

The ORAH Project

October 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	A\$1.0775	Redemption price at month end	A\$1.0689
Style	Fund of Funds	FUM at month end	A\$11.4m
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%	0.15%	0.37%	1.46%	2.53%			8.95%

Trailing return statistics (as at 31 October 2017)				
	Fund	Benchmark	Std Dev	Sharpe
1M	2.53%	4.14%	-	-
3M	4.42%	6.72%	-	-
6M	5.89%	4.54%	-	-
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
Yarra Australian Equities Pooled Fund

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 +2.53% for the month ending 31 October 2017, underperforming the benchmark which was up +4.14%. As has been mentioned in previous communications, it is expected that the Fund will underperform the benchmark when markets are exceptionally strong. This is because the portfolio has been constructed to include Equity Market Neutral and Absolute Return investments in order to diversify the Fund and generate a smoother return over time. On a year-to-date basis, the fund is up +8.95%, compared to the benchmark which has returned +9.92% over the same period.

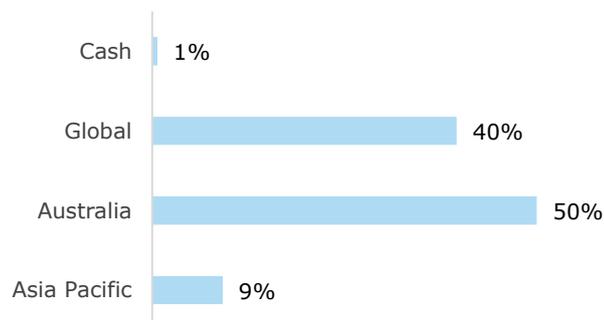
Offshore markets were exceptionally strong across the board as the global economy continued to gain momentum. This was supported by strong economic data which showed unemployment in the US falling to a level last seen in February 2001 and consumer sentiment charging higher. In Europe, unemployment declined to an eight-year low of 8.9% which was unsurprising as manufacturing activity continued to increase. Equities in Spain bucked the trend and were slightly lower following the Catalan independence referendum, however notwithstanding the volatility, Spanish Government bonds still ended up 0.9% on the month.

In Australia CPI came in below expectations for the July – September period, retail sales unexpectedly fell and building approvals reported for August grew at a slower pace than expected. The news was however not all negative as the trade surplus expanded in August, unemployment dropped to 5.5% (which is the lowest level in four years), and business confidence remained high. In recent months Australian equities have lagged international markets but, notwithstanding the mixed economic data, this was not the case in October. Gains in local equities were broad-based as all sectors ended in positive territory.

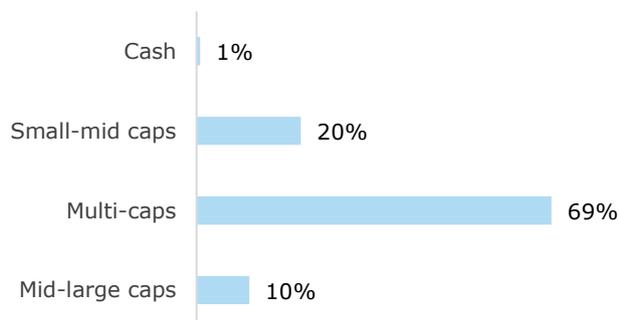
Notable contributions to the performance for the month came from Yarra Australian Equities and VGI partners, both of which significantly outperformed the buoyant equity markets in October.

Fund Allocations

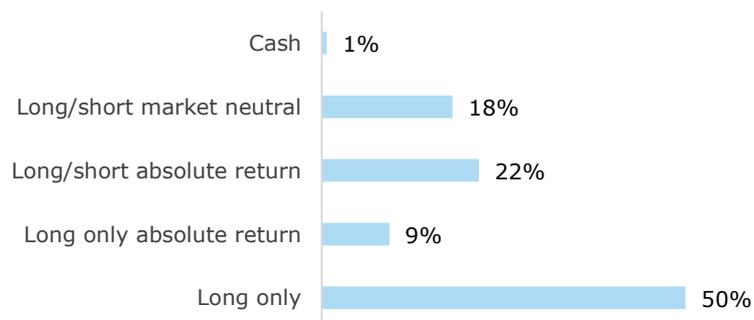
Regional focus



Market cap focus



Strategy exposures



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Underlying Fund Managers and Service Providers



Contacts

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