

The ORAH Project

June 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.¹ 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

Application price at month end (cum-distribution)	A\$1.0463	Redemption price at month end (cum-distribution)	A\$1.0380
Style	Fund of Funds	FUM at month end	A\$8.52m
Investors	Wholesale Clients only	Management fee (donated to charity)	1.025% p.a. of NAV (incl. GST net of RITC).
Benchmark	50% of the MSCI World Net Total Return Index (AUD Unhedged) and 50% of the ASX 300 Accumulation Index	Performance fee (donated to charity)	10.25% (incl. GST net of RITC) of the increase in net asset value
Inception date	21 December 2016	Minimum initial investment	A\$20,000

Performance Summary ²

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%	1.59	0.98%	0.28							4.19%

Trailing return statistics (as at 30 June 2017)				
	Fund	Benchmark	Std Dev	Sharpe
1M	0.28%	-1.18%	-	-
3M	2.87%	0.97%	-	-
6M	4.19%	3.82%	-	-
1Y	-	-	-	-
3Y	-	-	-	-
5Y	-	-	-	-

Fund holdings (in alphabetical order)
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

¹ 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.

² 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.

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Performance Summary

The Fund generated a positive return of 0.28% for the month ending 30 June 2017, outperforming the benchmark which was down -1.18%. On a year-to-date basis, the fund is up 4.19%, exceeding the benchmark which is up 3.82% over the same period. The month of June started on a positive note with the S&P 500 and the FTSE All World Index reaching new all-time highs. The uptrend proved short-lived as increased uncertainty concerning global monetary policy forced investors to adopt a more cautionary stance. On June 14th, the U.S. Federal Reserve increased interest rates (as expected), however they also projected additional rate hikes in 2017 and 2018. Several other central banks also adopted a more hawkish stance in June. This caused global bond prices to decline, and a rally in Financials which ended the month significantly higher. In contrast, the interest-rate-sensitive stocks all declined, led by the Telecoms and Utilities sectors which dropped by more than 2%.

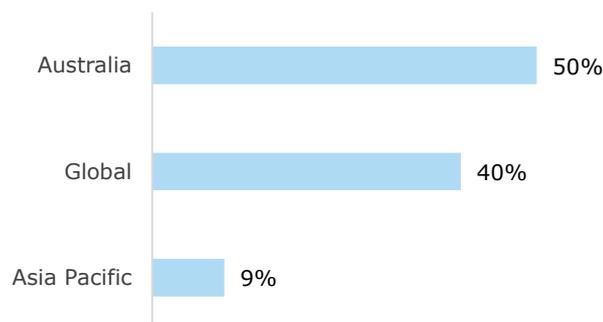
Once again there was significant variation in the performance of the underlying managers. This illustrates the value of the Fund's portfolio construction with allocations to absolute return, market neutral and benchmark unaware funds. Wentworth Williamson led the pack, generating a return of 4% for the month. This Fund is managed by James Williamson with Geoffrey Levy AO chairing the Investment Committee. It implements a value based strategy seeking opportunities in Australia and New Zealand across all market sectors and through the market cap spectrum. The Fund is benchmark unaware and will typically hold 20 – 25 investments. A notable contribution was also made by the Pengana Australian Equities Fund which returned 2.7% for the month. This fund seeks to identify good quality companies that are reasonably priced by focussing on their operating leverage, balance sheet and return to shareholders in order to identify stocks that can generate at acquisition, an after tax cash earnings yield of 6-8% p.a. with strong growth for the medium term. It is managed by Rhett Kessler and Anton du Preez.

We are delighted announce that the ORAH Project made its first charitable donations at the end of June, donating to the UIA (\$12,000), the JNF (\$8,000), ZDVO (\$4,000) and the JCA (\$37,643). We are very grateful to the managers whose philanthropy makes these donations possible, and to the investors who committed early to this worthy cause. In time, as the value of the Fund grows these donations will increase – both in value and frequency.

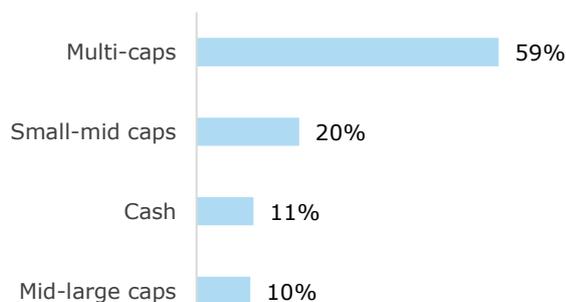
Details of the year-end distribution will be provided in the July newsletter. At the time of writing, distributions are not finalised for all of the underlying funds.

Fund Allocations

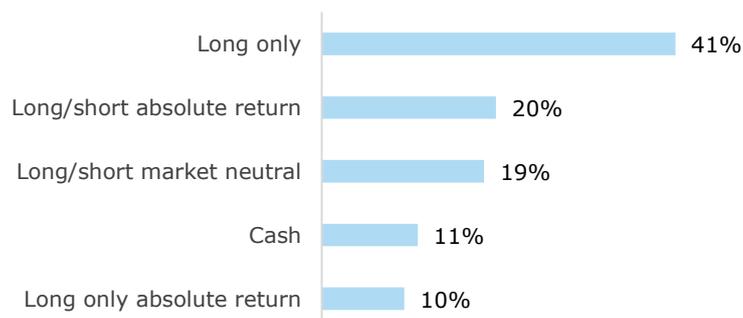
Regional focus



Market cap focus



Strategy exposures



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Underlying Fund Managers and Service Providers



Contacts

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