

## Aurora Global Income Trust (ASX Code: AIB) Performance Report - May 2014

### Summary

- The Trust was up 0.1% in May which marginally underperformed the UBS Bank Bill Index
- As previously announced, the Trust will enhance the existing investment approach by adding additional strategies
- Despite some recent disappointing performance, since inception the strategy has marginally outperformed

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

	1 month	3 months	1 Year	3 Years (p.a)	Since Inception (p.a) 1 July 2008
Investment Strategy - Composite	0.1%	-0.5%	-3.4%	0.7%	4.2%
UBS Australia Bank Bill Index (Benchmark)	0.2%	0.7%	2.7%	3.6%	4.2%

The above composite/hybrid performance summary reflects a combination of the performance of the investment strategy as it applied (net of fees) within the former Aurora Sandringham Global Income Trust (ARSN 131 291 499 - now terminated) since its inception in July 2008 to 30 November 2010, and then the performance of this Trust (which implemented the same strategy) since 30 November 2010 to date. This is not the actual performance of Aurora Global Income Trust (AIB). The actual return of AIB since inception is 2.7% p.a. The table above and the charts below refer to the performance of the composite/hybrid strategy and not of the actual performance of AIB.

### Investment Objective\*

To provide investors with steady income returns after fees and expenses in excess of the UBS Australia Bank Bill Index over rolling three year periods while protecting their capital. Please note that while we aim to achieve this objective, the returns are not guaranteed.

### Investment Strategy

To take advantage of global companies that Aurora expects will increase in value relative to the market around the announcement of their quarterly, half-yearly and yearly earnings results while hedging their market and currency exposure.

### Trust Valuations

Trust Size	\$8m
Strategy Size <sup>2</sup>	\$8m
NAV per Unit	\$0.9038
NAV per Unit plus distributions paid	\$1.5849

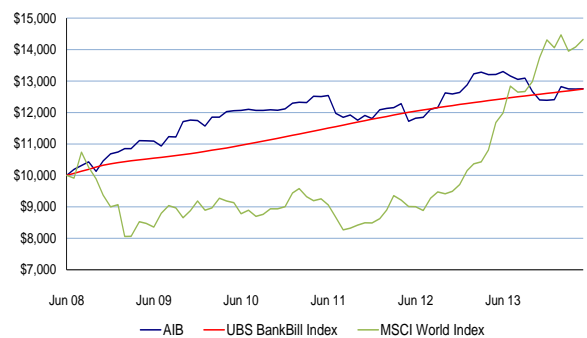
### Trust Features

Trust Listing	24 December 2007
Minimum Initial Investment	\$2,000
Style	Market Neutral
Currency	Hedged to Australian Dollars
Unit Pricing	Monthly
Applications	Investors may acquire Units on market
Redemptions	On market by selling on the ASX or off-market at the end of each month
Benchmark	UBS Australia Bank Bill Index
Distributions	At least 2.5% of Net Asset Value <sup>3</sup> per Unit, per quarter

### Performance Statistics - Composite

Performance since Inception (July 08)	4.2%
Volatility	5.7%
Sharpe Ratio	0.04
% positive months	62.0%
Best month	4.4%
Worst month	-4.6%
Average positive monthly return	1.2%
Average negative monthly return	-1.0%

### Investment Performance - Composite



### Portfolio Commentary

Global equity markets ended May in positive territory as confidence was driven by upside surprises in the US and China. Purchasing Manager Indexes pointed to rising growth momentum, while the VAT-hike effect in Japan seems to have been short-lived. In contrast, confidence receded in Europe after the publication of weak Q1 GDP data.

Political uncertainty continued to dominate in both emerging markets and developed countries, with a focus on Ukraine and the EU. Amid further de-escalation of tensions between Russia and Ukraine, geopolitical risk in the region has receded in recent weeks.

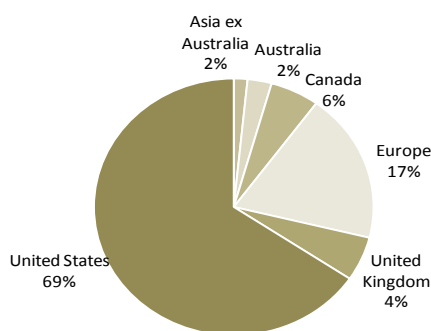
In Europe, equity markets moved higher in May despite a weaker-than-expected GDP growth number and fairly muted Q1 corporate earnings results.

Meanwhile, corporate news in the UK and US dominated much of the month. US pharmaceutical firm Pfizer ended its pursuit of British competitor AstraZeneca, after its final offer of £55 a share was rejected by the latter's board. Had the takeover proceeded, it would have created the world's largest pharmaceutical company.

## Trust Distributions (per Unit)<sup>4</sup>

Period (per Unit)	Amount (\$)	Yield (p.a)
CY-08	\$0.1382	10.0%
CY-09	\$0.0950	7.8%
CY-10	\$0.1050	8.8%
31-Mar-11	\$0.0300	10.1%
30-Jun-11	\$0.0300	10.2%
30-Sep-11	\$0.0295	10.1%
31-Dec-11	\$0.0272	10.0%
30-Mar-12	\$0.0263	10.0%
29-Jun-12	\$0.0263	10.0%
30-Sep-12	\$0.0250	10.0%
31-Dec-12	\$0.0250	10.0%
31-Mar-13	\$0.0253	10.0%
30-Jun-13	\$0.0259	10.0%
30-Sep-13	\$0.0255	10.0%
31-Dec-13	\$0.0244	10.0%
31-Mar-14	\$0.0225	10.0%
Total since inception	\$0.6811	

## Historical Weight by Region - Composite



## 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 has approximately \$250 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 (APIR Code: AFM0005AU)
- Aurora Absolute Return Fund (ASX Code: ABW)
- Aurora Dividend Income Trust (Managed Fund) (ASX Code: AOD, APIR Code: AFM0010AU)
- Aurora Property Buy-Write Income Trust (ASX Code: AUP)

## Aurora Funds Limited

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1. The returns are calculated by compounding each monthly return with distributions reinvested. All returns are net of fees.
2. Incorporates all unit classes within AIB, and also assets that are external to AIB that are managed by Aurora and utilise the investment strategy or direct variants thereof.
3. The Trust intends to always distribute at least 2.5% of NAV per Unit 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.
4. Each historical distribution has been divided by seven to reflect the Unit split carried out in November 2009.

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