

**Portfolio Details****Investment Category**

Multi-Manager Absolute Return/Hedge

**Investment Objective**

To outperform the HFRI Fund of Funds Composite Index over 5 year rolling periods with an equal or lower level of annualised volatility.

**Risk Profile**

Medium - the estimated frequency of an annual negative return being 2 in 10 years.

**Benchmark**

HFRI Fund of Funds Composite Index\*

**Peer Group**

AMI Alternative\*\*

**Minimum suggested time frame**

5 Years

**Underlying Investments**

Managed Funds

**Number of Holdings**

Min 8 / Max 15

**Max. Allocation to Any One Fund**

15%

**Model Management**

Asset allocation reviewed quarterly

Managers reviewed monthly

\*An index of hedge funds that invest with multiple managers and/or strategies through funds or managed accounts with the objective of significantly lowering the risk of investing with an individual manager.

\*\*An FE fund sector comprising of 55 managed funds employing alternative/hedge strategies.

**Notes**

1. Past performance is not an indication of future performance.
2. Returns and holdings will vary between investors given the nature of timing and beneficial ownership under an MDA structure.
3. Model portfolio total returns include dividends and income, but exclude franking credits.
4. Returns greater than 12 months are annualised.
5. Returns are net of underlying fund fees, but do not take into account any platform fees and management fees levied by NPW
6. Returns do not take into account entry and exit fees and do not take into account any taxes payable by the investor.

This report provides general information only and does not take into account the investment objectives, financial circumstances or needs of any person. To the maximum extent permitted by law, Newport Private Wealth Pty Ltd, its Directors and employees accept no responsibility for any loss or damage incurred as a result of action taken or not taken on the basis of information contained in the report or any omissions or errors within it. Before making any decision you should consider the latest Product Disclosure Statement or Financial Services Guide and assess whether the product and / or service is appropriate for you. It is advisable that you obtain professional financial, legal and taxation advice before making any financial investment decision. Newport does not guarantee the repayment of capital, the payment of income, or the performance of its investments.

**Investment Style/Strategy**

The model holds a portfolio of absolute return (hedge) funds. The portfolio will aim to provide capital growth without the level of volatility and drawdowns associated with growth type assets (i.e. equities). The portfolio is diversified across multiple hedge fund managers (styles, asset classes and regions) all of whom aim to deliver positive absolute returns regardless of economic and financial market conditions. Underlying fund managers are monitored regularly on both quantitative and qualitative measures.

**Suitability**

The portfolio is designed for investors who...

- Seek capital growth through a diversified portfolio of absolute return managers
- Seek positive returns in all market conditions with low correlation to asset markets
- Seek a highly active approach to risk management

**Strategic Asset Allocation**

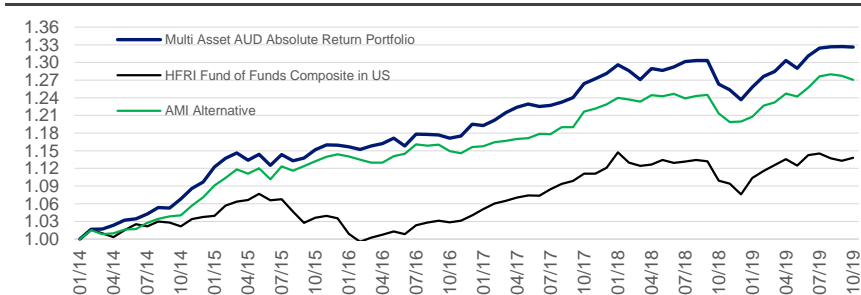
Domestic Equity	0%
International Equity	0%
Domestic Property	0%
International Property	0%
Commodities	0%
Domestic Fixed Interest	0%
International Fixed Interest	0%
Absolute Return Strategies	98%
Short Term Fixed Interest	0%
Cash	2%
<b>TOTAL</b>	<b>100%</b>

**Current Number of Holdings**

10 Managed Funds

**Current Geographical Allocation**

Domestic	2%
International	0%
Mixed	98%
<b>TOTAL</b>	<b>100%</b>

**Performance - Cumulative Return****Performance - Returns (to last month end)**

	1m	3m	6m	1yr	Incep.*
<b>Multi-Asset Absolute Return</b>	<b>-0.08%</b>	<b>0.12%</b>	<b>1.72%</b>	<b>4.99%</b>	<b>5.03%</b>
HFRI Fund of Funds Composite	0.45%	-0.65%	0.20%	3.54%	2.27%
AMI Alternative	-0.52%	-0.46%	1.86%	4.70%	4.25%
S&P ASX 200 Index (Gross)	-0.35%	-0.91%	7.59%	19.3%	9.17%

\*Inception = 01/02/2014