

NTA and Monthly Update - April 2015

Company at a Glance

ASX Code	ALF
Fund Size	AU\$323m
Fund Strategy	Variable Beta
Share Price	\$1.27
NTA Before Tax	\$1.29
Shares on Issue	256.3m
Dividend (1H15)	5 cents
Dividend Yield	8.7%

Net Tangible Asset (NTA) Backing

	Mar 15	April 15
NTA Before Tax	\$1.34	\$1.29
NTA After Tax	\$1.34	\$1.30
Dividend Declared	(\$0.05)	-
NTA After Tax & Dividend (5¢)	\$1.29	\$1.29

Month in Review

The All Ordinaries Accumulation Index fell by 1.47% in April. Globally, shares were stronger in the month with rising commodity prices providing a boost for emerging markets. Soft economic data out of the US triggered a fall in the USD against most major currencies and fuelled further speculation as to the timing of the Federal Reserve's planned tightening of monetary policy.

With low net exposure to the share market, the Company's portfolio rose in value by 0.83% after all expenses, with the long portfolio outperforming the short.

The performance of defensive shares varied between sectors during the month. A stronger oil price supported Origin Energy while the telecommunications sector was weak, led by a fall in Telstra shares. Healthcare names were also down in the month, in particular companies with US earnings.

Financial shares lagged the broader market in April, posting large losses. In particular, bank shares were down 5.9% amid warnings from both APRA and the RBA that the banks will have to hold more capital in the future. There was also concern about the prospect of a sovereign ratings downgrade and its flow on impact on the major banks. The insurers came under pressure during the month and the Real Estate sector also struggled as a result of a sharp increase in bond yields.

Cyclical shares were also weak although mining contractors were the exception, rallying with commodity prices. The Company's core position in Nine Entertainment performed well following the sale of the company's events business. Also in media, APN Outdoor was added to the portfolio, an attractive group of outdoor media assets benefitting from digital conversion.

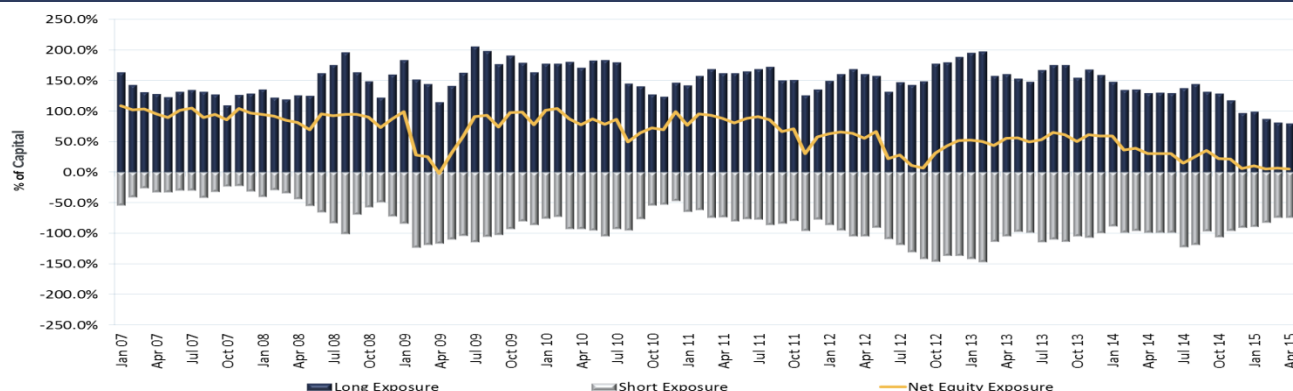
Resource and energy shares outperformed the broader market for the first time in many months as commodity prices rallied; a result of a weakening US dollar and stimulatory action taken by the Central Bank in China. We believe that recent gains represent a counter-cyclical rally for energy and mining shares and we have used strong performance in these sectors as an opportunity to reduce our exposure.

ALF Performance

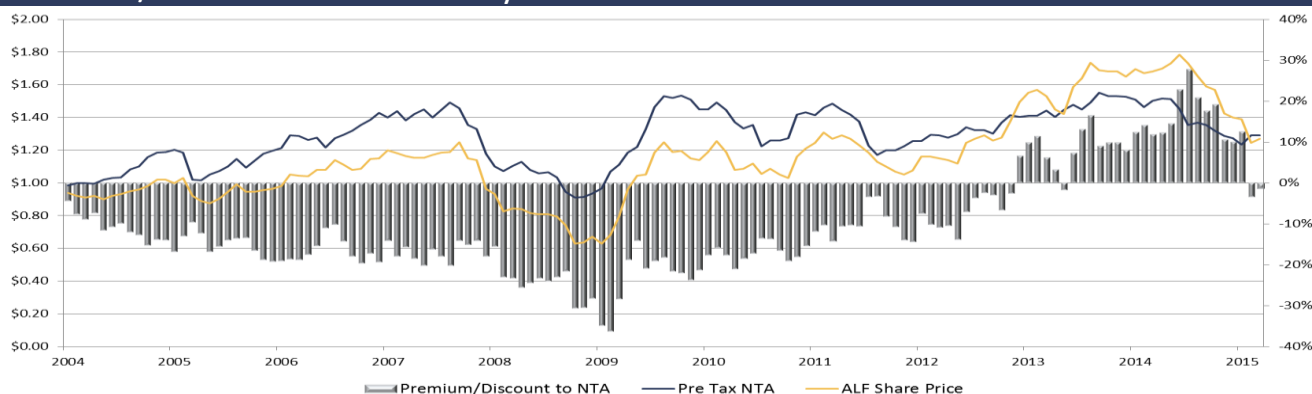
	1 Mth	6 Mths	1 Yr	3 Yrs (pa)	5 Yrs (pa)	7 yrs (pa)	S.I. (pa)
Portfolio Return (net)	0.83%	-0.05%	-4.47%	14.67%	10.82%	13.77%	14.11%
All Ords Accum Index	-1.47%	7.14%	10.16%	13.75%	8.16%	4.74%	9.66%
Outperformance (net)	2.30%	-7.19%	-14.63%	0.92%	2.66%	9.03%	4.45%
Total Shareholder Return (TSR) ¹	2.01%	-16.92%	-18.40%	11.75%	10.65%	14.53%	10.06%

¹ TSR accounts for the total return including dividends, on an investment in ALF shares

Net Equity Exposure

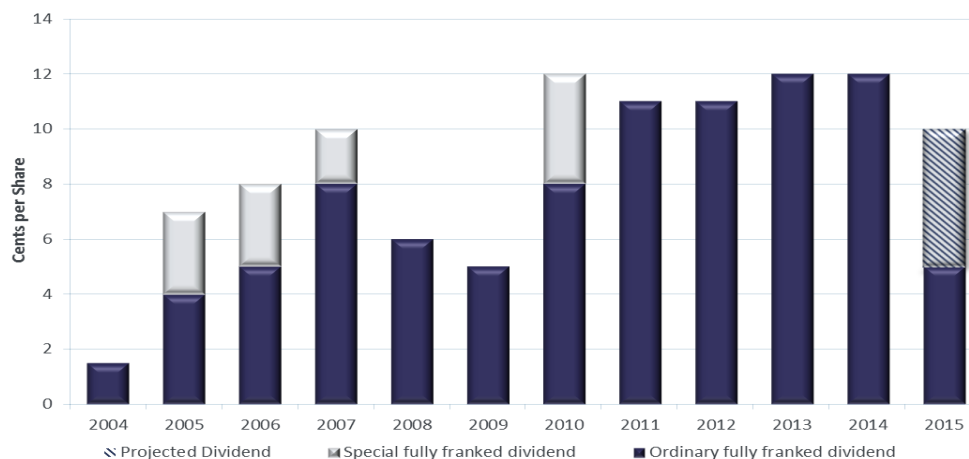


Premium/Discount to NTA History



Dividend History

The Board is committed to paying an increasing stream of fully franked dividends to shareholders, provided the Company has sufficient profit reserves and franking credits and it is within prudent business practices. Dividends are paid on a six-monthly basis and the dividend reinvestment plan is available to shareholders for both the interim and final dividend.



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