5.2%	4.1%
Active return	9.5%	-0.3%	-1.6%	Active return	3.0%	-0.5%	-1.5%

Source: IRESS, Bloomberg, EL&C Baillieu, Company reports. Figures as at 31 July 2020. Active returns refers to the TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.6: AFI TSR vs All Ords Accum. Index



Source: Bloomberg, EL&C Baillieu

Hearts and Minds (HM1)

www.heartsandmindsinvestments.com.au

- HM1 is a recently incorporated LIC (Nov-18), following a \$500m raise. HM1 has a combined objective of providing a concentrated portfolio of the highest conviction ideas whilst also supporting Australian medical research institutes.
- HM1 holds a concentrated portfolio of long positions (approximately 25-35 Australian and international listed securities).
- 40% of the portfolio is allocated to the annual recommendations (both domestic and international) of the fund managers who present at the annual Sohn Hearts and Minds Investment Leaders Conference. The remaining 60% of the portfolio will be based on the highest conviction quarterly recommendations of five leading fund managers.
- The six core managers include Caledonia, Cooper Investments, Magellan Asset Management, Paradise Investment Management, Regal Funds Management and TDM Growth Partners.
- The total shareholder return for the year ending 31 July 2020 was 4.6%, with pre-tax net asset backing increasing 17.8%. The active return (TSR) is 0.8%.

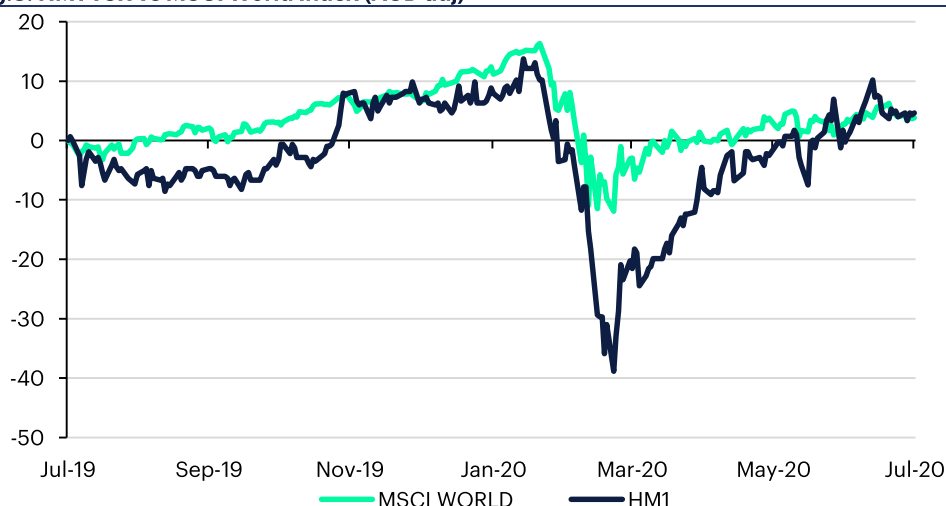
Fig.7: HM1 overview

HM1 Snapshot				Top Holdings			
Price (31 July 2020)	\$3.20			Business domicile			%
Share price range (12 months)	\$1.87- \$3.68			United States			49%
Shares on issue (Mn)	225.0			Australia			41%
Market capitalisation (\$Mn)	\$720			China			5%
Pre-tax asset backing*	\$3.58			Hong Kong			3%
Post-tax asset backing*	\$3.44						
Premium/(Discount) to pre-tax NTA	-10.6%			Top Sector Allocation			
Premium/(Discount) to post-tax NTA	-7.0%			Communications			35%
Dividend yield	0.0%			Technology			15%
Dividend per share (cents)	0.0			Materials			14%
Franking	n.a			Consumer Discretionary			9%
Management expense ratio	0.00%			Cash			15%

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year*	3 Year	5 Year
HM1	4.6%	na	na	NTA growth	17.8%	na	na
Active return	0.8%	n.a	n.a	Active return	14.0%	n.a	n.a

Source: IRESS, Bloomberg, EL&C Baillieu, Company reports. Figures as at 31 July 2020. Active returns refers to the TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.8: HM1 TSR vs MSCI World Index (AUD adj)



Source: Bloomberg, EL&C Baillieu

L1 Long Short Fund (LSF)

www.l1longshort.com

- LSF listed in April-18 following a \$1.3bn raising. LSF has dual investment objectives to: 1) seek to deliver strong, positive, risk-adjusted returns over the long term (being a period of more than five years); and 2) preserve capital.
- LSF utilises a fundamental, bottom-up research process to seek and identify mispriced securities with the potential to provide attractive risk adjusted returns. The manager may take short positions in companies it considers to be overvalued, or of low quality and/or over-gearred.
- The total shareholder return for the year ending 31 July 2020 was -13.2%, with pre-tax net asset backing decreasing 5.0%. The active return (TSR) was -3.3%.

Fig.9: LSF overview

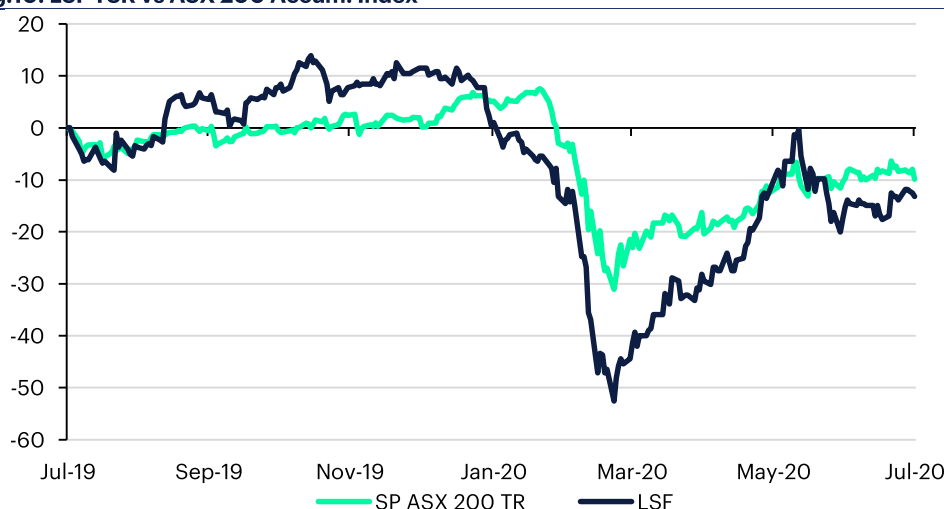
LSF Snapshot				Key performance contributors			
Price (31 July 2020)	\$1.28			ALS Limited			
Share price range (12 months)	\$0.70- \$1.68			Charter Communications			
Shares on issue (Mn)	636.6			Karoon Energy			
Market capitalisation (\$Mn)	\$815			Qantas			
Pre-tax asset backing*	\$1.60			Star Entertainment			
Post-tax asset backing*	\$1.74						
Premium/(Discount) to pre-tax NTA	-20.2%						
Premium/(Discount) to post-tax NTA	-26.5%						
Dividend yield	0.0%						
Dividend per share (cents)	0.0						
Franking	n.a						
Management expense ratio	1.25%						

**Alphabetical*

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
LSF	-13.2%	na	na	NTA growth	-5.0%	na	na
Active return	-3.3%	n.a	n.a	Active return	4.8%	n.a	n.a

Source: IRESS, Bloomberg, EL&C Baillieu, Company reports. Figures as at 31 July 2020. Active returns refers to the TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.10: LSF TSR vs ASX 200 Accum. Index



Source: Bloomberg, EL&C Baillieu

Magellan Global Trust (MGG)

www.magellangroup.com.au

- Magellan Global Trust was listed in October 2017 following a \$1.5bn raise. The investment strategy mirrors the core investment principles of Magellan Financial Group's (MFG) global equities strategy. MFG, as at 31 July, managed more than \$98bn.
- MGG seeks to achieve attractive risk-adjusted returns over the medium to long term, whilst reducing risk of permanent capital loss. MGG has a target cash distribution yield of 4% p.a.
- In August 2020, MFG proposed a restructure of three global equities retail funds (including MGG) into a single trust which has a closed ended and opened ended class. If the restructure is approved, MFG intends to raise additional capital for the closed ended fund through an entitlement offer and issue of bonus options. MFG is working towards unitholder meetings for the restructure in 4Q 2020.
- The total shareholder return for the year ending 31 July 2020 was -3.3%, with pre-tax net asset backing increasing 2.2%. The active return (TSR) was -7.1%.

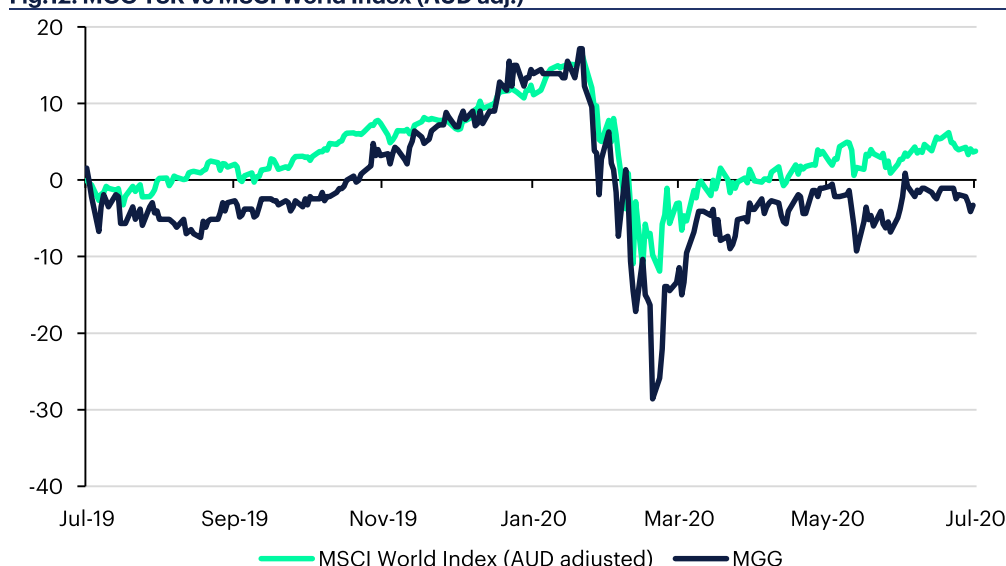
Fig.11: MGG overview

MGG Snapshot				Top Holdings			
Price (31 July 2020)	\$1.74			Alibaba Group Holding Ltd			
Share price range (12 months)	\$1.31- \$2.15			Alphabet Inc			
Shares on issue (Mn)	1244.0			Atmos Energy Corp			
Market capitalisation (\$Mn)	\$2,165			Eversource Energy			
Pre-tax asset backing*	\$1.84			Facebook Inc-A			
Post-tax asset backing*	n.a			Microsoft Corp			
Premium/(Discount) to pre-tax NTA	-5.2%			Reckitt Benckiser Group			
Premium/(Discount) to post-tax NTA	n.a			Tencent Holdings Ltd			
Dividend yield	3.7%			Visa Inc			
Dividend per share (cents)	6.7			Xcel Energy Inc			
Franking	0%						
Management expense ratio	1.35%			*Alphabetical			

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
MGG	-3.3%	na	na	NTA growth	2.2%	na	na
Active return	-7.1%	n.a	n.a	Active return	-1.6%	n.a	n.a

Source: IRESS, Bloomberg, EL&C Baillieu, Company reports. Figures as at 31 July 2020. Active returns refers to the TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.12: MGG TSR vs MSCI World Index (AUD adj.)



Source: Bloomberg, EL&C Baillieu

Milton Corporation (MLT)

www.milton.com.au

- Milton Corporation was formed in 1938 and listed in 1958. Its objective is to invest in a diversified portfolio that provides an increasing income stream over time.
- Milton's investment objectives include 1) increase fully franked dividends paid to shareholders over time; 2) provide capital growth in the value of the shareholders' investments; and 3) invest in a diversified portfolio of assets which are predominantly Australian listed companies and trusts.
- Key sector exposures include Banks (16.7%), Other Financials (12.2%), Materials (11.7%), Industrials (9.0%) and Consumer Discretionary (8.1%).
- The total shareholder return for the year ending 31 July 2020 was -9.4%, with pre-tax net asset backing decreasing 11.2%. The active return (TSR) was -0.4%.

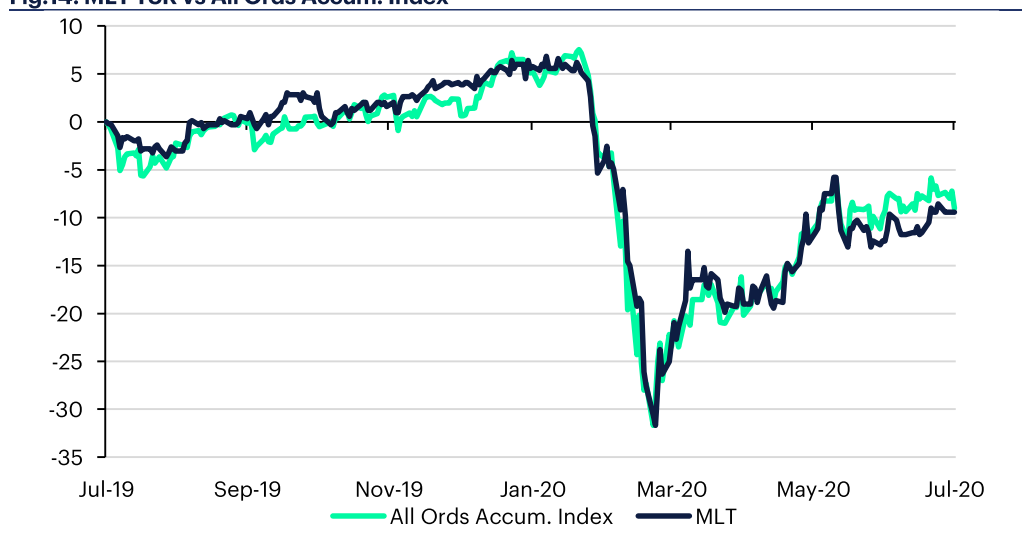
Fig.13: MLT overview

MLT Snapshot			Top Holdings		%
Price (31 July 2020)	\$4.23		Commonwealth Bank.		7.8%
Share price range (12 months)	\$3.19- \$5.08		Macquarie Group Ltd		7.0%
Shares on issue (Mn)	671.3		Soul Pattinson (W.H)		6.2%
Market capitalisation (\$Mn)	\$2,840		BHP Group Limited		6.2%
Pre-tax asset backing*	\$4.29		Suncorp Group Ltd		5.9%
Post-tax asset backing*	\$3.85		CSL Limited		5.6%
Premium/(Discount) to pre-tax NTA	-1.4%		Wesfarmers Limited		4.6%
Premium/(Discount) to post-tax NTA	9.9%		Woolworths Group Ltd		3.9%
Dividend yield	4.2%		National Aust. Bank		3.0%
Dividend per share (cents)	17.5		Transurban Group		2.8%
Franking	100%				
Management expense ratio	0.13%				

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
MLT	-9.4%	1.4%	1.7%	NTA growth	-11.2%	2.4%	3.0%
Active return	-0.4%	-4.3%	-3.8%	Active return	-2.2%	-3.3%	-2.5%

Source: IRESS, Bloomberg, EL&C Baillieu, Company reports. Figures as at 31 July 2020. Active returns refers to the TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.14: MLT TSR vs All Ords Accum. Index



Source: Bloomberg, EL&C Baillieu

Platinum Asia Investments Limited (PAI)

www.platinum.com.au

- Platinum Asia Investments (PAI) is managed by the ASX listed, Platinum Asset Management (PTM) with ~\$21.4 billion of funds under management as at 31 July 2020. PAI invests in the Asian region (ex-Japan), seeking to provide investors with capital growth over the long term.
- PAI listed in December 2015 however Platinum Asset Management has been investing in the Asian region (ex-Japan) since 2003 through its Platinum Asia Fund which currently manages ~\$4.5 billion of funds.
- Key regional exposures include Greater China (66.2%) and Korea (8.9%).
- The total shareholder return for the year ending 31 July 2020 was 4.7%, with pre-tax net asset backing increasing 17.4%. The active return (TSR) was -3.7%.

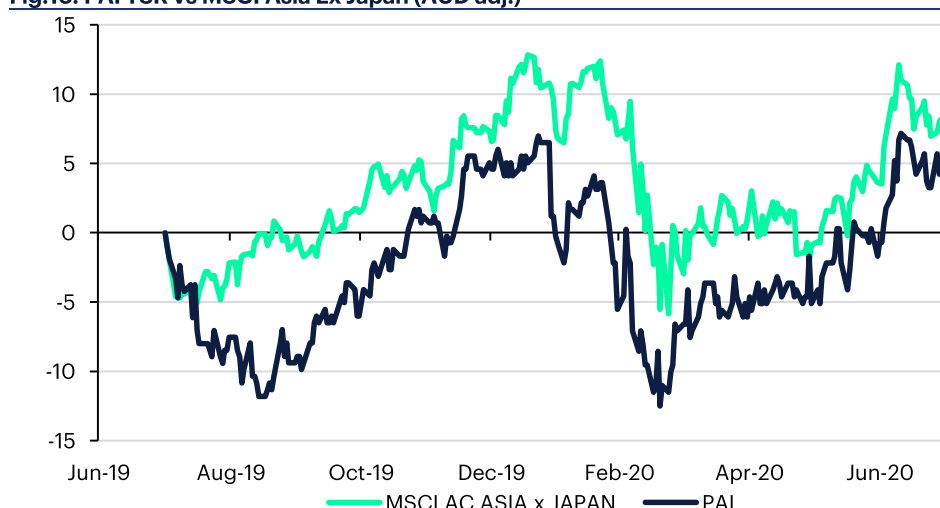
Fig.15: PAI overview

PAI Snapshot				Top Holdings			
Price (31 July 2020)	\$1.07			Tencent Holdings		7.0%	
Share price range (12 months)	\$0.89- \$1.16			Samsung Electronics Co Ltd		6.0%	
Shares on issue (Mn)	363.8			Taiwan Semiconductor		5.7%	
Market capitalisation (\$Mn)	\$389			Alibaba Group Holding Ltd		5.3%	
Pre-tax asset backing*	\$1.24			AIA Group Ltd		4.8%	
Post-tax asset backing*	\$1.20			China International		4.4%	
Premium/(Discount) to pre-tax NTA	-13.6%			Reliance Industries Ltd		3.8%	
Premium/(Discount) to post-tax NTA	-10.5%			LG Chem Ltd		3.6%	
Dividend yield	6.1%			Midea Group		3.0%	
Dividend per share (cents)	7.0			Huazhu Group ADR		2.9%	
Franking	100%						
Management expense ratio	1.10%						

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
PAI	4.7%	4.7%	na	NTA growth	17.4%	9.4%	na
Active return	-3.7%	-4.1%	n.a	Active return	9.0%	0.5%	n.a

Source: IRESS, Bloomberg, EL&C Baillieu, Company reports. Figures as at 31 July 2020. Active returns refers to the TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.16: PAI TSR vs MSCI Asia Ex Japan (AUD adj.)



Source: Bloomberg, EL&C Baillieu

WAM Leaders (WLE)

www.wilsonassetmanagement.com.au

- Incorporated in May 2016, WAM Leaders is managed by Wilson Asset Management International (WAMI) Pty Ltd. WAMI also manages WAM, WAX, WMI, WAA, and WGB within the LIC space.
- WLE seeks to deliver a stream of fully franked dividends, provide capital growth over the medium-to-long term and preserve capital. The portfolio will predominately comprise of large cap companies within the S&P/ASX 200 Index.
- WLE employs a two-tiered investment process including research driven investing (fundamental bottom up approach) and a Market driven approach which seeks to take advantage of short-term relative arbitrage and mispricing opportunities.
- The total shareholder return for the year ending 30 July 2020 was 2.7%, with pre-tax net asset backing decreasing 2.9%. The active return (TSR) was 12.6%.

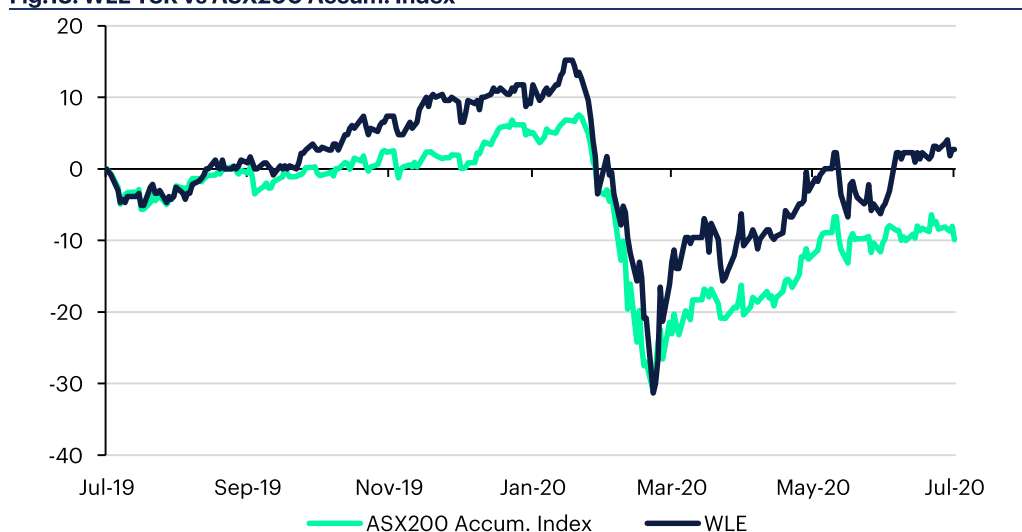
Fig.17: WLE overview

WLE Snapshot				Top Holdings			
Price (31 July 2020)	\$1.15			ANZ Banking Grp Ltd	Newcrest Mining		
Share price range (12 months)	\$0.79- \$1.33			BHP Group Limited	OZ Minerals		
Shares on issue (Mn)	786.7			Commonwealth Bank.	QBE Insurance Group		
Market capitalisation (\$Mn)	\$905			CSL Limited	RIO Tinto Limited		
Pre-tax asset backing*	\$1.17			Downer EDI Limited	Sonic Healthcare		
Post-tax asset backing*	\$1.17			Fortescue Metals Grp	Santos Ltd		
Premium/(Discount) to pre-tax NTA	-1.8%			Goodman Group	Telstra Corporation.		
Premium/(Discount) to post-tax NTA	-1.9%			Insurance Australia Group	Westpac Banking Corp		
Dividend yield	5.4%			Macquarie Group Ltd	Wesfarmers Limited		
Dividend per share (cents)	6.3			National Aust. Bank	Woolworths Group Ltd		
Franking	100%			<i>**listed in alphabetical order**</i>			
Management expense ratio	1.00%						

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
WLE	2.7%	5.8%	na	NTA growth	-2.9%	4.9%	na
Active return	12.6%	0.4%	n.a	Active return	6.9%	-0.5%	n.a

Source: IRESS, Bloomberg, EL&C Baillieu, Company reports. Figures as at 30 July 2020. Active returns refers to the TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.18: WLE TSR vs ASX200 Accum. Index



Source: Bloomberg, EL&C Baillieu

WAM Microcap (WMI)

www.wilsonassetmanagement.com.au

- WMI (the company) listed in Jun-16 following a \$154m raise (max raise). WMI (at the time) was WAMI's fifth LIC, but the first specialised LIC focusing on listed ASX companies with a market capitalisation of less than \$300m at the time of purchase.
- WMI seeks to provide investors exposure to undervalued growth companies identified using WAMI's research and market driven investment process. There are no investment limits on industry sector or geography allocations. Short selling is permitted; however, it will not exceed 50% of the value of the portfolio without prior board approval.
- Key sector exposures as at 31 July 2020 include Consumer Discretionary (27.2%), Information Technology (18.1%) and Industrials (8.9%).
- The total shareholder return for the year ending 31 July 2020 was 14.1%, with pre-tax net asset backing increasing 4.6%. The active return (TSR) was 22.6%.

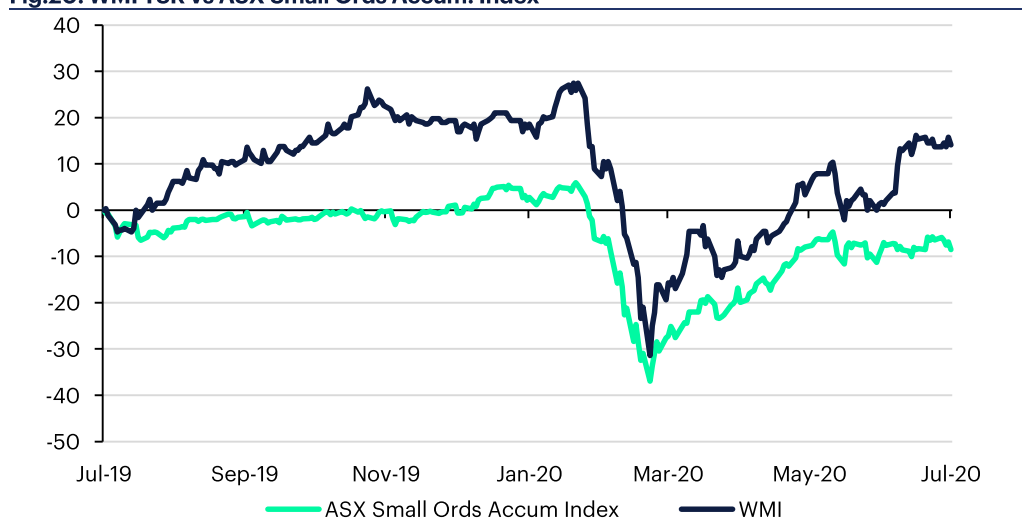
Fig.19: WMI overview

WMI Snapshot			Top Holdings		%
Price (31 July 2020)	\$1.38		3P Learning Ltd	Mach7 Tech Limited	
Share price range (12 months)	\$0.85- \$1.58		Aft Pharmaceuticals	Marley Spoon	
Shares on issue (Mn)	141.9		Alliance Aviation	Objective Corp	
Market capitalisation (\$Mn)	\$196		Capitol Health	Opticomm Ltd	
Pre-tax asset backing*	\$1.37		City Chic Collective	Peopleinfrastructure	
Post-tax asset backing*	\$1.33		The Citadel Grp	Redbubble Limited	
Premium/(Discount) to pre-tax NTA	0.7%		Fineos Corp Hold PLC	Tourism Holdings	
Premium/(Discount) to post-tax NTA	3.9%		Frontier Digital Ltd	Temple & Webster Ltd	
Dividend yield	5.0%		Infomedia Ltd	The Reject Shop	
Dividend per share (cents)	7.5		Johns Lyng Group	Vista Group Internat	
Franking	100%				
Management expense ratio	1.00%				

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
WMI	14.1%	9.2%	na	NTA growth	4.6%	10.8%	na
Active return	22.6%	2.8%	n.a	Active return	13.1%	4.4%	n.a

Source: IRESS, Bloomberg, EL&C Baillieu, Company reports. Figures as at 31 July 2020. Active returns refers to the TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.20: WMI TSR vs ASX Small Ords Accum. Index



Source: Bloomberg, EL&C Baillieu

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Hold: The stock's total return is expected to trade within a range of ± 10 -15 percent from the current share price over the next 12 months.

Sell: The stock's total return is expected to decrease by at least 10-15 percent from the current share price over the next 12 months.

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