

## Emerging Companies Fund

Monthly Report | August 2018

### About Emerging Companies Fund

- Modelled from the Ex S&P/ASX 100 component of our flagship Australian Shares Fund.
- Only consists of companies that have passed Australian Ethical's positive and negative screens, based on the Ethical Charter.
- Certified by the Responsible Investment Association Australasia.



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### Performance returns

	1 month (%)	3 months (%)	1 year (%)	3 years (% p.a.)	Since Inception (% p.a.)
<b>Fund (Retail)*</b>	1.6	4.9	16.3	14.1	14.1
<b>S&amp;P/ASX Small Industrials</b>	4.4	5.2	21.1	14.6	13.5
<b>Relative Performance</b>	-2.8	-0.3	-4.8	-0.5	+0.6
<b>Fund (Wholesale)^</b>	1.7	5.2	17.3	15.1	15.1
<b>S&amp;P/ASX Small Industrials</b>	4.4	5.2	21.1	14.6	13.5
<b>Relative Performance</b>	-2.7	+0.0	-3.8	+0.5	+1.6
<i>Alternative benchmarks</i>					
<b>S&amp;P/ASX 200</b>	1.4	6.2	15.4	11.5	9.5
<b>S&amp;P/ASX Small Ordinaries</b>	2.5	2.5	22.3	16.9	14.7
<b>S&amp;P/ASX 200 Industrials</b>	2.9	8.1	14.1	10.4	8.8

\* Inception Date (Retail and Wholesale): 1 July 2015

Past performance is not an indicator of future performance.

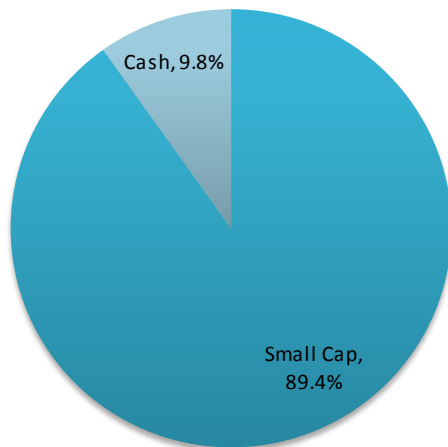
### Top holdings

Macquarie Telecom Group Limited	4.0%
Rhipe Limited	4.0%
Contact Energy Limited	3.6%
Australian Finance Group Ltd.	3.3%
Bigtincan Holdings Ltd	3.2%
Auswide Bank Ltd.	3.2%
EQT Holdings Ltd.	3.1%
Capitol Health Limited	3.0%
3P Learning Ltd.	2.8%
Australian Pharmaceutical Industries Ltd	2.7%

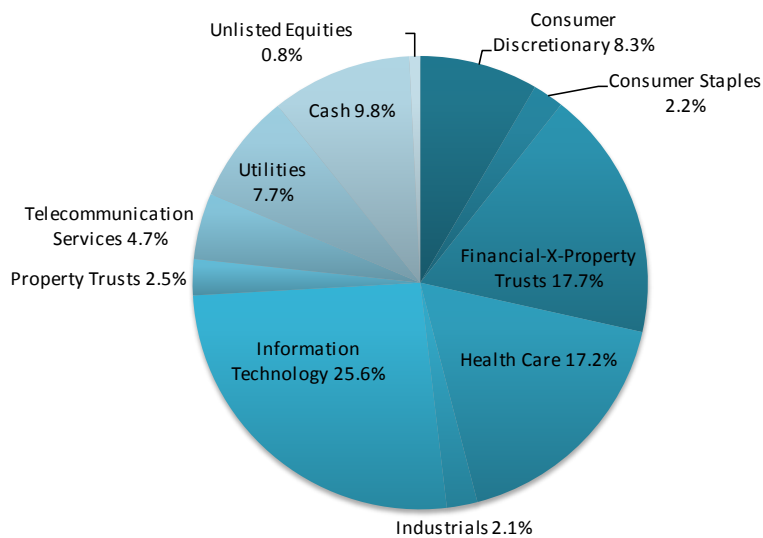
Significant performers (for the month)

Best	Total Return	Contribution	Worst	Total Return	Contribution
Macquarie Telecom Group Limited	15.6%	0.6%	Bigtincan Holdings Ltd	-12.9%	-0.5%
Bravura Solutions Limited	30.6%	0.6%	Capitol Health Limited	-11.1%	-0.4%
Homeloans Limited	22.2%	0.4%	G8 Education Limited	-17.3%	-0.3%

**Asset allocation**



**Sector allocation**



## Key information



### Portfolio Manager Andy Gracey

Andy is portfolio manager of the Emerging Companies Fund. He has been managing portfolios at Australian Ethical for over 10 years.

Responsible entity:	Australian Ethical Investment Ltd
Minimum initial investment:	\$1,000 (retail) \$25,000 (wholesale)
Distribution:	Six-monthly
APIR:	AUG0026AU (retail) AUG0027AU (wholesale)
ARSN:	606 254 157
Contribution fee:	None
Establishment fee:	None
Withdrawal fee:	None
Termination fee:	None
Performance fee:	20% of the difference between the Fund's daily return and its performance above the hurdle.
Management fee:	2.20% (retail) 1.20% (wholesale)
Buy-sell spread:	0.20%
Platforms:	To be advised
Fund size:	\$ 68.6 Million
Objective:	To provide long-term growth by investing in small capitalisation companies that meet the Australian Ethical Charter.
Structure:	The Fund is an open-ended public unit trust.

A full explanation of all of the fees and costs that you may be charged for investing in the Fund is provided in the Fund's Product Disclosure Statements available from our website.

### Our Ethical Approach

Australian Ethical is a specialist ethical fund manager. By investing responsibly in well-managed ethical companies, we believe we can deliver competitive financial performance to our clients and positive change to society and the environment.

## Why invest ethically?

### Aligning values with investments

You probably already understand the importance of having a portfolio that matches your appetite for risk, but equally, if not more important, is holding a portfolio that reflects your values. For example, if you value the provision of fair working conditions (and no child labour) then it's important to invest in funds that negatively screen out stocks on this basis.

### Portfolio diversification

Ethical funds in particular, often invest in stocks that are not covered by many fund managers and brokers.

### Good for the world

Your investments can help build a new low-carbon economy, fund medical and technology breakthroughs, efficient transport and more.

## For more information

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