

# CALNAN FLACK AUSTRALIAN SHARE FUND

Fund Update 31<sup>st</sup> March 2020

**Manager:** Calnan Flack

**Model Portfolio Name:** Australian Share Fund

**Platform:** Smartwrap

## Investment Objective

With an "Opportunistic" investment style, the objective of the Australian Share Fund is to produce investors with a mix of income and capital growth over the long term for a portfolio of Australian Shares drawn predominately from the ASX300. Income may include some franking credits.

## Review

The Covid-19 health crisis sent markets into a spin this quarter with indiscriminate selling across the board pushing prices down. Financial markets hate uncertainty and the continued uncertainty around the outcome of the Coronavirus has resulted in irrational pricing based on the sentiment built on fear of the unknown.

Although this market decline did not start like a typical cyclical event, it will play out like one.

A midcycle pause should not be driven by credit events and as this crisis is not credit-related we remain confident in our modelling framework as to how this event will transpire.

Governments around the world have responded with aggressive stimulus packages ensuring economies will be able to wake from forced hibernation and ensuring a cyclical response occurs.

This is not a time to panic about investing however it is a time for caution. History tell us that free markets are robust enough to emerge from this crisis where great opportunities will present for patient investors.

It is certainly a very testing time for investors however you can be assured that we have a strong methodology with a repeatable process which we will continue implement.

Drastic action was adopted by the Investment Team when the entire portfolio was placed in defensive assets. We will adopt a defensive approach until there is more certainty around a response to the coronavirus and in turn markets returning to rational pricing where we will seek to reinvest at what will be opportunistic prices in quality shares well placed to outperform.

## Percentage Returns

Period ending 31/03/2020

	1 mth	3 mths	6 mths	1 yr	Since Inception p.a.*
<b>Australian Share Fund</b>	<b>-7.92%</b>	<b>11.11%</b>	<b>-7.52%</b>	<b>2.56%</b>	<b>7.61%</b>
S&P/ ASX 200	-21.18	-24.05%	-24.09%	-17.86%	-3.75%

\* Inception 01/03/2017. Returns exclude franking credits.

## Returns

— Calnan Flack  
 Australian Share  
 Fund

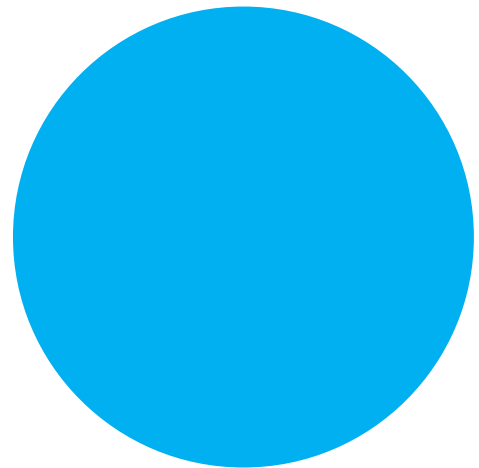
## Benchmark

— S&P/ ASX 200



## Portfolio Holdings by Sectors

■ Cash & Equivalents



## Holdings - Australian Share Fund

Code	Name
AAA	BETASHARES AUSTRALIAN HIGH INTEREST CASH ETF
BILL	ISHARES CORE CASH ETF

\*Holdings and returns as at 31<sup>st</sup> of March 2020.

Performance of your investment in the fund is not guaranteed, past performance is not a reliable indicator of future performance. Percentage returns quotes have been calculated using the Time Weighted Return (TWR) method. Performance is calculated using the closing prices of the portfolio and will include any distributions, income entitlements but excludes franking credits, taxes and fees.

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