

QUAYSTREET AUSTRALIAN EQUITY FUND

Update as at 31 Jan 2017

FundSource Awards 2016 – Australian Equity Sector – Finalist.

Fund Description

The QuayStreet Australian Equity Fund invests in a diversified portfolio of Australian shares. The investment objective is to provide investors with a level of return consistent with the Australian sharemarket over the long term. Investment returns will vary substantially from year to year and may be negative.

Monthly Update

The newly elected US President, Donald Trump, continued to dominate headlines as he officially took office and promptly began signing executive orders, bringing some of his election promises closer to realisation. The positive sentiment concerning Trump's reflationary impact somewhat reversed near then end of the month however most global share markets still finished in positive territory. The Australian S&P/ASX 200 Index underperformed with a return of -0.8%.

The Materials sector was the best performer on the ASX due to strong global price appreciation across precious metals, industrial and bulk metals. Healthcare was the next best performer due to CSL (+11.8%) after the company significantly upgraded its FY17 revenue guidance. The worst performing sector was Property on rising yield concerns followed by Industrials. This was driven by Brambles' (-16%) after it announced it will not meet its FY17 guidance.

The Fund returned -0.9%, slightly underperforming its benchmark which returned -0.8%. Top relative performers were the overweight positions in CSL and Rio Tinto for the reasons mentioned above where the largest detractors were the overweight positions in Next DC and Mayne Pharma which underperformed. During the month we added a position in James Hardie and increased our position in Westpac.

Monthly Return before fees and tax*

Australian Equity Fund	-0.88%
S&P/ASX 200 Index	-0.79%

*Longer term returns on page 2.

Australian Equity Fund Facts

Launch Date	30-Nov-10
Management Fee	1.25%
Unit Price (31 Jan 17)	\$1.3559
Fund NAV (31 Jan 17)	\$36,242,031

Investment Ranges

Australian Equity	70-100%
Cash	0-30%

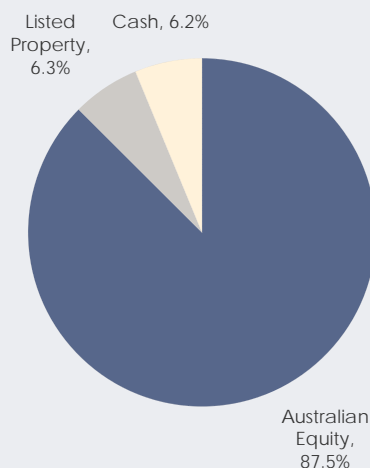
Benchmark

S&P/ASX 200 Index	100%
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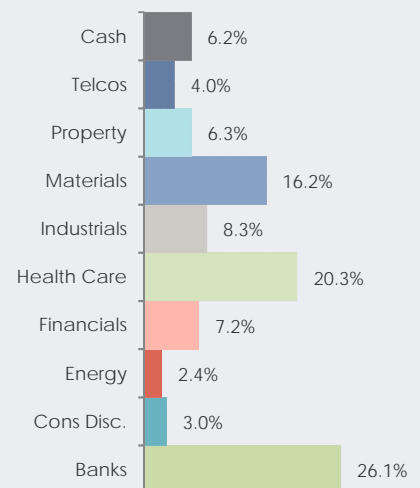
Top 5 Holdings

	Weight
Commonwealth Bank of Australia	10.94%
Westpac Banking Corp	8.20%
CSL	7.29%
Australia and NZ Banking Group	6.93%
Ramsay Health Care	6.22%

Asset Class Allocation



Sector Allocation



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Australian Equity Fund Performance as at 31-Jan-2017

Returns before fees and tax	1 Month	3 Months	6 Months	1 Year	3 Years*	5 Years*	Inception*
Australian Equity Fund ¹	-0.88%	1.82%	-3.17%	10.73%	9.50%	8.47%	6.51%
Benchmark Return ²	-0.79%	6.65%	3.23%	17.34%	8.57%	7.51%	5.58%
Returns after fees and tax³							
Highest PIR tax rate (currently 28%)	-0.97%	1.47%	-4.03%	8.85%	7.34%	6.34%	4.43%
Medium PIR tax rate (currently 17.5%)	-0.98%	1.48%	-3.94%	9.02%	7.62%	6.63%	4.71%
Low PIR tax rate (currently 10.5%)	-0.98%	1.48%	-3.89%	9.13%	7.81%	6.81%	4.88%
Zero PIR tax rate	-0.99%	1.49%	-3.81%	9.30%	8.09%	7.08%	5.15%

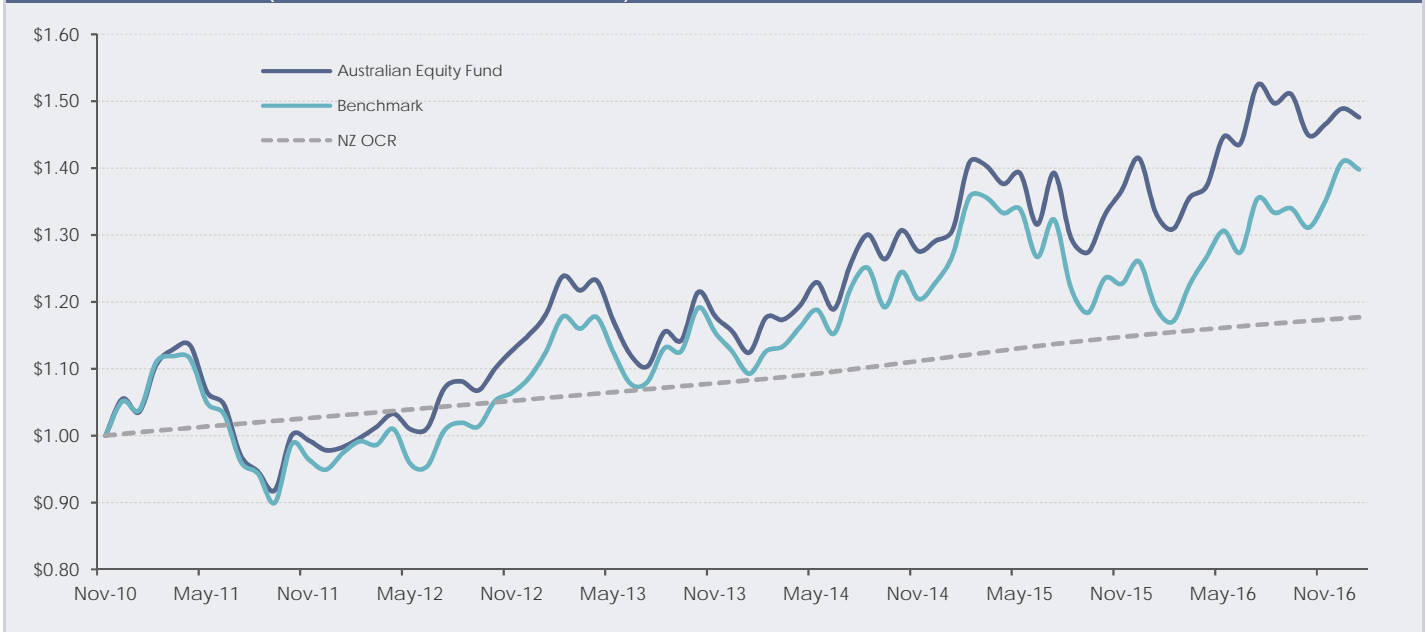
1. Includes imputation credits where applicable

2. Historic performance based on the benchmark that was effective at the time (currently the S&P/ASX 200 Index)

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.

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