



GRANT SAMUEL
FUNDS MANAGEMENT
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MEDIA RELEASE

“Recommended” rating for Triple3 Volatility Fund from Zenith

Zenith Investment Partners has awarded the Triple3 Volatility Advantage Fund a “Recommended” rating, the Fund’s third strong rating this year.

The Triple3 Volatility Advantage Fund, which was launched in May this year and is distributed in the Australian market by Grant Samuel Funds Management, aims to generate long-term absolute returns with its volatility-focused strategy to capture alpha from highly liquid exchange-traded VIX options, which are negatively correlated to equities.

In its report, Zenith said that “[it] believes the Fund is a unique offering, managed by a volatility trading specialist.

“Zenith believes one of the key attractions of this Fund is its expected low to negative correlation with US equities. Furthermore, the Fund is expected to outperform especially when the US equities market falls. Based on the potential correlation benefits that the Fund can provide, Zenith believes an allocation within a broadly diversified portfolio can reduce overall portfolio risk while enhancing returns.”

Zenith also commended chief investment officer Simon Ho, and the partnership with Grant Samuel Funds Management (GSMF).

“Zenith believes the arrangement is a positive one in that it allows the T3P investment professionals to focus on investment related activities. Zenith also has a favourable view of the GSMF business strategy and the professionals that support the firm’s investment partners.

“Zenith rates Ho highly, noting that he has the requisite experience and expertise to manage the strategy,” the report said.

Mr Ho said that investors are increasingly recognising volatility as a distinct asset class that can offer a useful source of alpha in portfolios.

“Managed appropriately, volatility can help enhance returns and manage risk, in a way that is largely uncorrelated to more traditional asset classes.

“Using volatility in this way has been used for some time in international markets, but it still relatively new to the Australian market. It is encouraging to receive such a positive rating from organisations such as Zenith, that recognise the role that our fund can play in investor portfolios,” Mr Ho said.

Damien McIntyre, director and head of distribution with Grant Samuel Funds Management, said that there is a high level of interest in the fund and particularly in the diversification benefits it offers.

“The home biases amongst Australian investors, and the fact that most investors continue to rely heavily on shares and residential property, is well-known.

“As investors and their advisers recognise this, they are increasingly looking for ways to achieve greater diversity in their portfolios.

“However, most of the alternative strategies have a strong correlation to equities, which limit their usefulness.

“The Triple3 Volatility Advantage Fund is a highly effective way of achieving diversification, while at the same time enhancing returns and managing risk,” Mr McIntyre said.

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Grant Samuel Funds Management (GSFM) was established in July 2007 and is a subsidiary of the Grant Samuel Group, and co-owned by the executives of GSFM. Grant Samuel Group is an independent investment advisory house founded in 1988 and owned by its executives. GSFM specializes in marketing funds managed by high calibre local and international managers to Australian institutional and retail investors.

GSFM formed an alliance in October 2007 with New York based Epoch Investment Partners, Inc. to distribute Epoch's investment products to Australian clients.

In May 2008, GSFM acquired an equity stake in Tribeca Investment Partners, a successful Australian boutique manager which has been investing clients' funds since 1999.

In May 2011, GSFM formed a relationship with Payden & Rygel, a Los Angeles based independent investment management firm established in 1983, to distribute its global fixed income and absolute return strategies in the Australian market.

In early 2014, GSFM established a relationship with Triple Three Partners Pty Ltd (Triple3) a boutique research and investment management firm based in Sydney. Triple3 specialises in volatility as an asset class. The first fund from this relationship the Triple3 Volatility Advantage Fund was launched in May 2014.

GSFM currently represents over \$4.8 billion funds under management (as of 31 October 2014). For more information about GSFM please visit the website: www.grantsamuelfunds.com.au

Triple3 Partners is an independent research and investment firm based in Sydney that specialises in volatility as an asset class and provides volatility strategies to institutional clients. This includes alpha strategies, volatility overlay and volatility research.

Triple3 invests in portfolios of options in order to tap the alpha potential inherent in volatility. Using a proprietary quantitative strategy, Triple3 helps investors enhance returns and manage portfolio volatility.

Over the past seven years Triple3 has developed quantitative forecasting techniques and portfolio allocation algorithms, which represent a prominent source of its competitive edge. For more information please visit the website: www.triple3p.com

The PDS for the Fund may be obtained by contacting GSFM on (02) 9324 4356 or from www.gsfm.com.au. Before making an investment decision in relation to the Fund, investors should read and consider the PDS for the Fund.

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