



## Fund Objective

The investment objective of the Fund is to deliver income and capital growth over the long-term by investing in Australian listed equities, exchange traded derivatives and cash assets. The Fund is suitable for investors with an investment horizon of at least five years.

## Net Performance

	1 Month	3 Months	6 Months	12 Months	CYTD
Frame Long Short Australian Equities Fund	-3.76%	-3.30%	2.07%	17.79%	7.72%
Benchmark (RBA Cash Rate + 3%)	0.25%	0.78%	1.56%	3.16%	2.34%
<b>Excess Return</b>	<b>-4.02%</b>	<b>-4.08%</b>	<b>0.51%</b>	<b>14.64%</b>	<b>5.38%</b>

## Fund Details

APIR Code	PRS7638AU
ISIN Code	AU60PRS76381
Prime Broker	Interactive Brokers LLC
Unit Price	\$1.0313
Distribution Frequency	Semi-Annually
Applications/Redemptions	Monthly
Management Fee	1.6% per annum
Performance Fee	25% (subject to HWM)
Buy/Sell Spread	+/- 0.2%
Minimum Investment (AUD)	\$50,000
Investor Classification	Wholesale and Retail (via PIB Class V)

## Characteristics

Number of Stocks	13
Portfolio (unfranked) Dividend Yield	1.84%
Stock Range	0-80
Industry Range	Unrestricted
Cash Range	0-100%

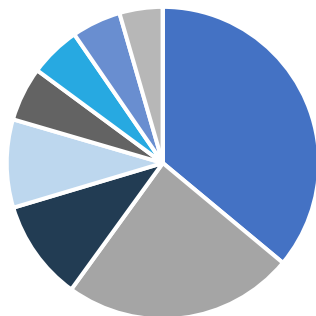
## Contributors

Oil Search Ltd	0.67%	BlueScope Steel Ltd	-0.89%
Whitehaven Coal Ltd	0.40%	Mineral Resources Ltd	-0.86%
News Corp	0.38%	Fortescue Metals Group Ltd	-0.70%

## Detractors

## Sector Allocations

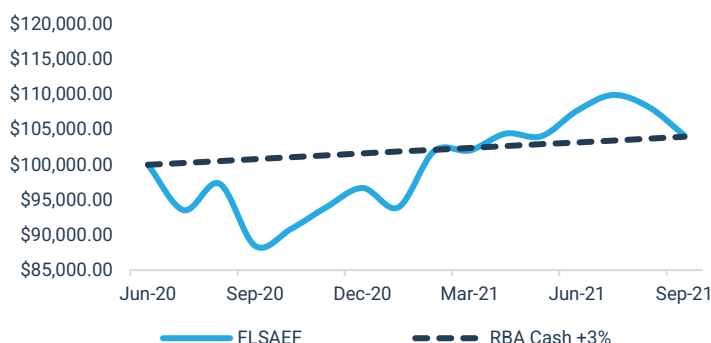
Sector	Weight
Cash	36.04%
Materials	23.94%
Industrials	10.40%
Communication Services	9.13%
Consumer Discretionary	5.60%
Consumer Staples	5.29%
Financials	5.11%
Energy	4.49%



## Top 10 Positions

Company	Weight
Fletcher Building Ltd	5.85%
Brickworks Ltd	5.72%
Premier Investments Ltd	5.60%
Blackmores Ltd	5.29%
South32 Ltd	5.28%
Boral Ltd	5.26%
Bank of Queensland Ltd	5.11%
News Corp	5.09%
Alumina Ltd	4.92%
Seven Group Holdings Ltd	4.56%

## Growth of \$100,000



## Disclaimer

This information is prepared by Frame Funds Management Pty Ltd (ACN 608 862 442) (Frame Funds, we or us) is a Corporate Authorised Representative (CAR No. 123 9068) of Primary Securities Limited (ACN 089 812 812 635) and is intended only for "wholesale clients" within the meaning of sections 761G and 761GA of the Corporations Act 2001 (Cth). This material is not intended to constitute advertising or advice (including legal, tax or investment advice) of any kind. These materials are not to be distributed to any person who does not qualify as a wholesale client and must not be copied, reproduced, published, disclosed or passed to any other person at any time without the prior written consent of Frame Funds. Primary Securities Ltd (ACN 089 812 635 635, AFSL 224 107) is the Trustee of, and issuer of units in, the Frame Long Short Australian Equity Fund (Fund). In deciding whether to acquire, or to continue to hold, units in the Fund please read the current Information Memorandum available from Frame Funds. Past performance of the Fund is not a reliable indicator of future performance. The value of an investment in the Fund may rise or fall. Returns are not guaranteed by any person. Total returns are calculated before tax and after ongoing management costs. In preparing this information, we have not considered your investment objectives, financial situation or personal circumstances and therefore the Fund may not be suitable for you. Neither Frame Funds, Primary Securities Ltd, nor any of their respective related parties, directors or employees, make any representation or warranty as to the accuracy, completeness, reasonableness or reliability of the information contained in this publication or accept liability or responsibility for any losses, whether direct, indirect or consequential, relating to, or arising from, the use or reliance on any part of this material. Any rates of return, forecasts or estimates contained in this publication are not guaranteed. The content of this publication is current as at the date of its publication and is subject to change at any time. It does not reflect any events or changes in circumstances occurring after the date of publication.

## Contact

### Investor Relations

Ph: +61 2 8668 4877

Email: [investors@framefunds.com.au](mailto:investors@framefunds.com.au)

[www.framefunds.com.au](http://www.framefunds.com.au)

---

## Commentary

---

Units of the Frame Long Short Australian Equity Fund decreased -3.76% in September. Comparatively the S&P/ASX200 declined -2.69% for the month.

The benchmark Australian index snapped its 11-month winning streak in September, as global equity markets finally succumbed to selling pressure. Concerns around a weakening Chinese economy drove the profit taking, in combination with news that real estate giant Evergrande is teetering on the brink of collapse. As the market digested the implications of possible credit contagion and a slowdown of the Chinese property sector, investors aggressively sold off Australian materials businesses. The sector declined by -12.1% for the period, with iron ore companies experiencing the brunt of the selling.

In terms of Fund activity, September was a busy month. We began to reduce our exposure to the materials sector when it became apparent worries surrounding the Chinese economy may persist for longer than anticipated. The focus was on reducing our investments in companies that were exposed to Chinese iron ore demand or the steel industry. It is our view that these investments will be subject to significant short-term volatility with limited upside potential due to the risks stated above. We initiated investments in South32 Limited (ASX: S32) and Alumina Limited (ASX: AWC) as they look poised to benefit from aluminium shortages in the medium term.

Top equity contributors were Oil Search Limited (ASX: OSH), Whitehaven Coal Limited (ASX: WHC) and NewsCorp (ASX: NWS), which contributed +0.67%, +0.40% and +0.38% respectively. Oil Search benefitted from rising crude prices, as OPEC+ remained firm on production levels despite increased demand. Whitehaven rose with coal prices, as strong demand from Asia looks set to continue until 2025.

Similar to last month, investments in materials companies detracted from performance as money continued to flow out of the sector. BlueScope Steel Limited (ASX: BSL), Mineral Resources Limited (ASX: MIN) and Fortescue Metals Group (ASX: FMG) detracted from performance by -0.89%, -0.86% and -0.70% respectively. Materials remains our heaviest weighted sector, however our allocation has decreased to 24%.

At the conclusion of the month, the Fund held approximately 36% in cash.

## Disclaimer

This information is prepared by Frame Funds Management Pty Ltd (ACN 608 862 442) (Frame Funds, we or us) is a Corporate Authorised Representative (CAR No. 123 9068) of Primary Securities Limited (ACN 089 812 812 635) and is intended only for "wholesale clients" within the meaning of sections 761G and 761GA of the Corporations Act 2001 (Cth). This material is not intended to constitute advertising or advice (including legal, tax or investment advice) of any kind. These materials are not to be distributed to any person who does not qualify as a wholesale client and must not be copied, reproduced, published, disclosed or passed to any other person at any time without the prior written consent of Frame Funds. Primary Securities Ltd (ACN 089 812 635 635, AFSL 224 107) is the Trustee of, and issuer of units in, the Frame Long Short Australian Equity Fund (Fund). In deciding whether to acquire, or to continue to hold, units in the Fund please read the current Information Memorandum available from Frame Funds. Past performance of the Fund is not a reliable indicator of future performance. The value of an investment in the Fund may rise or fall. Returns are not guaranteed by any person. Total returns are calculated before tax and after ongoing management costs. In preparing this information, we have not considered your investment objectives, financial situation or personal circumstances and therefore the Fund may not be suitable for you. Neither Frame Funds, Primary Securities Ltd, nor any of their respective related parties, directors or employees, make any representation or warranty as to the accuracy, completeness, reasonableness or reliability of the information contained in this publication or accept liability or responsibility for any losses, whether direct, indirect or consequential, relating to, or arising from, the use or reliance on any part of this material. Any rates of return, forecasts or estimates contained in this publication are not guaranteed. The content of this publication is current as at the date of its publication and is subject to change at any time. It does not reflect any events or changes in circumstances occurring after the date of publication.