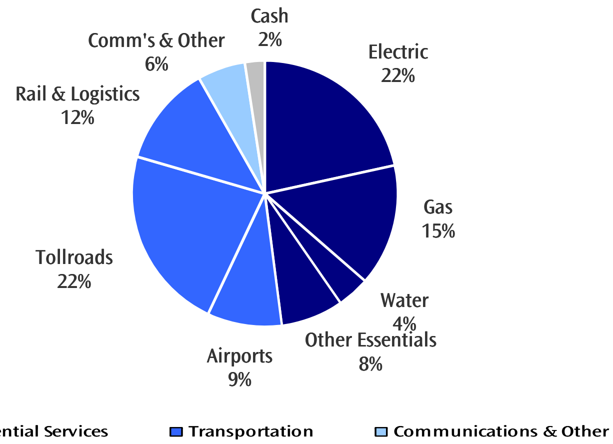
RARE Series Infrastructure Value Fund Hedged
July 2011

Performance Summary (total returns in AUD after fees)

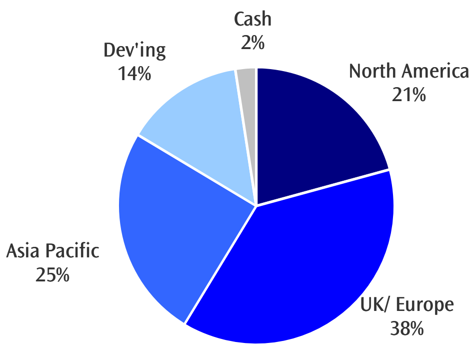
	This Month	Three Months	One Year	Two Years	Inception[1]
RARE Series Infrastructure Value Fund Hedged	-2.9%	-1.1%	16.3%	16.4%	3.9%
Benchmark[2]	1.0%	3.1%	8.3%	7.8%	6.5%
UBS Global Infra & Utility 50/50[2]	-1.5%	-0.6%	9.6%	13.0%	4.2%
MSCI World (Local Currency)	-2.5%	-5.2%	12.2%	11.6%	4.9%

Overview of Fund Exposures and Portfolio Statistics

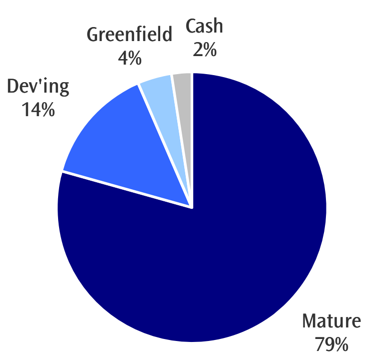
Sector Exposures[3]



Regional Exposures - by Listing



Maturity Exposures[3]



Portfolio Statistics

Current statistics of the RARE Series Infrastructure Value Fund Hedged are as[4]

Dividend Yield	4.8%
EV[5]/ EBITDA[6]	9.3x
Interest Cover	3.3x
Gearing (Net Debt/ EV)	42.1%
Asset Beta	0.51
Total Portfolio Hedging	101.2%

Fund Details

Fund Size	$2.5m
Number of Holdings	43
Minimum Investment	$20,000[7]
Application Price	1.1283
Redemption Price	1.1205
Distribution Frequency	Quarterly
Distribution for June 11	4.3480
APIR Code	TGP0016AU
Morningstar Ticker	tbc
Management Fee	1.23% per annum
Buy / Sell spread	0.45%/0.25%
Performance Fee	10.25% of investment returns made in excess of the Benchmark. The performance fee will not exceed 0.30% of the net asset value of the fund in any year.
Benchmark	An accumulation index comprising the OECD G7 Inflation Index plus 5.5% per annum.
Fund Status	Open

1 Fund inception date 9 July 2008; Performance inception date 30 September 2008
2 Benchmark is OECD G7 Inflation Index plus 5.5% pa, the comparative index is UBS Global Infrastructure & Utilities 50-50 Index (TR, AUD Hedged)
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

In July global markets ended down (MSCI World -2.5% and EM -1.3%) as concerns increased over some European countries' ability to finance debt obligations and in the US the risk of debt default increased. Although the US debt ceiling was increased, the risks to global growth stalling and continued concerns over some European countries' solvency and liquidity to worry investors.

Markets (MoM%, local)	
S&P500	-2.0%
EuroStoxx	-6.1%
Japan	0.2%
Hong Kong	0.2%
Shanghai	-2.1%
Brazil	-5.7%
MSCI World	-2.5%
MSCI EM	-1.3%
Oil (USD)	-0.3%

Infra Regulation:
*Tiger Airways, a significant user of Melbourne Airport, was grounded for 30 days over several safety problems.

Infra M&A:
*In Spain, the government commenced the sale of airports and is hoping to raise USD7.5b.
*The Canada Pension Plan Investment Board sold its 12% stake in Transurban (Austrlian Tollroad) at AUD5.23, raising AUD903m
*ConnectEast (a portfolio stock) recommended a bid by its largest shareholder, CP2, and a group of global pension funds, to buy the Toll Road operator for a 22% premium. Shareholders are to vote in Septemnber.
*MAp and Ontario Teacher's Pension Plan reached a binding agreement on the asset swap proposed on 22 June 2011. Ontario will be paying AUD791m for MAp's Brussels and Copehagen Airport stakes, in exchange for OTTP's 11% Sydney Airport stake.
*NWG confirmed that it had received a 465 pence in cash offer for the Water company by CKI.

Infra Funding:
*MAp Airports will redeem AUD650m of Sydney Kingsford Smith Interest Earnings Securities (SKIES), a subordinated debt instrument issued by the parent company of Sydney Airport, Southern Cross Airports Corporation Holding. This is being done from recently raised senior debt.
*MAp announced Copenhagen Airports raised DKK5.3b (USD993m) of new debt facilities, evenly split between 5 and 7 year maturities. The proceeds will primarily be used to refinance the existing bank debt facility due to mature in Dec-2012, and to pay hedge break costs and refinancing fees.
*Australia's North Queensland Airports reached financial close on Monday 11 July on an USD569m (AUD529m) senior debt package to refinance the various acquisition facilities that were put in place at the time of the privatisation of Cairns and Mackay Airports in Dec-2008. The facilities will also fund ongoing capital expenditure for the next five years and provide working capital.
Transurban has refinanced AUD520m of non-recourse project debt on its Eastern Distributor road in Australia. The new debt facility replaces AUD515m of debt that will mature between 2012 and 2016.

Other:
*Dubai Airports announced that it received approval for a USD7.8b expansion programme of Dubai International that would boost capacity at the airport from 60 million to 90 million passengers a year.

Portfolio Commentary

In June the RARE Series Infrastructure Value Fund Hedged (-2.9%) underperformed its benchmark (+1.0%), and the UBS Infrastructure & Utility Index (-1.5%).

Over the month, Ports, Water & Airports were all flat, whilst Toll Roads (-105bps) and Electric (-92bps) were detractors from performance. By region, Asia Pacific Developing (+16bps) and Central/South America (+10bps) were the biggest contributors to performance, whilst UK/Europe (-210bps) and North America (-62bps) were the largest detractors.

In stock terms, ConnectEast (Asia Pacific Developed, Toll Road) +21bps and Auckland Airport (Asia Pacific Developed, Airport) +13bps were the largest contributors to return. The European Toll Roads, Abertis -49bps and Vinci -48bps were the largest detractors.

In the month, we added Hamburger Hafen (UK/Europe, Port), Emera (North America, Electric) and PG&E (North America, Electric), whilst selling out of Cez (UK/Europe, Electric).

We continue to look for companies with fundamental long term value, with strong balance sheets, strong management and supportive regulatory environments or long term contracts that help to underpin revenues, cashflow and dividends.

Richard Elmslie & Nick Langley
Senior Portfolio Managers

Overview of Fund Holdings

Top 10 Holdings	Weighting
MAP GROUP	5.7%
VINCI SA	5.7%
TRANSCANADA CORPORATION	4.7%
ABERTIS INFRAESTRUCTURAS SA	4.6%
SHENZEN INTERNATIONAL HOLDINGS LIMI	3.7%
SES	3.5%
TRANSURBAN GROUP	3.5%
NATIONAL GRID PLC	3.3%
SOUTHERN COMPANY	3.2%
RED ELECTRICA CORPORATION SA	3.2%