

Monthly Report

January 2019

Whitehaven Equity Income Fund

Whitehaven®
private portfolios

empowered investing

Investment Objectives

To provide a running income distribution yield (after fees and inclusive of franking credits) of at least 8% p.a. over a rolling five year period, from a variety of income sources.

Fund Overview

The Fund is actively managed and invests in a diversified portfolio of ASX listed Australian shares, hybrids, bought and sold options and cash, with the aim of generating sustainable and repeatable income returns.

Total Return (net of fees)

	Exc Franking	Inc Franking
1 month	2.64%	2.64%
3 months	0.62%	1.08%
12 months	-2.25%	-0.83%
3 years (p.a)	7.81%	9.39%
Since inception (p.a) ¹	2.93%	4.32%

Return breakdown (excluding franking)

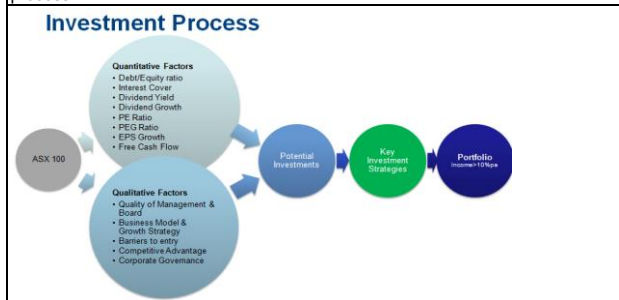
	12 months	Inception p.a
Income return	7.56%	8.12%
Capital growth return	-9.81%	-5.20%
Total Return	-2.25%	2.93%

Return breakdown (including franking)

	12 months	Inception p.a
Income return	7.56%	8.12%
Franking credit return	1.42%	1.40%
Total Income Return	8.99%	9.52%
Capital growth return	-9.81%	-5.20%
Total Return inc franking	-0.83%	4.32%

Investment strategy and process

The Fund aims to meet its income requirements via a 4 stage investment process:



There has been no change to the investment process or strategy since the Fund was launched in January 2014.

Notes

1. Inception was 28 January 2014
2. Holding value based on market value and is not adjusted for the effect of holding sold call options and excludes cash balances
3. Industry allocation also based on effective exposure value

Disclaimer

Notes
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Fund Commentary

Global markets rallied in January despite ongoing concerns with trade war, Brexit and the US government shutdown. However, a post-Christmas rally, recovery in oil prices, a more dovish Federal Reserve and relatively cheap value of stocks gave global investors some optimism. This optimism spread to the domestic market leading to a 4% rally in the ASX 200 before weaker Chinese data and IMF economic outlook dampened the vibe. All sectors were positive except for Financials as investors took profits and anticipated the overly-publicised Royal Commission report in early February.

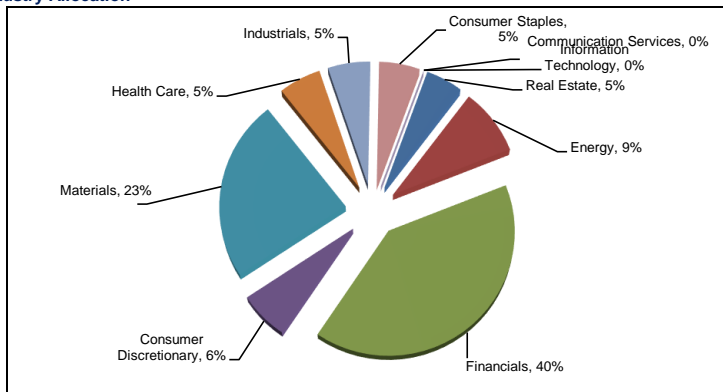
The top performers were unsurprisingly energy and iron ore companies. Fortescue, BHP and Rio benefitted from a late iron ore price spike from a dam failure in Brazil that led to a major global iron ore producer, Vale, to be shutdown. Woodside and Santos also benefitted from rallies to oil prices.

The biggest drags to the portfolio were the banks which fell in anticipation of the Royal Commission report to be released in February and increased media scrutiny.

Top 10 Holdings²

No.	Company Name
1	Commonwealth Bank
2	ANZ Banking Grp Ltd
3	Westpac Banking Corp
4	BHP Billiton Limited
5	National Aust Bank
6	Woolworths Limited
7	Woodside Petroleum
8	CSL Limited
9	Telstra Corporation
10	AGL Energy Limited

Industry Allocation³



Key Features

Asset Allocation	50-100% Equities, 0-50% Cash
Time Horizon	At least 5 years
Distribution	Quarterly
Number Of Positions	Approximately 20-30