

# The ORAH Project

## March 2017 Monthly Fund Update



### Fund Description

The ORAH Fund is a fund of funds aiming to produce risk-adjusted returns in excess of a composite benchmark comprising 50% of the MSCI World and 50% of the ASX 300 Index.<sup>1</sup> To achieve the Fund's objectives, the investment manager seeks to identify a set of specialist Underlying Funds that possess varied investment styles and strategies. This diversification is expected to result in reduced volatility and more stable returns over time. The Fund's investments are geographically diversified with the Underlying Funds investing in assets held both domestically and abroad.

The ORAH Project was established in order to benefit charities supporting Jewish related causes, and all management and performance fees charged by the ORAH Fund are donated to charity. Importantly, the donations do not dilute the investment returns to unitholders. This is due to the philanthropy of the managers of the Underlying Funds who do not charge management or performance fees for their services.

### Fund Features

<b>Application price at month end</b>	A\$1.0171	<b>Redemption price at month end</b>	A\$1.0089
<b>Style</b>	Fund of Funds	<b>FUM at month end</b>	A\$5.37m
<b>Investors</b>	Wholesale Clients only	<b>Management fee (donated to charity)</b>	1.025% p.a. of NAV (incl. GST net of RITC).
<b>Benchmark</b>	50% of the MSCI World Net Total Return Index (AUD Unhedged) and 50% of the ASX 300 Accumulation Index	<b>Performance fee (donated to charity)</b>	10.25% (incl. GST net of RITC) of the increase in net asset value
<b>Inception date</b>	21 December 2016	<b>Minimum initial investment</b>	A\$20,000

### Performance Summary <sup>2</sup>

Monthly Fund performance (A\$, net of charitable contributions)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017	-0.87%	0.60%	1.56%										1.28%

Trailing return statistics (as at 31 March 2017)				
	Fund	Benchmark	Std Dev	Sharpe
1M	1.56%	2.57%	-	-
3M	1.28%	2.83%	-	-
6M	-	-	-	-
1Y	-	-	-	-
3Y	-	-	-	-
5Y	-	-	-	-

Fund holdings (in alphabetical order)
Altair Advantage
L1 Capital Australian Equities
L1 Capital Long Short
Pengana Absolute Return Asia Pacific
Pengana Australian Equities
Pengana Global Small Companies
Pengana International Equities
Pengana PanAgora Absolute Return Global Equities
VGI Partners
Wentworth Williamson

<sup>1</sup> Fund benchmark is 50% of the MSCI World Net Total Return Index (AUD Unhedged) and 50% of the ASX 300 Accumulation Index. The benchmark is rebalanced monthly.

<sup>2</sup> Total return performance figures are provided by the Fund's administrator and are shown after all fees and expenses, and assume reinvestment of distributions. Investments can go up and down. Past performance is not a reliable indicator of future performance.

# The ORAH Project

## March 2017 Monthly Fund Update

### Performance Summary

The Fund generated a positive return of 1.56% for the month ending 31 March 2017, underperforming the benchmark which was up 2.57%. As mentioned in previous newsletters, the underperformance during exceptionally strong markets is in line with expectations and a direct result of the conservative portfolio construction with allocations to absolute return, market neutral and benchmark unaware funds.

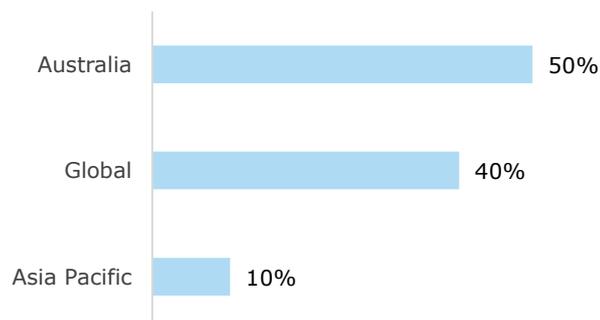
The month of March started with global equities reaching new highs and investors revising their interest rate expectations up sharply. Better than expected US non-farm payroll figures during the second week paved the way for a 25bps rise in US interest rates on March 15th. This was widely expected and US equity markets barely reacted to the increase.

Internationally, European equities were helped by positive economic data reports as well as the pro-European outcome of the Dutch election with investors assessing its implications for the upcoming French presidential election. Increased risk-appetite and a weakening US Dollar helped Asia Pacific and Emerging Markets perform strongly during the month. The domestic equity market performed strongly in March, led by Utilities, Healthcare and Consumer staples. Commodities however were weak with iron ore prices slipping 12% on the month.

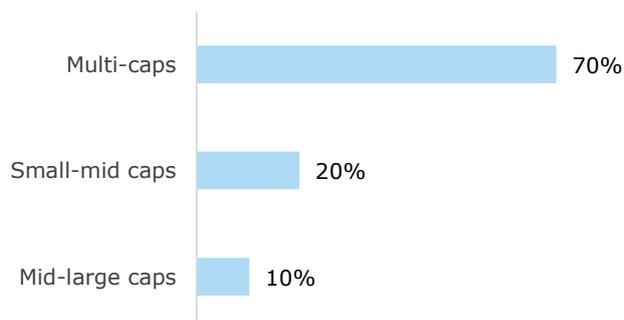
Unsurprisingly the long-only funds contributed disproportionately to the performance of the ORAH Fund in March, with notable contributions from the Altair Advantage Fund which generated a return of 3.83% and the L1 Australian Equities Fund which returned 3.27% for the month. The Altair Fund, which is managed by Philip Parker and Tim Riordan invests in undervalued stocks that possess capital growth opportunities with a focus on companies that are advantaged by economic, technology and industry developments. The L1 Australian Equities Fund is managed by Raphael Lamm and Mark Landau. It uses a bottom up process to identify companies exhibiting quality and value characteristics and combine them into a concentrated portfolio of 25–35 companies.

### Fund Allocations

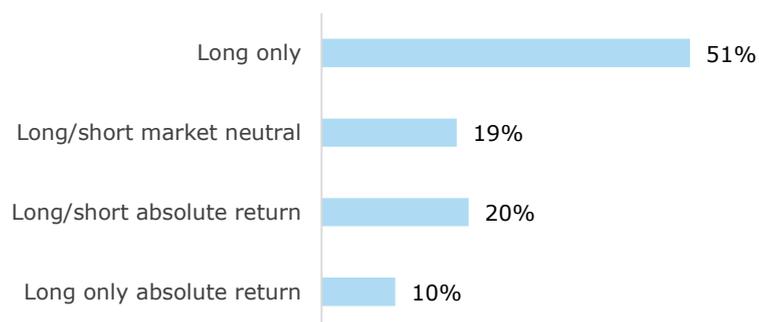
#### Regional focus



#### Market cap focus



### Strategy exposures



### Contacts

For further information, please visit our website at <http://www.theorahproject.com.au> or contact:

**Daniel Fine**, +61 2 8524 9936, [daniel.fine@pengana.com](mailto:daniel.fine@pengana.com)

**Carole Pillemer**, +61 418 227 716, [carole@pillemer.com.au](mailto:carole@pillemer.com.au)