

## AIH Chairman's Address 2017

The profit after tax for the 2016/2017 year was \$118,257. This was \$16,383 higher than the previous year which had an Income Tax expense of \$761 against a benefit of \$5,495 for 2016/2017. The basic earnings per share was 7.8 cents against 6.94 cents for the prior year.

The majority of shareholder funds are invested over a medium to long term period. This is facilitated through investments in the Burrell Australian Equities Trust (BAET), Burrell World Equities Trust (BWET) and Burrell Small-cap, Mid-caps and Resources Trust (BSMART). At 30 June 2017, approximately 89% of investments were through these trusts.

For 2016/2017 the Australian core portfolio increased 15.6% while the All-Ordinaries index increased 13.1%. The international core portfolio increased 8.8% against MSCI ex-Australia increase of 13.7%. BSMART increased 3.1% against 7.0% increase for ASX Small Ordinaries Index.

Interest rates remain very low by long term standards in nearly every part of the world markets. Central Banks have used interest rates as a tool to stimulate demand and overcome deflation in consumer prices with mixed success. The unwinding of interest rates and bond prices is likely to be dominant influence in markets over the next few years. There are signs that growth is now occurring across a considerable portion of world markets and this is the first time since the global financial crisis that this has happened. Our manager remains alert to emerging trends and will continue to seek quality companies in growing sectors of all our markets which has served AIH well over many years.