



Investment Strategy

Swell is a value focused global fund manager with the flexibility to invest in developed markets around the world. It has the ability to hold a large position in cash, a byproduct of an absolute return focus. The Fund is managed in Australian dollars and is unhedged. We target an absolute return of 9% per annum over rolling three year periods.

Commentary

The Swell Global Fund increased by 4.70% in July, outperforming the MSCI World Net Total Return by 2.38%.

Performance

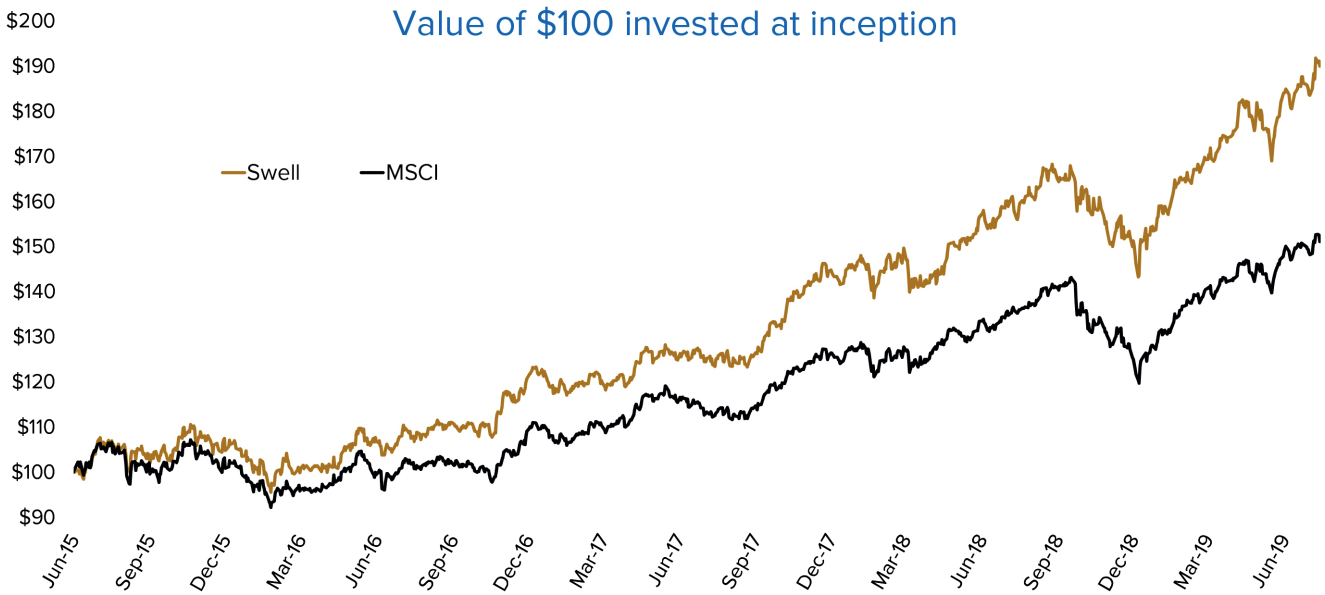
Performance	1 Month	6 Months	1 Year	2 Years^	3 Years^	4 Years^	Inception*
Swell Global Fund	4.70%	19.67%	21.81%	24.06%	20.90%	15.52%	89.89%
MSCI World Net Total Return [~]	2.32%	15.39%	11.76%	15.88%	14.07%	9.31%	51.02%

Performance data relates to the Swell Global Fund. Past performance is not necessarily indicative of future performance
[^] 2, 3 and 4 year performance is per annum
^{*}Inception date is June 18 2015

Strategy Guidelines

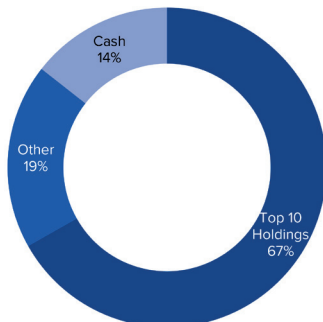
- Number of holdings: 10-25
- Percent of assets in top ten: 50-80%
- Portfolio turnover: Low
- Return objective: 9% after fees
- Cash restriction: Max 25%
- Concentration: High

Value of \$100 invested at inception

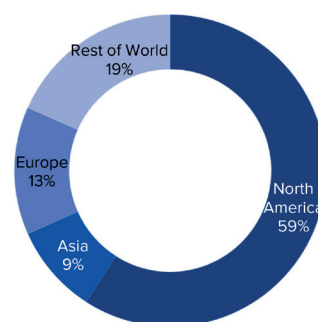


Top 10 holdings (alphabetically)

- Alphabet Inc
- Amazon.com Inc
- Apple Inc
- Bank of America Corp
- Deere & Co
- Facebook Inc
- Lowe's Cos Inc
- Microsoft Corp
- Nestle SA
- PayPal Holdings Inc



Source of portfolio companies revenue by geography



Investment Team

Lachlan Hughes CFA® Founder & CIO

Alex Clunies-Ross Investment Analyst

Mike Hall Investment Analyst

Global Fund Details

Inception Date	18 June 2015
Management Fee	1.50%
Performance Fee	15.0%
Withdrawal/ Contribution Fees	Nil
Minimum Investment	\$500,000
Investment Experience	23 Years

Market Capitalisation Holdings Global Fund

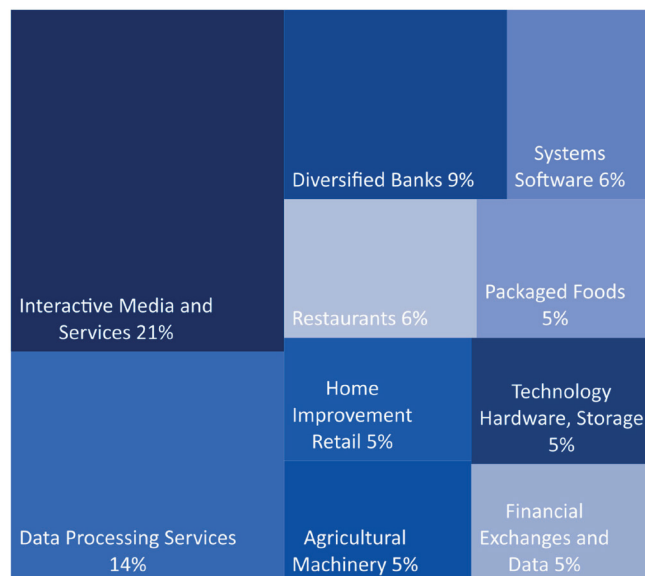
> \$100B	11	71%
\$50 - 100B	3	15%
\$25 - 50B	0	0%
\$5 - 25B	0	0%

Portfolio Characteristics

Global Fund

Number of Holdings	14
Price to Estimated Earnings	20.0 x
Earnings Yield	5.00%
Price to Free Cash Flow	17.5 x
Return on Equity	18.91%
Price to Book	5.06 x

Portfolio Weight by GICS Industry



Glossary

Price to Estimated Earnings (P/E) is a weighted average of the P/E ratios of the portfolio securities. The P/E is calculated as the ratio of the current price of the stock to the 12-month forward earnings per share estimate.

Earnings yield is the earnings per share for the most recent 12-month period divided by the current market price per share. The earnings yield (which is the inverse of the P/E ratio) shows the percentage of each dollar invested in the stock at the current price, that was earned by the company.

Price to free cash flow is an equity valuation metric used to compare a company's per share market price to its per share amount of free cash flow.

Return on equity (ROE) is the amount of net income returned as a percentage of shareholders equity.

Price-to-book ratio is a ratio used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share.

Lachlan Hughes Founder and CIO

Lachlan founded Swell in 2014. He is the Chief Investment Officer and responsible for investment decisions. Prior to founding Swell, Lachlan worked for six years as a Senior Analyst with NovaPort Capital, a boutique fund manager owned by Challenger Limited. He has sixteen years' experience in the financial services industry having held legal and investment roles with The Bank of New York (London), King & Wood Mallesons and Goldman Sachs JBWere.

He is a CFA charterholder and his professional qualifications include Bachelor of Commerce (Finance), Bachelor of Laws, Member of Responsible Investment Association Australasia.

Alex Clunies-Ross Investment Analyst

Alex has primary responsibility for one third of the investments in the Swell Global Fund. Alex commenced his career with Swell in August 2015 and guided development of the technical platforms used to manage Fund investments and client documentation.

Alex holds a Bachelor of Commerce (Finance) from Griffith University and is a CFA Level 2 candidate. He was an inaugural member of the Griffith University Student Investment Fund and continues his involvement in the Fund as a student mentor.

Mike Hall Investment Analyst

Mike has primary responsibility for one third of the investments in the Swell Global Fund. Mike joined Swell in October 2015, bringing valuable experience in banking and finance to the Swell team. Mike has been instrumental in developing research tools and financial models used in the Fund stock selection processes.

Mike holds a Diploma of Business and Bachelor of Commerce (Finance), both from Bond University. While completing his studies Mike was a part of the team which represented Bond University in the CFA Institute research challenge and placed third nationally. Mike has passed all three levels of the CFA Program and may be awarded the charter upon completion of the required work experience.

Contact Us

Level 12
Corporate Centre One
2 Corporate Court
Bundall Qld 4217

PO Box 715
Southport BC Qld 4215

07 5551 0299

info@swellasset.com.au

Offices in Sydney and Brisbane by appointment

Level 36
Riparian Plaza
71 Eagle Street
Brisbane Qld 4000
07 3088 2880

Level 29
Chifley Tower
2 Chifley Square
Sydney NSW 2000
02 8004 9099

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