

HFA Diversified Investments Fund

ARSN 093 497 468

31 October 2011

CERTITUDE
GLOBAL INVESTMENTS



The HFA Diversified Investments Fund invests into the Lighthouse Partners Diversified Fund Limited (Underlying Fund), which has exposure to over 50 specialist investment managers, with each manager concentrating on a market sector where they are based and have expertise. Utilising seven investment strategies, the HFA Diversified Investments Fund remains the most diversified absolute return fund in the Certitude stable.

Portfolio update

The HFA Diversified Investments Fund Hedged Wholesale class returned 0.99% for October 2011. As a reference, the MSCI World Ex Australia (USD) returned 10.12% for the month.

Key Points

- Credit had a positive month, as credit spreads tightened substantially and several restructured equities rallied. Fundamental credit strategies performed well.
- Fixed income was marginally positive. Municipal bond issuance continued its positive trend. Issuance was up nearly 20% month-over-month. Interest rate hedges were generally helpful, for a change, as rates increased.
- October was negative for global trading with losses in trend following, short-term trading and fundamental strategies. The portfolio was defensively positioned, and risk assets rallied.
- The improvement in the U.S. macro data and hopes of coordinated support for the Eurozone drove the recovery of sentiment in global equity markets. Long/short equity managers were able to earn profits on lower gross exposures and delivered positive results across all sub-strategies.
- Market neutral equity posted negative performance with over half of the managers and all three sub-strategies negative, as global equity markets climbed sharply.
- Relative value strategies were positive. Merger strategies were up with spreads remaining volatile. Allocations in more traditional convertible strategies were profitable, but less so than would have been expected based on the market's credit rally.

Portfolio facts & fees ¹

	Wholesale	Retail
APIR code	HFL0104AU	HFL0102AU
Unit price	\$1.097405	\$1.070616
Management costs	1.52% p.a.	1.78% p.a.
Performance fee	Nil	
Buy/Sell spread	Nil	

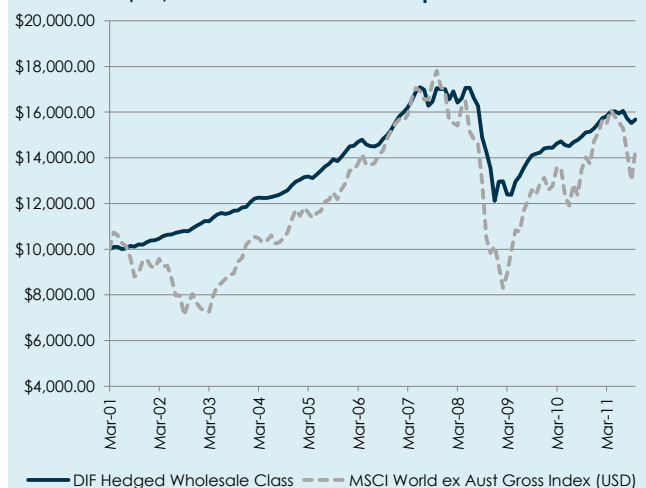
Inception date	31 March 2001
Portfolio value (\$M)	\$262.874
No. of underlying managers	87
Income distribution	Annual, 30 June
Liquidity	Monthly (91/30)

Performance ²

	Hedged		MSCI World Ex Australia (USD) %
	Wholesale %	Retail %	
1 month	0.99	0.97	10.12
3 months	-2.37	-2.44	-6.25
6 months	-2.11	-2.24	-11.03
12 months	3.65	3.44	2.24
2 years p.a.	5.15	4.91	7.66
3 years p.a.	3.19	2.91	10.95
5 years p.a.	0.88	0.61	-0.68
7 years p.a.	3.18	2.89	4.22
10 years p.a.	4.38	4.14	4.82
Since inception p.a.	4.33	4.07	3.46
Volatility %p.a.	6.83	6.83	16.87
Positive months	74.02	(94)	
Negative months	25.98	(33)	
Total	100.00		

Past performance is not a reliable indicator of future performance.
Source: Certitude Global Investments Limited, Morningstar.

Growth of \$10,000 invested since inception ²



Past performance is not a reliable indicator of future performance.
Source: Certitude Global Investments Limited, Morningstar.

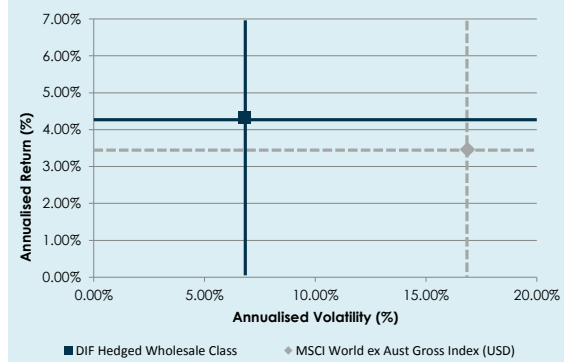
Portfolio allocation & contribution ³

Strategy	Weight	Contribution	
	%	No.	%
Credit	10.7	(11)	0.17
Fixed Income	8.2	(4)	0.06
Global Trading	8.8	(26)	-0.30
Long / Short	20.5	(20)	0.41
Market Neutral Equity	18.8	(10)	-0.41
Options	2.3	(2)	0.07
Relative Value Arbitrage	27.5	(14)	0.73
Cash & Cash Equivalents	3.2	-	0.26
Total	100.0	(87)	0.99

Manager allocation

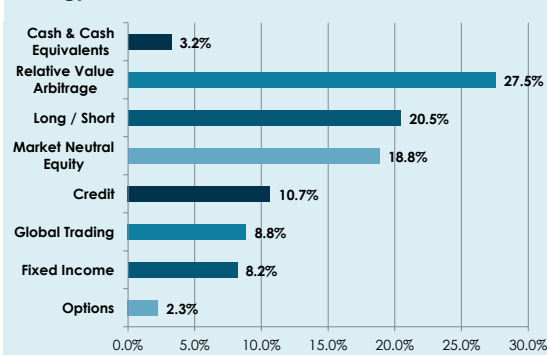
	%
Top 5	24.9
Top 10	41.2
Top 20	63.2
Top 40	86.7

Risk vs. return ⁴

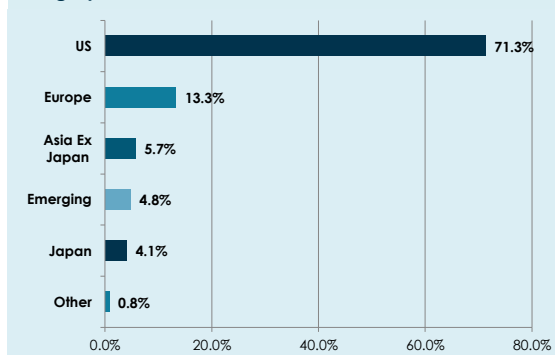


Past performance is not a reliable indicator of future performance.
Source: Certitude Global Investments Limited, Morningstar.

Strategy allocation ³



Geographic allocation ⁵



Fund ratings



To the extent that any ratings, opinions or other information of Standard & Poor's Information Services (Australia) Pty Ltd (ABN: 17 096 167 556, Australian Financial Services Licence Number: 258896) ("Standard & Poor's") constitutes general advice, this advice has been prepared by Standard & Poor's without taking into account any particular person's financial or investment objectives, financial situation or needs. Before acting on any advice, any person using the advice should consider its appropriateness having regard to their own or their clients' objectives, financial situation and needs. You should obtain a Product Disclosure Statement relating to the product and consider the statement before making any decision or recommendation about whether to acquire the product. Past performance is not a reliable indicator of future performance. Ratings can change or cease at any time and should not be relied upon without referring to the meaning of the rating. For more information regarding ratings please call S&P Customer Service on 1300 792 553 and also refer to Standard & Poor's Financial Services Guide at www.fundsinsights.com. Each analytic product or service of Standard & Poor's is based on information received by the analytic group responsible for such product or service. "S&P" and "Standard & Poor's" are trademarks of The McGraw-Hill Companies, Inc. © 2011 Standard & Poor's Information Services (Australia) Pty Limited."



The Lonsec Limited ("Lonsec") ABN 56 061 751 102 rating (assigned July 2011) presented in this document is a "class service" (as defined in the Financial Advisers Act 2008 (NZ)) or is limited to "General Advice" and based solely on consideration of the investment merits of the financial product(s). It is not a recommendation to purchase, sell or hold the relevant product(s), and you should seek independent financial advice before investing in this product(s). The rating is subject to change without notice and Lonsec assumes no obligation to update the relevant document(s) following publication. Lonsec receives a fee from the Fund Manager for researching the product(s) using comprehensive and objective criteria.

Further information

Please contact 1300 30 90 92 or visit the website at www.certitudeglobal.com.au for further information.

Phone: 1300 30 90 92

www.certitudeglobal.com.au

Disclaimers

- Total management costs include 1.28% p.a. management fee for wholesale units or 1.54% p.a. management fee for retail units, 0.11% p.a. administrative fee and 0.13% p.a. administration costs of the LHP Fund in which the Fund invests. Costs incurred by the 0.13% p.a. LHP Fund administration costs are reflected in the price of units in the LHP Fund.
Income is distributed annually for the period ending 30 June each year where income is available.
- DIF returns to 31 October 2011 assume distributions are reinvested and are net of all fees.
The MSCI World Ex Australia Gross USD 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.
- Volatility is calculated as the annualised standard deviation of returns since DIF's inception.
- With respect to investments made by the underlying manager through managed accounts, geographic information comes directly from the managers in the form of daily position level transparency. With respect to investments made with managers via traditional fund investments, geography is calculated based on equity and credit instruments' notional exposure.

Further details of DIF can be found on the website at www.certitudeglobal.com.au.

Certitude Global Investments Limited ABN 25 082 852 364 (Certitude) AFS License 246747, is the issuer of units in the HFA Diversified Investments Fund ARSN 093 497 468 (DIF). The information contained in this report is not personal financial product advice, does not constitute an investment offer and has been prepared without taking into account the objectives, financial situation or needs of any particular person. Before making an investment decision to continue to hold units in DIF you should consider, with the assistance of a financial or other professional adviser, whether the investment is appropriate in the light of those circumstances. Neither Certitude, nor its associates, the directors or officers of Certitude and its associates, or any party named in the Product Disclosure Statement, dated 1 October 2010 guarantee the repayment of capital or the performance of DIF. Past performance and asset allocation is not a reliable indicator of future performance.