



## Ranger Fund

## November 2016

### Performance Commentary

The Ranger Fund was down 2.38% for the month of October.

The bulk of this can be attributed to Macmahon and Australian Vintage. They both remain up strongly in 2016 but in October they gave market updates that were relatively subdued. Macmahon will pay one-off charges for terminating their mining contract in Nigeria and their Telfer contract with Newcrest Mining has had teething issues with higher than expected set up cost and difficult operating conditions. Macmahon are confident those issues will be resolved by the financial year end. We believe Macmahon remains an extremely undervalued company and we continue to see significant upside from the current share price, which is why we have acquired more shares at these lower levels.

Australian Vintage has been impacted by the continuing weakness in sterling and this will reduce its 2017 earnings. Once sterling stabilises increases in their sales volume will come through. Additionally in future years the company will benefit from a significantly reduced cost base as it rolls out of onerous supply contracts. This combination should deliver strong cash flow growth in the medium term.

### Performance to 31 October 2016 (net of fees)

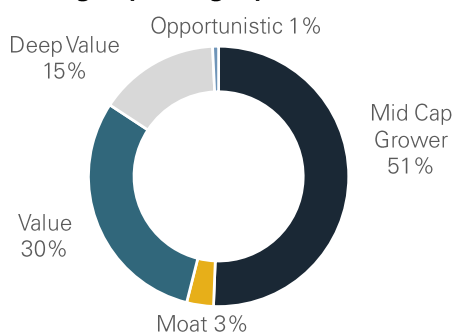
	Past Month	Past Quarter	Past Year	Since Inception (p.a.)*
Ranger Fund	-2.38%	6.04%	14.06%	8.64%
NZ Official Cash Rate plus 5%	0.58%	1.73%	7.33%	7.71%
Over/Under Performance	-2.95%	+4.31%	+6.73%	+0.93%

\*Fund inception 24th January 2014

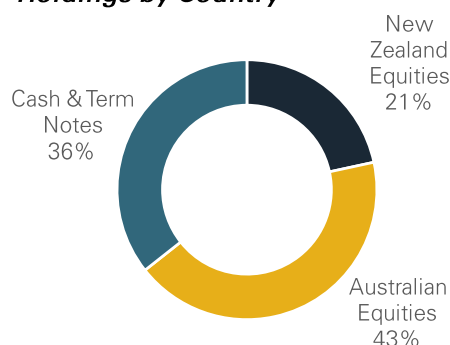
### Fund Strategy

The investment strategy of the Fund is to exploit market inefficiencies resulting from a bias to short term performance by financial market investors, through investing in a range of Australasian assets. Castle Point has broad discretion on the type and proportion of Australasian assets the Fund invests into. Given the broad investment mandate of the Fund there is no target asset allocation or investment mix. There are some restrictions and investment limits on certain assets. Refer to the Fund's current statement of investment policy and objectives.

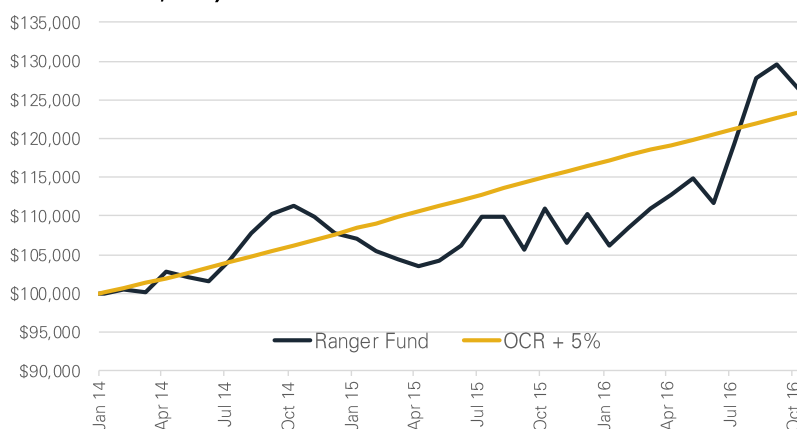
### Equity Holdings by Category



### Holdings by Country



### Growth of \$100,000 after fees



### Largest Holdings

Vista Group International	NZD	6.8%
Swick Mining Services	AUD	6.2%
Wellcom Group	AUD	6.1%
Corporate Travel Management	AUD	5.2%
Boom Logistics	AUD	5.1%
Michael Hill International	NZD	5.0%
MacMahon Holdings	AUD	4.5%
Australian Vintage	AUD	4.3%
IVE Group	AUD	3.8%
Scott Technology	NZD	2.9%
Other Australasian Listed Holdings		14.3%
Cash & Debt Instruments		35.6%

### Fees

1.05% capped management fee plus a performance fee equal to 15% of any returns above the performance hurdle. The performance hurdle is the New Zealand Official Cash Rate plus 5%. A perpetual High Water Mark applies to the performance hurdle. No entry or exit fees are currently charged.