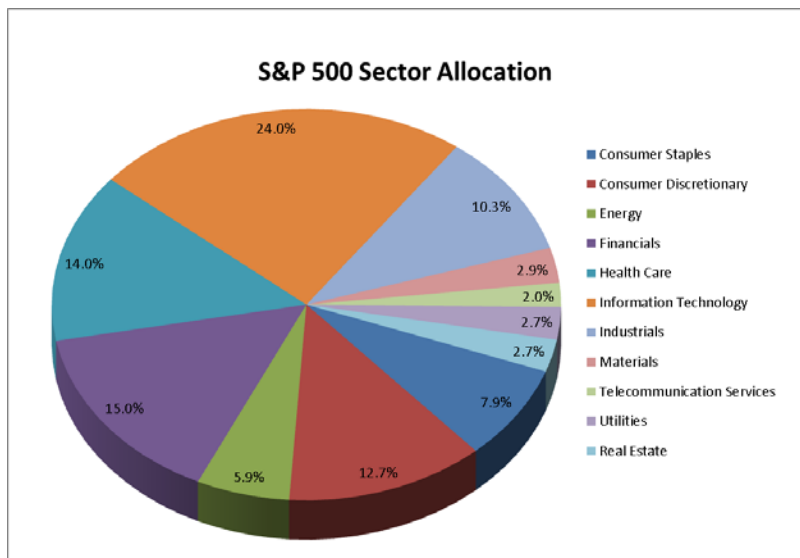


**UMAX commentary – February 2018 (January Option Period)
Adviser Use Only**


Source: Bloomberg, as of 19 January 2017.

UMAX: ASX

NAV per unit (January 19)	\$18.10
NAV per unit (December 15)	\$18.71

January Option Period Returns

UMAX Total Return	-2.35%
S&P 500 Total Return	0.51%
Over (Under) Performance	-2.86%

January Options at Inception

1-Mth Implied Vol.	6.7%
Portfolio Delta	-0.26
% Portfolio Written	96%

February Options at Inception

1-Mth Implied Vol.	8.5%
Portfolio Delta	-0.29
% Portfolio Written	99%

Distribution Per Unit History (by ex-date)

2 January 2018	\$0.1688
2 October 2017	\$0.1711
3 July 2017	\$0.2073
3 April 2017	\$0.2047

The UMAX total return was -2.35% between 15 December 2017 and 19 January 2018 (“January Option Period” or “January Period”). The S&P 500 Index (the “S&P 500” or “Index”) had a total return of 0.51%, in AUD terms. The Index returned 5.13% in U.S. dollar terms. Similarly to the previous Period, we saw strong positive performance from the Index offset by the currency strength in the Australian dollar. The covered call strategy underperformed during the January Period as the Index started the 2018 year on a strong note. Options implied volatility increased somewhat during the January Period as traders position for a correction after one of the best starts to the year for the U.S. stock market. 1-Month options implied volatility increased to 8.5% on 19 January 2018, a 1.8 percentage point increase. The new February 2018 options were written with approximately 99% coverage, 1.05% out-of-the money and to an initial portfolio delta of -0.29.

Information Technology (Index weight: 24.0%)

The information technology sector was up 5.3% during the January Option Period. Despite such a strong performance by the sector, it was only the fourth best performing sector in the Index. Most IT stocks were higher during the period, with over 90% of the companies in the sector ending the January Period higher.

Financials (Index weight: 15.0%)

The financial sector had a great start to the year increasing 6.0% during the January Period. Rising long term yields and a strong underlying economy is good

news for bank profit margins. 21 of the 22 banks in the sectors were higher during the January Period, and increased on average 7.6%.

Real Estate (Index weight: 2.7%)

Similarly to the previous period, the Real Estate sector was one of only a few sectors to trade lower during the January Option Period. The sector traditionally depends on leverage and higher interest rates will certainly impact financials. The sector traded 5.5% lower during the period and only 3 stocks of the 33 ended the period higher.

Healthcare (Index weight: 14.0%)

After a strong advance during the December Period, the good performance for the healthcare sector continued during the January Period as it traded 5.2% higher, in line with the overall index.

Consumer Discretionary (Index weight: 12.7%)

The consumer discretionary sector was the second best performing sector in the Index during the January Period, increasing 7.7%. An improving economy and strong job numbers over the year are boosting retailers' fortunes. Of the 30 retail companies in the consumer discretionary sector, only one traded lower during the period. 17 of these retailers returned in excess of 10% during the January Period.

Industrials (Index weight: 10.3%)

The industrial sector outperformed the Index for the second consecutive period, increasing 6.5% during the January Option Period. Construction and building stocks did well during the period, as energy and the material sectors continue to do well. Caterpillar ("CAT"), one of the leading sellers of mining equipment, increased 16.2% during the January Period.

Consumer Staples (Index weight: 7.9%)

Consumer staples underperformed the Index but still traded 1.7% higher during the January Period. Retailers of consumer staples were the best performers in the sector. Walmart ("WMT") and CVS Health ("CVS") increased 7.7% and 9.3% respectively during the January Option Period.

Energy (Index weight: 5.9%)

The Energy sector spent most of 2017 as one of the worst performing sectors, but 2018 is proving to be a much better start. The sector was the best performing during the January Period, increasing 10.9%. All 32 stocks in the sector were higher during the period.

Materials (Index weight: 2.9%)

Similarly to the energy sector, the materials sector is off to a much better 2018. Copper and other base metals had a strong start to the year helping Freeport-McMoran Inc. ("FCX") be the best performing stock in the sector during the period, for the second consecutive time. The stock returned 17.6% during the January Period.

Telecommunication Services (Index weight: 2.0%)

The Telecommunication sector gave up some of the gains made during the December Period. That period was unusually strong as telecom companies had been the best performing sector in the Index. The sector ended the January Period returning -2.0%

Utilities (Index weight: 2.7%)

The Utilities sector was the worst performing sector for the second consecutive period during the January Option Period, decreasing -9.2%. This was a particularly bad performance given that the Index overall was up 5.2% a 14.2% underperformance for the sector. Tax reform is slated to have a negative impact on the sector and force many in the sector to raise equity.

The Fund's equity exposures continue to be obtained indirectly via its holding of one or more US-listed exchange traded funds.

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