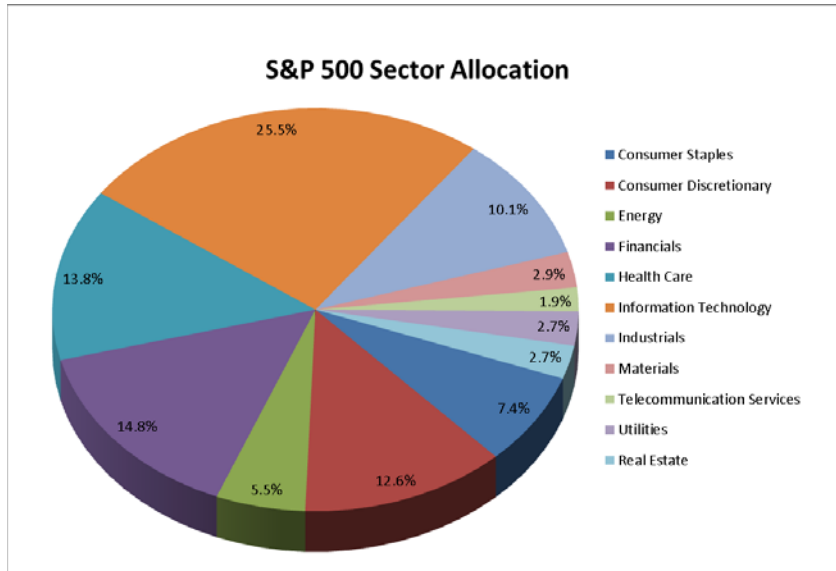


UMAX commentary –April 2018 (March Option Period)
Adviser Use Only


Source: Bloomberg, as of 16 March 2018.

UMAX: ASX

| | |
|----------------------------|-----------|
| NAV per unit (March 16) | \$18.5296 |
| NAV per unit (February 16) | \$17.8641 |

March Option Period Returns

| | |
|--------------------------|-------|
| UMAX Total Return | 3.73% |
| S&P 500 Total Return | 3.34% |
| Over (Under) Performance | 0.39% |

March Options at Inception

| | |
|---------------------|-------|
| 1-Mth Implied Vol. | 14.5% |
| Portfolio Delta | -0.24 |
| % Portfolio Written | 96% |

April Options at Inception

| | |
|---------------------|-------|
| 1-Mth Implied Vol. | 10.9% |
| Portfolio Delta | -0.25 |
| % Portfolio Written | 98% |

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 3.73% between 16 February 2018 and 16 March 2018 (“March Option Period” or “March Period”). The S&P 500® Index (the “S&P 500” or “Index”) had a total return of 3.34%, in AUD terms. The Index returned 0.90% in U.S. dollar terms. The March Option Period was volatile but mostly range bound for the overall market. A continuation of the rally seen at the end of the February Period saw the market try to end the month of February on a strong note, only to see a 3.7% selloff between February 26, 2018 and March 2, 2018. The market then proceeded to recoup these losses before the end of the March Period. The Index traded within 150 point range, and intraday volatility continued to be high. The covered call strategy continued to perform well as premiums received helped to dampen the effect of weaker equities. 1-month options volatility closed lower at 10.9% on 16 March 2018, while several points lower than the previous period, this level is still higher than the average volatility earned in 2017. The new April 2018 options were written with approximately 98% coverage, 2.3% out-of-the money and to an initial portfolio delta of -0.25.

Information Technology (Index weight: 25.5%)

The Information Technology bounced back to lead all sectors higher, up 4.4% in the March Option Period. Individual performances were predominantly positive as 59 of 70 constituents were up in the period. Semiconductor names soared with Micron Technology Inc (“MU”) and LAM Research rising 37.0% and 18.1% in the Period. All 14 semiconductor names were in the positive for the cycle.

Financials (Index weight: 14.8%)

While the Financial sector continued to be volatile it closed the March Option Period slightly weak, retreating -0.1%. Investors continued to question economic and inflationary data as it pertains to the US Federal Reserve’s commitment to continue to raise short term interest rates. E*Trade Financial (“ETFC”) and XL Group (“XL”) moved firmly higher by 10.6% and 26.3% respectively.



Real Estate (Index weight: 2.7%)

The Real Estate sector traded 2.1% higher during the March Option Period. But performances were fairly mixed with 9 of 33 names moving lower in the period. Boston Properties Inc ("BXP") managed a sector best 6.3% in the cycle.

Healthcare (Index weight: 13.8%)

The Healthcare sector moved slightly higher by 0.3% in the March Option Period. Nektar Therapeutics ("NKTR") jumped 23.5% as the firm reported solid Q4 earnings that seemed to beat Wall Street estimates by a sizable margin.

Consumer Discretionary (Index weight: 12.6%)

The Consumer Discretionary sector moved higher slightly by 0.5% but constituent names were again decidedly mixed. In fact 56 of the 82 sector names fell in the cycle. Many retail names reversed course, with names like L Brands ("LB") and Dollar Tree ("DLTR") falling -17.1% and -11.3% respectively in the March Option Period. Macy's Inc ("M") continued to wage a big comeback with a sector best performance of 10.1% in the period.

Industrials (Index weight: 10.1%)

The Industrial sector was -0.8% lower during the March Option Period. Airlines stocks, however, recovered nicely. All five airline stocks in the group were up during the March Period, with American Airlines ("AAL") leading the way increasing 7.4% during the period.

Consumer Staples (Index weight: 7.4%)

The Consumer Staples sector was the worst performing sector during the March Period, and had its second consecutive negative return period. Five names out of the 34 constituents fell more than ten percent during the March Option Period. Walmart Inc. ("WMT") fared particularly poorly returning -14.9% during the period after reporting disappointing earnings.

Energy (Index weight: 5.5%)

After a very difficult February Period, the Energy sector stabilized over the March Period, finishing slightly lower, down -0.5%. The weaker performance, however, was in contrast to oil prices which increased during the March Period. There was some good news in the Oil Services subsector which outperformed. Baker Hughes Co. ("BHGE") returned 16.5% during the March Period,

Materials (Index weight: 2.9%)

Materials continued to be weak during the March Option Period, returning -2.1%, the second worst performance in the Index. DowDuPont Inc. ("DWD") the largest company in the sector was responsible for most of this underperformance, returning -5.5% during the March Period

Telecommunication Services (Index weight: 1.9%)

The Telecommunication sector could not participate in the market rally and returned -2.0% in the March Option Period. All three constituents were lower during the period, but Centurylink Inc ("CTL") was hardest hit, returning -9.5% during the March Period, and losing all the gains from the previous period.

Utilities (Index weight: 2.7%)

The Utilities sector had returns in line with the rest of the broader market, increasing 0.8% during the March Option Period. There were a few outsized gains in the sector during the period, with NRG Energy and P G & E Corp gaining 20.1% and 11.6% respectively.

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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