



The Certitude Asian Opportunities Fund invests into the Marshall Wace GaveKal Asian Opportunities UCITS Fund (Underlying Fund), which provides exposure to a long-only investment strategy designed to capture the long-term returns of the Asia-Pacific equity markets whilst constraining volatility through tactical exposure to bonds and cash. The fund provides access to a diversified portfolio of equities, government bonds, corporate bonds and convertible bonds in the Asia-Pacific region and currencies, particularly Asia-Pacific currencies.

### Portfolio update

The Certitude Asian Opportunities Fund returned 0.18% for November 2011. As a reference, the MSCI AC Asia Pacific (EUR) returned -3.18% for the month.

### Manager comments

Standard & Poor's downgraded the long-term debt ratings of a number of the largest banks in the world and a PBoC official came out and announced that China had no immediate plans to ease monetary policy (H-Shares duly fell -2.1% and Shanghai -3.3% to close the month on their lows). By month end the PBoC had slashed RRR by -50bp and the Federal Reserve, the ECB, BoJ, BoE, SNB and Bank of Canada announced coordinated actions to provide extra liquidity to financial markets in a move reminiscent of the late October 2008 extension of Fed swap lines to all and sundry. Needless to say, this short timeline raises the question of whether these events could all be linked.

Starting with China: did the PBoC have a change of heart over the state of the Chinese economy in the space of eight hours? Or was it they were invited by the world's other central banks to be seen as doing its part in the global liquidity injection (it is hard to imagine that the Fed, ECB, BoE and BoJ would think of inviting the Canadians and the Swiss along for the party but forget the Chinese)? In our view, this matters tremendously because the market will now be discounting a lot more easing from the PBoC. However, if the PBoC eased to be seen as a good 'global citizen' rather than in response to domestic imperatives, then the future path of Chinese monetary policy remains, in our view, uncertain and could yet prove to be less easy than the market expects.

Moving onto the Western world (which has lately been seeing strong data from both the US and Germany): what triggered the central bank action? Was it the unfolding European train wreck? Or the fact that following the downgrades, some of the most important systemic banks would have to post billions in additional collateral, just as market pressures make it almost impossible for banks to raise capital through rights issues? Following the downgrades, Bank of America reported in a regulatory filing that it might need to post nearly \$5bn in additional collateral, Morgan Stanley \$1.3bn and JPMorgan Chase \$1.5bn. From there, it was easy to imagine a further widening of spreads, a creep higher in Libor, etc... with the consequent negative impacts on capital spending and consumption.

Clearly, by reducing the cost of its dollar liquidity swap arrangements from OIS +100bp to OIS +50bp, the Fed is attempting to ease the funding pressures on commercial banks not only in the US but across the globe. In turn, this raises the question of whether this will prove enough to get financial markets out of their recent groove of massive swings from hope to despondency and back again? And for that to happen, the markets will likely need to see some kind of decisive action, one way or the other, to Europe's solvency crisis. Undeniably, last week's -50bp cut in the international price of borrowing US\$ feels nice, as does the cut in Chinese reserve requirements. And the rate cuts announced by Thailand, Indonesia, Australia etc... certainly do not hurt and raises the possibility that, with equity valuations back at record lows, the liquidity injections will trigger a rally reminiscent of early 2009. With that in mind, the fund is once again expanding its equity risk across the region.

### Portfolio facts & fees <sup>1</sup>

APIR code	HFL0014AU
Unit price	\$0.951585
Management costs	1.93% p.a.
Performance fee	Nil
Buy/Sell spread	Nil

Inception date	12 October 2010
Portfolio value (\$M)	\$3.09
No. of equity securities	78
No. of bond securities	23
Income distribution	Annual, 30 June
Liquidity	Daily (4/1)

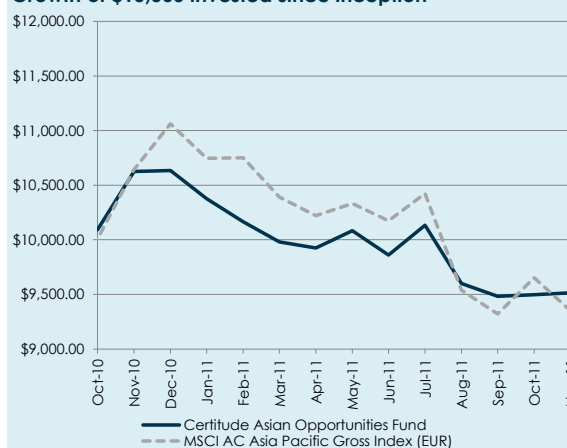
### Performance <sup>2</sup>

	CAOF %	MSCI AC Asia Pacific (EUR) %	MW GAOUF (UCITS A) %	MSCI AC Asia Pacific (EUR) %
1 month	0.18	-3.18	-0.32	-3.18
3 months	-0.86	-1.99	-1.95	-1.99
6 months	-5.62	-9.54	-7.41	-9.54
12 months	-10.44	-12.17	-13.30	-12.17
2 years p.a.	N/A	N/A	5.28	6.56
3 years p.a.	N/A	N/A	15.14	11.90
5 years p.a.	N/A	N/A	5.87	-1.40
7 years p.a.	N/A	N/A	N/A	N/A
10 years p.a.	N/A	N/A	N/A	N/A
Since inception p.a.	-4.28	-5.78	5.65	-1.40
Volatility p.a.	N/A	N/A	14.30	15.91
Positive months	50.00	(7)	54.93	(39)
Negative months	50.00	(7)	45.07	(32)
<b>Total</b>	<b>100.00</b>		<b>100.00</b>	

Past performance is not a reliable indicator of future performance.

Source: Certitude Global Investments Limited, Morningstar.

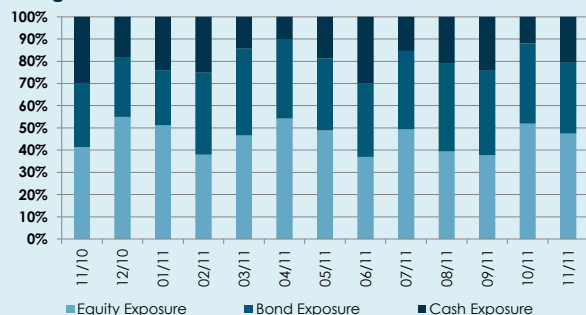
### Growth of \$10,000 invested since inception <sup>2</sup>



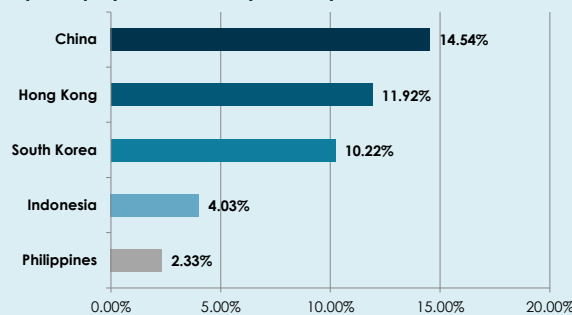
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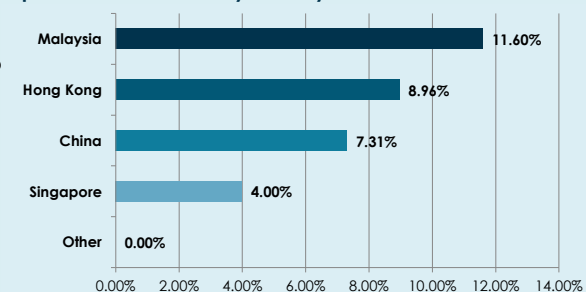
### Rolling 12 month asset allocation <sup>3</sup>



### Top 5 equity allocation by country <sup>3</sup>



### Top 5 bond allocation by country <sup>3</sup>



### Top equity positions & country <sup>4</sup>

Top 10 equity positions	Weight %	Country
iShares A50 China Tracker	2.84	China
CK Infrastructure Holdings Ltd	2.38	Hong Kong
Power Assets Holdings Ltd	2.36	Hong Kong
Lenovo	1.90	China
Li & Fung	1.56	Hong Kong
Hyundai Motor Co.	1.49	Korea
GUANGDONG INVESTMENT LTD	1.46	China
China Mobile	1.44	China
KIA MOTORS CORPORATION	1.37	Korea
Link REIT	1.37	Hong Kong

### Fund ratings



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### Further information

Please contact 1300 30 90 92 or visit the website at [www.certitudeglobal.com.au](http://www.certitudeglobal.com.au) for further information.

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### Disclaimers

- Total management costs include 1.54% p.a. management fee, 0.10% p.a. administrative fee and 0.29% p.a. administration costs of the MWG Fund in which the Fund invests. Costs incurred by the 0.29% p.a. MWG Fund administration costs are reflected in the price of units in the MWG Fund. Income is distributed annually for the period ending 30 June each year where income is available.
- CAOF returns to 30 November 2011 assume distributions are reinvested and are net of all fees.  
The inception date of the underlying fund ('MWG') is 11 January 2006  
The MSCI AC Asia Pacific Gross EUR is provided as a reference only.
- Allocations are for the underlying fund, are current as at the date of this report and are not necessarily indicative of future strategy allocations. Equity Allocations include index positions.
- Positions are reflected on a net basis and excludes non-equity and index positions.  
Further details of CAOF can be found on the website at [www.certitudeglobal.com.au](http://www.certitudeglobal.com.au).

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