

# Millinium's Australian Equities Mandate



## MANAGER:

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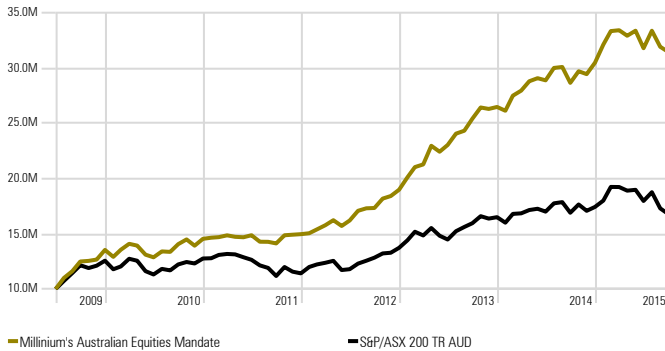
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## QUARTERLY REPORT

September 2015

### Investment Growth - \$10,000,000 (initial investment)

Time Period: 1/07/2009 to 30/09/2015

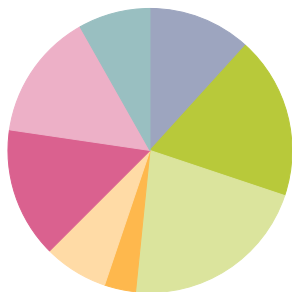


### Quarterly Returns

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
2015	9.64	-4.86	-1.06		
2014	5.59	3.33	-0.79	6.36	15.13
2013	12.06	8.28	10.30	4.18	39.43
2012	5.40	2.72	6.96	9.55	26.87
2011	2.17	0.08	-5.00	5.94	2.91

### Asset Allocation

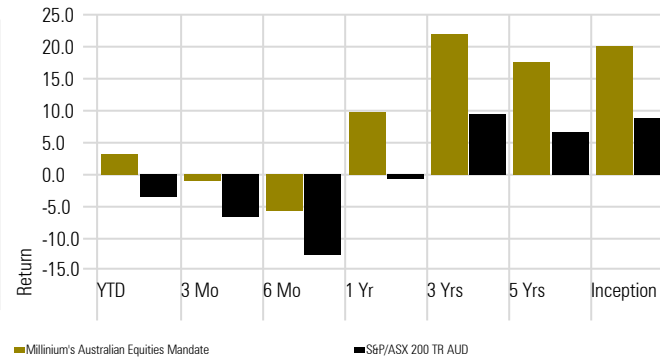
Portfolio Date: 30/09/2015



	%
Consumer Cyc.	11.7
Financial	18.4
Real Estate	21.5
Consumer Def.	3.6
Healthcare	7.3
Utilities	14.8
Communications	14.5
Industrials	8.2
<b>Total</b>	<b>100.0</b>

### Performance

As of Date: 30/09/2015 Calculation Benchmark: S&P/ASX 200 TR AUD



### Fund Statistics

Inception Date	30/06/2009
Morningstar Category	Australia SA Equity Australia Large Value
# of Holdings	22
Equity Style Box	
Average Market Cap (\$Mil)	9,602
Morningstar Rating Overall	★★★★★
Morningstar Rating 3 Yr	★★★★★

### Top 10 Holdings

Portfolio Date: 30/09/2015

	Style Box	\$M (AUD)	Weight %
Westpac Banking Corp		8.91	9.59
National Australia Bank Ltd		8.20	8.82
Telstra Corp Ltd		7.66	8.24
Scentre Group		4.87	5.24
Westfield Corp		4.72	5.08
Sydney Airport		4.64	4.99
AGL Energy Ltd		4.24	4.56
Premier Investments Ltd		4.16	4.48
Pact Group Holdings Ltd		3.89	4.19
Japara Healthcare Ltd		3.59	3.86

### Portfolio Performance

The Millinium Australian Equities Mandate returned -1.06% compared to the benchmark (S&P / ASX 200 Accumulation Index) return of -6.58% for the quarter, giving a relative outperformance of 5.52% for the period.

	YTD	3 Mo	6 Mo	1 Yr	3 Yr	5 Yr	Inc.
Millinium's Australian Equities Mandate	3.20	-1.06	-5.87	9.76	21.98	17.47	20.12
S&P/ASX 200 TR AUD	-3.68	-6.58	-12.69	-0.68	9.35	6.55	8.64
Excess Returns *	6.87	5.52	6.82	10.45	12.62	10.92	11.48

\* Morningstar rounding methods may impose a small rounding differential at 2 decimal places in calculation of excess returns. All returns data is accurate nonetheless.

### Quarterly Review

For the year to 30 September 2015 the Mandate once again achieved its objective of providing consistent returns. Our total return was 9.76%, which was 10.45% ahead of the ASX/S&P200 Accumulation Index return of -0.68%.

The slide in the Australian market reflected weakness in global equity markets as a consequence of fears about rising US interest rates, disappointing Chinese economic data, and the prospect of a slowdown in global growth. The Australian Equities Mandate has fulfilled its purpose of preserving capital in a falling market: its return for calendar 2015 so far is positive 3.20%, compared to negative 3.68% for the benchmark.

The regular quarterly re-balance of the portfolio did not result in the addition or removal of any stocks.

### Market Outlook

Now that the share market has corrected as we had forecast, we believe that there is more upside risk than downside over the next six months. Emerging markets will continue to suffer the negative effects of slower Chinese growth much worse than the Chinese will, but the outlook for the US and European economies is mildly positive. Australia's export dependence on China will eventually lead us into our first recession since 1991, but in the meantime we expect the share market to improve.

More information on the Australian Equities Mandate portfolio can be found at [www.millinium.com.au](http://www.millinium.com.au)

Morningstar Rating Definition: The Morningstar Rating is an assessment of a fund's past performance – based on both return and risk – which shows how similar investments compare with their competitors. A high rating alone is insufficient basis for an investment decision.  
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