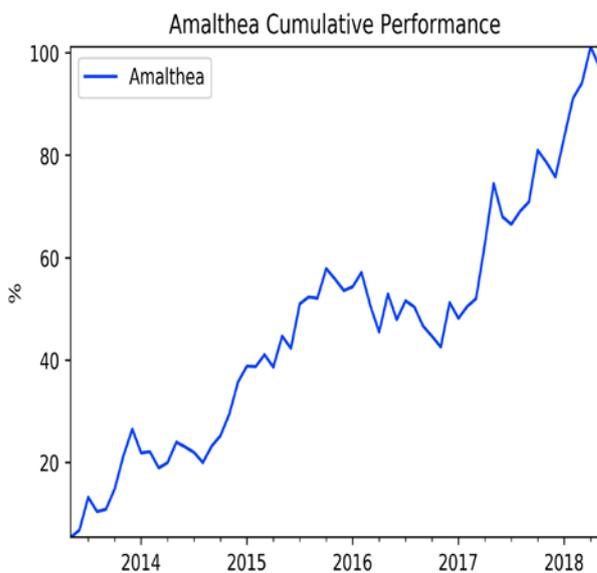


The Bronte Amalthea Fund is a global long/short fund targeting double digit returns over the long term, managed by a performance orientated firm with a process and portfolio that is genuinely different. Objectives include lowering the risk of permanent loss of capital and providing global diversification 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%	-2.5%	-1.3%	-1.5%	6.1%	-2.0%	1.6%	1.0%	7.0%	7.2%	-3.7%	13.6%
FY18	-0.9%	1.5%	1.1%	5.9%	-1.3%	-1.6%	4.4%	4.1%	1.5%	3.7%	-2.0%		17.4%



After a good run the fund dropped by 1.96% in May. Global markets were flat (ACWI -0.13% in AUD), but USA markets were buoyant. With longs weighted towards Europe but many of our shorts in USA (where the hot and frothy Russell 2000 Index surged by 5.95%) we were poorly positioned for new Euro break up fears after the Italian election. A 10% decline in Herbalife at the end of the month caused by billionaire Carl Icahn participating in the recent buy-back auction (and reaping large profits) didn't help either.

Importantly, after successful performance and capital raising, all Bronte funds will now be "hard closed" to new and additional subscriptions. Our strategy is a nuanced one and we have always worried that too much money chasing it could damage returns. With Bronte AUM now approaching AUD \$750m it is time to focus entirely on maximizing returns on the current capital base.

Fund Features		Portfolio Analytics ¹	
Min. initial investment	Presently closed to new investment	Sharpe Ratio ²	1.1
Min additional investment	Presently closed to additions	Sortino Ratio	2.3
Applications/redemptions	Monthly	Annualised Standard Deviation	10.7%
Distribution	Annual	Largest Monthly Loss	-4.1%
Management fee	1.5%	Largest Drawdown	-9.7%
Performance allocation	20%	Winning Month Ratio	0.6
Administrator	Citco Fund services	Cumulative return ³	97.3%
Auditor	Ernst & Young	1 year annualised return	13.0%
Custodian/PB	Fidelity Prime Services, Morgan Stanley	3 year annualised return	10.9%
		Annual return since inception	14.3%

¹ Performance and analytics are provided only for Amalthea ordinary class units. Actual performance will differ for clients due to timing of their investment and the class of their units in the Amalthea fund

² Sharpe and Sortino ratios assume the Australian cash rate as the applicable risk free rate

³ Returns are net of all fees

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