

## Aurora Global Income Trust (ASX Code: AIB) Performance Report - August 2011

### Summary

- The Trust returned -1.04% for August compared to the UBS Australia Bank Bill Index which returned 0.43%
- The Trust has returned 2.71% p.a since inception versus the UBS Australia Bank Bill Index which has returned 5.21% p.a over the same period

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

	1 month	3 months	12 months	2 Years (p.a)	Since Inception (p.a)
Aurora Global Income Trust (AIB)	-1.04%	-5.25%	-0.43%	6.04%	2.71%
UBS Australia Bank Bill Index (Benchmark)	0.43%	1.25%	5.00%	4.60%	5.21%

On 30 November 2010, the Trust changed its investment strategy and commenced investing via the unlisted Aurora Sandringham Global Income Trust (ARSN 131 291 499, the 'Master Fund'). The Master Fund has been in existence since 1 July 2008, and its historical performance is referred to in the charts and tables below.

### 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 invest in the Master Fund which aims to take advantage of global companies that Aurora expect 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.

As recently announced, from 1 September 2011, the Trust will directly implement the investment strategy rather than investing via the Master Fund.

### Trust Valuations

Fund Size <sup>2</sup>	\$119.1 Million
NAV per Unit	\$1.1090
NAV per Unit plus distributions paid	\$1.5587

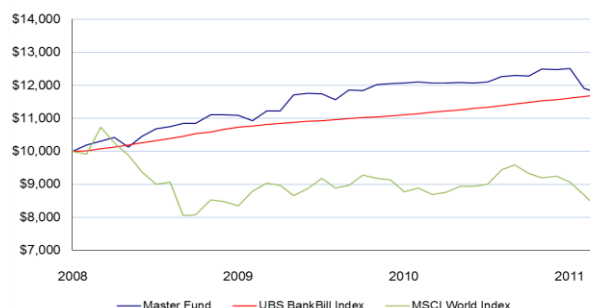
### Trust Features

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 or via the current PDS.
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 - Master Fund

Performance since Inception (July 08)	5.30%
Volatility	5.64%
Sharpe Ratio	0.18
% positive months	60.53%
Best month	4.36%
Worst month	-4.83%
Average positive monthly return	1.28%
Average negative monthly return	-0.84%

### Investment Performance - Master Fund



### Portfolio Commentary - Master Fund

Global equities sold off heavily at the beginning of August before staging a turnaround to almost halve losses. The MSCI Index finished down 4.8% for the month with market volatility reaching levels not seen since 2009 which prompted short selling restrictions in some markets. Concerning investors were a myriad of issues including multiple European flare ups and continued weak US economic releases which indicated that consumer confidence is at recessionary levels and that the US economy grew at an annualised rate of just 1% in the second quarter.

Anticipation of market intervention spurred the market turnaround as investors were buoyed by a statement from the Federal Reserve in which it pledged to keep interest rates near zero through mid-2013 and to use whatever policy tools at its disposal to bolster the economy where appropriate.

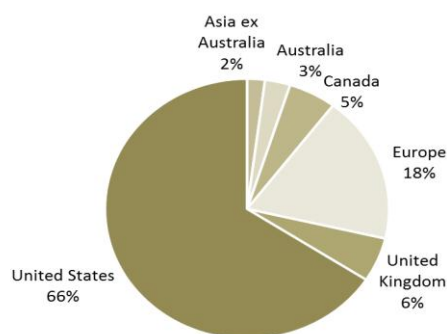
Given the turmoil, it was not surprising that Utilities, consumer staples and other low beta defensive sectors were the strongest performers while the Industrials and Energy sectors were weak.

The market was prepared to reward good performance with both Wal-Mart and Home Depot reporting strong results despite the backdrop. Wal-Mart beat expectations with a better than expected gross margin offsetting weak traffic in its US stores.

Cisco was also a strong performer after it reversed a string of disappointing results in reporting earnings that were ahead of expectations underpinned by an improving demand picture.

Tenaris, which manufactures steel tubing used in oil and gas drilling was amongst the worst performing positions as it missed earnings and cut its forecast. It reported high cost inflation and revenue 10% below consensus.

## Historical Weight by Region - Master Fund



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

Period (per Unit)	Amount (\$)	Yield (p.a)
30-Jun-08	\$0.0568	8.18%
31-Dec-08	\$0.0814	12.31%
30-Jun-09	\$0.0814	12.31%
30-Sep-09	\$0.0471	7.70%
31-Dec-09	\$0.0229	7.77%
31-Mar-10	\$0.0250	8.58%
30-Jun-10	\$0.0250	8.22%
30-Sep-10	\$0.0250	8.26%
31-Dec-10	\$0.0250	8.75%
31-Mar-11	\$0.0300	10.06%
30-Jun-11	\$0.0300	10.20%
Total since inception	\$0.4497	

## Monthly Best/Worst Positions Held - Master Fund

Stock	Country	% Return
CISCO SYSTEMS INC	UNITED STATES	9.90%
INTUIT INC	UNITED STATES	9.28%
UNILEVER PLC	BRITAIN	7.63%
HOME DEPOT INC	UNITED STATES	6.57%
LANXESS AG	GERMANY	6.32%
GEBERIT AG-REG	SWITZERLAND	-6.45%
TENARIS SA	ITALY	-6.73%
WOOLWORTHS LTD	AUSTRALIA	-7.66%
ULTRA PETROLEUM CORP	UNITED STATES	-7.75%
NETAPP INC	UNITED STATES	-11.69%

## 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, Fortitude Capital Pty Ltd and Sandringham Capital Pty Ltd.

The combined group has in excess of \$400 million in funds under management and administration, and provides asset management and responsible entity/trustee services for over 3,000 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 Sandringham Dividend Income Trust (ASX Code: AOD)
- Aurora Property Buy-Write Income Trust (ASX Code: AUP)
- CORALS Commodities Fund (APIR Code: AFM0004AU)
- van Eyk Blueprint Alternatives Plus (ASX Code: VBP)

## Aurora Funds Limited

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1. The estimated returns are calculated by compounding each monthly return with distributions reinvested. All returns are net of fees.
  2. Incorporates all unit classes within the Master Fund, and also assets that are external to the Master Fund 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 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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