

Aurora Global Income Trust (ASX:AIB)

Performance ₁	1 month	3 months	FYTD
Aurora Global Income Trust	-5.88%	-17.21%	-11.50%
Benchmark	0.12%	0.38%	1.53%
Outperformance	-6.00%	-17.59%	-13.03%

Investment Objective

The Aurora Global Income Trust (**Fund**) seeks to achieve absolute returns and income through the use of several different global investment strategies. The focus on absolute returns differs from traditional funds in that the Fund aims to produce returns not correlated with market conditions or global market indices.

Investment Strategy

The Fund seeks to take advantage of market mispricing and arbitrage opportunities using a diverse range of investment strategies. The Responsible Entity of the Fund researches various criteria for each investment, including fundamental and quantitative analysis, company event situations such as takeovers and mergers, earnings announcements, demergers and restructuring, liquidity events, recapitalisations, multiple share classes, option availability and pricing. The Fund will invest in opportunities that are considered to offer attractive risk return characteristics with a focus on potential catalysts that seek to generate a profitable return regardless of the market direction. The Fund may use derivatives for risk management as well as to create new positions and may opportunistically short sell securities that may be overpriced or to reduce risk on the overall portfolio.

Portfolio Position Analysis

Strategy	Long	Short
Convergence	8	8
Yield	0	0
Long/Short	6	0
Volatility/Hedging	6	2
Total	20	10

Fund Overview

ASX Code	AIB
NAV per Unit*	\$0.6220
Structure	Fund
Investment Style	Market Neutral
Investment Universe	Global
Inception Date	24 December 2007
Management fee (incl.GST)	1.3325%
Performance fee (incl.GST)	20.5%
Buy / sell spread	+/- 0.20%
Entry / Exit fees	Nil
Benchmark	RBA Cash Rate
Distributions	2.0% per quarter

*unaudited unit price

Fund performance summary

- The Aurora Global Income Trust (Fund) returned -5.88% for the month against its benchmark return of +0.12%, whilst the broader MSCI World Index returned +0.25% (USD terms).
- The key contributors to performance this month included volatility trades in a number of ASX-listed options, including Antipodes Global Investment Company Ltd (ASX:APLO) (+40%), Ellerston Global Investments Limited (ASX:EGIO) (+35%), and New York Tri-State property trust; RNY Property Trust (ASX:RNY) which finished up +25% in June.
- The key detractors from performance this month included Pershing Square Holdings Ltd (AEX:PSH) and 8IP Emerging Companies Limited (ASX:8EC), which both saw a widening of the discount between their respective share price and underlying net tangible assets (NTA).
- The Fund incurred extraordinary costs during the month in relation to the Takeovers Panel proceedings.

About Aurora

Aurora Funds Management Limited (**Aurora**) is the Responsible Entity of the Fund. Aurora is an Australian based alternative asset manager that specialises in managing absolute-return strategies for high net worth, retail and institutional investors. Aurora utilises a value-orientated approach to select suitable investments that aim to provide investors with positive risk-adjusted returns that are independent of benchmarks or investment cycles.

Aurora is also the Responsible Entity of the:

- Aurora Fortitude Absolute Return Fund (APIR Code: AFM0005AU)
- Aurora Absolute Return Fund (ASX:ABW)
- Aurora Dividend Income Trust (ASX:AOD, APIR Code: AFM0010AU)
- Aurora Property Buy-Write Income Trust (ASX:AUP)
- HHY Fund (ASX:HHY)

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1. This number represents a cumulative return and assumes reinvestment of distributions and is generated with compounded monthly returns/net of fees. 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 Fund (ARSN 127 692 406). It has been prepared without taking into account the objectives, financial situation or needs of any investor, which should be considered before investing. Investors should carefully review the Product Disclosure Statement (PDS) for the Fund and seek their own financial advice prior to investing in the Fund. The information in this Portfolio Update is of a summary nature only and does not constitute advice of any kind, nor is it an offer of any financial product. Past performance is not a reliable indication of future performance. In particular the investment strategy of the Fund was materially altered in November 2010, and performance prior to this date (being from inception to November 2010) cannot be relied upon. The investment objective for the Fund is expressed after the deduction of fees and before taxation. See the PDS for details on taxation. The investment objective is not intended to be a forecast, and is only an indication of what the investment strategy aims to achieve over the medium to long term. While the Fund will aim to achieve the objective, the objective and returns are not guaranteed. The payment of franking credits to investors is subject to the Fund achieving a taxable profit in that year.