

31 DECEMBER 2015
QUARTERLY REPORT
REDPOINT ACTIVE AUSTRALIAN EQUITY FUND

Fund performance as at 31 December 2015	1 month (%)	3 months (%)	6 months (%)	1 Year (%)	Since Inception (% p.a.) ^{4, 5}
Fund return ¹	2.87	4.96	-1.99	0.52	0.90
Benchmark return ²	2.73	6.54	-0.35	2.80	3.16
Active return ³	0.14	-1.57	-1.64	-2.28	-2.26

1. Redpoint Active Australian Equity Fund (Fund) – performance is before taxes, but after management fees and transaction costs. Past performance is not a reliable indicator of future performance. Returns are not guaranteed and future returns may vary from any target returns described in this document.
2. S&P/ASX 300 Accumulation Index – dividends reinvested (Benchmark). Benchmark returns do not allow for taxes, management fees and transaction costs.
3. Active return is the difference between Fund and Benchmark return.
4. All returns are cumulative and annualised for periods of 12 months or more.
5. Inception date is 25 February 2014 with a portfolio value of \$10,000,000.

INVESTMENT OBJECTIVE

The Fund aims to provide a return of 2% per annum above the S&P/ASX 300 Accumulation Index (Benchmark), after management fees, over rolling five-year periods with targeted tracking error (active risk) of 4% per annum. The Fund is reasonably diversified, typically holding between 40 and 70 stocks.

PERFORMANCE COMMENTARY

Dividend yield was the difference between a positive and negative return for the Benchmark in calendar year 2015. On a total return basis the Benchmark rose by +2.8% but fell by -1.7% on a price (pre-dividends) basis. After two (2) consecutive quarters of negative returns, the Australian share market posted a positive quarter to end the calendar year. The Benchmark rallied in the second half of December starting just ahead of and continuing after the US Federal Reserve's decision to raise interest rates by 0.25%.

The Energy and Materials sectors were the worst performers, falling by approximately -30% and -20% respectively over the calendar year. They were also the worst performers in the December quarter (-1.5% and -6.9% respectively). These falls were all fueled by declining metals and oil prices during 2015: the oil price closed the year below \$40, which is its lowest since 2004. Utilities, Consumer Discretionary and Health Care were the best performing sectors for the year. Consumer Discretionary, Health Care, Financials and Information Technology were the best performing sectors over the past three (3) months (+13.4%, +12.4%, +10.6% and +9.1% respectively).

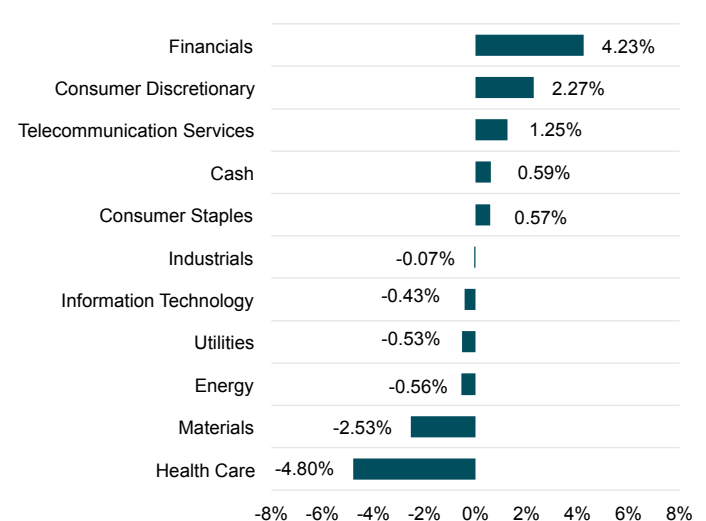
Over the three-month period ending 31 December 2015, the net return of the Fund was +4.96%. The total return of the Benchmark was +6.54%. The Fund underperformed the Benchmark by -1.57% (net active return).

FUND FACTS

APIR code	PPL0030AU
Fund size (\$)	10,323,162
Number of holdings	58
Inception	25 February 2014
Management fee ¹	0.80% p.a.
Minimum initial investment (\$)	20,000
Buy/sell spread	+/-0.2%
Income distribution	Half-yearly

1. Including GST net of reduced input tax credit.

SECTOR ACTIVE WEIGHTS



TOP 10 HOLDINGS

Company	Fund (%)	Benchmark (%)
Commonwealth Bank	9.75	10.32
Westpac Banking Corporation	8.10	7.91
ANZ Banking Group Ltd	5.96	5.75
National Australia Bank Ltd	5.91	5.63
Telstra Corporation Ltd	5.25	4.85
Challenger Ltd	4.19	0.35
Macquarie Group Ltd	3.59	1.99
Treasury Wine Estates	3.34	0.43
BHP Billiton Ltd	3.24	4.05
Suncorp Group Ltd	3.05	1.10

UNIT PRICES AND DISTRIBUTION

Transaction	Unit price (\$)
Net asset value	0.9725
Application	0.9745
Redemption	0.9706
Distribution (quarter-end 31 December 2015)	0.0264

31 DECEMBER 2015
QUARTERLY REPORT
REDPOINT ACTIVE AUSTRALIAN EQUITY FUND

SECTOR ATTRIBUTION

Sector	Strategy Average Active Weight (%)	Sector Allocation (%)	Stock Selection (%)
Energy	-1.01	0.11	0.00
Industrials	-0.09	0.02	0.08
Consumer Discretionary	0.49	0.04	0.02
Materials	-0.91	0.27	-0.21
Utilities	-0.52	-0.01	0.06
Telecommunications	0.70	-0.07	0.02
Health Care	-4.62	-0.28	0.05
Consumer Staples	0.69	0.06	-0.41
Information Technology	-0.04	0.04	-0.54
Financials	5.31	0.24	-0.88
Total	0.00	0.43	-1.80

Note: Contributions shown here are to the gross active return of the Fund.
 Period: 30 September 2015 to 31 December 2015.

ATTRIBUTION COMMENTARY

For the December quarter, stocks in the Benchmark held by the Fund contributed +0.52% of gross active return (i.e. difference between gross Fund return and Benchmark return), whereas stocks in the Benchmark not held by the Fund contributed -1.89% of gross active return. A returns-based attribution shows that gross active return is comprised of two (2) components: sector allocations contributed +0.43% to gross active return, whereas stock selection within the sectors detracted -1.80% from gross active return.

Overweight positions in Collection House Ltd (CLH) and Select Harvests Ltd (SHV) detracted the most value during the quarter (collectively -1.07%). CLH was attractive on our Fundamental Value metrics, however, it downgraded its earnings guidance in October. This caused our Fundamental Value discipline to no longer find the stock attractive and the position has been significantly reduced. Almond producer SHV has also underperformed over the quarter. The share price has had a significant rise over the past few years and was attractive on our Price Action metrics. While this momentum in price has recently abated, our Analyst Drivers signal still points to strong growth ahead and as such the position has been maintained.

Stock selection in the Financials sector detracted value due to overweight positions in Medibank Private Ltd (MPL) and Suncorp Group Ltd (SUN) and an underweight position in Insurance Australia Group Ltd (collectively -0.37%). MPL has performed well following a strong earnings announcement in August, but has more recently underperformed. While its valuation is currently at fair levels, other metrics continue to be positive and the overweight position is being maintained. SUN also underperformed after providing a dramatic revision to guidance on its insurance business in mid-December. After an immediate drop from \$13 to below \$11.50, the share price had recovered to just over \$12 by quarter end.

IMPORTANT NOTICE

Antares Capital Partners Ltd (ABN 85 066 081 114) (AFSL 234483) (ACP), the Responsible Entity of and the issuer of units in the Redpoint Active Australian Equity Fund (Fund), is a fully owned subsidiary within the National Australia Bank Limited (NAB) group of companies (NAB Group). An investment in the Fund does not represent a deposit with or a liability of NAB nor any of its related bodies corporate and is subject to investment risk including possible delays in repayment and loss of income and capital invested. None of NAB, ACP, or any other NAB Group company nor Redpoint Investment Management Pty Ltd (AFSL 411671) guarantees the capital value, payment of income or performance of the Fund. Neither NAB, ACP or any other NAB Group company is in any way responsible for and does not guarantee the quality or accuracy of any information provided by third parties. To the maximum extent permitted by law, neither NAB, ACP or any other NAB Group company will be liable to any party in contract, tort (including for negligence) or otherwise for any loss or damage arising either directly or indirectly from reliance on, the use of or inability to use any third party information. The Product Disclosure Statement (PDS) for the Fund is available by calling the Client Services Team on 1300-738-355 or visit www.nabam.com.au. You should obtain a PDS for the Fund issued by ACP and consider it before making any decision about whether to acquire or continue to hold the product. Any information in this document is general advice and has been prepared without taking account of your personal objectives, financial situation or needs. Because of this you should, before acting on any information in this communication, consider whether it is appropriate to your personal objectives, financial situation and needs. We recommend investors obtain financial advice specific to their situation. Past performance is not a reliable indicator of future performance. Returns are not guaranteed and actual returns may vary from any target returns described in this document.

LARGEST CONTRIBUTORS

Company	Fund Average Weight (%)	Benchmark Average Weight (%)	Contribution (%)
IPH Ltd	1.68	0.05	0.53
Challenger Ltd	3.09	0.33	0.48
Treasury Wine Estates	1.94	0.38	0.37
Evolution Mining Ltd	1.03	0.10	0.24
Ooh!Media Ltd	0.40	0.03	0.17

LARGEST DETRACTORS

Company	Fund Average Weight (%)	Benchmark Average Weight (%)	Contribution (%)
Collection House Ltd	1.47	0.02	-0.58
Select Harvests Ltd	1.64	0.05	-0.49
CSL Ltd	0.54	3.24	-0.46
SMS Management	0.56	0.02	-0.39
Medibank Private Ltd	1.97	0.47	-0.20

Note: Contributions shown in these tables are to the net active return of the Fund.
 Period: 30 September 2015 to 31 December 2015

SUN remains attractive on valuation and the Fund maintains its overweight position. On a more positive note, overweight positions in financial stocks like Challenger Ltd, Macquarie Group Ltd and Magellan Financial Group Ltd added value over the quarter (collectively +0.71%).

The recent increase in an overweight position in Treasury Wine Estates was well rewarded over the quarter as the stock rallied by almost +30%. Overweight positions in smaller capitalisation companies like Ooh!Media Ltd and intellectual property services firm, IPH Ltd, also added value (collectively +0.70%). Having no holding in Spotless Group Holdings Ltd added value (+0.09%) with the company's share price halving over the quarter on the back of poor profit guidance announced at the start of December.

Looking ahead the Fund's current active position is split across our six (6) stock selection signals as follows: Sustainable Quality 2%, Fundamental Value 31%, Fundamental Growth 2%, Price Action 33%, Analyst Drivers 18% and Short Term Indicators 14%. Relative to a year ago, the Fund has a higher exposure to Analyst Drivers, Sustainable Quality and Fundamental Growth and a lower exposure to Price Action. The upcoming reporting season may be a catalyst for a reversal of fortunes, especially for valuation based opportunities.

CONTACTS

CLIENT SERVICES

Email: info@nabam.com.au
 Phone: 1300 738 355
 Address: Level 21, 255 George Street, Sydney NSW 2000
 Website: www.nabam.com