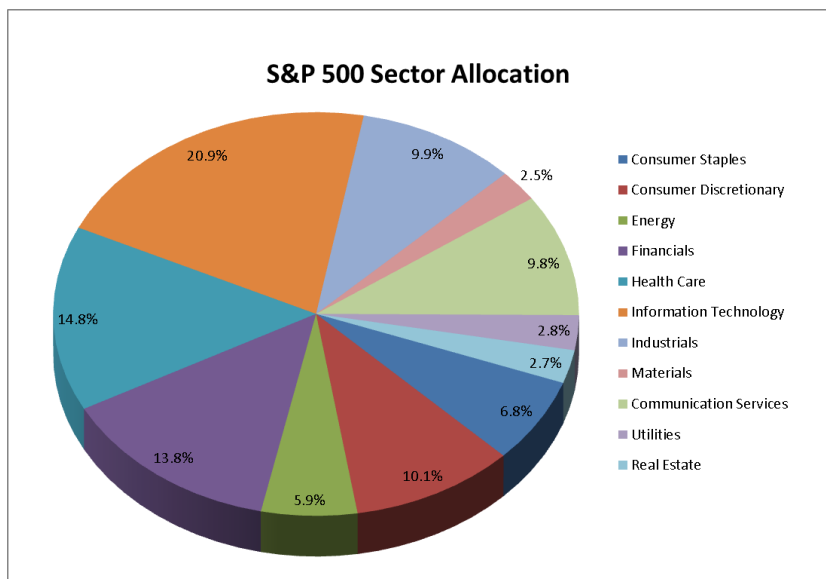


UMAX commentary –October 2018 (September Option Period)
Adviser Use Only



Source: Bloomberg, as of 21 September 2018.

UMAX: ASX

NAV per unit (September 21)	\$20.5020
NAV per unit (August 17)	\$20.1661

August Option Period Returns

UMAX Total Return	1.67%
S&P 500 Total Return	2.80%
Over (Under) Performance	-1.13%

September Options at Inception

1-Mth Implied Vol.	8.7%
Portfolio Delta	-0.24
% Portfolio Written	95%

October Options at Inception

1-Mth Implied Vol.	8.4%
Portfolio Delta	-0.24
% Portfolio Written	95%

Distribution Per Unit History (by ex-date)

1 October 2018	\$0.2290
2 July 2018	\$0.2706
2 April 2018	\$0.2386
2 January 2018	\$0.1688

The UMAX total return was 1.67% between 17 August 2018 and 21 September 2018 (“September Option Period” or “September Period”). The S&P 500® Index (the “S&P 500” or “Index”) had a total return of 2.80%, in AUD terms during the September Period. The Index made new all-time highs during the September Period, as optimism over a strong economy continued to help stocks. Cyclical stocks such as energy, industrials and materials all performed well during the September Period. Interestingly though, while markets continued to make new highs, the CBOE VIX® Index (“VIX”) traded in a stable range and did not trade through the low set during the quiet August Period. We are entering a seasonally volatile time of the year, and while realized volatility in the Index continues to be low, options prices are pricing more movement ahead. The 1-month options volatility closed at 8.4% on 21 September 2018, 0.3% lower than the 17 August 2018 close. The new September 2018 options were written with approximately 95% coverage, 1.5% out-of-the money and to an initial portfolio delta of -0.23.

Information Technology (Index weight: 20.9%)

Technology stocks continued to do well, rising 2.5% during the September Period. Software stocks did particularly well, with 17 of the 20 companies in the subsector trading higher during the September Option Period. Autodesk (“ADSK”) was the best performing software stock rising 15.2% during the period.

Financials (Index weight: 13.8%)

Financials fared well despite slightly underperforming the market. While a hawkish Federal Reserve Bank can

be bad for financial stocks, rising long-term rates can actually be beneficial if the yield curve steepens. Rising long term rates have particularly helped insurance companies with long dated liabilities. 17 of the 21 insurance companies in the Index traded higher during the September Period.

Real Estate (Index weight: 2.7%)

The Real Estate sector was one of only two sectors with negative returns for the September Option Period.

Higher long term rates are generally a negative for the generally leveraged sector.

Healthcare (Index weight: 14.8%)

The Healthcare sector continued to do well for the third consecutive time, after strong performances during the August and July periods. The sector increased 3.7% during the September Period, outperforming the Index.

Consumer Discretionary (Index weight: 10.1%)

After a quiet start to the summer, the consumer discretionary sector was the second best performing sector in the Index during the September Option Period, increasing 4.2%. Home building supply stocks and sector heavyweights Home Depot Inc. (“HD”) and Lowe’s (“LOW”) led the way, advancing 8.6% and 19.3% respectively during the September Period. Lowe’s was the best performing stock in the retail subsector.

Industrials (Index weight: 9.9%)

The Industrial sector was the best performing sector in the Index, increasing 4.8% during the September Period. Airlines did particularly well, with all five stocks in the subsector increasing during the period.

Consumer Staples (Index weight: 6.8%)

After outperforming the Index in the previous period, Consumer Staples, along with many of the other defensive sectors, underperformed the Index during the September Period. Beverage stocks were particularly uninspired as only Constellation Brands Inc. (“STZ”)

outperformed the Index with a 6.4% return during the September Period.

Energy (Index weight: 5.9%)

The Energy sector clawed back losses from the previous period and increased 4.1% during the September Period. The sector was buoyed by strong oil prices. Oil prices, as measured by the front month NYMEX crude oil future, increased 7.1% during the September Period.

Materials (Index weight: 2.5%)

The Materials sector performed in line with the Index during the September Option Period, increasing 3.8%. The Packaging & Containers subsector performed well, with all four stocks trading higher during the period.

Communication Services (Index weight: 9.8%)

The Communication Services sector is a new sector that includes the old Telecommunication sector as well as some Internet, Media and Software stocks. Facebook Inc (“FB”) is now the largest stock in the sector. This did not help the stock, however, as it traded 6.2% lower during the September Period.

Utilities (Index weight: 2.8%)

The traditionally defensive Utilities sector underperformed along with all the other defensive sectors. In fact, it was the worst performing sector during the September Option Period, returning -2.2%.

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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