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## June Absolute Return and Hedge Fund Review

### Volatility Returns

Volatility returned to a variety of markets in May with a vengeance, with the ASX200 falling -7.86% and the S&P500 dropping -8.20% (more in A\$ terms). Overall the AFM Hedge Fund Index fell by -2.11% with 28% of funds reporting a positive return, with 87% of the underlying managers outperforming the ASX200.

Hedge funds provided at least some protection from the markets, which suffered one of their largest falls since January 2003. The chart on page 2 provides a clear example of how hedge funds consistently outperform the ASX on the downside in volatile markets, and the table of Key Performance Indicators and the Cumulative Performance chart further demonstrate their defensive nature.

It is too early to tell how June's performance will play out but initial indications are that another disappointing month may be in store.

Since January 2003	AFM Index	ASX200
Annualised Return	10.23	5.36
Latest 3 Months	0.70	-4.49
Latest 6 Months	0.72	-5.78
Latest 12 Months	11.35	16.01
Latest 24 Months	0.22	-21.67
Latest 36 Months	2.02	-29.84
% Positive Months	71.91	65.17
Best Month	3.44	7.31
Worst Month	-5.17	-12.66
Largest Drawdown	-18.04	-50.48
Average +ve Return	1.70	2.92
Average -ve Return	-1.41	-3.96
Annualised Standard Deviation	6.08	13.89
Downside Deviation	4.39	11.21
Sharpe Ratio	0.78	0.08
Sortino Ratio	2.74	1.07

### Industry News

#### Volcker Rule Likely to Assist Hedge Funds

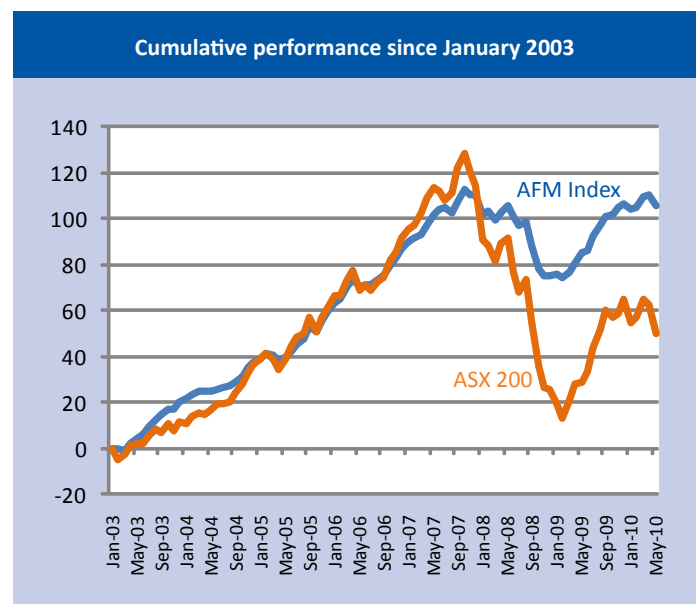
The so called "Volcker Rule" incorporated into the US Dodd-Frank Act, designed to curb or stop banks' proprietary trading operations, is seen by many offshore hedge funds as a step in the right direction as it will force banks to scale

### Quick links...

- ▶ Model Portfolio performance
- ▶ Strategy performance
- ▶ Top performing single funds
- ▶ Top performing Fund of Funds

AFM Hedge Fund Index	Last 12 months	May 2010
AFM Hedge Fund Index	11.36%	-2.11%
AFM Equity Based Fund Index	15.10%	-3.28%
AFM Non Equity Based Fund Index	6.63%	-0.64%
AFM Fund of Fund Index	6.97%	-0.48%
AFM Single Fund Index	12.75%	-2.54%

Index/Sector	Last 12 months	May 2010
ASX200	16.01%	-7.86%
S&P500	18.52%	-8.20%
MSCI World ex Australia	16.79%	-7.47%
% of AFM Index outperforming ASX	42%	87%
% of AFM index with Positive Returns	88%	28%





back their trading operations, reduce leverage and, as such, create less crowded trades for hedge funds.

The Bill runs to over 2,000 pages, so if you don't have the time, patience or inclination to read it, check out Reuters' summary of the US Financial Regulation Reform Bill, [here](#).

And for the Bill's Winners and Losers (also courtesy of Reuters) click [here](#).

**Fortitude merges with Aurora and Sandringham to form \$600m funds management group**

Fortitude Capital which was voted Australian hedge fund manager of the year in 2008 and 2009, is set to become part of the listed Aurora Funds Ltd following a successful capital raising which will see the combined group list on the ASX on Tuesday, July 13.

John Corr, Fortitude's CEO will become the Chief Investment Officer of the new group, whilst Sandringham's founder and major shareholder Stuart Roe will become Aurora's new Chairman and Managing Director. On listing on the ASX Aurora will have a market capitalisation of \$19 million and is expected to provide Fortitude with the necessary structure and critical mass to significantly increase FUM, and utilise Aurora's existing strong distribution network to reach both wholesale and retail investors.

**Everest accepts unconditional offer from One Investment Group**

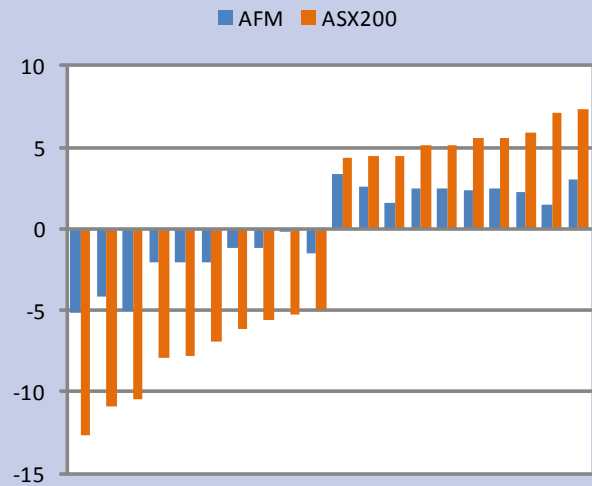
Everest Financial Group, which advised last week that it was winding down its hedge fund of fund business and planned to return capital to shareholders, has announced that it has accepted an unconditional offer from One Investment Group to assume responsibility for the majority of Everest's funds under management.

One Investment Group is a Sydney based independent Australian fund management business covering asset classes including real estate, aviation, shipping, private equity, infrastructure and hedge funds which was founded by Frank Tearle and Justin Epstein.

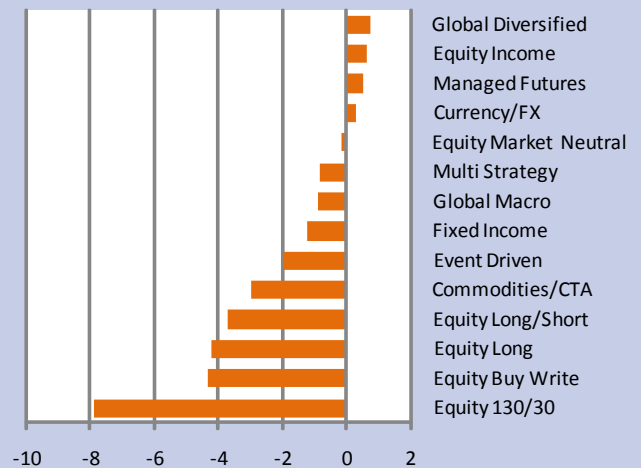
**Strategy Performance**

Equity funds in AFM's Hedge Fund Index were, not surprisingly, worst hit, falling almost -3.28% for the month to take their 12 month performance to +15.10%, less than 1% short of the ASX 12 month performance of +16.01%. Non equity funds, supported by Global Diversified, Managed Futures and Currency/FX managers fared better, falling by an average of just -0.64% for the month.

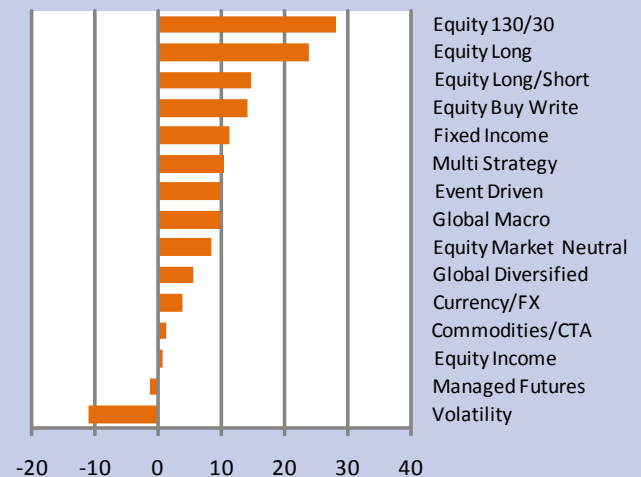
Worst and Best months for the ASX200 since January 2003 (%)



Average Return by Strategy May 2010 (%)



Average Return by Strategy for Last 12 Months (%)





## AFM Model Equity Portfolio (E5)

May **-0.51%**, Annualised (since October 2006) **+14.83%**

AFM'S model multi-manager equity portfolio (E5) consists of five Australian domiciled equity managers. The portfolio made a small loss of 0.51% in May against the -7.86% fall by the ASX 200. Performance of the individual managers ranged from -4.38% through to +3.24% with three of the five managers producing negative returns.

The underlying managers reported that the continuation of the sell-off late in April gathered momentum as concerns over the resources Super Profits tax added to debt issues in Europe, a hesitant recovery in the US and concerns over China's continuing growth.

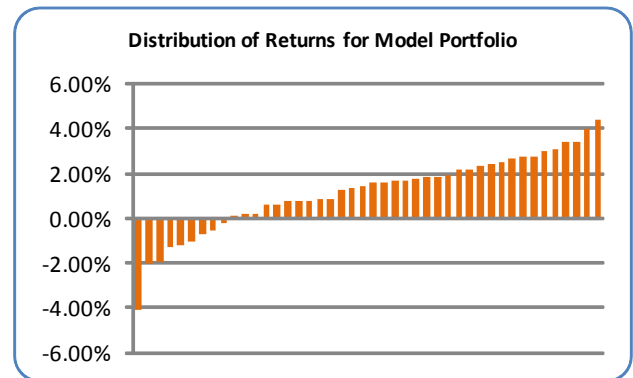
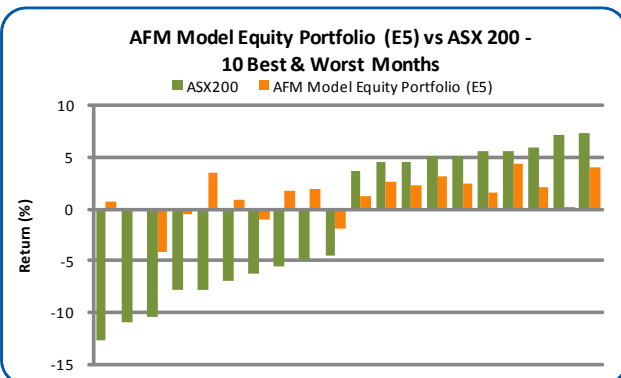
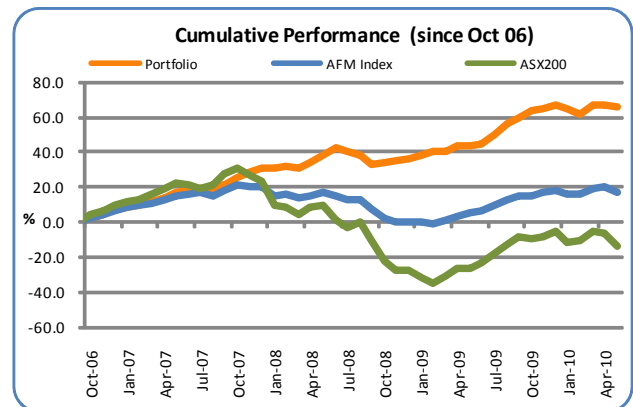
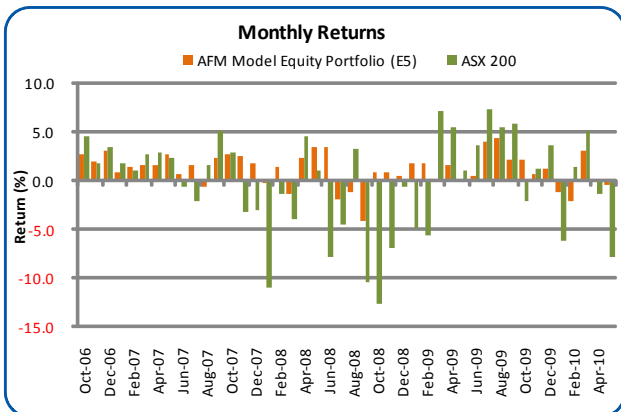
The annualised return of the portfolio remains a very pleasing 14.83% since October 2006 with an Annualised Standard Deviation of 5.95%.

For more on AFM's Model Portfolios please [contact us](#).

Key Performance Statistics	AFM Portfolio (E5)	ASX 200
Latest Result	-0.51	-7.86
Annualised Return (since Oct 06)	14.83	-5.18
Last 3 Months	2.68	-4.49
Last 6 Months	0.74	-5.78
Last 12 Months	15.70	27.15
Last 24 Months	20.14	16.01
Last 36 Months	41.96	-21.67
% Positive Months	79.55	56.82
Best Month	4.39	7.31
Worst Month	-4.12	-12.66
Largest Drawdown	-7.13	-50.48
Average Positive Return	1.85	3.46
Average Negative Return	-1.45	-5.04
Annualised Standard Deviation	5.95	17.34
Downside Deviation	3.52	14.88
Sharpe Ratio (since Oct 06)	1.48	-0.45
Sortino Ratio	3.43	0.80

### Performance - Net of Fees (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2010	-1.08	-2.04	3.11	0.09	-0.51								-0.51
2009	1.87	1.80	0.17	1.58	0.19	0.58	3.97	4.39	2.16	2.20	0.75	1.26	22.93
2008	-0.20	1.46	-1.27	2.32	3.39	3.44	-1.98	-1.18	-4.12	0.78	0.87	0.58	3.88
2007	0.85	1.36	1.63	1.65	2.77	0.73	1.66	-0.70	2.43	2.75	2.49	1.86	21.25
2006										2.70	1.90	3.00	7.79





## AFM Model Alternative Portfolio (A5)

May -3.37%, Annualised (since October 2006) +14.03%

AFM's A5 portfolio of five alternative asset managers consists of a range of alternative asset strategy funds selected using a quantitative selection method based on 18 equally weighted key performance and risk indicators.

The A5 portfolio returned a loss of -3.37% in May as volatility in debt spread to equity, then on to currency and commodity markets. As a result the markets' falls became correlated leading to losses from four out of the five managers ranging from -0.40% to -7.85%. In spite of the poor monthly return, the portfolio's worst since inception in October 2006, the annualised performance remains over 14% with a Standard Deviation of 6.15%.

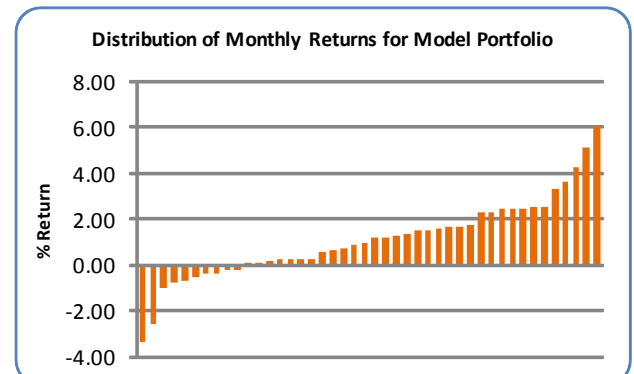
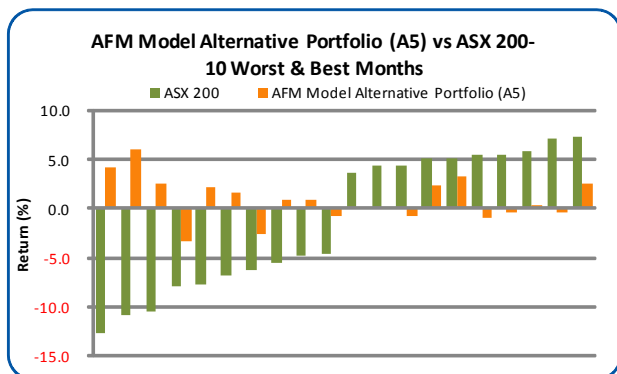
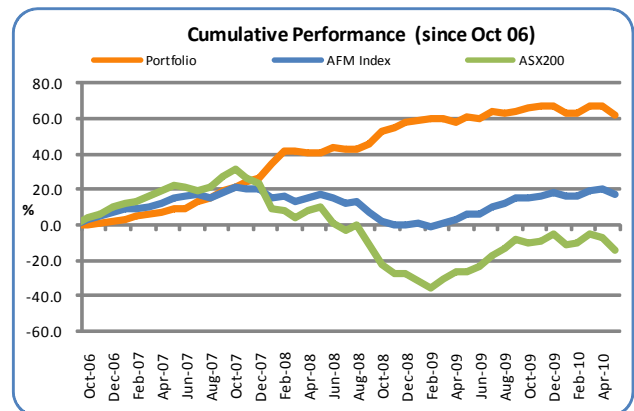
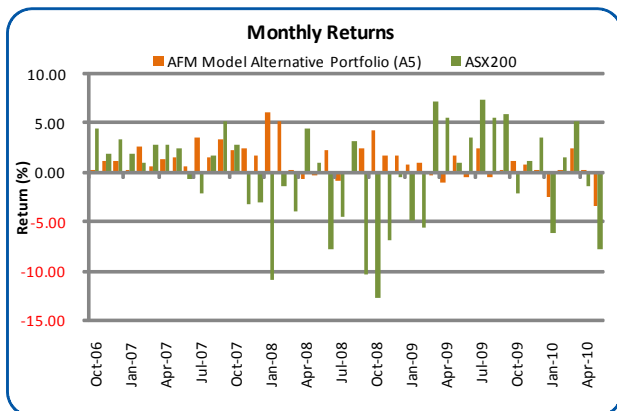
The Portfolio's Sharpe ratio since inception is 1.36.

For more on AFM's Model Portfolios please [contact us](#).

Key Performance Statistics	AFM Portfolio (A5)	ASX 200
Latest Result	-3.37	-7.86
Annualised Return (since Oct 06)	14.03	-5.18
Last 3 Months	-0.75	-4.49
Last 6 Months	-3.05	-5.78
Last 12 Months	0.60	16.01
Last 24 Months	15.00	-21.67
Last 36 Months	48.59	-29.84
% Positive Months	77.27	56.82
Best Month	6.09	7.31
Worst Month	-3.37	-12.66
Largest Drawdown	-3.37	-50.48
Average Positive Return	1.74	3.46
Average Negative Return	-1.00	-5.04
Annualised Standard Deviation	6.15	17.34
Downside Deviation	2.87	14.88
Sharpe Ratio (since Oct 06)	1.36	-0.45
Sortino Ratio	4.21	0.80

### Performance - Net of Fees (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2010	-2.54	0.09	2.39	0.30	-3.37								-3.26
2009	0.86	0.93	-0.38	-1.01	1.77	-0.50	2.48	-0.40	0.26	1.18	0.73	0.22	6.26
2008	6.09	5.16	0.26	-0.68	-0.21	2.27	-0.77	-0.17	2.51	4.27	1.68	1.62	24.04
2007	0.20	2.54	0.55	1.32	1.53	0.62	3.60	1.49	3.33	2.33	2.46	1.68	23.86
2006										0.01	1.24	1.19	2.46





## AFM Model Diversified Portfolio (D10)

**May -1.95%, Annualised (since October 2006) +14.43%**

AFM's D10 portfolio consists of the five equity and five alternative asset funds which make up the E5 and A5 Model Portfolios which were selected using a quantitative selection method based on 18 equally weighted key performance and risk indicators. In October 2006 each fund was allocated equal weighting and this has not been adjusted since inception.

7 out of 10 of the underlying funds returned negative performances in May to record a loss of -1.95% the portfolio's largest loss since inception in October 2006.

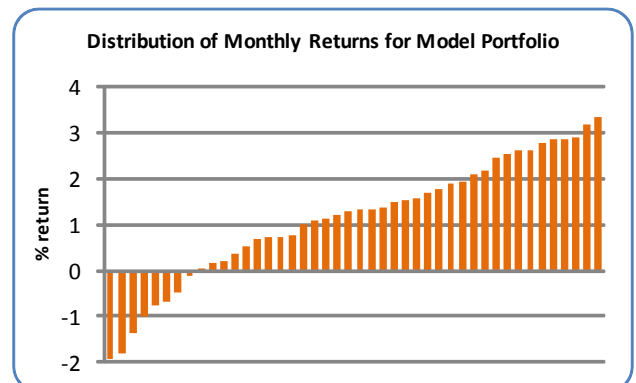
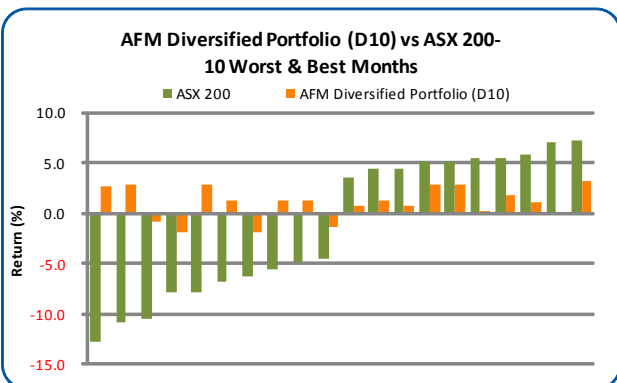
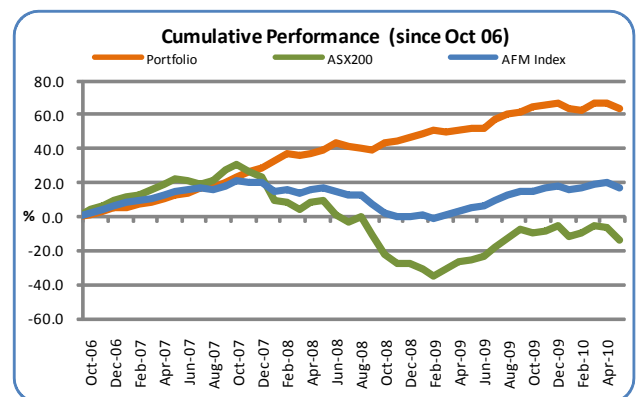
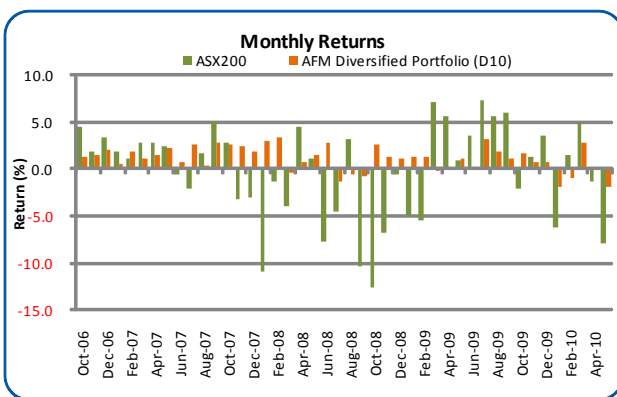
However, the broad diversification of asset allocation, fund styles and strategies has provided a combination of consistently high returns with a low correlation to equity markets, and low annualised volatility of 4.62%.

For more on AFM's Model Portfolios please [contact us](#).

Key Performance Statistics	AFM Portfolio (D10)	ASX 200
Latest Result	-1.95	-7.86
Annualised Return (since Oct 06)	14.43	-5.18
Last 3 Months	0.95	-4.49
Last 6 Months	-1.17	-5.78
Last 12 Months	7.72	16.01
Last 24 Months	17.55	-21.67
Last 36 Months	45.15	-29.84
% Positive Months	81.82	56.82
Best Month	3.34	7.31
Worst Month	-1.95	-12.66
Largest Drawdown	-2.82	-50.48
Average Positive Return	1.62	3.46
Average Negative Return	-1.02	-5.04
Annualised Standard Deviation	4.62	17.34
Downside Deviation	2.35	14.88
Sharpe Ratio (since Oct 06)	1.85	-0.45
Sortino Ratio	5.15	0.80

### Performance - Net of Fees (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2010	-1.81	-0.98	2.75	0.18	-1.95								-1.89
2009	1.33	1.33	-0.13	0.20	1.02	0.01	3.19	1.89	1.19	1.68	0.74	0.74	13.97
2008	2.90	3.34	-0.48	0.76	1.55	2.85	-1.37	-0.67	-0.76	2.61	1.30	1.13	13.82
2007	0.53	1.94	1.10	1.49	2.17	0.68	2.60	0.37	2.87	2.54	2.47	1.77	22.53
2006										1.35	1.57	2.11	5.11



## Top performers by Strategy

### Latest month...vs. last 12 months

Equity Long Funds	May	Rank	12 Mth	Rank *
Baker Steel Gold	3.24%	1	48.99%	1
Premier Equity Return	2.01%	2	10.48%	17
Allard Investment	1.94%	3	22.29%	7
Natural Capital Global Equity Class A	1.83%	4	-	N/A
The Supervised Fund	0.35%	5	13.37%	14

\* Ranking compared with other Equity Long Funds (17 in total)

Equity Long Funds	12 Mth	Rank	May	Rank *
Baker Steel Gold	48.99%	1	3.24%	1
OC Dynamic Equity	47.12%	2	-10.30%	19
Pengana Emerging Companies	41.96%	3	-7.60%	12
OC Premium Equity	39.82%	4	-10.20%	18
Katana Capital Ltd	36.88%	5	-6.07%	10

\* Ranking compared with other Equity Long Funds (18 in total)

Equity Long/Short Funds	May	Rank	12 Mth	Rank *
APAM Absolute Equity - Asia	4.22%	1	-8.50%	53
ANZ Discovery Asia	2.35%	2	3.94%	47
Blue Sky Japan USD	1.91%	3	11.68%	28
Prodigal Equity RV	1.03%	4	9.44%	35
Optimal Australia Absolute	0.60%	5	18.26%	19

\* Ranking compared with other Equity Long/Short Funds (53 in total)

Equity Long/Short Funds	12 Mth	Rank	May	Rank *
Naos Small Companies	74.37%	1	-5.83%	37
OC Concentrated Equity	67.25%	2	-8.90%	49
Lighthouse Absolute	64.77%	3	-9.10%	52
PM CAPITAL Australian Opportunities	36.68%	4	-9.00%	50
WAM Capital Ltd	34.19%	5	-2.40%	27

\* Ranking compared with other Equity Long/Short Funds (55 in total)

Equity Market Neutral Funds	May	Rank	12 Mth	Rank *
Bennelong Securities L/S Equity	3.24%	1	7.84%	3
Titanium ASX 200 All-Weather	1.70%	2	4.49%	6
Fortitude Capital Absolute Return	0.91%	3	4.81%	4
SGH Long Short	0.36%	4	-5.17%	8
Plato Australian Shares	0.23%	5	3.67%	7

\* Ranking compared with other Equity Market Neutral Funds (9 in total)

Equity Market Neutral Funds	12 Mth	Rank	May	Rank *
Regal Tasman Market Neutral	47.96%	1	-2.58%	8
Regal Amazon Market Neutral	37.82%	2	-1.46%	7
Bennelong Securities L/S Equity	7.84%	3	3.24%	1
Fortitude Capital Absolute Return	4.81%	4	0.91%	3
Macquarie Australian Market Neutral	4.73%	5	-0.09%	6

\* Ranking compared with other Equity Market Neutral Funds (9 in total)

Event Driven Funds	May	Rank	12 Mth	Rank *
MM&E Capital Investment No. 2	1.53%	1	5.88%	4
MM&E Capital Investment No. 1	1.50%	2	5.68%	5
Austral Equity	-0.55%	3	12.66%	3
Macquarie Special Events	-2.32%	4	17.45%	2
Pengana Asia Special Events (Offshore)	-3.40%	5	3.75%	6

\* Ranking compared with other Event Driven Funds (6 in total)

Event Driven Funds	12 Mth	Rank	May	Rank *
MM&E Takeover Target	19.57%	1	-6.15%	7
Macquarie Special Events	17.45%	2	-2.32%	4
Austral Equity	12.66%	3	-0.55%	3
MM&E Capital Investment No. 2	5.88%	4	1.53%	1
MM&E Capital Investment No. 1	5.68%	5	1.50%	2

\* Ranking compared with other Event Driven Funds (7 in total)

Global Macro Funds	May	Rank	12 Mth	Rank *
Blue Fin Compact Omega	25.59%	1	-	N/A
GMO Systematic Global Macro	4.69%	2	19.10%	1
Apeiron Global Macro - Class A	2.36%	3	-5.45%	11
Blue Sky World	1.68%	4	-1.91%	10
Pegasus Absolute Return	1.23%	5	9.97%	4

\* Ranking compared with other Global Macro Funds (12 in total)

Global Macro Funds	12 Mth	Rank	May	Rank *
GMO Systematic Global Macro	19.10%	1	4.69%	2
90 West Global Basic Material	17.15%	2	-7.92%	12
Headland Global Diversified	12.20%	3	-2.97%	9
Pegasus Absolute Return	9.97%	4	1.23%	5
RTM Absolute Return	5.35%	5	-1.66%	8

\* Ranking compared with other Global Macro Funds (14 in total)

To view the **latest performance** of all absolute return funds in our database grouped by strategy, click on the following links to access our live Index reporting > [local investors](#) or [offshore investors](#).

## Top performers by Strategy

### Latest month...vs. last 12 months

Commodities/CTA Funds	May	Rank	12 Mth	Rank *
Macquarie High Alpha Commodities	2.55%	1	7.42%	2
Blue Fin Capital - Mgd. Commodities	2.33%	2	2.78%	4
DV01 Mechelle Ltd	-0.68%	3	20.47%	1
FRM Sigma Fund Limited - Class A	-5.25%	4	-1.58%	6
Argus Dynamic Multi-strategy	-5.29%	5	-16.86%	8

\* Ranking compared with other Commodities/CTA Funds (8 in total)

Commodities/CTA Funds	12 Mth	Rank	May	Rank *
DV01 Mechelle Ltd	20.47%	1	-0.68%	3
Macquarie High Alpha Commodities	7.42%	2	2.55%	1
CSL Active Long Only	6.85%	3	-7.85%	7
Blue Fin Capital - Mgd. Commodities	2.78%	4	2.33%	2
CSL Active Long/Short	-0.55%	5	-10.91%	8

\* Ranking compared with other Commodities/CTA Funds (8 in total)

Currency/FX Funds	May	Rank	12 Mth	Rank *
Antipodean Capital A\$ (3X)	9.52%	1	-4.87%	6
Blue Fin Capital Managed FX	3.38%	2	3.94%	3
Excalibur Absolute Return	0.30%	3	2.58%	4
Morgan Stanley FX Alpha	-0.13%	4	8.83%	2
H3 Global Currency	-0.93%	5	-7.03%	7

\* Ranking compared with other Currency/FX Funds (7 in total)

Currency/FX Funds	12 Mth	Rank	May	Rank *
Morgan Stanley FX Alpha Plus	29.23%	1	-1.21%	6
Morgan Stanley FX Alpha	8.83%	2	-0.13%	4
Blue Fin Capital Managed FX Acc.	3.94%	3	3.38%	2
Excalibur Absolute Return	2.58%	4	0.30%	3
Absolute Asian Currency (Trading 1)	-3.36%	5	-8.88%	7

\* Ranking compared with other Currency/FX Funds (7 in total)

Managed Futures Funds	May	Rank	12 Mth	Rank *
Kaiser Trading Fund 2x	5.78%	1	-3.58%	4
Ebisu Managed Futures	5.53%	2	2.24%	2
Kaiser Trading	2.90%	3	-2.49%	3
Macquarie Winton Global Alpha	0.45%	4	8.66%	1
Zone Capital Trading Trust 1	-0.40%	5	-5.10%	5

\* Ranking compared with other Managed Futures Funds (8 in total)

Managed Futures Funds	12 Mth	Rank	May	Rank *
Macquarie Winton Global Alpha	8.66%	1	0.45%	4
Ebisu Managed Futures Program	2.24%	2	5.53%	2
Kaiser Trading	-2.49%	3	2.90%	3
Kaiser Trading 2x	-3.58%	4	5.78%	1
Zone Capital Trading Trust 1	-5.10%	5	-0.40%	5

\* Ranking compared with other Managed Futures Funds (8 in total)

Multi Strategy Funds	May	Rank	12 Mth	Rank *
Access SRA Fund - SRA 16	11.20%	1	16.22%	6
Ashton Performance EUR	8.08%	2	18.99%	4
Attunga Agricultural Trading	2.87%	3	2.42%	18
Attunga Agricultural Trading (Offshore)	2.54%	4	-1.93%	22
HFA Octane Series 2	1.48%	5	5.89%	14

\* Ranking compared with other Multi Strategy Funds (22 in total)

Multi Strategy Funds	12 Mth	Rank	May	Rank *
Prodigal Absolute Cayman	34.93%	1	0.85%	7
WAM Active Ltd	32.31%	2	-4.00%	16
Select Listed Investments	23.71%	3	-3.18%	15
Ashton Performance EUR	18.99%	4	8.08%	2
Select Growth	17.10%	5	-2.34%	12

\* Ranking compared with other Multi Strategy Funds (22 in total)

Global Diversified Funds	May	Rank	12 Mth	Rank *
Signature Accelerator Plus	7.54%	1	19.49%	1
Everest Super Select	6.27%	2	-1.47%	12
Everest Masters	4.40%	3	13.50%	2
Everest Absolute Return III	0.74%	4	4.71%	7
Everest Absolute Return I	0.32%	5	2.70%	9

\* Ranking compared with other Global Diversified Funds (12 in total)

Global Diversified Funds	12 Mth	Rank	May	Rank *
Signature Accelerator Plus	19.49%	1	7.54%	1
Everest Masters	13.50%	2	4.40%	3
HFA Diversified Investments (W'sale)	12.84%	3	-1.12%	9
HFA Diversified Investments (Retail)	12.46%	4	-1.08%	7
Everest Alternative Investment	11.07%	5	-1.55%	11

\* Ranking compared with other Global Diversified Funds (12 in total)

To view the **latest performance** of all absolute return funds in our database grouped by strategy, click on the following links to access our live Index reporting > [local investors](#) or [offshore investors](#).

## Top performing funds in May - Single Managers

Fund Name	Strategy	May	Rank	12 Months	Rank *	24 Months	Rank *
Blue Fin Compact Omega Program	Global Macro	25.59%	1	-	N/A	-	N/A
Antipodean Capital Management A\$ Currency Fund (3X)	Currency/FX	9.52%	2	-4.87%	124	-5.16%	93
Signature Accelerator Plus	Global Diversified	7.54%	3	19.49%	37	-61.59%	124
Kaiser Trading Fund 2x	Managed Futures	5.78%	4	-3.58%	121	4.17%	66
Ebisu Managed Futures Program	Managed Futures	5.53%	5	2.24%	109	-	N/A
GMO Systematic Global Macro Trust	Global Macro	4.69%	6	19.10%	40	24.93%	21
Blue Fin Capital Managed FX Account	Currency/FX	3.38%	7	3.94%	99	11.54%	45
Baker Steel Gold	Equity Long	3.24%	8	48.99%	4	34.22%	5
Bennelong Securities Long Short Equity Fund	Equity Market Neutral	3.24%	9	7.84%	81	30.85%	10
AUI Wingate Spectrum Fund	Equity Income	3.03%	10	-13.21%	134	-21.24%	115
Kaiser Trading Fund	Managed Futures	2.90%	11	-2.49%	119	1.67%	70
Attunga Agricultural Trading Fund	Multi Strategy	2.87%	12	2.42%	107	28.44%	14
Macquarie High Alpha Commodities Fund	Commodities/CTA	2.55%	13	7.42%	84	18.69%	28
Attunga Agricultural Trading (Offshore) Fund	Multi Strategy	2.54%	14	-1.93%	117	-	N/A
Apeiron Global Macro Fund - Class A	Global Macro	2.36%	15	-5.45%	127	13.00%	41
Blue Fin Capital - Managed Commodities Account	Commodities/CTA	2.33%	16	2.78%	103	5.83%	60
Premier Equity Return Fund	Equity Long	2.01%	17	10.48%	68	10.91%	47
Allard Investment Fund	Equity Long	1.94%	18	22.29%	26	25.82%	18
Blue Sky Japan USD	Equity Long/Short	1.91%	19	11.68%	64	14.27%	37
Natural Capital Global Equity Fund Class A	Equity Long	1.83%	20	-	N/A	-	N/A
Titanium ASX 200 All-Weather Fund	Equity Market Neutral	1.70%	21	4.49%	97	-	N/A
Blue Sky World Fund	Global Macro	1.68%	22	-1.91%	116	26.53%	16
MM&E Capital Investment Trust No. 2	Event Driven	1.53%	23	5.88%	89	-2.48%	85
MM&E Capital Investment Trust No. 1	Event Driven	1.50%	24	5.68%	91	-2.44%	84
Pegasus Absolute Return Fund	Global Macro	1.23%	25	9.97%	70	-	N/A
Prodigal Equity RV Fund	Equity Long/Short	1.03%	26	9.44%	72	32.66%	6
Supervised High Yield Fund	Fixed Income	1.01%	27	14.91%	51	-	N/A
AUI Wingate Global Equity Income Fund	Equity Income	1.00%	28	3.67%	102	-13.15%	105
Fortitude Capital Absolute Return Trust	Equity Market Neutral	0.91%	29	4.81%	95	15.77%	33
Prodigal Absolute Cayman Fund	Multi Strategy	0.85%	30	34.93%	13	36.14%	4
Optimal Australia Absolute Trust	Equity Long/Short	0.60%	31	18.26%	42	-	N/A
Macquarie Winton Global Alpha Fund	Managed Futures	0.45%	32	8.66%	76	10.67%	48
SGH Long Short Fund	Equity Market Neutral	0.36%	33	-5.17%	126	-22.88%	119
The Supervised Fund	Equity Long	0.35%	34	13.37%	58	9.37%	53
Kapstream Absolute Return Income Fund	Fixed Income	0.31%	35	7.72%	82	14.80%	36
Excalibur Absolute Return Fund	Currency/FX	0.30%	36	2.58%	106	6.82%	58
Aurora Sandringham Global Income Trust	Equity Income	0.23%	37	8.60%	78	21.22%	23
Plato Australian Shares Market Neutral Fund	Equity Market Neutral	0.23%	38	3.67%	101	-10.46%	103
PM CAPITAL Enhanced Yield Fund	Multi Strategy	0.00%	39	8.71%	75	13.07%	40
Macquarie Australian Market Neutral Fund	Equity Market Neutral	-0.09%	40	4.73%	96	5.58%	61
Platinum International Brands Fund	Equity Long/Short	-0.10%	41	30.81%	18	29.94%	11
Morgan Stanley FX Alpha Fund	Currency/FX	-0.13%	42	8.83%	74	14.23%	38
Pengana Asian Equities Fund (Onshore)	Equity Long/Short	-0.20%	43	7.54%	83	-	N/A
Platinum International Fund	Equity Long/Short	-0.30%	44	11.68%	63	22.10%	22

\* Ranking compared with other Single managers (145 in total)





## Top performing funds over 12 months - Single Managers

Fund Name	Strategy	12 Months	Rank	May	Rank *	24 Months	Rank *
Naos Small Companies Fund	Equity Long/Short	74.37%	1	-5.83%	104	38.07%	2
OC Concentrated Equity Fund	Equity Long/Short	67.25%	2	-8.90%	134	43.42%	1
Lighthouse Absolute	Equity Long/Short	64.77%	3	-9.10%	137	-	N/A
Baker Steel Gold	Equity Long	48.99%	4	3.24%	8	34.22%	5
Regal Tasman Market Neutral Fund	Equity Market Neutral	47.96%	5	-2.58%	82	29.67%	12
OC Dynamic Equity Fund	Equity Long	47.12%	6	-10.30%	142	-15.24%	109
Pengana Emerging Companies Fund	Equity Long	41.96%	7	-7.60%	121	-0.92%	79
OC Premium Equity Fund	Equity Long	39.82%	8	-10.20%	141	-15.44%	110
Regal Amazon Market Neutral Fund	Equity Market Neutral	37.82%	9	-1.46%	64	20.29%	26
Elstree Enhanced Income Fund	Convertible Arbitrage	37.04%	10	-2.32%	77	-1.94%	82
Katana Capital Ltd	Equity Long	36.88%	11	-6.07%	107	-0.37%	74
PM CAPITAL Australian Opportunities Fund AUD	Equity Long/Short	36.68%	12	-9.00%	135	-4.05%	90
Prodigal Absolute Cayman Fund	Multi Strategy	34.93%	13	0.85%	30	36.14%	4
WAM Capital Ltd	Equity Long/Short	34.19%	14	-2.40%	80	15.12%	34
Elstree Australian Enhanced Income Fund	Convertible Arbitrage	32.38%	15	-2.20%	76	-2.41%	83
WAM Active Ltd	Multi Strategy	32.31%	16	-4.00%	93	31.26%	9
Pengana Global Resources Fund	Equity Long/Short	32.02%	17	-2.05%	73	-6.20%	95
Platinum International Brands Fund	Equity Long/Short	30.81%	18	-0.10%	41	29.94%	11
Morgan Stanley FX Alpha Plus Fund (Class A)	Currency/FX	29.23%	19	-1.21%	60	32.42%	7
WaveStone Capital Absolute Return Fund	Equity Long/Short	28.59%	20	-6.64%	112	17.40%	31
Allard Growth Fund	Equity Long	27.45%	21	-4.25%	96	11.01%	46
PM CAPITAL Absolute Performance Fund AUD	Equity Long/Short	26.99%	22	-1.50%	66	-7.41%	98
Australian Leaders Fund	Equity Long/Short	25.48%	23	-7.43%	116	29.26%	13
Hayberry Australian Equity Fund	Equity Long/Short	23.54%	24	-1.44%	63	-0.84%	77
Cadence Capital Limited	Equity Long/Short	22.31%	25	-11.63%	144	-3.39%	87
Allard Investment Fund	Equity Long	22.29%	26	1.94%	18	25.82%	18
Platypus Australian Equity Fund	Equity Long	22.13%	27	-7.90%	127	-14.85%	108
Platinum Unhedged Fund	Equity Long	21.70%	28	-0.80%	51	16.39%	32
Aurora Property Buy-Write Income Trust	Equity Buy Write	20.58%	29	-2.37%	79	10.32%	49
DV01 Mechelle Ltd	Commodities/CTA	20.47%	30	-0.68%	50	6.34%	59
Macquarie Alpha Opportunities Fund	Equity Long/Short	20.33%	31	-7.77%	124	-17.50%	111
Plato Australian Shares Core Fund	Equity Long	19.87%	32	-7.63%	123	-21.47%	116
Antares Lodestar Absolute Return Trust	Equity Long/Short	19.86%	33	-2.93%	86	-8.68%	100
Pengana Australian Equities Core Fund	Equity Long	19.80%	34	-4.00%	94	-	N/A
MM&E Takeover Target Fund	Event Driven	19.57%	35	-6.15%	108	-3.42%	88
Platinum European Fund	Equity Long/Short	19.56%	36	-1.80%	70	4.57%	65
Signature Accelerator Plus	Global Diversified	19.49%	37	7.54%	3	-61.59%	124
Macquarie Asian Alpha Fund	Equity Long/Short	19.34%	38	-1.38%	62	12.03%	44
Macquarie Australian Long Short Equitised Fund	Equity Long/Short	19.30%	39	-7.90%	128	-21.64%	117
GMO Systematic Global Macro Trust	Global Macro	19.10%	40	4.69%	6	24.93%	21
Aviva Investors High Growth Shares Fund	Equity Long/Short	18.84%	41	-7.89%	126	-8.59%	99
Optimal Australia Absolute Trust	Equity Long/Short	18.26%	42	0.60%	31	-	N/A
Plato Australian Shares 130/30 Fund	Equity 130/30	18.24%	43	-7.59%	120	-24.84%	121
Macquarie Special Events Fund	Event Driven	17.45%	44	-2.32%	78	32.07%	8

\* Ranking compared with other Single managers (145 in total)

## Top performing funds in May - Fund of Funds

Fund Name	Strategy	May	Rank	12 Months	Rank *	24 Months	Rank *
Access SRA Fund - SRA 16 Portfolio	Multi Strategy	11.20%	1	16.22%	5	72.95%	1
Ashton Performance Fund EUR	Multi Strategy	8.08%	2	18.99%	3	0.83%	8
Everest Super Select Fund	Global Diversified	6.27%	3	-1.47%	32	-45.34%	33
Everest Masters Fund	Global Diversified	4.40%	4	13.50%	6	-29.72%	28
APAM Absolute Equity - Asia Fund	Equity Long/Short	4.22%	5	-8.50%	35	18.90%	2
ANZ Discovery Asia Fund	Equity Long/Short	2.35%	6	3.94%	26	-	N/A
HFA Octane Fund Series 2	Multi Strategy	1.48%	7	5.89%	20	-31.88%	30
HFA Octane Fund	Multi Strategy	1.17%	8	4.35%	24	-31.67%	29
Everest Absolute Return Fund III	Global Diversified	0.74%	9	4.71%	22	-21.48%	25
Everest Absolute Return Fund I	Global Diversified	0.32%	10	2.70%	27	-19.71%	24
Everest Absolute Return Fund II	Global Diversified	0.27%	11	1.68%	28	-15.43%	22
Pengana Global Bond Fund	Fixed Income	-0.10%	12	10.46%	13	-	N/A
HFA Retrospective Fund	Equity Long/Short	-0.12%	13	-3.03%	34	-26.87%	27
GMO Multi Strategy Trust	Multi Strategy	-0.65%	14	4.23%	25	5.39%	5
Select Defensive Portfolios	Multi Strategy	-0.79%	15	10.50%	12	-4.56%	9
Select Alternatives Portfolio	Multi Strategy	-0.81%	16	9.33%	15	-6.05%	11
HFA Diversified Investments Fund (Retail)	Global Diversified	-1.08%	17	12.46%	8	-14.91%	21
AMP Capital Total Return Fund	Global Diversified	-1.10%	18	0.82%	31	-39.56%	32
HFA Diversified Investments Fund (Wholesale)	Global Diversified	-1.12%	19	12.84%	7	-14.33%	20
FRM Absolute Alpha Fund PCC Ltd Diversified	Global Diversified	-1.43%	20	10.85%	11	-11.74%	16

\* Ranking compared with other Fund of Funds (36 in total)

## Top performing funds over 12 months - Fund of Funds

Fund Name	Strategy	12 Months	Rank	May	Rank *	24 Months	Rank *
Select Listed Investments	Multi Strategy	23.71%	1	-3.18%	27	-18.21%	23
Pengana Global Small Companies Solution	Equity Long	21.12%	2	-8.20%	35	-24.23%	26
Ashton Performance Fund EUR	Multi Strategy	18.99%	3	8.08%	2	0.83%	8
Select Growth	Multi Strategy	17.10%	4	-2.34%	25	-4.69%	10
Access SRA Fund - SRA 16 Portfolio	Multi Strategy	16.22%	5	11.20%	1	72.95%	1
Everest Masters Fund	Global Diversified	13.50%	6	4.40%	4	-29.72%	28
HFA Diversified Investments Fund (Wholesale)	Global Diversified	12.84%	7	-1.12%	19	-14.33%	20
HFA Diversified Investments Fund (Retail)	Global Diversified	12.46%	8	-1.08%	17	-14.91%	21
Van Eyk Blueprint Alternatives Plus	Multi Strategy	11.33%	9	-2.87%	26	-7.03%	12
Everest Alternative Investment Trust	Global Diversified	11.07%	10	-1.55%	21	-33.36%	31
FRM Absolute Alpha Fund PCC Ltd Diversified	Global Diversified	10.85%	11	-1.43%	20	-11.74%	16
Select Defensive Portfolios	Multi Strategy	10.50%	12	-0.79%	15	-4.56%	9
Pengana Global Bond Fund	Fixed Income	10.46%	13	-0.10%	12	-	N/A
FRM Global Equity Fund	Equity Long/Short	9.76%	14	-3.40%	28	-12.35%	17
Select Alternatives Portfolio	Multi Strategy	9.33%	15	-0.81%	16	-6.05%	11
HFA International Shares Fund (Wholesale)	Equity Long/Short	7.19%	16	-1.90%	22	6.63%	4
HFA International Shares Fund (Retail)	Equity Long/Short	6.78%	17	-1.94%	23	4.49%	6
Ashton Select Fund EUR	Multi Strategy	6.04%	18	-4.46%	31	-11.16%	15
Ashton Select Fund USD	Multi Strategy	5.94%	19	-4.24%	29	-9.01%	13
HFA Octane Fund Series 2	Multi Strategy	5.89%	20	1.48%	7	-31.88%	30

\* Ranking compared with other Fund of Funds (36 in total)

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Christopher Gosselin

CEO

Australian Fund Monitors Pty Ltd

ACN: 122 226 724

Phone: +61 2 9276 2704

Email: [chris.gosselin@fundmonitors.com](mailto:chris.gosselin@fundmonitors.com)

PO Box R1904, Royal Exchange

NSW 1225 Australia