

# Aurora Global Infrastructure Income Trust ASX Code: AIB

## Performance Report - 30 November 2009

### Summary

- The Trust returned +3.9% for the month versus the UBS Global 50/50 Infrastructure and Utility Index which returned +4.5%
- The Trust completed a 7 for 1 Unit Split
- The Trust changed its name to better reflect the revised Investment Strategy



### Performance<sup>1</sup>

	1 mth	3 mths	6 mths	12 mths	Calendar year 2008	Since inception (p.a.)
Aurora Global Infrastructure Income Trust	3.89%	3.69%	3.95%	4.38%	-1.96	0.92%
UBS Global 50/50 Infrastructure and Utility Index	4.46%	5.47%	14.17%	12.99%	-32.51	-14.17%

### Investment objective

The Aurora Global Infrastructure Income Trust (the Trust) is an ASX listed investment trust that aims to generate income from an active strategy of selling call options over a portfolio of global listed infrastructure securities.

### Investment Strategy

The investment strategy seeks to capture income and growth from investing in some of the world's leading listed infrastructure entities.

The Investment Manager will use detailed fundamental analysis to select securities within the global infrastructure sector that may be anticipated to:

- provide a higher than average dividend yield over the medium term (including the influence of franking credits, special dividends and other financial restructuring); and
- provide the scope for additional income generation by the Trust writing call options on these securities.

The portfolio will generally hold 20 securities at any one time (either directly, or indirectly via an investment in a wholesale trust, and/or equity derivative instruments). The Trust may also use some gearing and at the Investment Manager's discretion, the portfolio may opportunistically:

- sell exchange traded or over the counter call options over each individual stock position in order to generate additional income; and
- purchase exchange traded or over the counter put options in order to provide some capital protection.

### Investment Manager

Talon Infrastructure Pty Ltd has been appointed as Investment Manager with responsibility to advise on the Trust's global investment selection. Talon Infrastructure is an Australian based fund manager which specialises in the listed global infrastructure sector.

The Managing Director of Talon Infrastructure (Mr Nigel Trewartha, B.Ec (Honours), M.Comm) has over ten years experience in investment banking, corporate finance and the infrastructure sector. Prior to establishing Talon Infrastructure, Nigel worked for over six years at Macquarie Bank Limited in investment banking, corporate finance, and funds management, and nearly one year as the Chief Financial Officer of Envestra Limited.

### Trust features

Trust Listing	24 December 2007
Minimum Investment	\$2,000
Unit pricing	Monthly.
Distribution frequency	Quarterly.
Distribution policy	At least 2% of Net Asset value <sup>2</sup>
Distribution Reinvestment Plan	Available.
Applications	Investors may acquire Units on market or via the current PDS.
Redemptions	On market by selling on the ASX or off-market at the end of each month.

### Trust valuations

Market capitalisation	\$ 13,952,623
Net Asset Value (NAV) – incl. franking	\$14,789,780
Units on issue	12,347,454
Net Asset Value per Unit	\$1.1978
NAV plus distributions paid (since inception)	\$1.4060

### Trust distributions (per Unit)<sup>3</sup>

Period	Total	Yield at NAV (p.a.)
30 Jun 08	\$0.0568	8.2%
31 Dec 08	\$0.0814	12.3%
30 Jun 09	\$0.0471	7.7%
30 Sep 09	\$0.0229	7.8%
Total	\$0.2082	

## Investment Manager commentary

By Talon Infrastructure Pty Ltd

The Trust achieved a return of 3.9% for November compared to the UBS Global 50/50 Infrastructure and Utility Index (“Index”) which returned 4.5% over the same period. The Trust’s US utility positions made the largest contribution to performance for November.

At the end of November, the Trust was 74% invested in global infrastructure and utility stocks and 26% in cash and other assets. The increase in the Trust’s cash balance reflects the exercise of call options across a number of positions during the month (i.e. the Trust sells stock and receives cash when call options it has sold are exercised). This cash balance will be used to top up selected holdings and establish new positions as opportunities arise.

While equity markets continued their upward move during November, market sentiment proved fragile towards the end of the month when Dubai World sought to delay repayment of some of its debt. The Trust used this market weakness to top up selected utility holdings. The Trust has no investments in the Middle East or in any of the Dubai based entities (e.g. port company DP World).

November also saw the UK water regulator announce prices for the 2010 to 2015 period. The Trust used the weakness leading up to this decision (primarily in September) to build positions in a number of UK water utilities (around 15% of the Trust). The prevailing view at that time was for a particularly harsh decision and this led to the utilities trading at sizeable discounts to their regulated asset base. The Manager saw this as an opportunity. As it turned out the regulatory decision was not as bad as the market expected and the Trust’s holdings have provided solid gains to date.

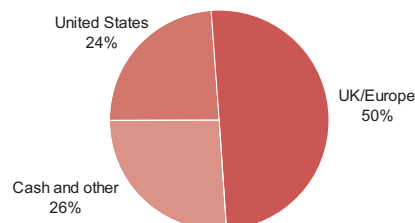
At the end of November, call options had been sold over approximately 40% and put options purchased over approximately 50% of the underlying stock positions. In addition, the Trust currently has no debt.

### Five Stocks from the Portfolio

	Country	Sub-Sector	Weight
Red Electrica	Spain	Transmission	5.0%
Enagas	Spain	Pipelines	4.7%
Nstar	USA	Electric Utility	4.5%
Pennon	UK	Water Utility	4.7%
Xcel Energy	USA	Electric Utility	4.4%
Remaining portfolio holdings			76.7%

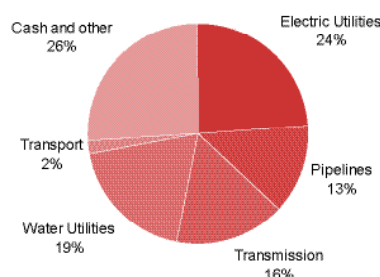
Source: Talon Infrastructure

### Portfolio Country Weightings



Source: Talon Infrastructure

### Portfolio Sub-Sector Weightings



Source: Talon Infrastructure

### About Aurora

Aurora Funds Management (Aurora) is an investment management and distribution group owned and operated by a group of professionals with considerable experience in retail funds management, stockbroking, margin lending, corporate advisory and investment banking.

Aurora aims to source, package and distribute carefully researched investment strategies that are managed by specialist wholesale investment managers.

Aurora is also the issuer of the:

- Aurora Sandringham Dividend Income Trust (ASX Code: AOD)
- Aurora Buy-Write Income Trust (ASX Code: ABW)
- Aurora Property Buy-Write Income Trust (ASX Code: AUP)
- van Eyk Blueprint Alternatives Plus (ASX Code: VBP)

## Aurora Funds Management

Level 11, 88 Phillip Street, Sydney NSW 2000 PO Box R1695, Royal Exchange NSW 1225

Telephone: 1300 553 431, Visit: [www.aurorafunds.com.au](http://www.aurorafunds.com.au), or Email: [enquiries@aurorafunds.com.au](mailto:enquiries@aurorafunds.com.au)

1. This number represents a cumulative return 2. The Trust intends to always distribute at least 2.0% of NAV per quarter regardless of Trust performance. This means that if the Trust has insufficient net income in a given quarter, investors may receive a partial (or full) return of capital. 3. Each historical distribution has been divided by seven to reflect the share split carried out in November 09.

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