

Fund Description

The QuayStreet Altum Fund invests in a concentrated portfolio of shares, predominantly listed in New Zealand and Australia. The investment objective is to provide investors with a high level of return over the long term regardless of sharemarket returns. Investment returns will vary substantially from year to year and may be negative.

Monthly Update

It was a mixed month across global equity markets where most major indices finished in negative territory. Rising bond yields and steepening of global yield curves hampered risk sentiment and saw most equity markets and defensive sectors pull back. Both New Zealand and Australian markets underperformed global markets with the S&P/NZX 50 falling by 5.4% and the S&P/ASX 200 by 2.2%.

The Fund was impacted by weak equity markets and fell by 3.8%. Most securities had negative returns but there were a few exceptions and the Fund benefited the most from its holdings in Mainfreight, Gentrack Group and IPH. The Fund's high cash weighting, which averaged 34% over the month, also helped offset some of the impact of negative markets. The securities that had the biggest negative impact on Fund performance were Mayne Pharma Group, oOH! Media Group and NEXTDC.

The only change to the Fund was to increase the position in oOH! Media Group (OML). The company completed an institutional placement to fund the purchase of Executive Channel Network for \$68.5m. The acquisition gives OML a greater exposure to outdoor advertising in CBD markets, particularly digital screens in office buildings, and is expected to contribute \$8m additional EBITDA for 2017 (including expected synergies).

Monthly Return before fees and tax*

Altum Fund	-3.81%
NZ OCR + 6%	0.66%

*Longer term returns on page 2.

Altum Fund Facts

Launch Date	22-Sep-14
Management Fee	1.25%*
Unit Price (31 Oct 16)	\$1.2478
Fund NAV (31 Oct 16)	\$29,918,779

Investment Ranges

Australasian Equity	0-100%
Cash	0-100%

Benchmark

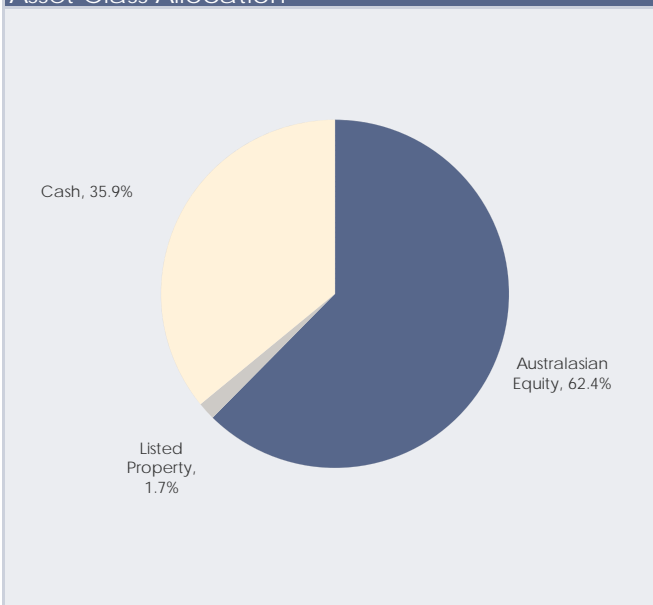
NZ OCR + 6%	100%
-------------	------

Top 5 Holdings

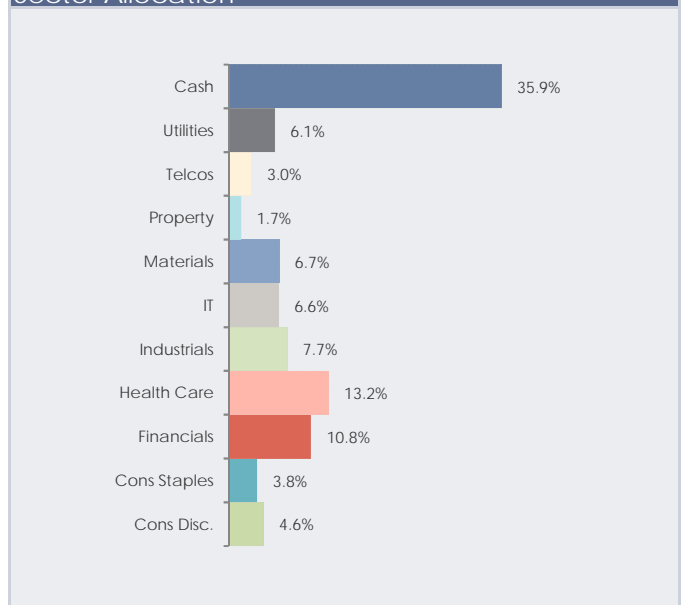
	Weight
Contact Energy	6.08%
Mayne Pharma Group	5.95%
Eclipx	4.74%
oOH Media Group	4.61%
Fletcher Building	4.13%

* A performance fee of 15% of the excess return (before tax) above the benchmark is payable to the manager of the Fund. A high water mark applies. Please refer to the QuayStreet Product Disclosure Statement (PDS), under the section titled "What are the fees?" for further explanation.

Asset Class Allocation



Sector Allocation



Altum Fund Performance as at 31-Oct-2016

Returns before fees and tax	1 Month	3 Months	6 Months	1 Year	3 Years*	5 Years*	Inception
Altum Fund ¹	-3.81%	-3.12%	6.13%	12.34%			13.35%
Benchmark Return ²	0.66%	1.97%	4.02%	8.33%			8.85%
Returns after fees and tax³							
Highest PIR tax rate (currently 28%)	-3.32%	-2.63%	5.47%	10.36%			11.24%
Medium PIR tax rate (currently 17.5%)	-3.29%	-2.63%	5.39%	10.36%			11.30%
Low PIR tax rate (currently 10.5%)	-3.27%	-2.63%	5.33%	10.33%			11.32%
Zero PIR tax rate	-3.24%	-2.64%	5.22%	10.30%			11.36%

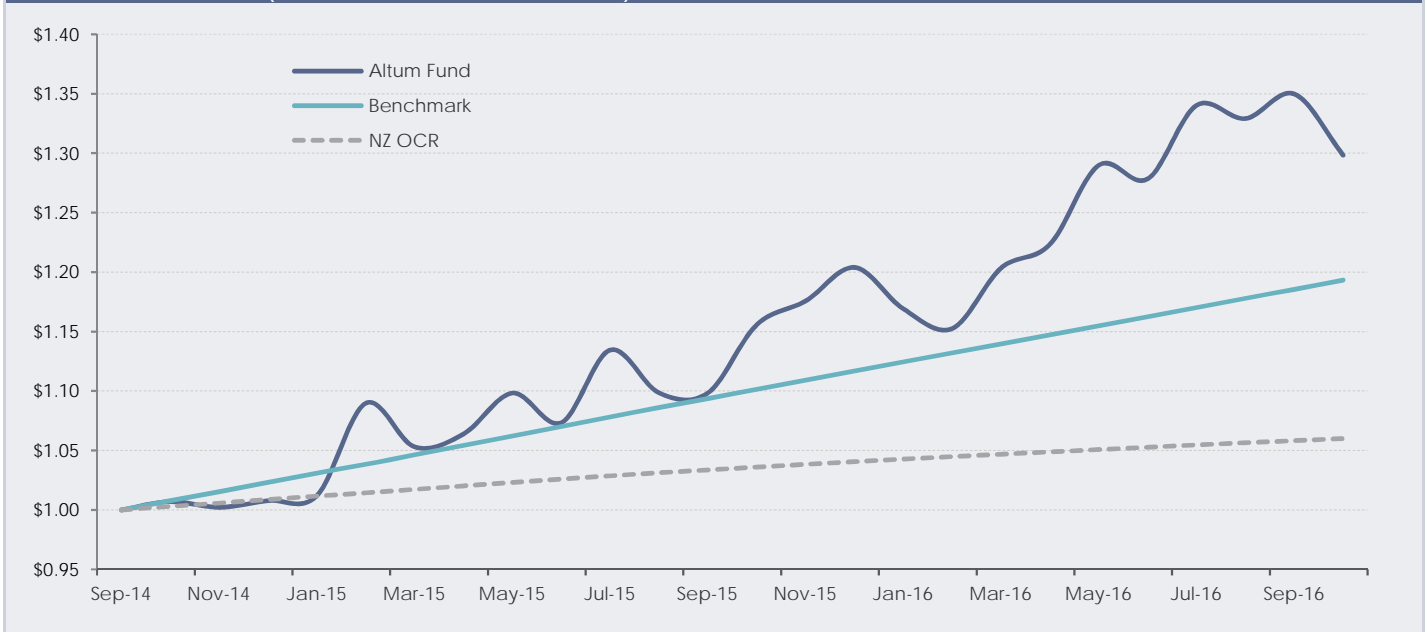
1. Includes imputation credits where applicable

2. Historic performance based on the benchmark that was effective at the time (currently NZ OCR + 6%)

3. Includes all fees and tax deducted at the Fund level but not advisory or any other third party expenses

* Return calculations are annualised

Performance Chart (returns before fees and tax)



QuayStreet Asset Management Limited (QSAM) is the Manager and Issuer of the QuayStreet Funds. A Product Disclosure Statement (PDS) is available by contacting our Client Services team on 0800 782 900 or visit www.quaystreet.com. Disclosure statements are available on request and free of charge.

This information is intended to provide a general overview of the fund and whilst the information is believed to be accurate and complete at the time of issue no guarantee or warranty is given nor responsibility accepted in this respect. Asset allocations can be changed from time to time and may be different because of factors such as market conditions and our ability to buy or sell assets at that time. Investments are subject to risks, the values can go down as well as up and investors may not get back the full amount invested.

Past performance is not a reliable guide to future performance. Returns or performance are not guaranteed by QSAM, Craigs Investment Partners Limited, The New Zealand Guardian Trust Company Limited, any related companies or any other person. This information is not a substitute for professional advice and does not take into account the investment objectives, financial situation or particular needs of any particular person. We recommend you read the PDS and seek professional assistance from an Authorised Financial Adviser.

This report refers to indices that are products of S&P Dow Jones Indices LLC and are licenced for use by QuayStreet Asset Management. A full disclaimer for the use of these products can be found at www.quaystreet.com/Terms-and-Conditions.aspx