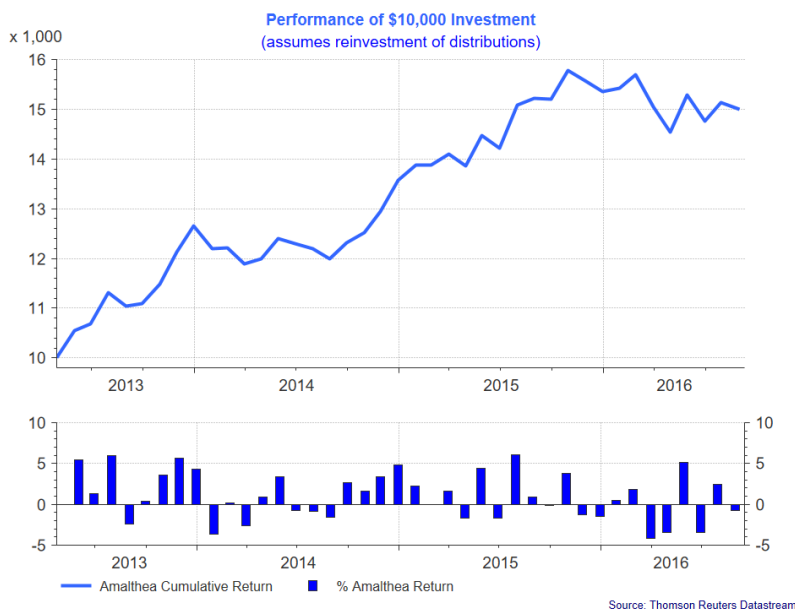


The Bronte Amalthea Fund is a global long/short fund targeting double digit returns over the long term, managed by a performance orientated firm with a process and portfolio that is genuinely different. Objectives include lowering the risk of permanent loss of capital and providing global diversification without the market/drawdown risks typical of long-only funds. A highly diversified short book substantially reduces risk and enables profits to be made in tough markets. The fund is an alternative to equity investing, and complement to most portfolios, and is typically an excellent diversifier which may lower overall portfolio risk.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYTD
FY13											5.4%	1.3%	6.8%
FY14	6.0%	-2.5%	0.4%	3.6%	5.7%	4.3%	-3.7%	0.2%	-2.6%	0.9%	3.4%	-0.8%	15.2%
FY15	-0.9%	-1.6%	2.7%	1.7%	3.4%	4.9%	2.3%	-0.1%	1.7%	-1.7%	4.4%	-1.7%	15.6%
FY16	6.1%	0.9%	-0.2%	3.8%	-1.3%	-1.4%	0.5%	1.8%	-4.1%	-3.4%	5.1%	-3.4%	3.8%
FY17	2.5%	-0.8%											1.7%



This month (unlike last) the fund could not keep up with resurgent global markets. With the VIX (crudely – the market’s fear gauge) complacently sitting at post Brexit lows across August and investor optimism remaining high the shorts proved a drag on performance. The investment adviser prefers however to retain a significant short book with the potential to reduce the cost of future market declines.

Whilst our long book rarely changes – being based on quality deep value stocks, we are continuously curating our numerous short positions. The opportunity here is to rebalance and high grade the shorts – adding diversity and avoiding the “hot shorts” commonly found on Seeking Alpha and even on Twitter. This is bread and butter portfolio management that over time reduces risk and delivers value.

Fund Features		Portfolio Analytics	
Min. initial investment	\$100,000 (for qualifying investors)	Sharpe Ratio ¹	1.0
Min additional investment	\$50,000	Sortino Ratio	1.9
Applications/redemptions	Monthly	Annualised Standard Deviation	10.2%
Distribution	Annual	Largest Monthly Loss	-4.1%
Management fee	1.5%	Largest Drawdown	-7.8%
Performance allocation	20%	% Of Positive Months	60%
Administrator	Citco Fund services	Cumulative return ²	50.1%
Auditor	Ernst & Young	1 year annualised return	-1.4%
Custodian/PB	Interactive Brokers LLC	3 year annualised return	10.8%
		Annual return since inception	13.0%

¹ Sharpe and Sortino ratios assume Australian risk free rate of 2.5%
² Returns are net of all fees

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