



## Ranger Fund

May 2014

### Fund Strategy

The Ranger Fund is a high conviction portfolio of New Zealand and Australian listed companies. The Fund's objective is to provide equity-like returns over the long run while minimising exposure to extreme sharemarket fluctuations. During periods of market stress, the Fund will seek to preserve capital by holding significant amounts of cash and bonds, shorting individual shares, selling index futures contracts and/or buying index put options. The Fund will not be levered or net short.

### Performance to 30 April 2014 (net of fees)

	Past Month	Since Inception*
Ranger Fund	2.63%	2.82%
NZ Official Cash Rate plus 5%	0.62%	1.98%
Over/Under Performance	2.01%	0.84%

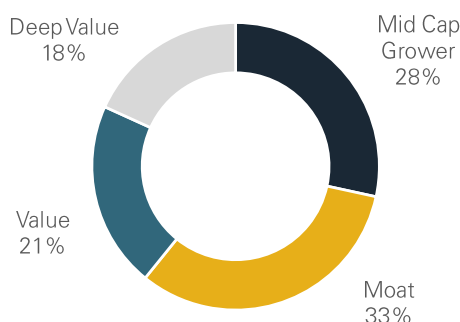
\*Fund inception 24th January 2014

### Performance Commentary

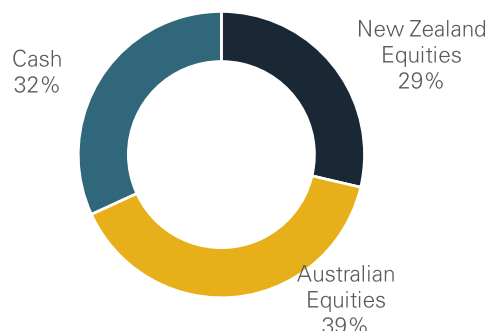
During the month of April the Ranger Fund benefited from positive performance by Genesis Energy, Contact Energy, Boom Logistics and Sky Network Television. The performance of the Fund was hindered by positions in Indophil Resources, A2 Milk Company and Trade Me.

During April, Genesis Energy and Australian Vintage were added to the Fund.

### Equity Holdings by Category



### Holdings by Country



### Largest Holdings

Genesis Energy	NZD	9.3%
Paperlinx	AUD	7.5%
Wellcom Group	AUD	7.0%
Contact Energy	NZD	5.3%
Corporate Travel Management	AUD	5.2%
Emeco Holdings	AUD	5.0%
Trade Me	NZD	5.0%
Swick Mining Services	AUD	4.9%
Boom Logistics	AUD	4.9%
Sky Network Television	NZD	2.5%
Indophil Resources	AUD	2.5%
Australian Vintage	AUD	2.5%
Guinness Peat Group	NZD	2.3%
A2 Milk Company	NZD	2.2%
Tower	NZD	2.0%
Cash & Short Term Notes		31.8%

### Portfolio Characteristics

Dividend Yield	3.6%
Price/Earnings ratio	29x
Price/Free Cash Flow ratio	33x
Price/Book Value ratio	1.05
Return on Equity	5.0%
Earnings Growth	14.0%
Gearing	38.0%

### 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.