

# BLUEPRINT

van Eyk Blueprint Alternatives Plus ARSN: 121 722 521 ASX code: VBP

## Performance Report

31 December 2010

### Trust Highlights

- Within the Master Fund, overall sector allocations were maintained;
- The Trust's estimated LVR for the month ending December 2010 was 19.85%.



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

	1 mth	3 mths	6 mths	1 yr	2 yrs pa	3yrs pa	Inception %pa (20/12/06)
van Eyk Blueprint Alternatives Plus	1.47%	4.06%	7.98%	7.39%	10.59%	0.83%	2.35%

### Investment Objective & Strategy

The van Eyk Blueprint Alternatives Plus (the "Trust") is a feeder fund which invests into the unlisted van Eyk Blueprint Alternatives Fund (ARSN 112 183 249, the "Master Fund") which is issued by Macquarie Investment Management Limited. The Master Fund aims to provide an actively managed exposure to a range of specialist Underlying Managers who are highly regarded by van Eyk and who employ alternative investment strategies such as fund of hedge funds, global macro, fixed income macro, direct property, commodities and gold. The Trust may use borrowings to increase the investment into the investment strategy.

The Trust aims to generate absolute positive returns while observing the principle of risk diversification whilst providing enhanced investment liquidity and internal gearing to investors.

### Investment Manager

van Eyk Research Pty Ltd ABN 99 010 664 632 AFSL 237917 (van Eyk) is the Investment Manager and is responsible for investing the assets of the Trust into the Master Fund and managing the borrowings of the Trust.

van Eyk was established in 1989, and is a leading provider of managed fund research to the Australian financial planning industry, specialising in investment research relating to portfolio construction and management, asset allocation and direct share research. van Eyk is independently owned and receives no payment from fund managers for their ratings.

van Eyk also acts as Investment Manager to a series of managed funds issued by Macquarie Investment Management Limited ("Macquarie"). The van Eyk Blueprint Series consists of a number of multi-manager unit trusts, which includes the Master Fund, that provides investors with access to pre-blended portfolios in either single or multi-asset class options. van Eyk advises on the construction of the portfolios within the van Eyk Blueprint Series and the selection of Underlying Managers. van Eyk provides direction on the proportion of the allocations to each asset class, and to each Underlying Manager, in accordance with their investment research views.

### Trust Features

Listing Date	20 December 2006
Unit pricing	Monthly
Distribution frequency	Half yearly
Distribution	Available
Reinvestment Plan	
Applications	Investors may acquire Units on market or via a current Product Disclosure Statement.
Redemptions	On market by selling on the ASX or off-market at the Net Asset Value <sup>2</sup> as at the end of each month.

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

Period	Cash	Franking Credits	Total	Yield at NAV pa
30 Jun 07	\$1.1889	\$0.0023	\$1.1912	24.6%
31 Dec 07	\$0.2000	\$0.0000	\$0.2000	4.3%
30 Jun 08	\$0.6893	\$0.0011	\$0.6904	15.2%
31 Dec 08	\$0.0000	\$0.0000	\$0.0000	0.0%
30 Jun 09	\$0.2500	\$0.0000	\$0.2500	7.1%
31 Dec 09	\$0.0230	\$0.0000	\$0.0230	0.7%
30 Jun 10	\$0.4500	\$0.0000	\$0.4500	11.7%
31 Dec 10	\$0.0100	\$0.0000	\$0.0100	0.3%
Total	\$2.8112	\$0.0034	\$2.8146	

### Summary of the Trust

Net Asset Value <sup>1</sup> (NAV)	\$161.7 million
Net Asset Value <sup>1</sup> per Unit	\$7.7696
NAV <sup>4</sup> Accumulation per Unit	\$10.6713

<sup>1</sup> Estimated and cum-distribution.

<sup>2</sup> Less sell-spread.

<sup>3</sup> Rounded to four decimal figures.

<sup>4</sup> Assumes reinvestment of distributions.

## Master Fund Commentary

### Reduced exposure to risk assets maintained

Over the December 2010 quarter the Master Fund remained defensively positioned. Minor shifts in allocation were implemented; however, the overall strategic positioning of the Master Fund is consistent with the prior three quarters, including overweight positions in cash, fixed income macro and global macro, and underweight positions in commodities, gold, fund of hedge funds and direct property.

Investment sentiment shifted decidedly positive over the December quarter, largely as a consequence of heightened expectations for world growth and some interim relief on the on-going sovereign risk problem in the Eurozone. The broader shift towards risk assets assisted, and should continue to assist, hedge fund managers who are positioned for a continued economic recovery and remain adaptive in a fast changing environment. Opportunities for bottom-up investment selection are expanding along with improving company balance sheets and corporate activities, while deeper value opportunities are likely to be situation specific. Looking ahead, macro factors are expected to remain highly influential to manager performance, as geopolitical tensions and government policies exert outsized effects on asset markets periodically. Skilled macro managers should be well positioned to navigate investments in this turbulent environment and benefit from the extended strength in some long term structural themes. Consequently, in addition to holding overweight positions within fixed income macro and global macro, the Master Fund marginally increased the exposure to fund of hedge fund managers, funded predominately from cash.

The Master Fund increased its allocation to gold over the quarter. Currently there appear to be conflicting influences affecting the demand for gold. Rising demand for risk assets saw investors lighten their allocation to defensive assets, which has seen gold trend sideways since October 2010. However, on-going sovereign risk, increasing concern on the inflation outlook and a rising allocation to gold by central banks should offset some of the decline in investor demand and support the long term outlook for gold.

Commodities rallied strongly in 2010 given the impetus of a second round of Quantitative Easing<sup>5</sup> and signs of economic improvements in the US. While commodities in general are expected to strengthen in 2011 along with rising economic activity, any trend needs to be matched by discernable improvements in demand and not just market activity. The risks associated with the global macro outlook, combined with the tightening of monetary policy from China, continues to warrant caution and van Eyk continues to recommend an underweight position in commodities.

The Master Fund is designed to provide returns that are not highly correlated with traditional share and bond market returns. van Eyk is responsible for active asset allocation. Any biases within the Master Fund reflect van Eyk's investment outlook and relative market valuations, as published in its subscription-based research for financial planners.

Issuer and Responsible Entity

**AURORA**  
FUNDS MANAGEMENT

The resulting targeted portfolio is set out in the table below.

### van Eyk Blueprint Alternatives Fund at 31/12/2010

Underlying Fund	Target	Strategy
Fauchier Partners Absolute Return Trust	3.5%	Fund of Hedge Funds
HFA Diversified Investments Fund	10.0%	Fund of Hedge Funds
BlackRock Global Ascent Fund	17.5%	Global Macro
Winton Global Alpha Fund	7.0%	Global Macro
GAM Absolute Return Bond Fund	15.0%	Fixed Income Macro
Australian Unity Healthcare Property Trust	6.0%	Direct Property
van Eyk Blueprint Gold Bullion Fund	9.0%	Gold
CSL Long/Short Fund	15.0%	Commodities
Macquarie Treasury Fund	17.0%	Cash
	100%	

5. Quantitative Easing is essentially the process of "printing money" and buying back bonds from banking institutions with the intended purpose of freeing up credit markets so banks can start lending again.

### About Aurora

Aurora Funds Limited (Aurora, ASX Code: AFV) issues and distributes investment funds to retail, wholesale and institutional investors throughout Australia and New Zealand. Aurora was listed on the ASX in July 2010, following the merger of Aurora Funds Management Limited (established in 2003), Fortitude Capital Pty Ltd (established in 2004) and Sandringham Capital Pty Ltd (established in 2005).

Aurora has offices in Sydney and Melbourne, and manages around \$500 million in domestic equity, international equity, property, infrastructure and alternative asset classes for over 3,500 investors.

Aurora is also the issuer and/or distributor of the:

- Aurora Fortitude Absolute Return Fund (ARSN 145 894 800)
- Aurora Global Income Trust (ASX code: AIB)
- Aurora Property Buy-Write Income Trust (ASX code: AUP)
- Aurora Sandringham Australian Equity Income Trust (ASX code: ABW)
- Aurora Sandringham Dividend Income Trust (ASX code: AOD)
- Aurora Sandringham Global Income Trust (ARSN 131 291 499)

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Investment Manager

**van Eyk**

Disclaimer: This information has been prepared by Aurora Funds Management Ltd ABN 69 092 626 885 AFSL 222110 in its capacity as Responsible Entity for the van Eyk Blueprint Alternatives Plus. It has been prepared without taking into account the objectives, financial situation or needs of any investor. You should consider a copy of the PDS (dated 3 December 2008) before making a decision to invest. Investors should seek their own advice prior to investing in the Trust. The information in this summary should not be relied upon as personal or general advice, nor is it an offer of any financial product. Past performance is not a reliable indication of future performance.