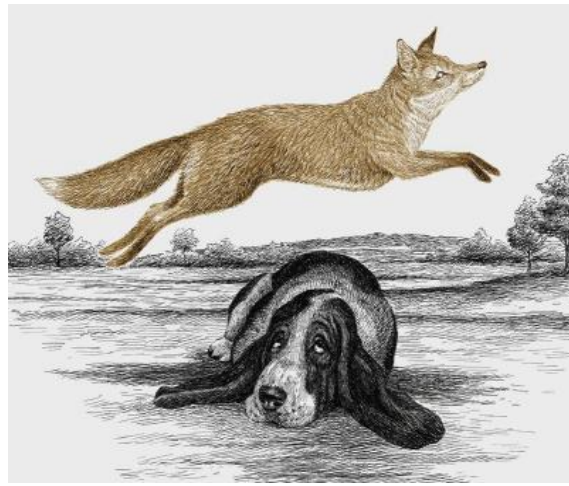


Quick Brown Fox Asset Management

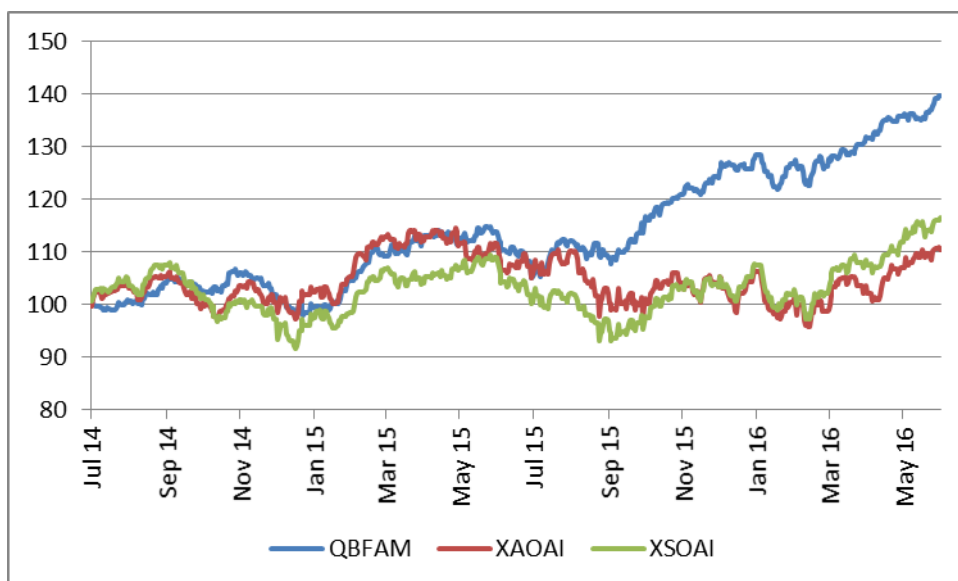


Monthly Report – May 2016

The resources rally cooled in May on the back of a falling Iron Ore price, however the Australian market pushed on to fresh highs. All sectors outside of commodities (with the exception of Staples) saw strong returns as the RBA cut interest rates and the banks came through reporting season with a slight tick up in impairments. The portfolio was up broadly in line with overall market and has participated in the recent rally despite maintaining high cash levels.

	1 month	3 months	6 months	1 year	Since Inception
QBFAM	2.92%	9.30%	12.67%	22.80%	39.95%
XAOAI	3.09%	11.47%	6.67%	-1.25%	10.30%
XSOAI	4.09%	13.12%	12.60%	6.92%	16.44%

The fund continues to trend upwards and maintain a strong lead over the market.



The Portfolio

The fund is currently invested in 14 positions and retains a cash balance of 33%. The cash balance is up from 29% at the end of April. We reduced our positions in ALU, TME and VOC during the month on the back of strong runs whilst topping up GEG and PRO. PRO did downgrade full year guidance which saw the share price fall, we saw this an opportunity to increase what was a small exposure for us.

The fund completely sold out of WEB which had been a strong performer for us. The stock had rerated from a P/E of 12x when we first bought it to 22x now. In addition both Virgin and Qantas had recently warned about lower traffic numbers, which served to remind us that ultimately Webjet is a discretionary business.

