

Leaders Strategy

STRATEGY

The JMFG Leaders Strategy provides exposure to a diversified portfolio of high quality, Australian-listed, large companies with sustainable business models and attractive investment fundamentals.

OBJECTIVE

To outperform the S&P/ASX 200 Accumulation Index over a rolling 3-year period with a focus on higher-yielding companies.

WHY JMFG?

When investing in a JMFG Managed Strategy, clients benefit from having their portfolio managed by a professional investment team whilst retaining the value of beneficial stock ownership.

JMFG client investments are individually held in trust by a Custodian, unlike investments in a Unit Trust. Retaining beneficial ownership allows for consideration of clients' individual circumstances, gaining the benefit of franking credits and greater tax planning flexibility.

Portfolios do not inherit realised or unrealised capital gains as may occur with investments in unit trusts. This also allows existing investments to be easily transferred into (and out of) JMFG Managed Strategies without triggering capital gains events.

The client's portfolio will be invested alongside the JMFG Strategy model portfolio that best suits the client's investment goals, time horizon, and appetite for risk.

INVESTMENT PHILOSOPHY

All JMFG's Strategies are managed in a style-neutral fashion, with a focus on utilising the team's extensive market experience and knowledge base to outperform in rising markets and limit the downside for our clients in falling markets.

Our investment approach targets companies with strong management and sound business models operating in industries with long term structural growth.

The stock selection process incorporates both macro and sector considerations as well as extensive direct company and senior management contact.

Although we consider all qualifying stocks for selection in JMFG's Strategies, we seek to position the Strategies towards sectors and companies with an acceptable level of risk given our expected return. As such, we have a natural aversion to extremely high-risk speculative companies, companies with binary outcomes (such as some bio-techs and explorers), companies with unsustainable earnings, and companies we believe will be unprofitable for the foreseeable future.



ASSET ALLOCATION

We will typically aim to invest within the following structure:

- S&P/ ASX 200 – 90-100%

From time to time, the Strategy may hold stocks outside the ASX 200, when stocks move outside the relevant index or if we consider they are still consistent with the investment strategy.

WHO THE STRATEGY SUITS

The Leaders Strategy is tailored towards Superannuation Funds and charities as the Strategy is more conservative in nature, has a higher propensity for yield, will be able to utilise franking credits and will not be as sensitive to capital gains tax events.

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TRANSPARENCY

Our web portal allows clients easy access to information on their portfolio holdings and transactions.

SUMMARY

Risk Profile	Medium
Investment Horizon	3 years +
Benchmark	ASX 200 Accumulation Index
Typical Portfolio Composition	90-100% ASX 200

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