

Samuel Terry Absolute Return Fund – April 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 30 April 2016	STAR	All Ords	MSCI (\$A)
1 month	6.2%	3.2%	2.4%
3 months	11.2%	6.5%	1.3%
1 year	41.2%	-3.7%	-1.8%
3 years (%p.a.)	31.5%	5.4%	16.5%
5 years (%p.a.)	24.4%	6.2%	12.8%
Since inception on 1 Nov 2003 (%p.a.)	14.6%	8.4%	6.4%

Our biggest gain was **Kangaroo Island Plantation Timbers** (34% of the Fund), which rose 15%. Our two other large holdings, Australian wind energy producer, **Infigen** (9.6% of the Fund), rose 11% and Australian mining company, **South32** (8.6% of the Fund), rose 13%.

Our biggest loser was the UK-based **Co-Operative Bank** (0.6% of the Fund), which fell 42% after it reported an even larger than expected loss, and a newspaper article highlighted the bank's problems. While the bank is clearly in a poor state, we believe it is more likely than not to survive, although it will probably require another rights issue.

Overall, we made money from banks in April. UK-based **CYBG** (3.7% of the Fund) rose 6.6% Russia's leading bank **SberBank** (1.5% of the Fund) rose 15% and **Goldman Sachs** (3.7% of the Fund) rose 4.5%.

The Fund's net asset value was \$34.6m or \$2.211 per unit at month end. The Fund owned securities issued by 23 companies. 6.3% of the Fund was in \$A cash.

Fred Woollard and Nigel Burgess
9 May 2016

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