

Samuel Terry Absolute Return Fund – December 2016 monthly report

The Fund's performance (Founder units, net of fees) and those of the Australian All Ordinaries Accumulation Index and the MSCI World Equities Index, are as follow:

To 31 December 2016	STAR	All Ords	MSCI (\$A)
1 month	-1.0%	4.2%	4.6%
3 months	8.5%	4.4%	7.7%
1 year	40.0%	11.6%	9.6%
3 years (%p.a.)	32.8%	6.8%	10.8%
5 years (%p.a.)	28.2%	11.6%	17.5%
7 years (%p.a.)	27.1%	6.8%	11.1%
10 years (%p.a.)	15.8%	4.5%	4.8%
Since inception on 1 Nov 2003 (%p.a.)	15.7%	8.8%	7.0%

The Fund's biggest loser was **Kangaroo Island Plantation Timbers** (27% of the Fund), which fell 7.7% for no apparent reason. This, plus our high cash weighting caused the Fund to underperform markets in Australia and globally.

Our biggest winner was **Goldman Sachs** (2.9% of the Fund) which rose 9% (on top of November's 23% gain) as Donald Trump continues to make Goldman Sachs great again.

We were busy trying to persuade unitholders in **AIMS Property Securities Fund (APW)**, (7.5% of the Fund) to support our proposal to wind up APW. At the meeting held on 3rd January 2017, APW unitholders voted to reject our proposal, despite the fact that it was likely to increase the value of APW units substantially.

The Fund's net asset value was \$ 69.5m or \$2.623 per Founder unit and \$10.782 per A Class unit at month end. 36% of the Fund was in \$A cash. It owned securities issued by 20 companies.

Fred Woollard and Nigel Burgess
11 January 2017

Samuel Terry Asset Management Pty Limited (AFSL 278294) does not guarantee the repayment of capital or any particular rate of return from the Trust. Past performance is no guarantee or indication of future performance. The unit price can go down as well as up. Investment returns have been calculated in accordance with normal industry practice utilising movements in the unit price and assuming reinvestment of all distribution of income and realized profits. The above report does not take into account a reader's investment objectives, particular needs or financial situation. It is general information only and should not be considered as investment advice and should not be relied on as an investment recommendation.