

# Equus Point Capital - Market Neutral Strategy

PERFORMANCE UPDATE April 2018

**Strategy Objective:** to provide investors with superior risk adjusted returns through a market neutral strategy focused on capital appreciation and preservation. The strategy seeks to take advantage of inherent behavioural biases in the market to achieve returns that are uncorrelated to Australian equities.

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Returns	1m	3m	6m	12m	2yr	3yr	4yr	5yr	10yr	Inception
Long	2.18%	6.38%	10.29%	25.05%	10.95%	11.49%	13.25%	13.25%	9.87%	15.14%
Short	-0.12%	-3.16%	-6.44%	-9.60%	-4.83%	-2.95%	-1.08%	-0.11%	3.03%	2.76%
Futures	1.00%	0.00%	0.60%	0.95%	0.06%	-0.73%	-0.11%	0.14%	1.85%	2.15%
Cash	0.09%	0.19%	0.22%	0.21%	0.25%	0.15%	0.09%	0.03%	0.60%	0.54%
<b>Gross Return</b>	<b>3.15%</b>	<b>3.42%</b>	<b>4.67%</b>	<b>16.61%</b>	<b>6.95%</b>	<b>8.33%</b>	<b>12.31%</b>	<b>13.44%</b>	<b>15.61%</b>	<b>21.48%</b>
Brokerage & Borrow Costs	-0.16%	-0.51%	-1.02%	-2.11%	-1.61%	-1.50%	-1.60%	-1.60%	-1.39%	-1.57%
<b>Net Return*</b>	<b>2.99%</b>	<b>2.91%</b>	<b>3.65%</b>	<b>14.51%</b>	<b>5.34%</b>	<b>6.83%</b>	<b>10.70%</b>	<b>11.83%</b>	<b>14.22%</b>	<b>19.91%</b>
Cash	0.12%	0.37%	0.75%	1.51%	1.54%	1.70%	1.89%	2.03%	3.18%	4.24%
<b>Excess v Cash</b>	<b>2.87%</b>	<b>2.54%</b>	<b>2.91%</b>	<b>13.00%</b>	<b>3.80%</b>	<b>5.13%</b>	<b>8.81%</b>	<b>9.80%</b>	<b>11.04%</b>	<b>15.67%</b>

## Top 10 Contributions

Name	Sector	Position	Code	Weight	Return	Alpha
G8 Education Limited	Consumer Discretionary	Short	GEM AU	-2.55%	-17.42%	0.50%
Santos Ltd	Energy	Long	STO AU	2.54%	23.08%	0.46%
Metcash Limited	Consumer Staples	Long	MTS AU	3.30%	15.02%	0.39%
Beach Energy Limited	Energy	Long	BPT AU	1.76%	29.63%	0.39%
Treasury Wine Estate	Consumer Staples	Long	TWE AU	3.47%	12.34%	0.31%
Speedcast Int Ltd	Telecommunication Services	Long	SDA AU	2.71%	15.01%	0.31%
Xero Ltd	Information Technology	Long	XRO AU	2.22%	13.94%	0.25%
Independence Group	Materials	Long	IGO AU	2.34%	13.91%	0.22%
St Barbara Limited	Materials	Long	SBM AU	2.62%	8.27%	0.21%
Alumina Limited	Materials	Long	AWC AU	1.79%	13.14%	0.17%

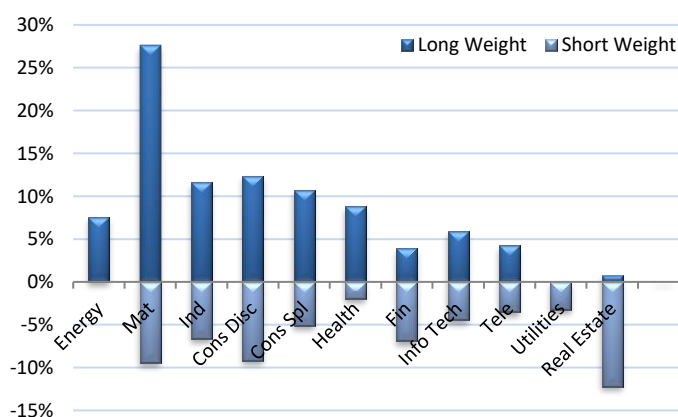
## Bottom 10 Contributions

Name	Sector	Position	Code	Weight	Return	Alpha
Fisher & Paykel H.	Health Care	Long	FPH AU	2.21%	-3.56%	-0.13%
NIB Holdings Limited	Financials	Long	NHF AU	0.75%	-13.95%	-0.13%
Coca-Cola Amatil	Consumer Staples	Short	CCL AU	-2.45%	7.27%	-0.13%
Bellamy's Australia	Consumer Staples	Long	BAL AU	1.29%	-7.16%	-0.13%
Aurizon Holdings Ltd	Industrials	Short	AZJ AU	-4.00%	6.86%	-0.14%
Nufarm Limited	Materials	Short	NUF AU	-2.26%	9.77%	-0.15%
Fletcher Building	Materials	Short	FBU AU	-2.86%	7.69%	-0.15%
Orica Limited	Materials	Short	ORI AU	-2.05%	11.49%	-0.17%
Boral Limited	Materials	Long	BLD AU	1.14%	-11.42%	-0.18%
IRESS Limited	Information Technology	Short	IRE AU	-2.86%	10.85%	-0.23%

## Sector Weights

Sector	Long Weight	Short Weight	Net Weight
Energy	7.52%	0.00%	7.52%
Materials	27.57%	-9.47%	18.10%
Industrials	11.63%	-6.63%	5.01%
Consumer Discretionary	12.35%	-9.25%	3.10%
Consumer Staples	10.70%	-5.07%	5.63%
Health Care	8.79%	-2.00%	6.79%
Financials	3.87%	-6.93%	-3.06%
Information Technology	5.86%	-4.50%	1.37%
Telecomm Services	4.24%	-3.56%	0.68%
Utilities	0.00%	-3.27%	-3.27%
Real Estate	0.77%	-12.22%	-11.45%
Sub Total	93.29%	-62.89%	30.40%
Futures			-11.29%
Cash			69.60%
Total			100.00%

## Long & Short Stock Weight



\* Performance after expenses (brokerage, funding and borrow costs) and before any management and performance fees.  
 Past performance is not an indicator of future performance.