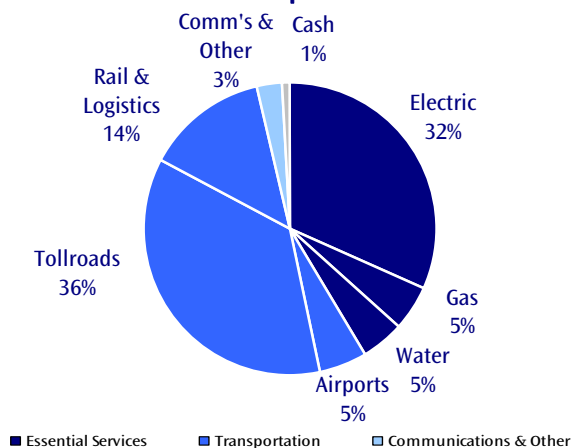
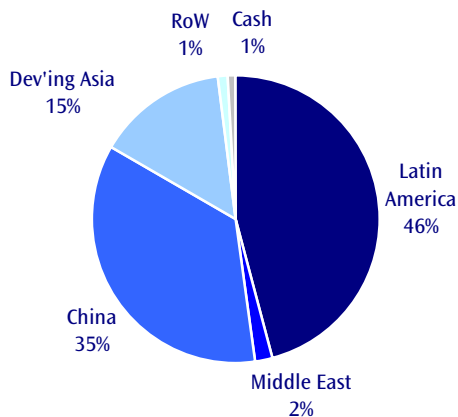
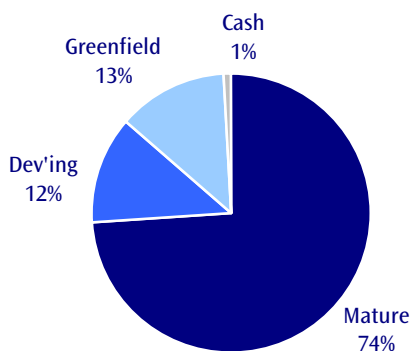


Performance Summary (total returns in AUD after fees)

	This Month	Three Months	Twelve Months	Inception ¹
RARE Series EM Fund	3.7%	18.7%	na	40.8%
Benchmark ²	0.8%	10.1%	na	5.9%
MSCI EM World	7.6%	11.6%	na	1.9%

Overview of Fund Exposures and Portfolio Statistics
Sector Exposures³

Regional Exposures - by Listing

Maturity Exposures³

Portfolio Statistics

Current statistics of the RARE Infrastructure Value Fund are as follows⁴:

Dividend Yield	4.0%
EV ⁵ / EBITDA ⁶	7.2x
Interest Cover	3.5x
Gearing (Net Debt/ EV)	24.0%
Asset Beta	0.54

Fund Details

Fund Size	<\$1m
Number of Holdings	32
Minimum Investment	\$20,000 ⁷
Application Price	1.3582
Redemption Price	1.3487
Distribution Frequency	Semi-Annually
Distribution for June 09 (cpu net)	5.6794
APIR Code	TGP0015AU
Morningstar Ticker	tbc
Management Fee	1.333% per annum
Transaction Costs	0.35%
Performance Fee	10.25% of investment returns made in excess of the Benchmark

Benchmark	An accumulation index comprised of the Citigroup Global Emerging Market Sovereign Investment Grade USD Index plus 5.0% per annum
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¹ Fund inception date 9 July 2008; Performance inception date 30 September 2008

² S&P Emerging Markets Sovereign Bonds Index+ 5%

³ Based on the exposures of the underlying assets of the stocks in the Fund, as assessed by RARE Infrastructure

⁴ Based on weighted averages

⁵ EV means Enterprise Value (market capitalisation + preferred equity, if any + net debt)

⁶ EBITDA means earnings before interest, tax, depreciation & amortisation

⁷ If you invest through an IDPS operator such as a Master Trust or Wrap Account platform, this minimum may not apply to you

Market Commentary for the Month

After a pause in June, global markets were up and running again in July (MSCI EM +9.5% and MSCI World +7.7%). The EMs again led the pack with some very strong one month performances (Shenzhen +16.2%, Shanghai +15.3%, Indonesia +14.6%, Hong Kong +11.9%, Mexico +11.0%, Malaysia +9.3%, India +8.2%, Brazil +6.4%, Thailand +4.4%).

With the Northern Hemisphere capital pools now deep in holiday season, market direction is notional at best. Are we in fact set to enjoy a V shaped recovery, in line with history? Or was June just a speed bump on the way up the first peak with a real correction still to come? While we believe it is still very difficult to call, we think the signals in July were on balance positive. From the standpoint of the developed world (with significant flow through to the EMs in terms of sentiment)

- * 76% of the companies in the S&P 500 beat earnings expectations in Q2, by an average of 10%
- * A key signpost, the US jobless number, was better than expected and a significant MoM improvement
- * The reported Case Schiller index went up for the first time in ~3 years suggesting a possible stabilisation in US house prices

Looking to the EMs, news flow continued to be better than expected & better than their developed peers

- * Q2 results to date have been on balance ahead of expectations with a general view that H2 will be better than H1 seeing upward revisions to FY estimates

- * Moody's affirmed the Mexican government's bond ratings & stable outlook & announced it was looking to upgrade Brazil to investment grade as a result of its strong fiscal discipline
- * Macro-economic indicators in key EM countries continued to beat expectations with China's PMI up yet again, a number of upgrades to FY GDP forecasts, further rate cuts in Brazil.

But we do have longer term concerns, key among them is that the current expansionary fiscal policies will eventually lead to higher inflation & fiscal tightening which could result in lower than expected global growth for the next few years (although country specific with the EMs looking more resilient).

As such we believe the long term winners will be those investors positioning themselves now in fundamentally cheap stories, ideally hedged against the risk of inflation, in demographically attractive regions (resilient consumer demand). We further believe that EM infrastructure continues to tick all the boxes.

Richard Elmslie, Nick Langley, Sarah Shaw
(RARE EM Investment Committee)

Important Information:

While the information contained in this report has been prepared with all reasonable care, RARE Infrastructure Limited ("RARE") accepts no responsibility or liability for any errors, omissions or misstatements however caused. This information is not personal advice. This advice has been prepared without taking account of your objectives, financial situation or needs.

Treasury Group Investment Services Limited ("TIS") is the responsible entity for the RARE Infrastructure Value Fund (the "Fund"). Applications can only be made on the form in the current product disclosure statement dated 17 January 2007 for this Fund. The product disclosure statement can be obtained by contacting the RARE Infrastructure investment team on (02) 9397 7300, by fax (02) 9397 7399, by emailing invest@RAREinfrastructure.com or at www.RAREinfrastructure.com. Potential investors should consider the product disclosure statement before deciding whether to invest, or continue to invest in the Fund. The fact that shares in a particular company may have been mentioned should not be interpreted as a recommendation to buy, sell or hold that stock.

Investors should be aware that past performance is not indicative of future performance. Returns can be volatile, reflecting rises and falls in the value of underlying investments. Potential investors should seek independent advice as to the suitability of the Fund to their investment needs.

TIS may be contacted by writing to Level 5, 50 Margaret Street, Sydney, NSW, 2000, by telephone (02) 8243 0400 or by fax (02) 8243 0410.

TIS receives an investment management fee of 1.333% per annum of the amount invested in the fund (including GST less the maximum applicable reduced input tax credits), which is the entire management fee, out of which responsible entity fees, investment management costs, ongoing administrative expenses and other fees will be paid.

Portfolio Commentary

The RARE Series EM Fund was up 3.7% in July outperforming the benchmark return of 0.8% but underperforming the MSCI EM by 390bps (+7.6%) in AUD terms.

Portfolio performance in July was very mixed with regional outperformance as opposed to the defensive versus beta rally we have seen in recent months. Very strong performance from some of the Asian names (Zhejiang Expressway +22.1%, Jiangsu Expressway +19.3%, Guangdong Investments +13.6%, Gail India +15.1%) & Mexico (Grupo ASUR +14.5%), while Brazil was relatively flat and Thailand weak.

The portfolio positioning in July did not move too much although we did top up our Brazilian rail and Mexican airport exposure and at the end of the month we took the top off some of the star performers post their strong run (Zhejiang Expressway).

We end the quarter with a portfolio diversified across defensive & growth stories in demographically attractive regions. The core criteria for portfolio construction remains long term value based on fundamentals ideally correlated to in-country consumer demand and hedged against inflation.

Overview of Fund Holdings

Top 10 Holdings	Weighting
AES TIETE SA	5.7%
COMPANIA ENERGETICA DE MINAS GERAIS	5.1%
COMPANHIA DE CONCESSOES RODVIARIAS	5.0%
SICHUAN EXPRESSWAY CO LTD	4.9%
ELETROPAULO METROPOLITANA ELTRICIA	4.9%
OBRASCON HUARTE LATIN BRAZIL	4.7%
DP WORLD LIMITED	4.4%
ANHUI EXPRESSWAY CO LTD	4.4%
TRACTABEL ENERGIA SA COM NPV	4.3%
SHENZHEN INTERNATIONAL HOLDINGS LIM	4.3%