



14 February 2017

**Australian Governance Masters Index Fund Limited**

**ASX: AQF**

**NTA & Investment Update – 31 January 2017**

At 31 January 2017, Australian Governance Masters Index Fund Limited (**Company**) was invested in 75 companies. The total investment value of the portfolio was \$50,539,038. The unaudited, estimated pre-tax net tangible asset (**NTA**) value of the Company was \$1.92 per Share.

The Company is a long-term equity investor and does not intend to dispose of its total portfolio. If estimated tax at 30% on gains were to be recognised, the NTA value after tax would be \$1.80 per Share.

At 31 January 2017, the 75 shareholdings of the Company, at market value, were:

COMPANY	MARKET VALUE (\$)	WEIGHT (%)
COMMONWEALTH BANK OF AUSTRALIA	5,600,733	11.08%
WESTPAC BANKING CORPORATION	4,236,741	8.38%
AUST AND NZ BANKING GROUP	3,419,637	6.77%
BHP BILLITON LTD	3,403,580	6.73%
NATIONAL AUSTRALIA BANK LTD	3,219,651	6.37%
TELSTRA CORPORATION LTD	2,377,435	4.70%
CSL LTD	2,040,828	4.04%
WESFARMERS LTD	1,814,558	3.59%
WOOLWORTHS LTD	1,261,586	2.50%
MACQUARIE GROUP LTD	1,146,076	2.27%
RIO TINTO LTD	1,126,092	2.23%
SCENTRE GROUP	932,659	1.85%
WOODSIDE PETROLEUM LTD	910,285	1.80%
TRANSURBAN GROUP	826,577	1.64%
QBE INSURANCE GROUP LTD	679,250	1.34%
SUNCORP GROUP LTD	667,410	1.32%
AMCOR LIMITED	659,330	1.30%
BRAMBLES LTD	657,589	1.30%
NEWCREST MINING LTD	654,297	1.29%
AGL ENERGY LTD	608,731	1.20%
AMP LTD	591,675	1.17%
SOUTH32 LTD	585,464	1.16%
INSURANCE AUSTRALIA GROUP LTD	543,851	1.08%
SYDNEY AIRPORT	523,470	1.04%
ORIGIN ENERGY LTD	494,613	0.98%
STOCKLAND	413,776	0.82%



COMPANY	MARKET VALUE (\$)	WEIGHT (%)
AURIZON HOLDINGS	411,306	0.81%
ASX LTD	386,398	0.76%
APA GROUP	375,389	0.74%
JAMES HARDIE INDUSTRIES	366,843	0.73%
ARISTOCRAT LEISURE LTD	366,002	0.72%
DEXUS PROPERTY GROUP	344,967	0.68%
RAMSAY HEALTH CARE LTD	344,554	0.68%
SONIC HEALTHCARE LTD	344,175	0.68%
TREASURY WINE ESTATES	341,759	0.68%
GPT GROUP	336,061	0.66%
LEND LEASE GROUP	323,506	0.64%
MIRVAC GROUP	300,919	0.60%
CALTEX AUSTRALIA LTD	298,441	0.59%
MEDIBANK PRIVATE LTD	297,497	0.59%
COCHLEAR LTD	286,890	0.57%
ORICA LTD	281,250	0.56%
BORAL LTD	271,625	0.54%
INCITEC PIVOT LTD	258,100	0.51%
COMPUTERSHARE LTD	256,923	0.51%
BLUESCOPE STEEL LTD	253,503	0.50%
BENDIGO AND ADELAIDE BANK	236,128	0.47%
TATTS GROUP LTD	228,284	0.45%
COCA-COLA AMATIL LTD	206,057	0.41%
SEEK LTD	198,781	0.39%
BANK OF QUEENSLAND LTD	184,577	0.37%
OZ MINERALS LTD	158,389	0.31%
TABCORP HOLDINGS LTD	156,747	0.31%
HEALTHSCOPE LTD	151,765	0.30%
THE STAR ENTERTAINMENT GROUP LTD	149,010	0.29%
ORORA LTD	137,592	0.27%
MAGELLAN FINANCIAL GROUP LTD	130,402	0.26%
ILUKA RESOURCES LTD	125,616	0.25%
CLYDESDALE BANK PLC	124,466	0.25%
JB HI-FI LTD	123,651	0.24%
LINK ADMINISTRATION HOLDINGS	109,865	0.22%
DOWNER EDI LTD	107,303	0.21%
REA GROUP LTD	101,966	0.20%
VOCUS COMMUNICATIONS LTD	99,812	0.20%
DULUXGROUP LTD	94,832	0.19%
ADELAIDE BRIGHTON LTD	93,317	0.18%
CSR LTD	93,307	0.18%
PERPETUAL LTD	90,558	0.18%



COMPANY	MARKET VALUE (\$)	WEIGHT (%)
HENDERSON GROUP	88,154	0.17%
GRAINCORP LTD	86,417	0.17%
TPG TELECOM LTD	82,810	0.16%
FLIGHT CENTRE TRAVEL GROUP LTD	69,251	0.14%
BLACKMORES LTD	59,714	0.12%
NAVITAS LTD	55,521	0.11%
SIRTEX MEDICAL LTD	33,735	0.07%
<b>SUBTOTAL</b>	<b>\$49,420,032</b>	<b>97.79%</b>
CASH	\$1,119,006	2.21%
<b>TOTAL</b>	<b>\$50,539,038</b>	<b>100.00%</b>

\* Source: Walsh & Company Asset Management Pty Limited. Note some figures may not reconcile due to rounding. The historical performance of the Manager is not a guarantee of the future performance of the Portfolio or the Company.

The Company invests only in, what it considers to be, the best governed Australian companies within the S&P/ASX 100 Index, as ranked by the Company's corporate governance analysis and third party research. The Company pursues an index style of investing with an active corporate governance bias and expects to hold securities of approximately 75 to 85 Australian entities within the S&P/ASX 100 at any time.

The Company believes that boards and management that show relatively high levels of corporate governance tend to outperform companies with relatively lower levels of corporate governance over the long term. The Company also seeks to promote adherence to corporate governance best practice recommendations in its investments by voting in shareholder meetings.

The Company aims to achieve long-term capital appreciation, while reducing risk, preserving the capital of the Company and investing in a diversified portfolio of investments.