

# The ORAH Project

## January 2018 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\$1.1059	<b>Redemption price at month end</b>	A\$1.0971
<b>Style</b>	Fund of Funds	<b>FUM at month end</b>	A\$12.9m
<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
2018	0.47%												<b>0.47%</b>
2017	<b>-0.87%</b>	0.60%	1.56%	1.59%	0.98%	0.28%	0.15%	0.37%	1.46%	2.53%	1.36%	0.78%	<b>11.30%</b>

Trailing return statistics (as at 31 January 2018)				
	Fund	Benchmark	Std Dev	Sharpe
1M	0.47%	0.65%	-	-
3M	2.64%	3.23%	-	-
6M	7.17%	10.17%	-	-
1Y	12.80%	15.24%	2.45%	4.62
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
Yarra Australian Equities Pooled Fund

<sup>1</sup> Fund benchmark is 50% MSCI World Net Total Return Index (AUD Unhedged) and 50% 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.

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### Performance Summary

The ORAH Fund delivered another positive monthly return, generating +0.47% for January 2018 compared to the benchmark which was up +0.65%. The Fund is up +10.87% p.a. since inception compared to the benchmark which has returned +12.37% p.a. over the same period.

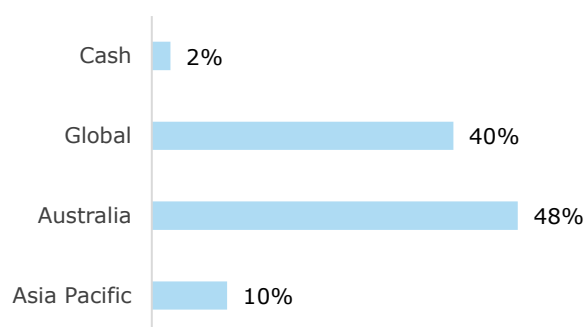
Widespread positive macroeconomic data continued to drive global equities higher in January led by Emerging Asia and the US. The UK bucked the trend as large caps and companies with large offshore businesses performed poorly as sterling strengthened. The most notable move of the month was the US Dollar which extended its decline. Growing confidence amongst central banks that the strong recovery will bring inflation back towards targets caused most Government bond prices to weaken.

Australian equities ended lower in January as the interest rate sensitive sectors came under pressure due to rising bond yields, even as the consumer price inflation remained below the Reserve Banks 2 – 3% inflation target. Both business confidence and consumer sentiment surveys came out positive and well above long term averages.

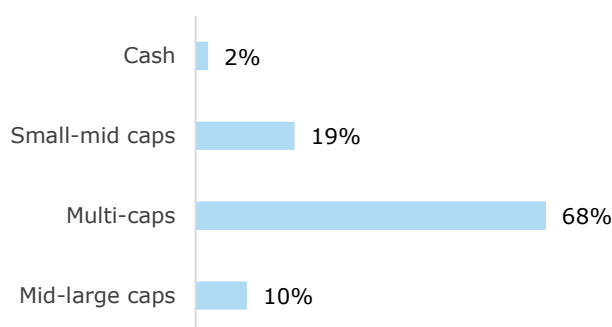
As expected the Underlying Funds which invest internationally outperformed those invested in Australia. Despite the market headwind the Pengana Australian Equities Fund, which is managed by Rhett Kessler, was up 1.5% for the month. Amongst the international funds the strongest outperformance was generated by the Pengana International Equities Fund which benefited from favourable stock selection and hedging the portfolio's USD position. All of the Market Neutral and Absolute return style funds performed positively through the month.

### Fund Allocations

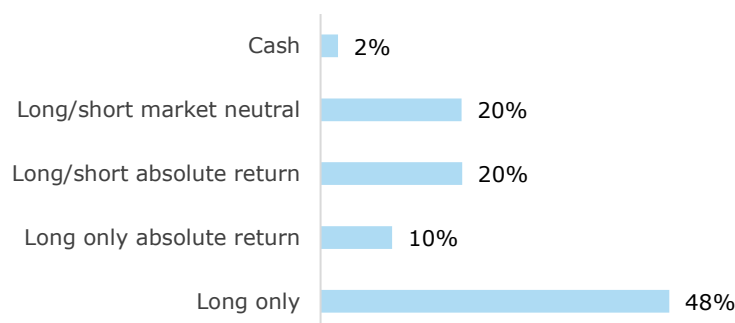
#### Regional focus



#### Market cap focus



#### Strategy exposures



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### Underlying Fund Managers and Service Providers



### Contacts

For further information, please visit our website at [theorahproject.com.au](http://theorahproject.com.au) or contact:

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Pengana Capital Ltd (ABN 30 103 800 568, Australian financial services license number 226566) is the issuer of units in the ORAH Fund (the "Fund"). An Information Memorandum for the Fund is available and can be obtained from the contacts listed in the Contact Details section in this newsletter. A person should obtain a copy of the information memorandum and should consider the information memorandum carefully before deciding whether to acquire, or to continue to hold, or making any other decision in respect of, the units in the Fund. This report was prepared by Pengana Capital Ltd and does not contain any investment recommendation or investment advice. This report has been prepared without taking account of any person's objectives, financial situation or needs. Therefore, before acting on any information contained within this report a person should consider the appropriateness of the information, having regard to their objectives, financial situation and needs. Neither Pengana Capital Ltd nor its related entities, directors or officers, nor any of the managers of the underlying funds guarantees the performance of, or the repayment of capital or income invested in, the Fund.