

# BLUEPRINT

van Eyk Blueprint Alternatives Plus ARSN: 121 722 521 ASX Code: VBP

## Quarterly Performance Report

31 December 2012

### Trust Highlights

- Blueprint Volatility Buffer fund introduced; Allocation to cash reduced:
- The Trust declared a distribution of \$0.10 per Unit for the period ending 31 December 2012: and
- The Trust's LVR for the month ending December 2012 was 23.7%.



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

	1 mth	3 mths	6 mths	1 yr	2 yrs pa	3yrs pa	Inception %pa
van Eyk Blueprint Alternatives Plus	0.06%	-1.32%	2.48%	4.65%	3.53%	5.20%	2.93%

### Master Fund Commentary

Equity markets generally rose in December while gold and bonds fell. The rally in equity markets continued early in the New Year on relief that US politicians averted the "fiscal cliff". By the end of 2012, the central banks of the US, Europe and (likely) Japan had committed to potentially unlimited monetary accommodation. The US Federal Reserve replaced "on again, off again" Quantitative Easing<sup>i</sup> with an open ended commitment to purchase US\$85 billion worth of bonds a month until employment drops to 6.5%. The European Central Bank's offer of unlimited support for Italy and Spain has, after three years of uncertainty and crisis, provided a financial backstop for these highly indebted countries. Following the election of Japanese Prime Minister Shinzo Abe, the Bank of Japan intends to print money until inflation rises to 2%. There has also been renewed monetary easing across emerging countries, especially in China and Brazil. While the world's central bankers have resolved some of the economic uncertainty with definitive monetary policy guidance, fiscal policy, in contrast, still awaits reform in the US, Europe and China.

van Eyk continues to advocate an allocation to gold and other alternative investments such as commodities, direct real estate and absolute return strategies. At a tactical level there are some negatives for gold at the moment but strategically it remains potentially very cheap in relation to increasingly debased paper money. Price momentum is still (just) positive and real US interest rates are still negative, which offers support for the gold price. Alternative strategies, with exposure to a range of time horizons, negative correlation strategies and real assets exposure will also be beneficial for investors. We also advocate alternative strategies that have exposure to equities and bonds should harness returns from both the long and short side of the market.

During the quarter an allocation was made to the van Eyk Blueprint Volatility Buffer Fund (Volatility Buffer Fund) funded by reducing cash levels in the Master Fund. The aim of adding this new absolute return strategy with a volatility focus was to capitalize on negative correlation during times of market dislocation. The Volatility Buffer Fund's primary objective is to invest in volatility strategies with the aim of generating returns that are negatively correlated to weaker

conditions in equity markets generally. This fund has an absolute return bias during normal market conditions.

The Master Fund is designed to provide returns that are not highly correlated with traditional share and bond market returns. van Eyk is responsible for active asset allocation. Any biases within the Master Fund reflect van Eyk's investment outlook and relative market valuations, as published in its subscription-based research for financial planners.

The resulting targeted portfolio is set out in the table below:

### van Eyk Blueprint Alternatives Fund at 31/12/2012

Underlying Fund	Target	Sub-Sectors
<b>Absolute Return Strategies</b>		
van Eyk Blueprint Absolute Australian Shares Fund	10.0%	Absolute Equities
van Eyk Blueprint Absolute International Shares Fund	10.0%	Absolute Equities
van Eyk Blueprint Volatility Buffer Fund	5.0%	Absolute Return
GAM Augustus Return Bond Fund	17.0%	Fixed Income Macro
<b>Real Assets</b>		
Australian Unity Healthcare Property Trust - Wholesale	5.0%	Direct Property
van Eyk Blueprint Gold Bullion Fund	13.5%	Gold
CSL Long/Short Fund	17.0%	Commodities
<b>Cash</b>		
Macquarie	2.5%	Cash

<sup>i</sup>Quantitative Easing or QE can be defined as "a government monetary policy occasionally used to increase the money supply by buying government securities or other securities from the market. Quantitative easing increases the money supply by flooding financial institutions with capital, in an effort to promote increased lending and liquidity." Source: investopedia.com.

## Investment Objective & Strategy

The van Eyk Blueprint Alternatives Plus trust (the "Trust") is a feeder fund which invests into the unlisted van Eyk Blueprint Alternatives Fund (ARSN 112 183 249, the "Master Fund") which is issued by Macquarie Investment Management Limited. The Master Fund aims to provide an actively managed exposure to a range of specialist Underlying Managers who are highly regarded by van Eyk and who employ alternative investment strategies such as absolute return strategies, global macro, fixed income macro, direct property, commodities and gold. The Trust may use borrowings to increase the investment into the investment strategy.

The Trust, by investing in the Master Fund, aims to provide returns that are not highly correlated with traditional share and bond market returns.

## Investment Manager

van Eyk Research Pty Ltd ABN 99 010 664 632 corporate authorised representative of van Eyk Financial Group Pty Ltd ABN 28 149 679 078, AFSL 402146 (authorised representative number 408625) is responsible for investing the assets of the Trust into the Master Fund and managing the borrowings of the Trust.

van Eyk was established in 1989, and is a premier supplier of investment research to Australian and New Zealand advisers. van Eyk specialises in strategic and tactical asset allocation, investment research, direct share research and economic commentary. van Eyk is independently owned and receives no payment from fund managers for their ratings.

van Eyk also acts as Investment Manager to a series of managed funds issued by Macquarie Investment Management Limited ("Macquarie"). The van Eyk Blueprint Series consists of a number of multi-manager unit trusts, which includes the Master Fund, that provides investors with access to pre-blended portfolios in either single or multi-asset class options. van Eyk advises on the construction of the portfolios within the van Eyk Blueprint Series and the selection of Underlying Managers. van Eyk provides direction on the proportion of the allocations to each asset class, and to each Underlying Manager, in accordance with their investment research views.

## Summary of the Trust

Net Asset Value <sup>1</sup> (NAV)	\$113.8 million
Net Asset Value <sup>1</sup> per Unit	\$6.7828
NAV <sup>4</sup> Accumulation per Unit	\$11.5541

<sup>1</sup> Final ex-distribution.

<sup>2</sup> Less sell-spread.

<sup>3</sup> Rounded to four decimal figures.

<sup>4</sup> Assumes reinvestment of distributions.

## Trust Features

Listing Date	20 December 2006
Unit pricing	Weekly
Distribution frequency	Half yearly
Distribution Reinvestment Plan	Available
Applications	Investors may acquire Units on market or via a current Product Disclosure Statement.
Redemptions	On market by selling on the ASX or off-market at the Net Asset Value <sup>2</sup> each week.

## Trust Distributions<sup>3</sup> (per Unit)

Period Year Ended	Cash	Franking Credits	Total	Yield at NAV pa
30 Jun 07	\$1.1889	\$0.0023	\$1.1912	24.5%
30 Jun 08	\$0.8893	\$0.0011	\$0.8904	9.6%
30 Jun 09	\$0.2500	\$0.0000	\$0.2500	2.8%
30 Jun 10	\$0.4730	\$0.0000	\$0.4730	6.7%
30 Jun 11	\$0.6465	\$0.0000	\$0.6465	8.9%
30 Jun 12	\$0.8300	\$0.0000	\$0.8300	11.3%
31 Dec 12	\$0.1000	\$0.0000	\$0.1000	1.4%
Total	\$4.3877	\$0.0034	\$4.3911	

## 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 in excess of \$550 million in funds under management and administration, and provides asset management and responsible entity/trustee services for over 2,500 Australian and New Zealand investors.

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

- Aurora Fortitude Absolute Return Fund (APIR Code: AFM0005AU)
- Aurora Global Income Trust (ASX code: AIB)
- Aurora Property Buy-Write Income Trust (ASX code: AUP)
- Aurora Absolute Return Fund (ASX code: ABW)
- Aurora Sandringham Dividend Income Trust (ASX code: AOD)
- Aurora Dividend Income Trust (APIR code: AFM0010AU)

## Contact

Aurora Funds Management Limited  
Australian Investor enquiries: 1300 553 431

Issuer and Responsible Entity

**AURORA**  
FUNDS MANAGEMENT

Investment Manager  
**van Eyk**

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 van Eyk Blueprint Alternatives Plus (ARSN 121 722 521). It has been prepared without taking into account the objectives, financial situation or needs of any investor. You should consider a copy of the PDS (dated 22 February 2012) before making a decision to invest. Investors should seek their own advice prior to investing in the Trust. The information in this summary should not be relied upon as personal or general advice, nor is it an offer of any financial product. Past performance is not a reliable indication of future performance. The objective is not intended to be a forecast, and is only an indication of what the investment strategy aims to achieve over the medium term, assuming financial markets remain relatively stable. The investment is expressed after the deduction in fees and before taxation. The investment objective is not intended as a forecast and is only an indication of what the investment strategy aims to achieve over the medium to long term.