

# Aurora Global Infrastructure Income Trust ASX Code: AIB Performance Report - 31 August 2010

## Summary

- The Trust returned 0.14% for August versus the UBS Global Infrastructure and Utilities 50/50 Index which returned 0.10%
- A significant portion of the Trust's assets have been transitioned to cash during August as the Trust established new prime broking and custodial arrangements



## Performance<sup>1</sup>

	1 mth	3 mths	6 mths	12 mths	2 yrs (p.a.)	Since inception (p.a.)
Aurora Global Infrastructure Income Trust	0.14%	7.96%	5.27%	12.94%	3.49%	3.91%
UBS Global Infrastructure and Utilities 50/50 Index	0.10%	5.12%	2.99%	12.31%	-4.98%	-8.33%

## 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.

infrastructure sector. Prior to joining Long Tail, Nigel worked for over six years at Macquarie Bank Limited in investment banking, corporate finance, and funds management, nearly one year as the Chief Financial Officer of Envestra Limited, and two years as the Managing Director of Talon Infrastructure Pty Ltd.

## 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

Long Tail Asset Management Pty Ltd (AFSL 341474, "Long Tail") has been appointed as the Investment Manager to the Trust with responsibility to advise on the Trust's global investment selection. Long Tail is an Australian based fund manager. An Executive Director of Long Tail (Mr Nigel Trewartha, B.Ec (Honours), M.Comm) has over ten years experience in investment banking, corporate finance and the

## Trust features

Trust Listing	24 December 2007.
Minimum Investment	\$2,000.
Unit pricing	Monthly.
Distribution policy	At least 2% of Net Asset Value <sup>2</sup> per Unit per quarter
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

Fund Size	\$ 14.0 million
Net Asset Value per Unit	\$1.2256
NAV plus distributions paid (since inception)	\$1.5088

## 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%
31 Dec 09	\$0.0250	8.5%
31 Mar 10	\$0.0250	8.2%
30 Jun 10	\$0.0250	8.3%
Total	\$0.2832	

## Investment Manager commentary

The Trust achieved a return of 0.14% for August compared to the UBS Global 50/50 Infrastructure and Utility Index, which returned 0.10% over the same period. The Trust's Spanish utility positions were slightly weaker, while the UK positions were slightly stronger.

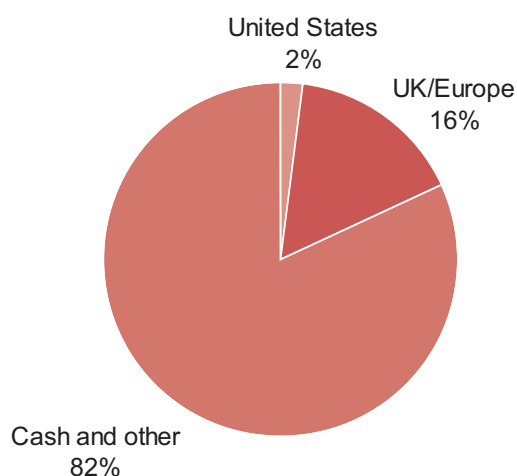
As noted in the announcement on 13 September 2010, a significant portion of the Trust's assets have been transitioned to cash during August as the Trust established new prime broking and custodial arrangements. It is anticipated that the Trust will reinvest during September.

At the end of August the Trust was invested 82% in cash and other assets, and 18% in global infrastructure and utility stocks. Call options have been sold over approximately 10% and put options are held over approximately 110% of the underlying stock positions (the put options currently have limited value). The Trust has no net debt.

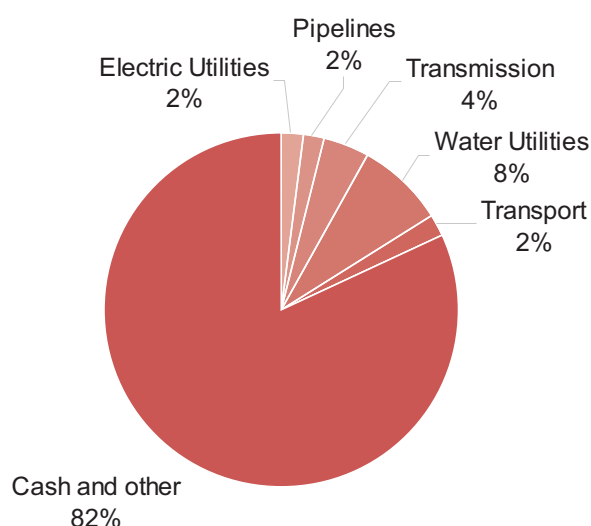
## Five Stocks from the Portfolio

	Country	Sub-Sector	Weight
Severn Trent	UK	Water Utility	2.0%
Penon	UK	Water Utility	1.5%
Nstar	USA	Electric Utility	1.3%
Enagas	Spain	Pipelines	1.2%
Red Electrica	Spain	Transmission	1.2%
Remaining portfolio holdings			92.8%

## Portfolio Country Weightings



## Portfolio Sub-Sector Weightings



## About Aurora

Aurora Funds Limited ('Aurora', ASX Code: AFV) was listed on the ASX in July 2010. Aurora comprises the merged businesses of Aurora Funds Management Limited (established in 2003), Fortitude Capital Pty Ltd (established in 2004) and Sandringham Capital Pty Ltd (established in 2005).

The combined group has in excess of \$500 million in funds under management and administration, and provides asset management and responsible entity/trustee services for over 3,500 Australian and New Zealand investors.

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

- Aurora Fortitude Absolute Return Fund (ARSN 145 894 800)
- 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)
- Aurora Property Buy-Write Income Trust (ASX Code: AUP)
- CORALS Commodities Fund (ARSN 131 196 882)
- van Eyk Blueprint Alternatives Plus (ASX Code: VBP)

## Aurora Funds Management

Level 2, 350 George 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 and assumes reinvestment of distributions. 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 Unit split carried out in November 2009.

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 Aurora Global Infrastructure Income Trust (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 consider a copy of the Product Disclosure Statement and seek their own financial advice prior to investing in the Trust. The information in this Performance Report 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.

Further information on UBS Global Infrastructure and Utilities 50/50 Index can be found at [www.bloomberg.com](http://www.bloomberg.com) (UIAUHAIN:IND)