

Aurora Dividend Income Trust Performance Report - July 2013

Summary

- The Trust had a strong month on a risk adjusted basis and returned 3.7% in July
- Since inception, the Trust has outperformed the equity market by 0.8% p.a. after fees with less risk
- Positive contributors included the major banks and mining stocks

Performance after Fees¹

		1 month	3 months	12 months	3 yrs (p.a)	5 yrs (p.a)	Since Inception 16-Nov-05 (p.a)
Return	Dividend Income Trust	3.7%	-0.5%	20.0%	10.5%	5.7%	7.9%
inc. franking credits	S&P/ASX 200 Accum Index	5.2%	-1.6%	25.4%	10.3%	6.5%	7.1%
Income	Dividend Income Trust		3.9%	9.7%	12.7%	10.8%	12.0%
inc. franking credits	S&P/ASX 200 Accum Index		1.0%	7.0%	6.3%	6.2%	7.6%
Volatility	Dividend Income Trust			8.9%	8.2%	7.8%	7.0%
	S&P/ASX 200 Accum Index			11.3%	11.7%	15.5%	14.5%

Objective

The objective of the Trust, relative to the Australian equity market, is to provide investors with:

- greater total returns over rolling 5 year periods;
- more income and franking credits each year; and
- less volatility.

The Australian equity market is measured by the S&P/ASX 200 Accumulation Index adjusted to include franking

Investment Strategy

The Trust seeks to achieve the objective by investing in an actively managed portfolio of fully franked dividend paying companies listed on the Australian Securities Exchange while hedging part of the market exposure .

Consequently, the Trust is expected to outperform when the market is weak and underperform when the market is strong.

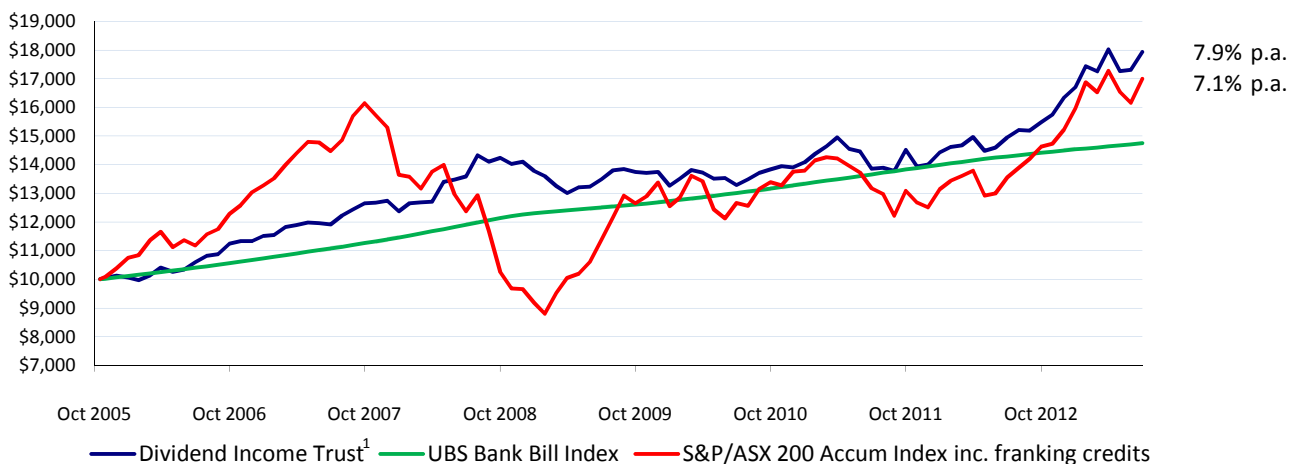
Commentary

The S&P/ASX200 Accumulation Index bounced back after the malaise in June to record a 5.2% gain for July 2013. Internationally, a change in sentiment towards the US Quantitative Easing tapering debate and the release of China's second quarter GDP data - although indicating a mild slowdown - were the catalysts for the market's turnaround.

Domestically, the RBA Governor, Glenn Stevens, continued to deliver clear signals that interest rates will remain low for the foreseeable future, which supported high yielding stocks such as the major banks. On a related note, the Australian dollar continued to lose ground against the greenback which assists local exporters, including high cost miners.

The combination of these events led the Trust to record a gain of 3.7%, which outperformed the broader equity market on a risk adjusted basis. Since inception, the Trust has outperformed the equity market by 0.8% p.a. with significantly less risk. The most profitable holdings for July were BHP Billiton, the Commonwealth Bank and Telstra.

Historic Performance Chart



Trust Valuations

Trust Size	\$23 million
Net Assets Value per Unit-incl. franking	\$0.9997

Significant Portfolio Holdings

Company
BHP Billiton
Telstra
Commonwealth Bank
Wesfarmers
Woolworths

Trust Details

ARSN	151 947 732
ASX Code (Quoted Unit)	AOD
APIR Code (Managed Fund)	AFM0010AU
Minimum suggested timeframe	5 Years
Entry Fee	Nil
Exit Fee	Nil
Buy/Sell Spread	0.1%/0.1%
Total Management Cost	1.3% p.a.
Distribution frequency	Quarterly
Minimum quarterly distribution ²	1.5% cash + franking

About Aurora

Aurora Funds Limited ('Aurora', ASX Code: AFV) was listed on the ASX in July 2010. Aurora comprises the combined businesses of Aurora Funds Management Limited and Fortitude Capital Pty Ltd.

The combined group had approximately \$493 million in funds under management and administration, and provides asset management and responsible entity/trustee services for Australian and New Zealand investors.

Aurora is also the issuer of the:

- Aurora Fortitude Absolute Return Fund (ARSN 145 894 800)
- Aurora Absolute Return Fund (ASX Code: ABW)
- Aurora Global Income Trust (ASX Code: AIB)
- Aurora Property Buy-Write Income Trust (ASX Code: AUP)
- van Eyk Blueprint Alternatives Plus (ASX Code: VBP)

Aurora Funds Limited

Level 4, 1 Alfred Street, Sydney NSW 2000 PO Box R1695, Royal Exchange NSW 1225

Telephone: 1300 553 431, Visit: www.aurorafunds.com.au or Email: enquiries@aurorafunds.com.au

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Notes:

1. This represents a cumulative return and assumes the reinvestment of distributions and franking credits. These returns describe the consolidated returns after fees of the Trust (established 3 February 2011) and the Aurora Sandringham Dividend Income Trust (ARSN 108 249 154, 'ASDIT' established 16 November 2005). The performance references against the S&P/ASX 200 Accumulation Index plus the value of franking credits as determined by Aurora. The return on the Trust's strategy since inception is 10.36% per annum.
2. The Trust intends to always distribute at least 1.5% of NAV in cash plus any available franking credits, per quarter regardless of performance. This means that if there is insufficient net income in a given quarter, investors may receive a partial (or full) return of capital.