

Monthly net tangible asset (NTA) backing per share and top 25 investments as at 31 July 2019

	Before Tax*	After Tax*
31 July 2019	\$6.64	\$5.63
30 June 2019	\$6.49	\$5.52

The Net Tangible Asset Backing per share for both 30 June and 31 July 2019 are before the provision for the final dividend of 14 cents per share.

* The before and after tax numbers relate to the provision for deferred tax on the unrealised gains in the Company's investment portfolio. The Company is a long term investor and does not intend disposing of its total long term investment portfolio. Under current Accounting Standards, the Company is required to provide for tax on any gains that may arise on such a theoretical disposal, after the utilisation of brought forward losses.

Key facts

Investment objectives: AFIC aims to provide shareholders with attractive investment returns through access to a growing stream of fully franked dividends and enhancement of capital invested over the medium to long term.

Benchmark: S&P/ASX 200 Accumulation Index.

Size of portfolio: \$8.0 billion at 31 July 2019.

Management cost: 0.13 per cent, no performance fees.

Investment style: Long-term, fundamental, bottom-up.

Suggested investment period: Five years to 10 years or longer.

Net asset backing: released every month with top 25 investments.

Listed on ASX and NZX: code AFI.

Key benefits

Diversified portfolio primarily of ASX-listed Australian equities.

Tax-effective income via fully franked dividends.

Consistent after tax paid investment returns achieved over the long term.

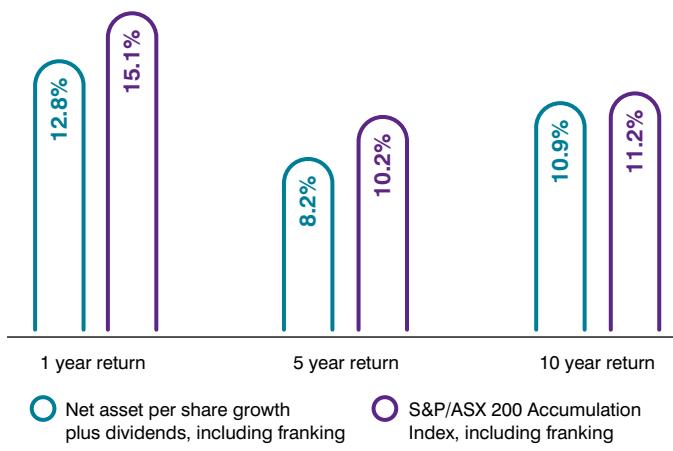
Professional management and an experienced Board, investment and management team.

Low-cost investing.

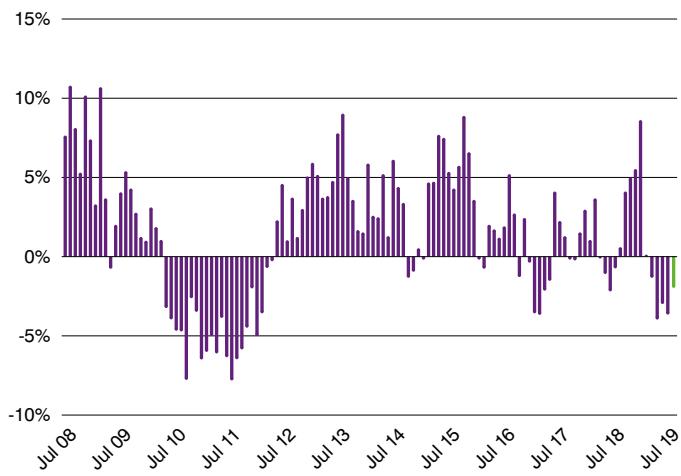
Ease of investing, transparent ASX pricing, good liquidity in shares.

Shareholder meetings on a regular basis.

Portfolio performance percentage per annum-periods ending 31 July 2019*



Share price premium/discount to NTA



* Assumes an investor can take full advantage of the franking credits. AFIC's portfolio return is also calculated after management fees, income tax and capital gains tax on realised sales of investments. It should be noted that Index returns for the market do not include management expenses or tax.

Past performance is not indicative of future performance.

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Market commentary

The S&P/ASX 200 Accumulation Index was strong through the month of July with all sectors enjoying gains. The Reserve Bank of Australia continued to cut rates during the period, with the cash rate reduced by 25bps to a record low of 1.0 per cent.

This continued to help drive the market to close to all-time highs with the strongest sectors for the month being Consumer Staples (up 9.8 per cent), Healthcare (up 5.9 per cent), Information Technology (up 5.0 per cent) and Consumer Discretionary (up 4.9 per cent). The other notable feature of the market was a number of perceived high growth stocks continued to rally through July following a strong lift in their already high valuations.

The gold price also continued to rise through the period as trade and currency disputes dominated geopolitical settings. This helped produce a recovery in the small and mid-cap resources sectors which were up 7.9 per cent and 6.1 per cent respectively over the month of July.

For more information visit our website: afi.com.au

Portfolio facts

Top 25 investments valued at closing prices at 31 July 2019

		Total Value \$ Million	% of Portfolio
1	Commonwealth Bank of Australia	650.2	8.4
2	BHP*	549.5	7.1
3	CSL	470.2	6.1
4	Westpac Banking Corporation	445.4	5.7
5	National Australia Bank*	360.6	4.7
6	Transurban Group	351.4	4.5
7	Macquarie Group	274.7	3.5
8	Wesfarmers	263.5	3.4
9	Australia and New Zealand Banking Group*	256.2	3.3
10	Woolworths Group	201.8	2.6
11	Amcor	194.5	2.5
12	Rio Tinto	192.4	2.5
13	Telstra Corporation	159.5	2.1
14	Brambles	159.3	2.1
15	Woodside Petroleum*	151.0	1.9
16	Sydney Airport	149.8	1.9
17	Oil Search*	130.6	1.7
18	Mainfreight	129.3	1.7
19	James Hardie Industries	120.6	1.6
20	Ramsay Health Care	115.4	1.5
21	Qube Holdings	110.5	1.4
22	Sonic Healthcare	103.9	1.3
23	Coles Group*	103.3	1.3
24	Treasury Wine Estates	96.5	1.2
25	Seek	89.3	1.2
Total		5,829.3	

As percentage of total portfolio value (excludes cash) 75.2%

* Indicates that options were outstanding against part of the holding.

Investment by sector at 31 July 2019



- Banks **21.4%**
- Materials **16.4%**
- Industrials **15.3%**
- Healthcare **11.2%**
- Other Financials **10.0%**
- Consumer Staples **5.3%**
- Consumer Discretionary **4.5%**
- Energy **4.2%**
- Communication Services **3.7%**
- Information Technology **3.1%**
- Cash **2.9%**
- Utilities **1.3%**
- Property Trusts **0.7%**

Important Information

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