

Samuel Terry Absolute Return Fund – May 2016 monthly report

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

To 31 May 2016	STAR	All Ords	MSCI (\$A)
1 month	5.1%	3.1%	5.3%
3 months	14.6%	11.5%	8.1%
1 year	41.6%	-1.2%	-0.1%
3 years (%p.a.)	30.1%	8.1%	15.5%
5 years (%p.a.)	25.7%	7.3%	13.9%
Since inception on 1 Nov 2003 (%p.a.)	14.9%	8.6%	6.8%

The Fund's good result was mostly due to a 50% gain by **Infigen**, an Australian wind electricity generator, because of takeover speculation. The Fund sold almost half its Infigen shares during the month, reducing its weighting at month-end to 7.3%.

The Fund also benefited from a 24% gain in **CYBG plc**, a UK bank (4.5% of the Fund). We are not sure why CYBG shares were so strong, but the half-year result was encouraging.

The Fund bought some shares of a well-run, debt-free property company at a large discount to its net asset value.

The Fund's net asset value was \$36.6m or \$2.3229 per unit at month end. The Fund owned securities issued by 23 companies. 9.8% of the Fund was in \$A cash.

Fred Woollard and Nigel Burgess
8 June 2016

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