



Ironbark LHP Diversified Investments Fund

Monthly Investment Report as at 30 April 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

49

Fund Size

\$232.4m

Exit Price

\$1.7507

Performance Review

The Ironbark LHP Diversified Investments Fund (the 'Fund') returned 0.26% (net) during April.

In April, US equity was the key contributor, followed by relative value, credit and fixed income, respectively. Meanwhile International equity and quantitative strategies detracted over the month.

US equity performance was strong, with alpha generation across a number of sectors making up for only a modest gain by the S&P 500. Similar to the first quarter, single-stock volatility increased following earnings announcements and resulted in increased alpha generation. Earnings season provided attractive alpha opportunities as the Fund's managers generated a strong earnings hit-rate during the month. Most of the alpha generation was on the long side of the portfolio, with modest negative alpha on the short side. The sectors that had the greatest contribution to performance during the month were technology, financials, consumer staples, and health care. Technology did well despite the iShares S&P Global Technology Sector Index Fund being down on the month. IT services and semiconductor exposures were the largest sub-sector contributors. Within financials, positive performance was led by a reinsurer that performed poorly in the prior month however rallied throughout April as optimism around the reinsurance sub-segment increased ahead of earnings results. For industrials exposure, an acquisition of a long energy position by a larger competitor at a material premium significantly aided performance.

International equity was down modestly in April. Underperformance resulted primarily from stock-specific news in Asia however European exposure performed well. Health care was the biggest sector winner, with performance resulting from merger activity. Managers were able to benefit on both the long and short positioning around corporate activity. Energy positioning was also a large winner, followed by financials. On a country level, Germany, France and Norway produced a significant part of the month's positive performance. The net positive exposure tilt by managers in Europe aided the month's performance as markets were generally positive. Losses resulted from exposure to Asia. There was significant dispersion across Greater Chinese markets with the Hang Seng and HSCEI up above 2% and the Shanghai Composite and Taiwan Taix down greater than 2%. There remains a significant amount of caution in the region as trade talks have stalled. Nevertheless, managers have positioned themselves more defensively and look to profit from the heightened dispersion. At a sector level in Asia, health care, materials, and information technology were the largest detractors. On a country level, Japanese exposure was the worst performing.

Performance

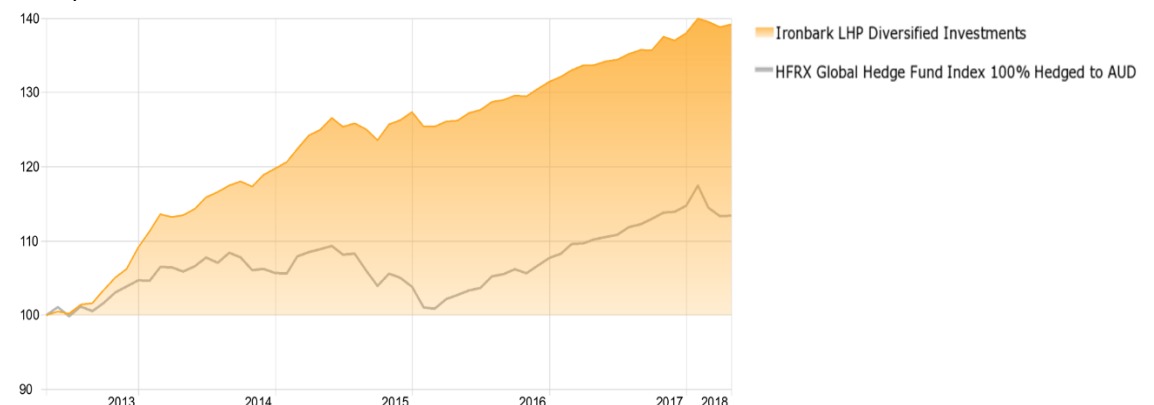
	Net Fund Return (%)
1 month	0.26
3 months	-0.57
1 year	4.10
3 years (p.a.)	3.65
5 years (p.a.)	6.84
7 years (p.a.)	6.58
10 years (p.a.)	4.18
Since inception ¹ (p.a.)	5.51

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.

¹This figure represents the annualised performance of the Fund from the first full month of operation.

Investment growth of \$100 over 5 years

Time period: 01/05/2013 to 30/04/2018



Source: Morningstar Direct, MSCI. Data in AUD.

Contact Details

T: 1800 034 402 | E: client.services@ironbarkam.com | W: www.ironbarkam.com



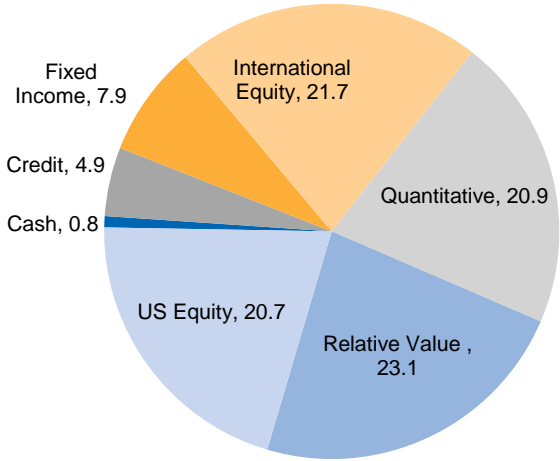


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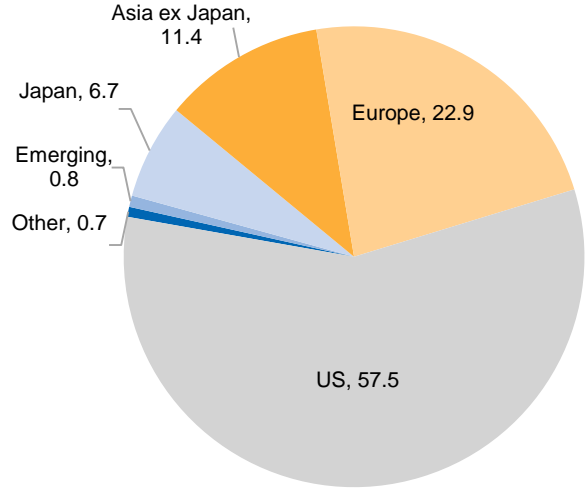
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Asset Allocation

Strategy Allocation (%)

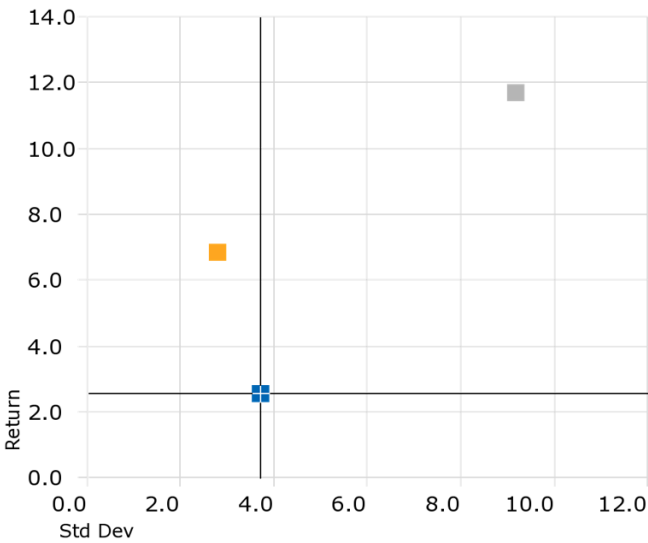


Geographic Allocation (%)



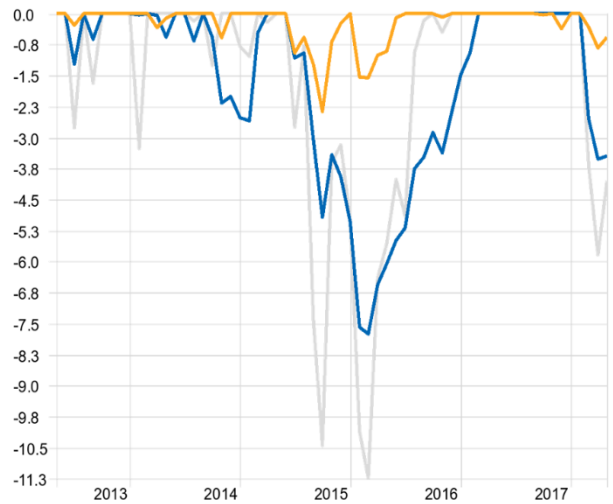
Risk vs Return over 5 years

Time period: 01/05/2013 to 30/04/2018



Drawdowns over 5 years

Time period: 01/05/2013 to 30/04/2018



● 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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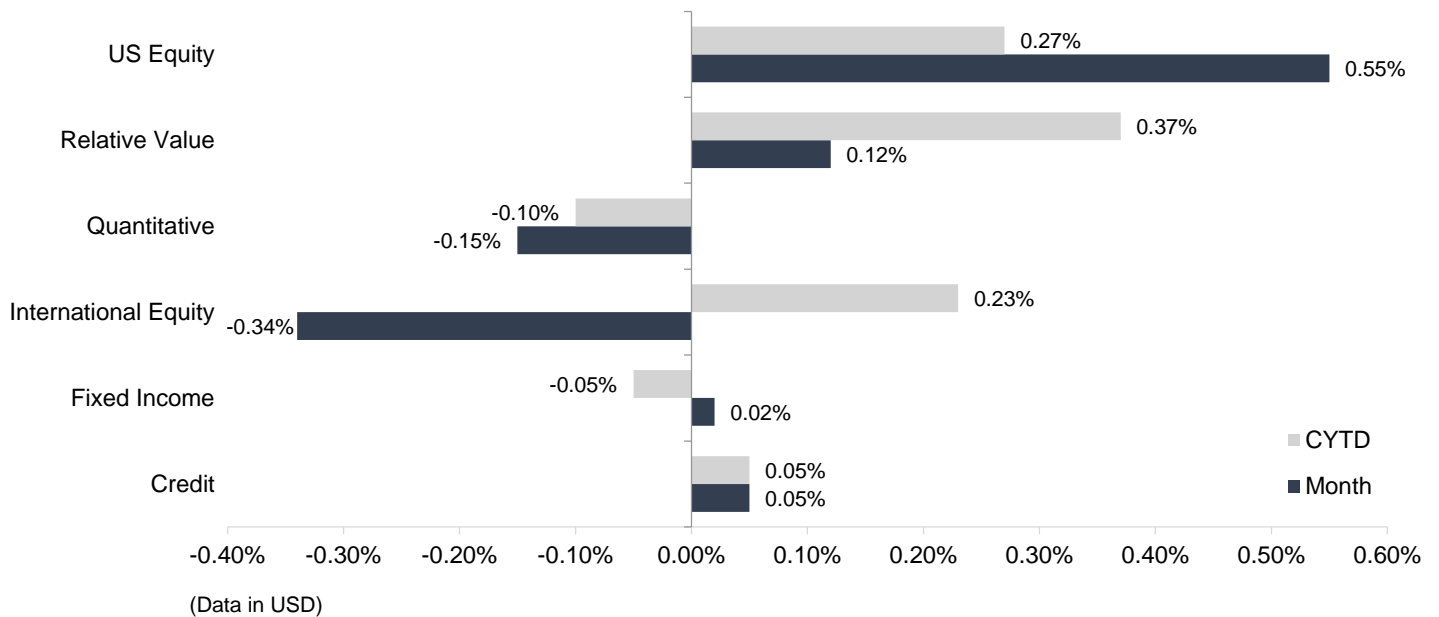




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Contribution by Strategy (%)



Important Information

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