

Fund Description

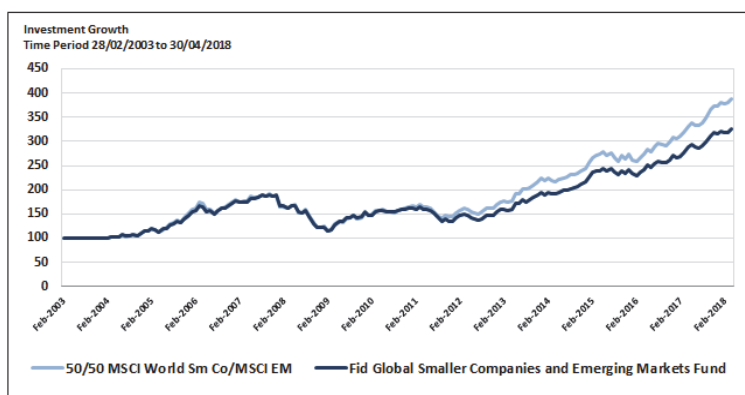
The Fund provides investors with the opportunity to combine investments in companies that are generally of small capitalisation in the more developed markets; with investments in companies that are listed on the stock exchanges of the less developed (emerging) markets. Smaller companies in developed and better regulated markets have shown superior long-term growth when compared with their larger peers, as they are generally more flexible and operate in market niches that give them greater opportunity to increase profits. Emerging markets funds invest in developing countries and offer investors the opportunity to benefit from the significant growth potential inherent in many of these economies as they raise their standards of living.

It is expected that by diversifying between these two segments of the international share market, investors could be somewhat cushioned against unexpected volatility and loss of capital that any one country's market, industry sector or individual share could generate. However, while this Fund could deliver high returns over the long term, it could also show periods of significant volatility caused by rapid changes in investor sentiment, difficulties in buying and selling shares, regulatory changes by Governments and currency, economic and political developments. In our view, it therefore appears suited for limited components of an investor's portfolio that are not needed for cash flow at short notice and can be left to grow despite large fluctuations, for potential long-term gain.

It is recommended that investment in this Fund be undertaken for at least five to seven years. International share investment can be volatile over the short-term.

Fund Classification Core/Diversified Sector **Specialist/Satellite**

Fund Performance and Risk Analytics Summary



Current Period Return (net as at 30 April 2018)

	1 Mth	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	10 Yrs
Fund	2.1%	1.3%	4.5%	12.5%	8.6%	13.7%	6.2%
Index	1.9%	2.0%	6.1%	17.2%	9.2%	14.9%	7.9%
Excess	0.2%	-0.6%	-1.7%	-4.7%	-0.7%	-1.2%	-1.7%

Calendar Year Return (net of fees)

	2011	2012	2013	2014	2015	2016	2017
Fund	-17.4%	15.7%	26.0%	11.1%	4.8%	11.4%	17.3%
Index	-11.7%	16.9%	32.3%	9.5%	3.9%	11.9%	20.3%
Excess	-5.6%	-1.2%	-6.3%	+1.6%	+0.9%	-0.5%	-3.0%

The performance figures shown for the Fund above have been calculated on an exit unit price basis. Distributions (which include net realised capital gains from sale of securities) have been treated as being reinvested. No allowance has been made for tax you may pay on the distributions. Returns over a year are annualised

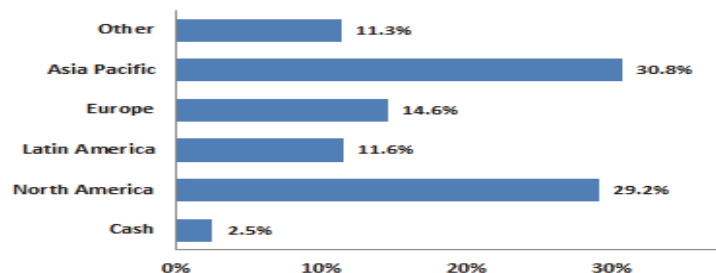
Fund Facts

Portfolio Manager:	Conrad Burge
Asset Sector:	Global Smaller Companies & Emerging Markets
Asset Code:	IE6
ARSN:	093 543 849
APIR Code:	FPS0009AU
Benchmark:	50:50 MSCI Emerging Markets & MSCI Small Caps Index
Inception Date:	January 1999
Fund Size:	\$103.5 million as at 30 April 2018
Management Fee:	1.34%

Style Tilts

Managers	Style	Weight
Aberdeen	Value	15.9%
Vanguard	Emerging Markets (Index)	22.1%
DFA Australia (Dimensional)	Quantitative	52.1%
Fiducian	Emerging Markets (India)	7.4%
Cash	N/A	2.5%

Country Weights



Manager's Commentary

The Fund out-performed its composite benchmark, gaining 2.1% against a 1.9% gain by the benchmark in April. Over the rolling year, the Fund gained 12.5%, but this was below the 17.2% gain by the composite benchmark. The Fiducian India Fund was the largest detractor in relative terms, rising by 7.4% (+21.1% by the benchmark) while the Vanguard Emerging Markets Fund was the strongest contributor with a return of 20.9% for the year.

Emerging equities gained in Australian dollar terms in April despite continued market volatility. Higher US Treasury yields and a strengthening dollar, on expectations of more aggressive monetary tightening, curbed risk-appetite and triggered outflows from the sector. Encouragingly, easing tensions in the Korea's culminated in an historic meeting between the North and South.

In Asia, the Chinese market held up better than the global benchmark, boosted by the lowering of the reserve requirement ratio and a continued commitment to open the economy, which favoured most banks. Politics drove Latin America and emerging Europe. Brazilian equities were dented by uncertainty over a wide open presidential race. In EMEA, Russia's stockmarket sold-off, despite higher energy prices, as the US threatened additional sanctions over Moscow's backing of the Syrian government.

Global small-cap equities rose modestly during the month, with the best relative strength in the energy, utilities and telecom sectors. By region, the UK and Continental Europe outperformed, while the US and Japan trailed.

The Fund is currently marginally underweight in emerging markets (45.4%) and slightly overweight in global smaller companies (52.1%).