



# Ironbark LHP Diversified Investments Fund

## Monthly Investment Report as at 30 June 2018

### Asset Class

Alternatives

### Investment Strategy

Multi-Manager  
Multi-Strategy

### Investment Objective

Absolute return of the RBA Cash Target Rate +5% p.a. over 3 to 5 year rolling periods, after fees and expenses.

### APIR Code

HFL0104AU

### ARSN

093 497 468

### Fund Inception Date

31 March 2001

### Benchmark

Benchmark Unaware

### Distribution Frequency

Annually

### Minimum Investment

\$5,000

### Number of Underlying Managers

48

### Fund Size

\$242.2m

### Exit Price

\$1.7610

### Performance Review

The Ironbark LHP Diversified Investments Fund (the 'Fund') returned -0.57% (net) during June.

In June, relative value was the key contributor followed by credit, while fixed income finished the month flat. Quantitative, US equity and international equity strategies all detracted, respectively.

Relative value strategies, led by merger arbitrage, generated strong returns over the month. The favourable ruling and subsequent completion of a large media deal during the month helped spreads on a number of other deals. Spreads are generally wide on new and existing merger deals as political risks remain heightened with the fear of a trade war between the US and China. Bidding wars around certain names contributed to the strong performance in merger arbitrage as well. Convertible arbitrage produced mixed returns as a number of bonds exhibited heightened volatility. Volatility arbitrage detracted as currency pair trading underperformed. The inter-index arbitrage strategy also produced negative attribution.

Quantitative managers struggled in June. Both quantitative equity and commodity trading advisor ('CTA') strategies were down, although quantitative equity strategies more substantially so than CTAs. Managers continue to find it difficult to generate profits due to the lack of sustained intra-day or multi-day price momentum. Shifting uncertainty on a macroeconomic level from a number of political and regulatory events has been a key headwind to the strategies. Within quantitative equity, strategy results were mixed on a manager level however were negative overall. Exposures across most regions and sectors detracted as a number of different programs failed to generate positive returns. Value, beta, and momentum-focused factors negatively affected performance. Mean reversion strategies also continue to struggle. CTA exposure in commodities generated negative returns, with losses resulting from both long and short positions. Energy exposures were some of the most meaningful detractors.

### Performance

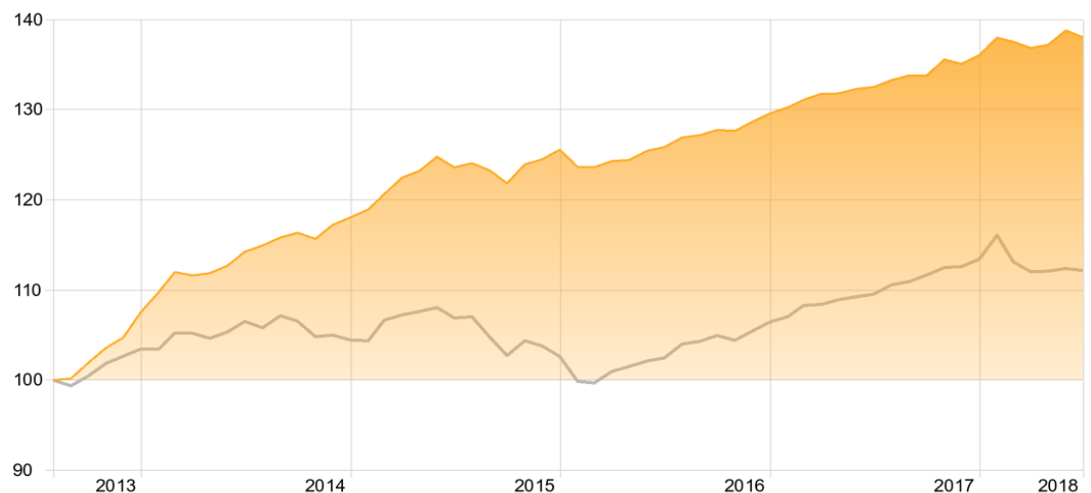
	Net Fund Return (%)
1 month	-0.57
3 months	0.85
1 year	4.15
3 years (p.a.)	3.74
5 years (p.a.)	6.91
7 years (p.a.)	6.72
10 years (p.a.)	3.95
Since inception <sup>1</sup> (p.a.)	5.49

Past performance is not an indicator of future performance. Net performance figures are calculated using exit prices, net of fees and reflect the annual reinvestment of distribution.

<sup>1</sup>This figure represents the annualised performance of the Fund from the first full month of operation.

### Investment growth of \$100 over 5 years

Time period: 01/07/2013 to 30/06/2018



Ironbark LHP Diversified Investments HFRX Global Hedge Fund Index 100% Hedged to AUD

Source: Morningstar Direct, MSCI. Data in AUD.

### Contact Details

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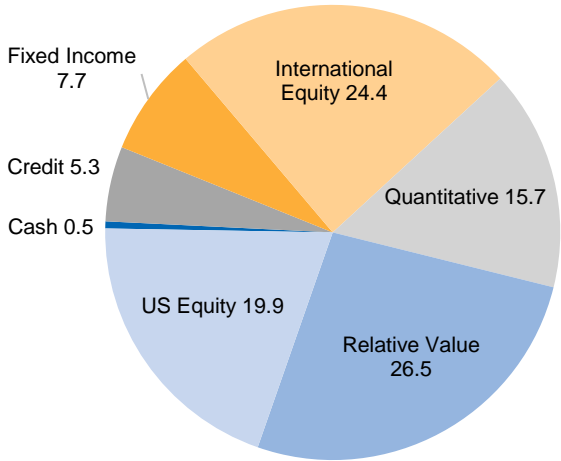


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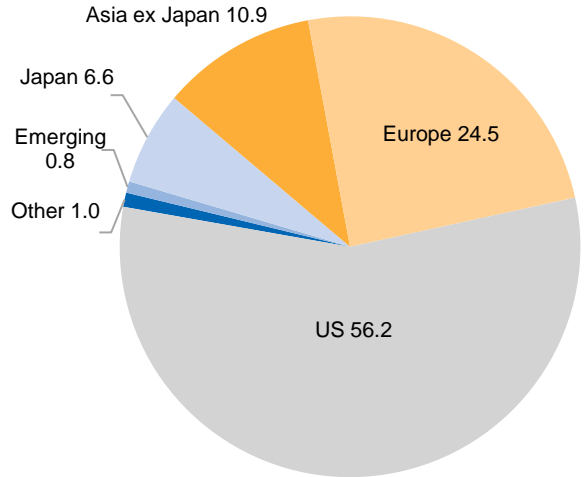
Monthly Investment Report as at 30 June 2018

## Asset Allocation

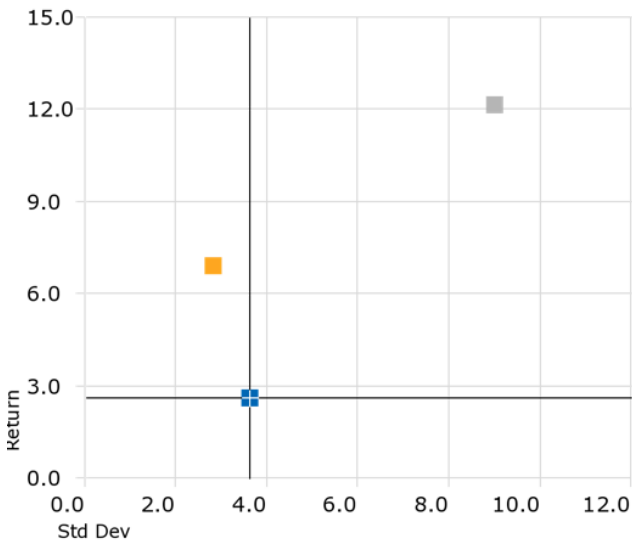
Strategy Allocation (%)



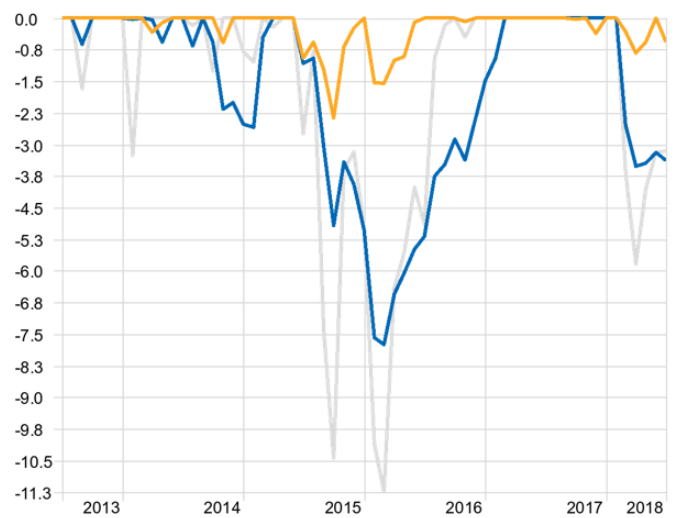
Geographic Allocation (%)



## Risk vs Return over 5 years



## Drawdowns over 5 years



● Ironbark LHP Diversified Investments 
 ● HFRX Global Hedge Fund Index 100% Hedged to AUD 
 ● MSCI ACWI Hdg NR AUD

Source: Morningstar Direct, MSCI. Data in AUD.

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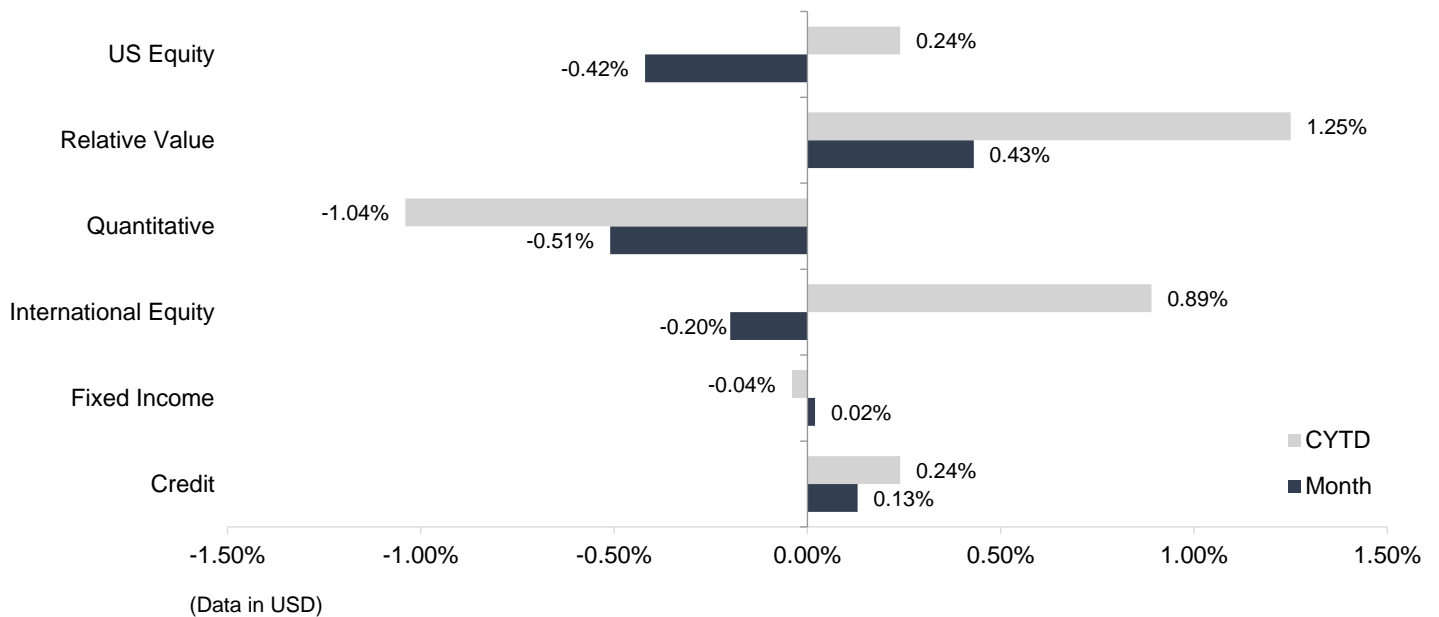




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## Contribution by Strategy (%)



## Important Information

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