



BetaShares Australian Dividend Harvester (ASX: HVST) October 2018

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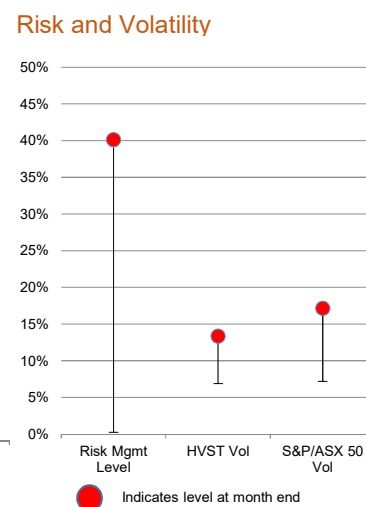
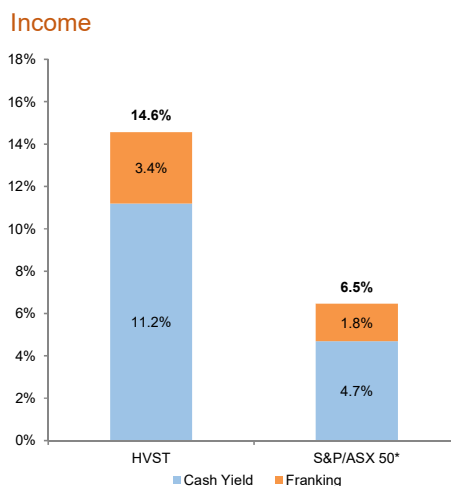
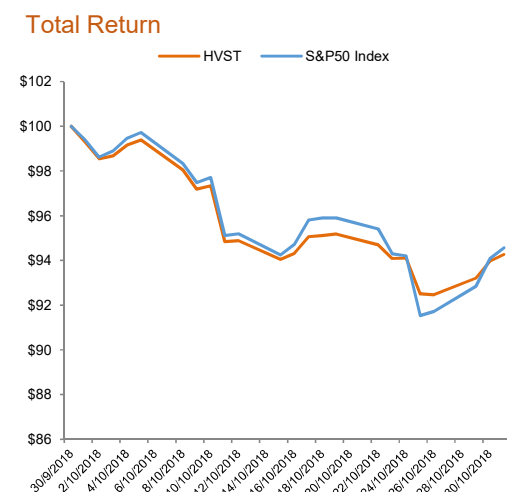
Objective: Provide investors with exposure to large capitalisation Australian shares along with regular franked dividend income, paid monthly, that is at least double the income yield of the broad Australian sharemarket on an annual basis. In addition, the Fund aims to reduce the volatility of the equity investment returns and defend against losses in declining markets.

Sector Concentrations	HVST	S&P/ASX 50
Consumer Discretionary	3.1%	1.4%
Materials	13.3%	17.2%
Financials	50.9%	38.0%
Utilities	1.4%	1.9%
Consumer Staples	5.7%	8.2%
Industrials	5.6%	6.4%
Health Care	6.1%	9.1%
Energy	4.1%	5.9%
Information Technology	1.6%	0.8%
Telecommunication Services	0.0%	0.0%
Real Estate	5.5%	8.1%

Top 10 Exposures	
WBC	11.3%
ANZ	10.3%
NAB	10.0%
MQG	8.6%
CBA	5.3%
BHP	4.8%
CSL	3.8%
WES	2.3%
WOW	1.7%
TLS	1.6%

Fund Inception Date (29 Oct 2014)	HVST	S&P/ASX 50*	Difference
12 Month Net Yield*	11.2%	4.7%	↑ 6.5%
12 Month Gross Yield (Est.)*	14.6%	6.5%	↑ 8.1%
12 Month Annual Volatility*	8.8%	9.7%	↓ 9.5%
Total Cash Distributed (per unit since inception)	\$8.597	n/a	n/a
Number of Distributions	48	n/a	n/a

*12 month trailing



Commentary: (as at October 31, 2018)

For most investors, October was a month to forget. Despite record low U.S. unemployment rates and companies generally beating earnings estimates, the sell-off in the U.S. stock market reflected investors' fears that the market is "late cycle", with the implication that the longest bull market since World War II may soon be coming to an end. In Australia, the S&P/ASX 200 Index fell 6.05%, its largest monthly fall since August 2015. The Australian market sell-off was led by financial stocks. Ongoing concerns over their future profits and the developing housing market slump continued to weigh on this sector.

For the month of October, HVST returned -5.73% whilst the S&P/ASX 50 Index returned -5.44%. The market sell-off resulted in a significant increase in market volatility, with the S&P/ASX 50 Index one month realised volatility increasing to 17.1%, almost twice its average in the past year. As a result, HVST increased its Risk Management Protection Level from 1.6% to 40.1% by month end. Whilst the increased protection levels cushioned against losses (+0.67%), the net underperformance was entirely due to the stock portfolio being overweight financials (50.9% vs 38.0%).

A cash distribution of \$0.112 per unit or 0.72% yield was paid in October.

Source: Betashares, Bloomberg

*This is an estimate only for this distribution period. The final amount will be determined as at the end of the financial year and may differ materially from the estimate due to various factors, including changes in the number of units on issue.

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Net Asset Value	
NAV per unit (30 Sep)	\$15.70
NAV per unit (31 Oct)	\$14.70

Distributions	
Ex-Distribution Date	01 Oct
Distribution (per unit)	\$0.112
Est. Franking Credits (p.u.)*	\$0.044
Net Yield for Period	0.72%

1 Month Realised Volatility	
HVST	13.4%
S&P/ASX 50	17.1%

Monthly Total Returns	31-Oct-18
HVST	-5.73%
S&P/ASX 50	-5.44%

Risk Management Level for the Month	
Minimum	0.3%
Maximum	40.1%