

# Fund Review

## Lincoln Managed Investments

### April 2019 Month in review



Tim Lincoln  
Managing  
Director and  
Chief Investment  
Officer

The positive momentum experienced since the start of the calendar year continued into April, with the All Ordinaries Accumulation Index returning 2.54%. Accommodative economic policies, low-interest rates and high levels of employment have all supported business and consumer confidence in an environment where some macroeconomic risks still linger, and the looming Federal election has many investors concerned over possible changes. But, with rates as low as they are and many other asset classes such as property struggling, we expect the market to continue to find favour from investors seeking both a capital and income return.

Our quantitative, bottom-up approach to investing will ensure that we will not be subject to nervous sentiment swings based on headlines. Rather we remain committed to our investment methodology that has delivered strong returns for investors over the years through many different cycles.

#### Lincoln Australian Growth Fund

It was another strong month of returns for investors in the Lincoln Australian Growth Fund ("Fund"). The Fund returned 2.44%, performing in line with its benchmark index and consolidating the solid returns that we have been able to generate recently, especially the 12-month return figure of 21.83%, that we are very pleased to say represents outperformance of 11.5% over the benchmark. Investors should note that the returns of the portfolio were somewhat muted this month as a result of its current elevated cash holding following

recent profit-taking. The fund team deems this appropriate given the incredible 2019 rally and other possible risks emerging. We remain poised to allocate that capital rapidly into future opportunities should, and when, they present themselves.

#### Lincoln Australian Income Fund

It was another strong month of returns for investors in the Lincoln Australian Income Fund ("Fund") which, including Franking Credits, returned 2.93% and outperformed its benchmark index by some 0.50%. The Fund Team are exceptionally pleased with the 12-month total return figure (including Franking Credits) of 17.01%, representing outperformance of c5%. Our approach to strategically seizing opportunities to maximise yield, particularly in the face of recent capital return initiatives, has boosted total returns for investors. With an elevated cash holding, we expect more opportunities to allocate the capital in a way that maximises yield and generates a strong total return for investors.

Kind regards,

Tim Lincoln  
Managing Director and Chief Investment Officer

## Performance to 30 April 2019

Lincoln Australian Growth Fund				Lincoln Australian Income Fund			
For investors seeking	Long-term Capital Growth			A reliable income and reduced equity market risk exposure			
Distribution frequency	Half-yearly			Quarterly			
	Wholesale			Wholesale			
	Fund return <sup>1</sup>	ASX All Ordinaries Accumulation Index <sup>4</sup>	S&P/ASX Small Ordinaries (XSOAI)	Fund income <sup>(a)</sup>	Benchmark income <sup>(b)</sup>	Total Fund return <sup>(d)</sup>	Total Benchmark return <sup>(b)</sup>
1 month	2.44%	2.54%	4.11%	0.03%	0.03%	2.93%	2.37%
3 months	10.87%	9.51%	11.04%	2.09%	1.84%	10.59%	9.79%
1-year	21.83%	10.23%	7.18%	11.35%	5.81%	17.01%	11.99%
3 years p.a.	14.74%	11.02%	11.79%	8.77%	5.78%	12.30%	12.68%
5 years p.a.	11.26%	7.75%	9.11%	9.28%	5.82%	7.72%	9.04%
Financial Year to Date	11.77%	5.59%	2.28%	9.82%	4.74%	9.99%	7.02%
Since inception p.a. <sup>(2)(c)</sup>	8.05%	7.71%	4.85%	8.70%	5.81%	12.01%	11.81%
	Retail			Retail			
	Fund return <sup>1</sup>	ASX All Ordinaries Accumulation Index <sup>4</sup>	S&P/ASX Small Ordinaries (XSOAI)	Fund income <sup>(a)</sup>	Benchmark income <sup>(b)</sup>	Total Fund return <sup>(d)</sup>	Total Benchmark return <sup>(b)</sup>
1 month	2.39%	2.54%	4.11%	0.03%	0.03%	2.86%	2.37%
3 months	10.72%	9.51%	11.04%	2.09%	1.84%	10.38%	9.79%
1-year	21.06%	10.23%	7.18%	11.35%	5.81%	16.09%	11.99%
3 years p.a.	13.90%	11.02%	11.79%	8.77%	5.78%	11.42%	12.68%
5 years p.a.	10.44%	7.75%	9.11%	9.28%	5.82%	6.84%	9.04%
Financial Year to Date	11.21%	5.59%	2.28%	9.82%	4.74%	9.27%	7.02%
Since inception p.a. <sup>(3)(c)</sup>	4.00%	4.44%	0.39%	8.70%	5.81%	11.14%	11.81%

<sup>1</sup> Growth Fund returns are calculated using exit prices and are net of management fees, ongoing fees and expenses, and assume distributions are reinvested and no tax is deducted.

<sup>2</sup> Growth Fund - 11 January 2005.

<sup>3</sup> Growth Fund - 1 June 2007.

<sup>4</sup> Benchmark All Ordinaries Accumulation Index over the medium to long term.

Past performance is not an indicator of future performance.

(a) Gross income accrued, inclusive of franking credits.

(b) S&P/ASX 200 Accumulation Index inclusive of franking credits.

Source: Macquarie Equities.

(c) Income Fund - 2 April 2012.

(d) Income Fund Total Fund returns are calculated using exit prices and are net of management fees, ongoing fees and expenses, and assume distributions (inclusive of franking credits) are reinvested and that no tax is deducted.



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April 2019

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## About Lincoln

Lincoln has been helping Australians invest successfully in the Australian Securities Exchange (ASX) for over 30 years. We believe investing in a concentration of financially healthy and fundamentally sound stocks will deliver the best performance outcome to investors over the long-term.

Lincoln Managed Investments provides investors with flexibility via the choice of two professionally managed funds, the Lincoln Australian Growth Fund and the Lincoln Australian Income Fund. Each managed fund is backed by Lincoln's academically-proven Financial Health analysis and proprietary investment methodology – the Lincoln Golden Rules. Our experienced and dedicated Managed Investments team use our stock analysis program, Stock Doctor, as the core research tool for each managed fund. The team apply additional qualitative and valuation analysis to identify stocks that meet our stringent investment criteria.

Lincoln's unique investment Methodology has consistently identified the best performing companies on the ASX and is substantiated by Lincoln Managed Investments' stellar performance track-record.

## Like more information?

Talk to us today to:

- ▶ Invest
- ▶ Learn more about Lincoln Managed Investments and Stock Doctor
- ▶ Receive regular market news and updates

Call [1300 676 333](tel:1300676333)

Visit [lincolnindicators.com.au](http://lincolnindicators.com.au)

Email [enquiries@lincolnindicators.com.au](mailto:enquiries@lincolnindicators.com.au)

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### Important information.

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