



## Investment Approach

Clime's investment approach seeks to deliver strong risk adjusted total returns to investors over the long term. Clime focuses on delivering consistent strong results by identifying undervalued companies and, via the macroeconomic overlay, enhancing return and managing risk. We strive to ensure that risks taken in the portfolio are appropriately compensated and employ a decision framework of:

- Capital deployed;
- At what risk;
- For what likely outcome.

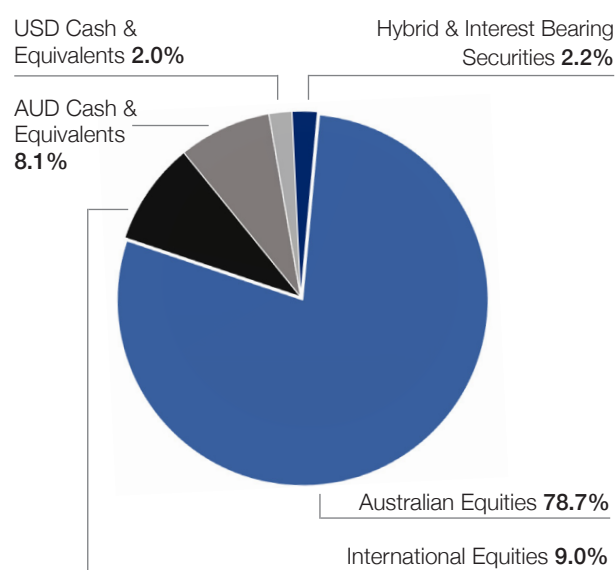
## Top Holdings (Weightings %)

<i>Australian Equities - Large Cap</i>	
Australia & New Zealand Banking Group	5.40
National Australia Bank	4.42
SEEK Limited	3.07
Commonwealth Bank of Australia	2.89
<i>Australian Equities - Mid Cap</i>	
Crown Resorts Limited	4.41
Henderson Group	4.25
APN Outdoor Group	4.18
<i>Australian Equities - Small Cap</i>	
Nick Scali	3.27
Collins Food Limited	3.14
Speedcast International Limited	2.72
<i>International Equities</i>	
Baidu.com	1.12
Bank of America Corp	1.07
Oracle Corp	1.01
<i>AUD Cash</i>	
	8.07
<i>USD Cash</i>	
	1.98
<b>Total</b>	<b>51.00</b>

## Net Tangible Assets (NTA)

	November	October	September
NTA before tax	\$0.90 <sup>1,2,3</sup>	\$0.88 <sup>1,2,3</sup>	\$0.92 <sup>1,2</sup>
NTA after tax	\$0.91	\$0.89	\$0.92
CAM Share Price	\$0.81	\$0.83	\$0.80
Yield Excl. Franking	5.9%	5.8%	6.0%

## Asset Allocation



## Company Overview (\$m)

Australian Securities	\$65.11
International Securities	\$7.28
AUD Cash & Equivalents	\$6.50
USD Cash & Equivalents	\$1.59
<b>Total Portfolio including cash</b>	<b>\$80.48</b>

<sup>1</sup> Fully diluted NTA per share incorporates the fully paid ordinary shares converting preference shares on issue and bonus entitlements due to be paid on conversion of the preference shares. Converting Preference shareholders will accrue the bonus issue and upon conversion will receive 1.387 Ordinary Shares for every Converting Preference Share. Converting Preference shareholders will mandatorily convert into ordinary shares in April 2017.

<sup>2</sup> On 23th August 2016, the Board declared a fully franked dividend of 4.5 cents per share in respect of the Company's converting preference shares and a fully franked ordinary dividend of 1.20 cents per share for ordinary shareholders for the quarter ending 30 September 2016. These dividends were paid on 20th and 21st October 2016. NTA before and after tax disclosed above for August and September were before the effect of this dividend payment and for October is after the effect of this dividend payment.

<sup>3</sup> In accordance with the on-market buy-back scheme, the company bought back 64,296 Ordinary shares at an average price of \$0.80 during the month.

### Ordinary Shares Overview (ASX:CAM)

Share Price (at month end)	\$0.81
Rolling 12 Month Dividend	4.8cps
Historical Dividend Yield	5.9%
Percentage Franked	100%
Grossed Up Yield	8.5%
Dividend Reinvestment Plan	Yes

### Preference Shares Overview (ASX:CAMPA)\*\*

Share Price (at month end)	\$1.22
Rolling 12 Month Dividend	18.0cps
Historical Dividend Yield	14.8%
Percentage Franked	100%
Grossed Up Yield	21.1%
Dividend Reinvestment Plan	No

\*\* CAMPA will mandatorily convert into ordinary shares in April 2017.

### Total Shareholder Returns, January 2009 to November 2016: \$10,000



Clime Capital Limited (ASX:CAM)

Data Source: Thomson Reuters

## Summary

Within the portfolio, capital allocation decisions are made across a number of asset classes. These are Australian Equities, International Equities, Hybrids and Interest Bearing Securities and both AUD and USD Cash and Equivalents. The Australian Equity asset class exposure encompasses three sub-portfolios: Large Cap, Mid Cap and Small Cap.

The Clime Capital (CAM) portfolio delivered a return of 2.2% (after fees) for the month. On a financial year to date basis, the Clime Capital portfolio has delivered a return of 5.4% (after fees).

The following changes were made to the portfolio for the month of November:

- Australian Equity Large Cap Sub-Portfolio: Added to existing position in SEK, decreased the weighting of CBA & QBE, exited position in CTX
- Australian Equity Mid Cap Sub-Portfolio: Added to existing positions in CVO, HGG, OFX & QUB, decreased weighting in APO, initiated new positions in AHG & IPH
- Australian Equity Small Cap Sub-Portfolio: Added to existing positions in CKF, RCG & SDA, initiated new position in VRS (formerly OTC)
- International Equity Sub-Portfolio: Added to existing positions in CTRP, MDT & YUM, decreased weighting in BAC, initiated new positions in AMGN & SH (hedging position), exited positions in C & MCD

We segment the Company into four sub-portfolios with each component portfolio purposefully designed to deliver stated investment objectives. Key contributors and detractors to the CAM return for the month were:

- Australian Equity Large Cap Sub-Portfolio: Positive contributors QBE (11.8%), NAB (7.3%), CBA (7.2%), detractors CTX (-4.2%)
- Australian Equity Mid Cap Sub-Portfolio: Positive contributors APO (12.4%), CWN (7.8%), OFX (6.5%), detractors GTY (-1.3%), IPH (-4.0%), AHG (-8.7%)
- Australian Equity Small Cap Sub-Portfolio: CKF (22.3%), NCK (8.6%), FLK (3.3%), detractors RCG (-6.5%), IMF (-9.3%), SDA (-15.4%)
- International Equity Sub-Portfolio: Positive contributors BAC (32.3%), WFC (19.5%), CTSB (10.5%), detractors BIDU (-2.8%), MDT (-8.3%)

Over the month the Company's allocation to Hybrid and Interest Bearing Securities was further reduced, AUD cash was incrementally increased and USD cash selectively deployed. The Company's cash and income security holding as at 30 November stood at just over 12%.

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