RARE

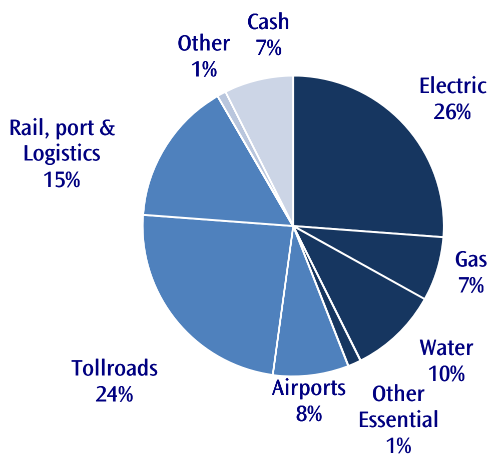
RARE Infrastructure Series Emerging Markets Fund
September 2011

Performance Summary (total return in AUD after fees)[1, 5, 6]

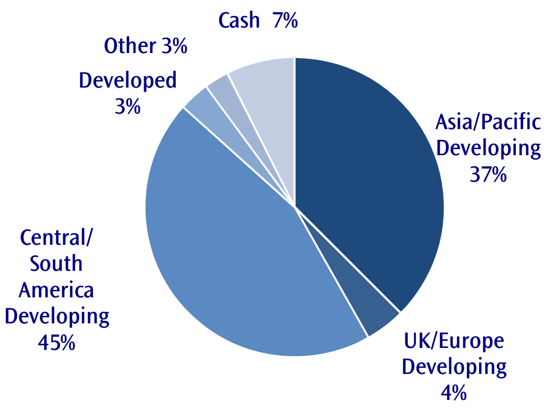
	This Month	3 months	1 Year	2 Years	Inception[7]
RARE Infrastructure Series EM Fund	-4.5%	-9.7%	-8.7%	3.5%	15.3%
BENCH:Citi EM Sov Invest Bonds USD + 5%	2.1%	5.4%	12.4%	18.3%	15.5%
MSCI EM World (Net)	-5.9%	-14.7%	-16.5%	-4.3%	-0.9%

Overview of Fund Exposures and Portfolio Statistics

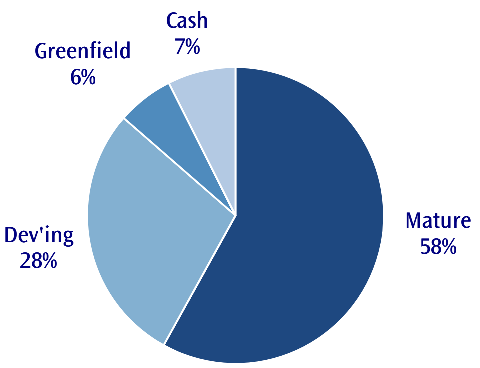
Sector Exposures [2]



Regional Exposure By Asset [2]



Maturity Exposures [2]



Portfolio Statistics [3]

Current statistics of the Fund are as follows:

Dividend Yield	4.1%
EV[4] / EBITDA[4]	7.0x
Interest Cover	5.3x
Gearing (Net Debt/ EV)	17.6%

Fund Details

Fund Size	$73.4m
Number of holdings	33
Minimum Investment [8]	$20,000
Application Price	1.3818
Redemption Price	1.3633
Distribution Frequency	Semi-Annually
Distribution for Sept 11 (cpu)	N/A
APIR Code	TGP0015AU
Morningstar Ticker	16750
Management Fee	1.333% per annum
Buy / Sell spread	1.05% / 0.30%

Performance Fee

10.25% of investment returns made in excess of the Benchmark. The total performance fee will not exceed 0.30% of the net average daily asset value of the fund in any financial year.

Benchmark

An accumulation index comprised of the Citigroup Global Emerging Market Sovereign Investment Grade USD Index plus 5.0% per annum.

Fund Status — Open

1 Sources:RARE internal calculations for RARE Infrastructure Series Emerging Markets Fund . All index data sourced from FactSet. Results over one year annualized.

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

3 Based on weighted averages.

4 EV means Enterprise Value (market capitalization + preferred equity, if any + net debt) and EBITDA means earnings before interest, tax, depreciation & amortization.

5 Fund Performance is net of fees (assumed at 1.333% annual, calculated as 0.11041% per month).

6 All values in AUD and net of withholding taxes for Benchmarks, if applicable. Non AUD values converted into AUD using FactSet Forex data.

7 Performance inception date for RARE Infrastructure Series Emerging Markets Fund is 30/09/2008.

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

Market Commentary for the Month

MSCI EM index posted a 7.4% decrease in local currency underperforming the MSCI World (-6.2%). It was a very volatile month. The tepid pace of global growth coupled with the mounting fear of a Greek default led to global risk aversion, reflected by the VIX increasing by 35.9% MoM.

Further downgrades to global growth continued to have a negative impact on commodity prices, with Brent Crude and the CRB commodity futures index decreasing 9.5% and 13.0%, respectively. This along with slowing global growth has moderated inflation worries in EMs, and for the second consecutive month central banks have ceased their tightening measures or even cut their benchmark rates.

During the month, Hong Kong (HSI Index) was down 14.3% and China (Shanghai) was down 8.1%. The Indian BS500 Index was off 1.6%, the best performing market in Asia. The Jakarta Composite Index and the SET Index in Thailand were off 7.6% and 14.4%, respectively. Malaysia (KLCI Index) was down 4.2%. In LATAM, Argentina and Chile were the best performing markets. Brazil and Mexico were the worst performing markets.

As we continue to note, we maintain a positive view on emerging markets as a whole. However, we will see some short term volatility.

In the long term EM's rising share of global GDP is structural and related to the growth of working age population and formation of an urban middle class. Infrastructure as a sector is poised to be the greatest beneficiary of all the long term trends. Fast growing populations and rising urbanisation rates in Emerging Markets have led to a global shortage of infrastructure services such as roads, rail and electricity, amongst others. This is important because Infrastructure provides the lifeblood for an economy. Countries which invest in infrastructure benefit from faster and safer transportation of goods, functioning of industrial production, improved communication and business activity and more efficient allocation of labour. This leads to enhanced productivity and competitiveness and ultimately results in higher consumption and economic growth. Over the next 20 years demand for infrastructure in EMs is expected to triple to USD1 trillion annually. Asia is expected to account for the lion's share of infrastructure demand followed by Emerging Europe and Latin America.

For investors this provides a particularly interesting opportunity, given that one result of the global financial crisis has been to create heightened risks and lower returns on traditional asset classes. We believe investment in infrastructure in Emerging Markets provides excellent growth, diversification, and strategic benefits.

Portfolio Commentary

The RARE Series EM Fund ended September down 4.5% (in AUD and net of fees), outperforming the MSCI EM AUD index (-5.9%). The fund showed its defensive characteristics in falling markets.

There were few bright spots in what was a tough month. Given the current global economic uncertainties, the priority of investors was to protect capital in the short term. Guangdong Investments (Chinese Water Company) rose 3.4%. Guangdong Investments is one of our largest and highest conviction holdings in China. It is one of the most defensive Asian utilities with 70% of earnings from water business. CCR (Brazilian Toll Road) rose 2%. Resilient traffic growth and better cost management are the key success factors for the company. Beijing Enterprises (Chinese gas transmission and distribution) also proved resilient, rising 6%. The stock has traded off recently, making short term valuation much more compelling. It offers good defensiveness among the Chinese gas stocks. Its balance sheet is strong with no near term funding needs. We think there will be limited impact from an economic downturn.

We continued to see some weakness in selected Infrastructure names, especially in Asia. The Chinese Toll Roads were detractors of performance. Concerns of slowing GDP on commercial traffic volumes overshadowed what were very strong results from the fund's key holdings. After several months of strong outperformance, Global Ports (Russian Port Operator) fell. Global Ports offers exposure to the structural improvement in consumer spending power in Russia, which should lead to above-average growth in the import and export of containers. It is a core long

Overview of Fund Holdings

Top 10 Holdings	Weighting
JASA MARGA (PERSERO) TBK PT	6.8%
DP WORLD LTD	5.9%
GRUPO AEROPORTUARIO DE SUR-B	4.7%
TRACTEBEL ENERGIA SA	4.2%
AGUAS ANDINAS SA-A	4.2%
GAIL INDIA LTD	4.2%
CIA DE CONCESSOES RODOVIARIA	3.8%
ENERGY DEVELOPMENT CORP	3.8%
GLOW ENERGY PCL	3.7%
OHL MEXICO SAB DE CV	3.7%