

## Monthly report as at 30 September 2016

**MTD:** -2.86% **YTD:** 6.87% **Annualised return since inception:** 6.67% **Annualised volatility since inception:** 17.73%

### Objective

Man AHL Gold (AUD) (the 'Company') aims to generate medium term capital growth by combining the following two approaches:

- (i) identifying and taking advantage of upward and downward price trends using the AHL Diversified Program; and
- (ii) providing exposure to movements in the value of gold through the Gold Investment.

### Performance statistics<sup>1</sup>

February 2010 to September 2016

Last month	-2.86%
Last 3 months	-3.02%
Year to date	6.87%
Last 12 months	-2.26%
Last 3 years (p.a.)	10.08%
Last 5 years (p.a.)	0.62%
Annualised return since inception	6.67%
Annualised volatility since inception	17.73%
Total return since inception	53.79%
Worst drawdown	-26.72%

### Sector allocations<sup>2</sup>

September 2016

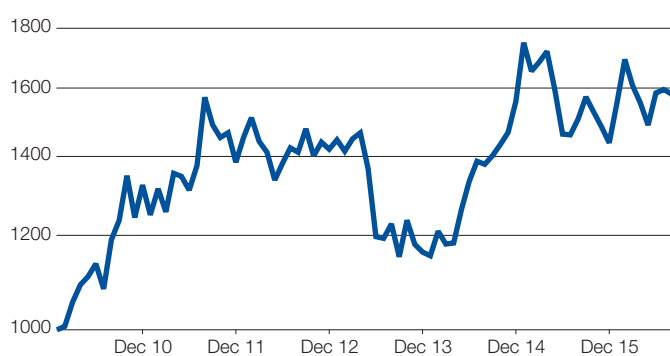
Bonds and rates	26.6%
Commodities	11.1%
Credit	8.3%
Currencies	24.3%
Stocks	29.7%

### Fund details

Inception date	February 2010
Net Asset Value <sup>3</sup>	\$1.5379 <sup>4</sup>
Fund AUM <sup>1</sup>	\$35.1m <sup>4</sup>
Currency	AUD

### Net track record

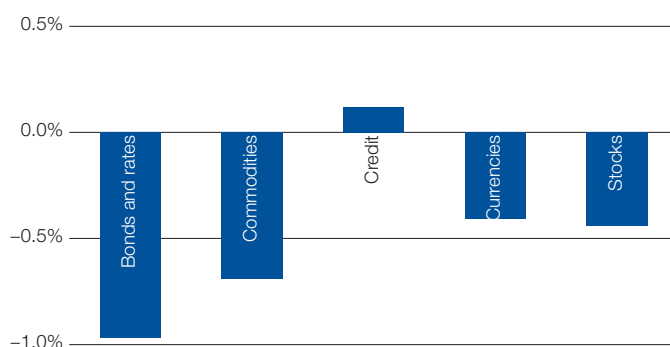
February 2010 to September 2016



Note: The chart is expressed in log scale to uniformly illustrate percentage changes each month. It shows the actual trading results of the Company from February 2010 to September 2016. It is not designed to predict or forecast the future performance of the Company. Performance figures are calculated as at 26 September 2016. The final weekly valuation for a month is used to calculate the monthly return of the Company. Past performance is not a reliable indicator of future performance.

### AHL Diversified Program – Sector attributions

September 2016



# Man AHL Gold (AUD)

## Monthly commentary

### AHL Diversified Program

Investors had much to contemplate in September. Central bankers were once again commenting on the future direction of policy, OPEC met to discuss plans to cut output, Deutsche Bank AG shares fell sharply after the US Department of Justice threatened to levy a \$14bn fine for wrong-doings during the financial crisis and the Trump/Clinton presidential debates kicked off. The considerable news flow proved challenging for AHL, with losses incurred primarily in bonds and energies trading.

Losses were concentrated to early September when, coincidentally, comments from several Fed members suggested a rate rise was likely before year end and the ECB announced it would not be expanding its bond-buying program. Bond prices suffered in general, and particularly in European countries such as Italy and France. Australian bonds also performed poorly following a lack of demand with data showing the lowest level of sovereign debt held by non-resident investors since 2009.

Stock markets saw their biggest declines since Brexit. Although stocks staged a recovery towards month end, the S&P still finished down and made one of the most negative contributions to the sector. The best contributor, in contrast, was the Hang Seng which was less affected by events and finished the month positively.

Trading in energy markets was overall costly, particularly at month end when short positioning in oil and its derivatives was negatively impacted by price rises resulting from OPEC's news. Long coal positions were highly diversifying as production cuts in China propelled prices upwards.

Within commodities, positive returns from agricultural commodities were offset by negatives in metals. Long sugar positions were bolstered after prices hit four-year highs as the effects of supply shortfall continued to take effect. AHL entered September short copper after two months of steady falls, and experienced losses as prices rallied significantly during the month.

Currency trading was diverse throughout the period. Losses were sustained in trading AUD versus USD as the pair was highly volatile, first in early September when markets were in risk-off mode, and subsequently as the exchange rate rose again in line with the rising risk assets. Short EUR versus NOK was profitable as the latter surged against its peers after the Norges Bank refrained from cutting its main rate and hinted at moving away from an easing bias. The credit sector returned a marginally positive number.

### Gold

Gold prices rose during September. A falling USD Index and an increase in speculative investors searching for yield contributed to the gains.

## Historical performance<sup>1</sup>

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2010	NA	0.61%	4.90%	3.34%	1.68%	2.49%	-4.72%	10.07%	3.87%	9.01%	-7.79%	6.58%	<b>32.63%</b>
2011	-5.72%	5.23%	-4.42%	7.82%	-0.58%	-2.60%	4.85%	14.27%	-5.24%	-2.48%	0.94%	-5.54%	<b>4.52%</b>
2012	4.98%	3.90%	-4.56%	-2.11%	-5.19%	3.23%	3.08%	-0.83%	4.65%	-5.15%	2.68%	-1.32%	<b>2.54%</b>
2013	1.86%	-2.24%	2.54%	1.15%	-6.78%	-12.37%	-0.33%	2.84%	-6.20%	7.40%	-4.67%	-1.50%	<b>-18.20%</b>
2014	-0.64%	4.82%	-2.39%	0.14%	6.80%	5.60%	4.05%	-0.63%	1.75%	2.21%	2.34%	6.26%	<b>34.24%</b>
2015	12.12%	-5.46%	1.86%	2.02%	-7.14%	-8.34%	-0.12%	3.15%	4.34%	-2.90%	-2.79%	-3.10%	<b>-7.81%</b>
2016	8.21%	8.78%	-5.04%	-3.27%	-4.26%	6.44%	0.72%	-0.88%	-2.86%				<b>6.87%</b>

The 2016 year to date figure is calculated from 1 January 2016 to 26 September 2016.

<sup>1</sup> Past performance is not a reliable indicator of future performance. Performance figures are calculated net of all fees as at 26 September 2016.

<sup>2</sup> The sector allocations are designed to reflect the estimated risk exposure to each sector relative to the other sectors in the Company. The figures are based on estimates of the risk exposure of each sector as at 30 September 2016. A geographical breakdown of the Company is not shown due to the diverse nature of the markets traded.

<sup>3</sup> For information on the valuation of Shares, refer to the Company's Articles.

<sup>4</sup> The Net Asset Value and the funds under management are calculated as at 26 September 2016. Past performance is not a reliable indicator of future performance.

This information is general advice. It has been prepared without taking into account anyone's objectives, financial situation or needs. Distribution of this document may be restricted in certain jurisdictions. The data contained in this report is provided from the Man database.

Man Investments Australia Limited ABN 47 002 747 480 AFSL 240581 ('MIA') disclaims liability for any act and/or omission on the part of any person or entity in reliance or purported reliance (whether in whole or part) on the content or any part of the content of this document. Further, MIA is not liable for any errors or omissions in the content of this document or for any consequences resulting from any errors or omissions in the content of this document.