

Listed Investment Companies (LICs)

SECTOR REPORT

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Monthly LIC update – top picks

- The following report contains a LIC sector update and performance review of our coverage list for the month of November 2016. The table on page 2 provides a current update of the overall sector as at 21 December 2016, 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.
- **Large capitalisation:** Following November's trend, the S&P/ASX 50 (XFL) continues to outperform other market indices such as the S&P/ASX Midcap (XMD) and S&P/ASX Small Ords (XSO) during December-MTD. A majority of our large cap LICs are now trading at a discount to NTA and we view these discounts as attractive entry points. Milton Corporation (MLT), which is currently overweight banks (34.3% of the underlying portfolio) is trading at an estimated 2.1% discount to NTA. AFIC (AFI) is also currently trading at an attractive level, trading at an estimated 0.5% discount to NTA. Elsewhere, Diversified United Investments (DUI) is up 4.8% December-MTD and is currently trading at an estimated 7.6% discount to NTA. The current AFI convertible note (AFIG) expires in February 2017. Given the different exit opportunities for investors (such as sell AFIG, convert to AFI securities or hold AFIG until expiry) we provide more detailed overview on page 3.
- **Mid-capitalisation:** Perpetual Equity Investment Co. (PIC) and WAM Leaders (WLE) are our two top picks within this space. The underlying NTA of PIC has increased to \$1.09 and PIC now trades at a 10.1% discount to NTA. We believe a continued dividend yield ramp up profile to a yield in line with the market will be the next catalyst for PIC. WLE is increasing its portfolio weighting towards the ASX top 20 and we look favourably upon this as: 1) this increases the likelihood of dividends received; and 2) a majority of the portfolio is still invested within the midcap space, providing growth exposure. WLE is currently trading at an estimated 0.1% premium to NTA.
- **Small capitalisation:** During November and December-MTD, the XSO has underperformed the broader market by -5.9%. Acorn Capital (ACQ) outperformed the XSO in November and this was aided by its current weighting in unlisted securities (~27%), in our view. Post November 30, ACQ's second largest holding, Murray River Organics (MRG), listed on the ASX. ACQ is currently trading at an estimated 9.2% discount to NTA and is a top pick.
- **International:** In our previous LIC update we discussed those LICs with significant US exposure. Since October, a number of these LICs have experienced significant NTA growth, such as MFF Capital Investments (MFF) and PM Capital Global Opportunities Fund (PGF), which are up 14.2% and 11.0% respectively. MFF and PGF remain top picks within the international space, trading at an estimated 15.5% and 12.7% discount to NTA respectively.
- **Specialty:** Bailador Technology (BTI) announced it has raised \$20 million via a placement and share purchase plan (SPP). BTI increased the size of the SPP (\$3.6 million) following strong investor demand. Whilst this raising leaves BTI well capitalised for further investments, we view an exit from an additional holding as a catalyst for a share price re-rating.
- **Inclusion to coverage list:** We include Forager Australian Shares Fund (FOR) to our coverage list. A summary of FOR can be found on page 4.

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Disclosure

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

Baillieu Holst Ltd has acted in a corporate advisory role for WLE and earned fees in relation to that activity in the past 12 months.

Sector Update

BAILLIEU HOLST - EQUITY RESEARCH
Listed Investment Companies Coverage by Sector

Figures as at: 21December 2016

Large Capitalisation	Code	Share Price	Market Cap. (\$m)	Dividend (cents)	Dividend Yield	Grossed Up Yield	TSR since Dec 1	Current Est. NTA	Current Estimated Disc/Prem	Nov NTA	Nov Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	MER
Australian Foundat.	AFI	5.76	6552.2	24.0	4.2%	6.0%	0.2%	5.79	-0.5%	5.60	2.7%	3.2%	3.6%	0.16%
Argo Investments	ARG	7.47	5159.9	30.5	4.1%	5.8%	2.6%	7.58	-1.4%	7.35	-1.0%	3.7%	3.5%	0.17%
Australian United In	AUI	7.57	935.3	34.0	4.5%	6.4%	3.0%	8.25	-8.2%	8.00	-8.1%	-5.7%	-5.7%	0.10%
BKI Investment Ltd	BKI	1.62	977.0	7.3	4.5%	6.4%	0.3%	1.60	1.1%	1.56	3.5%	3.5%	1.1%	0.16%
Djerriwarrh	DJW	3.79	828.5	24.0	6.3%	9.0%	5.6%	3.24	16.9%	3.15	14.0%	27.7%	27.1%	0.46%
Diversified United	DUI	3.48	724.4	14.0	4.0%	5.7%	4.8%	3.77	-7.6%	3.65	-9.0%	-6.1%	-6.6%	0.13%
Milton Corporation	MLT	4.35	2831.9	18.6	4.3%	6.1%	2.8%	4.44	-2.1%	4.31	-1.9%	0.6%	1.4%	0.13%
Mid Capitalisation	Code	Share Price	Market Cap. (\$m)	Dividend (cents)	Dividend Yield	Grossed Up Yield	TSR since Dec 1	Current Est. NTA	Current Estimated Disc/Prem	Nov NTA	Nov Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	MER
Australian Leaders	ALF	1.43	386.6	10.0	7.0%	10.0%	1.1%	n.a	n.a	1.30	8.5%	8.6%	8.3%	1.00%
Aberdeen Leaders	ALR	1.13	67.8	5.0	4.4%	6.3%	4.1%	1.23	-7.9%	1.19	-8.8%	-9.5%	-4.0%	0.75%
AMCIL Limited	AMH	0.94	242.5	3.5	3.7%	5.3%	0.0%	0.92	1.8%	0.91	3.3%	0.2%	-0.6%	0.65%
Cadence Capital	CDM	1.21	329.1	9.0	7.4%	10.6%	2.1%	1.15	5.3%	1.13	5.1%	13.4%	6.4%	1.00%
Contango Inc Gen Ltd	CIE	0.95	77.0	6.5	6.8%	9.8%	0.0%	1.01	-5.9%	0.98	-3.2%	-3.6%	-2.9%	0.95%
Carlton Investments	CIN	31.85	843.2	121.0	3.8%	5.4%	1.9%	37.06	-14.1%	36.25	-13.8%	-12.2%	-11.1%	0.09%
Future Gen Ltd	FGX	1.17	407.9	4.0	3.4%	4.9%	0.9%	n.a	n.a	1.13	2.3%	-1.7%	-1.7%	0.00%
Mirrabooka Invest.	MIR	2.96	462.6	15.0	5.1%	7.2%	2.8%	2.34	26.7%	2.32	24.1%	15.3%	14.1%	0.65%
Perpetual Equity Ltd	PIC	0.98	246.4	2.8	2.9%	4.1%	0.5%	1.09	-10.1%	1.07	-9.1%	-8.4%	-5.8%	1.00%
Qv Equities Limited	QVE	1.29	285.7	4.8	3.7%	5.3%	2.4%	1.16	11.2%	1.14	10.3%	-1.2%	-0.6%	0.90%
WAM Capital Limited	WAM	2.39	1433.7	14.5	6.1%	8.7%	1.7%	1.96	21.8%	1.96	19.6%	13.6%	9.9%	1.00%
WAM Leaders Limited	WLE	1.15	413.6	n.a	n.a	n.a	2.2%	1.15	0.1%	1.11	1.0%	2.2%	2.2%	1.00%
Wealth Def Equ Ltd	WDE	0.80	100.4	3.0	3.8%	5.4%	3.2%	0.91	-12.7%	0.88	-12.3%	-10.9%	-7.0%	1.25%
Whitefield Ltd	WHF	4.26	357.0	17.0	4.0%	5.7%	0.5%	4.79	-11.0%	4.64	-8.6%	-8.5%	-6.9%	0.25%
Small Capitalisation	Code	Share Price	Market Cap. (\$m)	Dividend (cents)	Dividend Yield	Grossed Up Yield	TSR since Dec 1	Current Est. NTA	Current Estimated Disc/Prem	Nov NTA	Nov Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	MER
Acorn Cap Inv Fund	ACQ	1.06	52.1	1.8	1.7%	2.0%	1.9%	1.16	-8.7%	1.18	-11.5%	-16.0%	-15.2%	0.95%
Barrack St Invest	BST	0.92	16.9	2.5	2.7%	3.2%	0.0%	1.05	-12.0%	1.06	-13.1%	-16.9%	-14.5%	1.00%
Contango Microcap	CTN	1.12	186.9	6.3	5.7%	6.6%	0.9%	1.08	2.9%	1.10	0.5%	-11.1%	-10.0%	1.25%
Forager Aust. Shares	FOR	1.67	146.4	n.a	n.a	n.a	-2.3%	1.57	6.4%	1.58	n.a	n.a	n.a	1.00%
Glennon SML Co Ltd	GC1	0.98	46.0	3.8	3.8%	4.5%	-2.0%	1.00	-2.4%	1.01	-0.6%	-6.3%	-5.5%	1.00%
Naos Emerg Opp	NCC	1.35	63.7	6.8	5.0%	7.1%	0.0%	n.a	n.a	1.37	-1.5%	-11.4%	-10.6%	1.25%
Ozgrowth Limited	OZG	0.17	59.1	0.5	3.0%	4.3%	-2.9%	0.21	-20.1%	0.20	-15.8%	-20.5%	-15.2%	1.00%
WAM Research Ltd	WAX	1.54	281.3	8.5	5.5%	7.9%	-0.3%	1.26	21.9%	1.25	23.1%	14.7%	8.7%	1.00%
Westoz Inv Ltd	WIC	0.97	125.2	6.0	6.2%	8.8%	0.5%	1.11	-12.9%	1.10	-12.0%	-14.4%	-10.4%	1.00%
8lp Emerg Co Ltd	8EC	1.03	35.0	n.a	n.a	n.a	-2.2%	1.13	-8.5%	1.12	-9.3%	-10.5%	-10.5%	1.25%
International	Code	Share Price	Market Cap. (\$m)	Dividend (cents)	Dividend Yield	Grossed Up Yield	TSR since Dec 1	Current Est. NTA	Current Estimated Disc/Prem	Nov NTA	Nov Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	MER
Argo Global Ltd	ALI	1.67	239.2	3.0	1.8%	1.8%	-15.1%	1.93	-13.5%	1.88	-10.9%	-8.4%	-6.7%	1.25%
Ellerston Asian	EAI	0.87	104.4	n.a	n.a	n.a	-1.4%	0.96	-9.0%	0.97	-14.3%	-9.9%	-8.6%	0.75%
Ellerston Global Inv	EGI	0.98	74.3	2.0	2.0%	2.9%	-6.7%	1.15	-15.1%	1.09	-3.9%	-9.7%	-2.7%	0.75%
Future Gib Invest Co	FGI	1.07	295.2	1.0	0.9%	1.3%	1.4%	n.a	n.a	1.07	-2.1%	3.6%	3.1%	0.00%
Global Value Fnd Ltd	GVF	1.14	117.3	8.0	7.0%	10.0%	5.6%	1.13	1.2%	1.10	-1.5%	-5.8%	-5.9%	1.50%
Hunter Hall Global	HHV	1.27	309.3	6.5	5.1%	7.3%	-5.4%	1.30	-2.2%	1.36	-1.1%	-8.9%	-11.0%	1.50%
MFF Capital Invest.	MFF	1.90	895.5	2.0	1.1%	1.5%	5.0%	2.24	-15.4%	2.12	-14.7%	-6.8%	-6.1%	1.25%
Pm Capital Asian Ops	PAF	0.94	52.2	2.5	2.7%	3.8%	0.5%	1.08	-13.2%	1.07	-12.9%	-10.4%	-10.1%	1.00%
Platinum Asia Ltd	PAI	0.95	277.1	n.a	n.a	n.a	1.6%	1.00	-5.4%	0.99	-6.0%	0.2%	0.5%	1.10%
Pm Capital Fund	PGF	1.00	346.9	3.0	3.0%	4.3%	4.2%	1.14	-12.7%	1.07	-10.5%	-12.8%	-10.0%	1.00%
WAM Capital Ltd	PMC	1.57	371.0	7.0	4.5%	6.4%	0.0%	1.58	-0.8%	1.51	4.2%	10.6%	9.4%	1.10%
Templeton Global	TGG	1.23	285.2	4.5	3.7%	5.2%	2.9%	1.42	-14.0%	1.36	-12.7%	-11.8%	-8.2%	1.20%
Specialist	Code	Share Price	Market Cap. (\$m)	Dividend (cents)	Dividend Yield	Grossed Up Yield	TSR since Dec 1	Current Est. NTA	Current Estimated Disc/Prem	Nov NTA	Nov Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	MER
Blue Sky Alt Access	BAF	1.14	194.1	5.0	4.4%	6.2%	-1.3%	1.08	5.1%	1.08	6.4%	0.4%	-0.2%	1.20%
Bailador Tech Inv	BTI	1.05	121.6	n.a	n.a	n.a	-1.9%	1.13	-7.1%	1.13	-5.3%	-9.1%	-13.9%	1.75%
Lion Selection Grp	LSX	0.39	41.2	n.a	n.a	n.a	10.0%	n.a	n.a	0.40	-12.5%	-23.7%	-29.8%	1.50%
Monash Absolute	MA1	0.89	46.7	n.a	n.a	n.a	-3.8%	n.a	n.a	0.94	-1.2%	-1.5%	-1.5%	1.50%
Sandon Capital Ltd	SNC	0.98	43.4	5.0	5.1%	7.3%	1.6%	n.a	n.a	1.04	-7.2%	-11.4%	-7.4%	1.25%
Thorney Opp Ltd	TOP	0.72	121.2	1.2	1.6%	2.3%	-3.4%	n.a	n.a	0.72	2.2%	-5.5%	-4.2%	0.75%
WAM Active Limited	WAA	1.15	40.9	5.0	4.4%	6.2%	3.2%	1.05	9.2%	1.05	5.7%	1.7%	1.8%	1.00%
Watermark Fund Ltd	WMK	1.05	95.2	6.5	6.2%	8.8%	1.0%	n.a	n.a	1.03	1.0%	-2.6%	-4.7%	1.00%

Source: Company releases, Bloomberg, Baillieu Holst estimates

AFIC Convertible Note

- **About:** The current AFIC convertible note expires on 28 February 2017. The note, with a face value of \$100 and yielding 6.25%, trades under the code AFIG.
- **Investor options:** Investors have the option to either:
 - 1) Hold the note until expiry and receive face value plus final (semi-annual) distribution;
 - 2) Sell security (AFIG) on the ASX; or
 - 3) Convert the note to ordinary AFI securities at a conversion price of \$5.0864.

We produced the figures below, using our estimates, to provide a current update and compare the aforementioned options. We will continue to provide trading updates up until the AFIG expiry date.

FIG.1: AFIG RISK REWARD TABLE

Option	Return estimates	Risk
1	3.1%	Immaterial
2	5.7%	Low (if sold today)
3	8.3%	2 month market risk + AFI price risk

Source: Baillieu Holst estimates

- **Our view:** currently, as shown in the risk reward table above, we advocate option two (sell AFIG on the ASX) as the most attractive risk reward proposition.

FIG.2: BAILLIEU HOLST ESTIMATES FOR AFIG

Metrics	
Current AFIG price	\$ 109.00
AFI current share price	\$ 5.78
Adjustment for February 2017 BH dividend assumption (10c)	\$ 5.68
Conversion price	\$ 5.0864
Option 1	
Hold note until expiry	
Receive final distribution payment	% ~3.1%
Receive face value of note	\$ 100.0
Option 2	
Sell existing AFIG note	
AFIG share price	\$ 109.0
Estimated return if held to expiry	\$ 103.1
Upside to expiry if sold now	5.7%
Option 3	
Current trading level (conversion)	
Dividend adjusted AFI share price	\$ 5.68
AFIG conversion price	\$ 5.09
Conversion value (common base)	\$ 111.67
Current trading level (AFIG)	
Current AFIG price	109.00
Difference between conversion value and AFIG share price	2.4%

*Data as at 21 December 2016

Source: IRESS, Baillieu Holst estimates

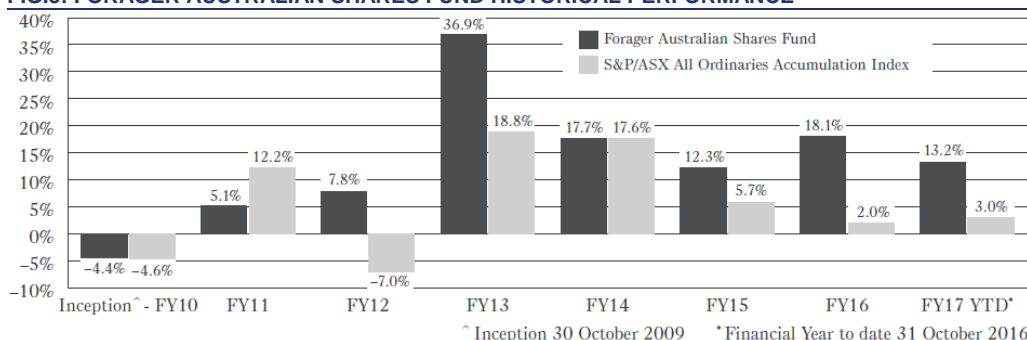
Forager Australian Shares Fund (FOR)

- **History:** The Forager Australian Shares Fund was initially incorporated in October 2009 as an unlisted unit trust, managed by Forager Funds Management.
- **Converting to a LIT:** When the Australian Shares Fund reached the lower end of the fund's size capacity (\$150 million-\$200 million), management sought unit holder support to convert the fund to a listed, closed-end vehicle. The proposed listing was approved by unit holders and FOR subsequently listed on the ASX on 16 December 2016.
- **Listed Investment Trust:** We look favourably upon FOR listing as a LIT, namely: 1) A LIT structure eliminates key risks, primarily redemption risk; 2) ability for the investment manager to be fully invested; 3) ability for new investors to access FOR; and 4) potential for investors to access FOR at a discount to NTA. Whilst we note a LIT structure creates increased market risk for investors, we look favourably upon the opportunity for investors to enter and exit FOR without impacting the underlying portfolio.
- FOR did not raise any further capital during the process and listed on the ASX with an NTA of \$1.58, with existing shareholders converting unit shares for FOR shares. FOR did not issue any options during this process and therefore will not experience any option overhang.

Investment Strategy

- **Overview:** FOR invests predominately in securities listed on the ASX and seeks to generate capital growth and occasionally income from investments it holds. FOR holds a relatively small number of securities, generally between 15 and 25, and typically holds securities with smaller market capitalisations.
- **Investment objective:** The fund aims to outperform the S&P/ASX All Ordinaries Accumulation Index over a rolling five-year period.
- **Investment strategy:** FOR utilises a fundamental bottom up investment approach, focusing on businesses where the assessed intrinsic value of the underlying business is substantially higher than the security price.
- **Investment analysis framework:** FOR's investment framework focuses on:
 - Competitive landscape
 - Business strategy
 - Management team
 - Historical financial record
 - Balance sheet structure
 - Threat and opportunities
 - Security valuation
- **Portfolio construction:** A portfolio of undervalued businesses is accomplished by analysing securities on an individual basis to determine whether they are attractively priced.

FIG.3: FORAGER AUSTRALIAN SHARES FUND HISTORICAL PERFORMANCE



Source: Company PDS

- **FOR portfolio:** Fig.3 below provides FOR's top six holding as at 12 December 2016, which represents 34.5% of the underlying portfolio.

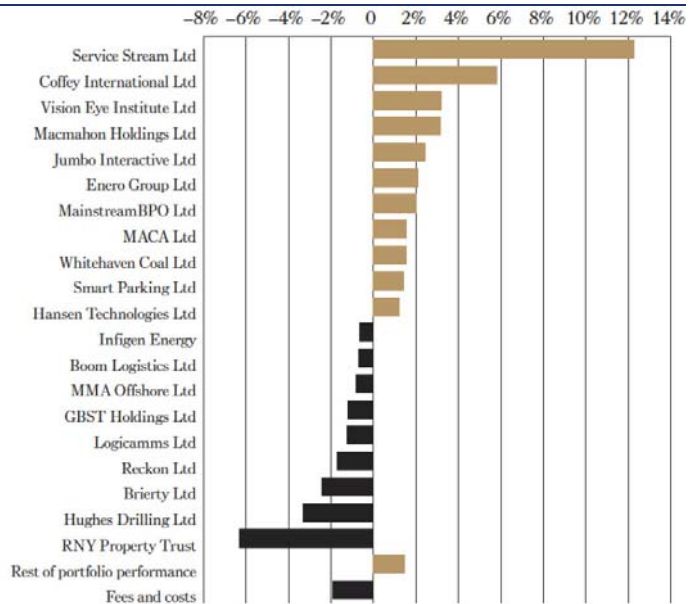
FIG.4: FOR CURRENT TOP HOLDINGS

Top Holdings	Code	%
Reckon Ltd	RKN	7.5%
MacMahon Holdings Ltd	MAH	5.8%
Jumbo Interactive Ltd	JIN	5.5%
Cardno Ltd	CDD	5.4%
Service Stream Ltd	SSM	5.2%
NZME Ltd	NZM	5.2%
		34.5%

*Top holdings as at 12 December 2016

Source: Company presentation

FIG.5: FY16 STOCK PERFORMANCE ATTRIBUTION



Source: Company presentation

- **Daily Updates:** FOR will publish a daily NTA update which provides greater visibility of the underlying fund/performance and may mitigate the likelihood of a discount to NTA, in our view.
- **Fees:** Management fee of 1.0% and a performance fee of 10% of outperformance over an 8% hurdle, including a high watermark.
- **Our view:** We look favourably upon the decision to convert FOR into a LIT for a number of reasons: 1) the fund was reaching capacity and therefore increasing the likelihood of a soft close (not accepting new money). An ASX listing provides new investors access to the fund and, potentially, at a discount to NTA; 2) Although currently holding a higher cash weighting (after granting existing unit holders the opportunity to redeem units rather than convert to FOR shares), FOR will not have a capital deployment time lag which can impact performance; and 3) FOR's deep value investment strategy is unique within our LIC coverage list, providing retail investors exposure to an area of the market that may compliment an existing portfolio of large and mid-cap holdings.
- We are encouraged by FOR's performance since listing (up 6.3%) however we note FOR is currently trading at a 6.4% premium to NTA. We view a reduction in this premium to NTA as a more attractive entry point into FOR.

Key Personnel

- **Steve Johnson (CIO):** Steve is the founder of Forager and holds the largest beneficial interest in the Manager. Steve has been Chief Investment Officer of the Manager since, and under his guidance Forager now manages more than \$250m. Steve has a Bachelor of Economics (Econometrics and Finance) from the University of NSW and is a CFA Charterholder.
- **Jeff Weeden (CEO):** Jeff joined the Manager in 2016 as the Chief Executive Officer. One of the key reasons for Jeff joining the Manager was to allow Steve Johnson to dedicate more time to the investment focussed parts of the Manager's business. Prior to joining the Manager, Jeff had an extensive career in the investment banking and finance industry, specifically equity markets and specialist funds. Jeff has a Bachelor of Economics degree from Sydney University.
- **Daniel Mueller (Senior Analyst):** Daniel joined the Manager in April 2016 as a senior analyst/portfolio manager for the Fund. Previously, Daniel held roles at Investors Mutual Limited and MMC Asset Management Limited. His most recent position was at Morningstar Australasia Pty Ltd where he performed company specific research and managed model portfolios. Daniel has a Bachelor of Commerce degree (Accounting and Finance) from the University of New South Wales, and is both a qualified Chartered Accountant and a CFA Charterholder.
- **Alvise Peggion (Junior Analyst):** Alvise joined the Manager in 2013 and is a junior analyst who provides support to the team. Alvise has passed all three levels of the CFA Program. Alvise has a degree in Finance (Honours) from the University of Adelaide and speaks Italian, Mandarin and English.

Monthly performance by sector

FIG. 6: LARGE CAPITALISATION TSR

Top Performers			
November Return		Quarterly Return	
Company	TSR (%)	Company	TSR (%)
BKI	2.2%	BKI	2.2%
AUI	1.2%	AFI	1.8%
DUI	1.2%	MLT	0.0%

Bottom Performers			
November Return		Quarterly Return	
Company	TSR (%)	Company	TSR (%)
ARG	0.1%	DUI	-2.7%
MLT	0.2%	AUI	-1.5%
AFI	0.3%	DJW	-1.4%

Source: IRESS, Bloomberg, Baillieu Holst estimates

FIG. 7: LARGE CAPITALISATION NTA PERFORMANCE

Top Performers			
November Return		Quarterly Return	
Company	NTA Growth (%)	Company	NTA Growth (%)
AUI	3.8%	AUI	5.1%
DUI	3.4%	DUI	3.8%
DJW	3.3%	DJW	1.6%

Bottom Performers			
November Return		Quarterly Return	
Company	NTA Growth (%)	Company	NTA Growth (%)
ARG	2.5%	BKI	-1.3%
MLT	2.6%	AFI	0.2%
BKI	2.6%	MLT	0.9%

Source: IRESS, Bloomberg, Baillieu Holst estimates

FIG. 8: MID CAPITALISATION TSR

Top Performers			
November Return		Quarterly Return	
Company	TSR (%)	Company	TSR (%)
QVE	5.0%	QVE	8.4%
WAM	3.5%	WAM	6.7%
PIC	1.6%	FGX	5.8%

Bottom Performers			
November Return		Quarterly Return	
Company	TSR (%)	Company	TSR (%)
ALF	-5.7%	ALF	-4.4%
CIE	-3.1%	CDM	-3.7%
MIR	-2.4%	WLE	-3.4%

Source: IRESS, Bloomberg, Baillieu Holst estimates

FIG. 9: MID CAPITALISATION NTA PERFORMANCE

Top Performers			
November Return		Quarterly Return	
Company	NTA Growth (%)	Company	NTA Growth (%)
WHF	2.7%	ALF	3.1%
ALR	2.6%	CIN	1.8%
PIC	2.5%	WDE	0.4%

Bottom Performers			
November Return		Quarterly Return	
Company	NTA Growth (%)	Company	NTA Growth (%)
MIR	-0.9%	MIR	-4.1%
WAM	-0.3%	FGX	-3.3%
ALF	0.0%	AMH	-3.2%

Source: IRESS, Bloomberg, Baillieu Holst estimates

FIG. 10: SMALL CAPITALISATION TSR

Top Performers			
November Return		Quarterly Return	
Company	TSR (%)	Company	TSR (%)
OZG	6.3%	NCC	18.3%
WAX	4.8%	OZG	13.3%
WIC	3.8%	WIC	12.9%

Bottom Performers			
November Return		Quarterly Return	
Company	TSR (%)	Company	TSR (%)
8EC	-1.0%	CTN	-0.8%
ACQ	-1.0%	8EC	0.5%
GC1	1.0%	ACQ	3.6%

Source: IRESS, Bloomberg, Baillieu Holst estimates

FIG. 11: SMALL CAPITALISATION NTA PERFORMANCE

Top Performers			
November Return		Quarterly Return	
Company	NTA Growth (%)	Company	NTA Growth (%)
WIC	3.1%	WIC	4.4%
OZG	0.5%	OZG	2.5%
NCC	-0.7%	NCC	1.8%

Bottom Performers			
November Return		Quarterly Return	
Company	NTA Growth (%)	Company	NTA Growth (%)
CTN	-6.3%	CTN	-6.3%
8EC	-5.6%	GC1	-5.4%
GC1	-4.4%	8EC	-4.1%

Source: IRESS, Bloomberg, Baillieu Holst estimates

Monthly performance by sector cont.

FIG.12: INTERNATIONAL TSR

Top Performers			
November Return		Quarterly Return	
Company	TSR (%)	Company	TSR (%)
PGF	11.0%	PGF	13.0%
MFF	5.9%	EGI	6.6%
EGI	5.5%	PMC	4.7%

Bottom Performers			
November Return		Quarterly Return	
Company	TSR (%)	Company	TSR (%)
EAI	-6.2%	ALI	-10.4%
ALI	-3.5%	HHV	-4.4%
HHV	-2.0%	PAI	-1.1%

Source: IRESS, Bloomberg, Baillieu Holst estimates

FIG.13: INTERNATIONAL NTA PERFORMANCE

Top Performers			
November Return		Quarterly Return	
Company	NTA Growth (%)	Company	NTA Growth(%)
MFF	8.3%	PGF	4.5%
PGF	6.4%	PAF	3.7%
PAF	4.9%	TGG	3.6%

Bottom Performers			
November Return		Quarterly Return	
Company	NTA Growth (%)	Company	NTA Growth(%)
EAI	-1.6%	HHV	-6.6%
ALI	-1.6%	ALI	-4.6%
HHV	-1.4%	EAI	-2.5%

Source: IRESS, Bloomberg, Baillieu Holst estimates

FIG.14: SPECIALIST TSR

Top Performers			
November Return		Quarterly Return	
Company	TSR (%)	Company	TSR (%)
TOP	7.2%	LSX	16.7%
SNC	7.2%	TOP	13.2%
BAF	4.1%	SNC	9.5%

Bottom Performers			
November Return		Quarterly Return	
Company	TSR (%)	Company	TSR (%)
BTI	-3.6%	WAA	-4.7%
WAA	-3.5%	BTI	-2.3%
WMK	-2.8%	BAF	-1.7%

Source: IRESS, Bloomberg, Baillieu Holst estimates

FIG.15: SPECIALIST NTA PERFORMANCE

Top Performers			
November Return		Quarterly Return	
Company	NTA Growth (%)	Company	NTA Growth(%)
SNC	3.8%	SNC	7.0%
BAF	0.3%	TOP	4.6%
LSX	0.0%	LSX	2.6%

Bottom Performers			
November Return		Quarterly Return	
Company	NTA Growth (%)	Company	NTA Growth(%)
TOP	-3.6%	BTI	-7.1%
WMK	-1.0%	BAF	0.9%
BTI	-0.2%	WMK	1.9%

Source: IRESS, Bloomberg, Baillieu Holst estimates

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

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