

# Celeste Australian Small Companies Fund

31 May 2011

Fund Details	Description
APIR Code	FAM0101AU
Asset Class	Australian Shares
Sub-Asset Class	Small Companies
Benchmark	S&P / ASX Small Ordinaries (Accum)
Investment Manager	Celeste
MER	0.95 (% p.a.)
Performance Fee	20% of benchmark outperformance subject to high water mark.

\* Unless designated by IDPS

## Investment Objective

The Fund aims to generate 5% above the ASX/S&P Small Ordinaries Index over a rolling 3 year periods by maintaining a benchmark unaware and relatively concentrated portfolio.

## Investment Strategy

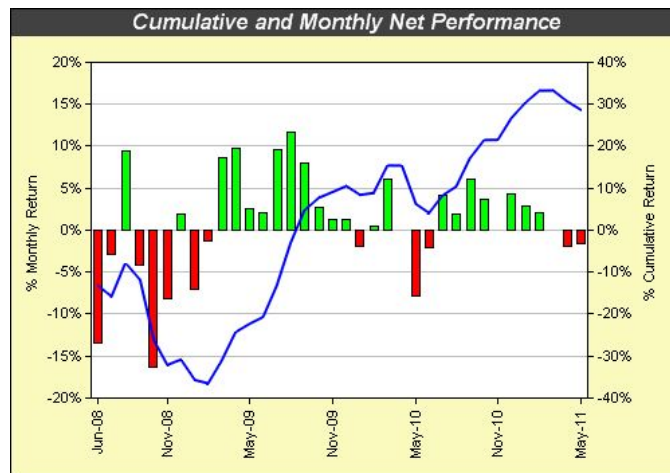
Celeste believes at times the market is inefficient, as stock prices do not accurately reflect the securities true intrinsic value. The view is built on a range of factors which include: investors are swayed by emotion and sentiment; not all investors possess the same level of knowledge and information; and investors predominantly possess a short term timeframe. Through a disciplined stock selection and portfolio construction process the manager aims to exploit these market factors in identifying alpha opportunities.

## Investor Profile

This fund is suitable for investors with a moderate to high risk tolerance seeking a growth based investment with low levels of income. Investors should expect medium to high levels of volatility in the unit price over short and medium term periods and therefore need to adopt a medium to long term investment horizon of 5+ years when investing in the fund.

## Manager Background

Celeste Funds Management is a boutique funds management business with a focus on listed Australian equities. They aim to provide above benchmark returns for conservative investors. Celeste Funds Management has been in operation since 1997 and is majority owned by its investment staff, with 39% owned by the ASX listed Treasury Group Limited. Their five person investment team has a combined 85 years of experience. Celeste is an active manager, generally investing with a medium to longer term time horizon. Their investment style is process driven, incorporates both growth and value considerations, and is generally considered to be style neutral.



Performance Statistics	5 Yrs	3 Yrs	1 Yr
Performance (% p.a.)			
Fund	9.68	8.73	21.04
Benchmark	2.50	-4.76	18.06
Median	6.22	2.42	23.92

**DISCLAIMER:** This report is prepared exclusively for clients of Zenith Investment Partners (Zenith). The report contains recommendations and advice of a general nature and does not have regard to the particular circumstances or needs of any specific person who may read it. Each client should assess either personally or with the assistance of a licensed financial adviser whether the Zenith recommendation or advice is appropriate to their situation before making an investment decision. The information contained in the report is believed to be reliable, but its completeness and accuracy is not guaranteed. Opinions expressed may change without notice. Zenith accepts no liability, whether direct or indirect arising from the use of information contained in this report. No part of this document is to be construed as a solicitation to buy or sell any investment. The performance of the investment in this report is not a representation as to future performance or likely return. The material contained in this report is subject to copyright and may not be reproduced without the consent of the copyright owner. Zenith usually receives a fee for assessing the fund manager and product(s) described in this document against accepted criteria considered comprehensive and objective.