

Monthly report as at 31 May 2017

MTD: 0.49% **YTD:** -1.61% **Annualised return since inception:** 0.91% **Annualised volatility since inception:** 12.74%

Objective

Man Series 11 OM-IP 220 (the 'Company') aims to generate medium term capital growth with the security of a capital guarantee and a rising guarantee from National Australia Bank¹.

The investment strategy is designed to capitalise on the performance of the AHL Diversified Program and the Man Investments Portfolio.

The combination of the two complementary investments is designed to increase opportunities for profit and spread risk over more than 150 international markets and more than 70 specialised international fund managers.

Performance statistics²

April 2006 to May 2017

Last month	0.49%
Last 3 months	-1.72%
Year to date	-1.61%
Last 12 months	-4.57%
Last 3 years (p.a.)	1.63%
Last 5 years (p.a.)	-0.52%
Last 7 years (p.a.)	0.19%
Last 10 years (p.a.)	0.97%
Annualised return since inception	0.91%
Annualised volatility since inception	12.74%
Total return since inception	10.66%
Worst drawdown	-18.83%

Sector allocations – AHL³

May 2017

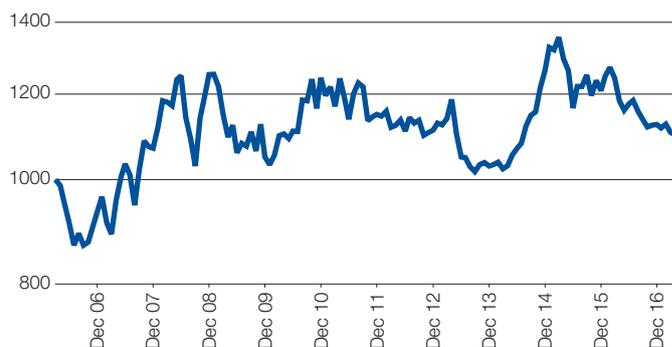
Bonds and rates	20.7%
Commodities	27.1%
Credit	3.8%
Currencies	19.5%
Stocks	28.9%

Fund details

Inception date	Apr 2006
Net Asset Value ⁴	\$1.1066 ²
Capital Guarantee	\$1.0105
Fund AUM ²	\$43.1m
Currency	AUD
Maturity Date	31 May 2017
Valuations Agent	Citco Fund Services (Ireland) Ltd
APIR code	MAN0025CK

Net track record

April 2006 to May 2017



Note: The chart is expressed in log scale to uniformly illustrate percentage changes each month. It shows the actual trading results of the Company from April 2006 to May 2017. It is not designed to predict or forecast the future performance of the Company. Performance figures are calculated as at 31 May 2017. Past performance is not a reliable indicator of future performance.

Sector allocations – Man Investments Portfolio

May 2017

Credit	8.7%
Equity long-short	30.1%
Global macro	20.2%
Overlays	12.9%
Relative value	28.1%

Monthly commentary

The month of May ended with global stock markets generally higher than where they had started and the VIX index of US equity volatility was lower than where it had begun. Intra-month this index had in fact closed at 9.77, its lowest level since 1993 and yet this view of ongoing, benign low volatility in markets masks two more significant events, from which both markets and the Company recovered well. Rallying bond markets added to returns made in stocks and credit, more than offsetting smaller commodity losses, to leave the Company up for the month.

The first of these events occurred on 17 May, when risk assets retreated sharply as commentators raised the prospect of a US Presidential impeachment, following further twists in the stories of Russian involvement in the US election campaign. The S&P suffered its biggest one-day drop in eight months. The next day another potential presidential impeachment was flagged, this time in Brazil, caused a 9% fall in the country's Bovespa and the biggest sell-off in the BRL against the USD since 1999.

Equities were the strongest performing asset class, with Asian indices such as Kospi and Hang Seng standing out as winners for the Company. The Trump news hit the Company's long positions in the broadest US index most, the Russell 2000; however, its effect was far from uniform. Indeed, the technology-heavy NASDAQ index ended the

month up 3.7% and resulted in a positive contribution to the Company.

Credit markets shared in the positive sentiment of equities, with short CDS positions in European indices in particular performing strongly. Yields in most markets declined over the course of the month, leading to profits from the Company's growing long bond positions. Italian bonds, in particular, continued their post-French-election run of price increases to top the list of performers.

On the debit side, receiver positions in Brazilian swaps were hit as short end yields widened on the news of corruption evidence implicating current President Michel Temer. A long position in the BRL was by far the worst performer both in the FX sector and portfolio as a whole. Positions here and in the swap markets were quickly cut on the sharp increase in market volatility. Long positions in the EUR continued to benefit from the positive momentum following the French elections last month.

Commodities posted the largest losses, dominated this month by short positions in precious metals, where both silver and gold remain range-bound year-to-date. More certain direction was seen in the agricultural markets, as soybeans, sugar and coffee prices all continued to fall to the benefit of short positioning in the Company.

Historical performance²

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2006	NA	NA	NA	-1.31%	-3.74%	-4.12%	-4.58%	2.45%	-2.41%	0.68%	3.44%	3.14%	-6.66%
2007	3.25%	-5.32%	-2.41%	7.49%	4.95%	2.91%	-2.26%	-6.31%	8.11%	6.11%	-1.29%	-0.24%	14.55%
2008	4.51%	5.91%	-0.25%	-0.77%	5.69%	0.93%	-8.59%	-4.37%	-5.80%	10.85%	4.95%	4.50%	16.97%
2009	0.14%	-2.62%	-5.86%	-4.61%	2.53%	-5.67%	1.95%	-0.56%	3.12%	-3.99%	5.93%	-6.86%	-16.13%
2010	-1.60%	2.01%	4.32%	0.33%	-0.93%	1.60%	-0.08%	6.88%	-0.10%	4.72%	-6.05%	6.79%	18.52%
2011	-3.71%	1.82%	-4.09%	6.13%	-4.20%	-4.34%	5.58%	2.36%	-0.84%	-6.93%	0.82%	0.53%	-7.55%
2012	-0.37%	1.07%	-3.39%	0.46%	1.12%	-2.34%	2.97%	-1.22%	0.63%	-3.25%	0.70%	0.42%	-3.36%
2013	1.58%	-0.42%	1.36%	4.18%	-7.07%	-4.91%	-0.10%	-1.90%	-1.09%	1.49%	0.55%	-0.79%	-7.36%
2014	0.31%	0.53%	-1.41%	0.70%	2.30%	1.42%	1.04%	3.81%	2.27%	0.72%	5.33%	3.92%	22.85%
2015	4.86%	-0.54%	2.74%	-4.49%	-2.42%	-7.71%	4.69%	-0.04%	2.53%	-4.26%	3.24%	-2.15%	-4.36%
2016	3.13%	1.93%	-2.32%	-4.74%	-1.96%	1.36%	0.77%	-2.24%	-1.79%	-1.64%	0.38%	0.18%	-6.99%
2017	-0.78%	0.91%	-1.75%	-0.46%	0.49%								-1.61%

The 2017 year to date figure is calculated from 1 January 2017 to 31 May 2017.

¹ Subject to the terms of the NAB Guarantee outlined in Chapter 2 of the Prospectus.

² Past performance is not a reliable indicator of future performance. Performance figures are calculated net of all fees as at 31 May 2017.

³ The sector allocations are designed to reflect the estimated risk exposure to each sector relative to the other sectors in the AHL Diversified Program. The figures are based on estimates of the risk exposure of each sector as at 31 May 2017. A geographical breakdown of the AHL Diversified Program is not shown due to the diverse nature of the markets traded.

⁴ For information on the valuation of Shares, refer to the Prospectus and the Company's Articles. Past performance is not a reliable indicator of future performance.

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