



Important message from the CEO

For investors in: Value Growth Trust (VGT), Global Equity Trust (GET), High Conviction Equities Trust (HCT), Australian Value Trust (AVT) and Global Deep Green Trust (GDG)

Dear investor,

I am very pleased to be sending you the first edition of our monthly newsletters post the merger of Hunter Hall (HH) into Pengana Capital Group.

I know that the past several months have been difficult for some investors in the HH funds and I thank you for your patience and continuing support. The good news is that each of the funds is now under the stewardship of Pengana and the portfolios have been successfully transitioned.

Our aim at Pengana is to deliver superior long term investment returns to our clients, with the majority of our funds focusing on lower risk and prioritising capital preservation. Over many years, our clients have benefitted from being invested with us and we look forward to being able to bring this positive experience to each and every one of you over the coming years.

We had the privilege of meeting many of our investors across the country recently through our 7 city Investor Roadshow to talk about our approach to managing money, with particular reference to the international equities strategies now employed in the VGT and GET. You can view the presentation below.



We commit to communicating with you regularly through these newsletters, our roadshows for investors and advisers twice per year, webinars and regular insights and thought leadership papers. We have been hard at work on our new website, which will launch shortly, making it easier to access information.

You will notice the newsletters are very different to those that you previously received as investors in HH funds. The key differences are as follows:

- The newsletters use the Pengana style and format. You will hopefully find this format to be easy and enjoyable to read as well as containing highly useful information.
- For VGT and GET, you will no longer see the historical performance that was generated under the HH strategy as this has been replaced by the track record of the Pengana International Equities Fund (PIEF) strategy. The reason for this is that these funds are now being managed in the same way as PIEF with almost identical portfolios. Therefore, it is far more relevant for investors to look to the PIEF track record when evaluating an investment in these funds.

Please also note the following:

- The HCT remains very capably managed by James McDonald, with no fundamental changes to its stated strategy.
- The AVT transitioned over to the new income focused strategy on 1 August, and therefore the July report attached reflects the previous strategy and performance. We look forward to sharing our first month's stewardship under the new strategy for this fund in our August newsletters. We've included a snapshot of the new investment strategy for your information.
- The GDG transitioned to a positively screened, sustainable impact fund on 1 August, and the attached report relates primarily to the prior GDG mandate. We look forward to sharing our first month's stewardship under the new strategy for this fund in our August newsletters. We've included a snapshot of the new investment strategy which is now managed by WHEB, together with a performance simulation based on the new investment manager's performance.



MONTHLY REPORT
PENGANA CAPITAL
VALUE GROWTH TRUST
JULY 2017 PERFORMANCE UPDATE

FUND DESCRIPTION AND FEATURES
The Value Growth Trust (Fund) is a long only fund that aims to deliver long-term capital growth through a diversified portfolio of developed and developing markets, large and small companies.
The Fund predominantly invests in companies that deliver value per share, have strong financials and are well positioned to benefit from the growth of the global economy.
The Fund's investment strategy is to invest in companies that are well positioned to benefit from the growth of the global economy.
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PERFORMANCE COMMENTARY
In July the Fund returned +1.37% with its benchmark returning +0.26%. Our analysis shows the performance of the fund was positive but it was not as strong as the benchmark. This was due to a number of factors, including a decline in the performance of the fund's holdings in the US and Europe.



MONTHLY REPORT
PENGANA CAPITAL
GLOBAL EQUITIES TRUST
JULY 2017 PERFORMANCE UPDATE

FUND DESCRIPTION AND FEATURES
The Global Equities Trust (the Fund) is a long only fund that aims to deliver long-term capital growth through a diversified portfolio of developed and developing markets, large and small companies.
The Fund predominantly invests in companies that deliver value per share, have strong financials and are well positioned to benefit from the growth of the global economy.
The Fund's investment strategy is to invest in companies that are well positioned to benefit from the growth of the global economy.
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PERFORMANCE COMMENTARY
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MONTHLY REPORT
PENGANA CAPITAL
HIGH CONVICTION EQUITIES TRUST
JULY 2017 PERFORMANCE UPDATE

FUND DESCRIPTION AND FEATURES
The High Conviction Equities Trust (Fund) is a long only fund that aims to deliver long-term capital growth through a diversified portfolio of developed and developing markets, large and small companies.
The Fund predominantly invests in companies that deliver value per share, have strong financials and are well positioned to benefit from the growth of the global economy.
The Fund's investment strategy is to invest in companies that are well positioned to benefit from the growth of the global economy.
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PERFORMANCE COMMENTARY
July was a challenging month of performance for the Fund, down 4.8%. It is not a bad start to the year as the Fund has returned +1.37% since its inception. The Fund's performance was positive but it was not as strong as the benchmark. This was due to a number of factors, including a decline in the performance of the fund's holdings in the US and Europe.



MONTHLY REPORT
PENGANA CAPITAL
HUNTER HALL AUSTRALIAN VALUE TRUST (SHORTLY TO BE RENAMED PENGANA AUSTRALIAN EQUITIES INCOME FUND)
1 AUGUST 2017 FUND UPDATE

FUND DESCRIPTION AND FEATURES
The Australian Value Trust invests in a high conviction portfolio of Australian listed companies with sustainable and growing income streams.
The Fund's investment strategy is to invest in companies that are well positioned to benefit from the growth of the global economy.
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PERFORMANCE COMMENTARY
Following the merger of Hunter Hall and Hunter Hall 2, the fund was renamed the Hunter Hall Australian Value Trust. The fund's performance was positive but it was not as strong as the benchmark. This was due to a number of factors, including a decline in the performance of the fund's holdings in the US and Europe.



MONTHLY REPORT
PENGANA CAPITAL
PENGANA WHEB SUSTAINABLE IMPACT FUND
1 AUGUST 2017 FUND UPDATE

FUND DESCRIPTION AND FEATURES
The Pengana WHEB Sustainable Impact Fund invests in companies that deliver value per share, have strong financials and are well positioned to benefit from the growth of the global economy.
The Fund's investment strategy is to invest in companies that are well positioned to benefit from the growth of the global economy.
The Fund's investment strategy is to invest in companies that are well positioned to benefit from the growth of the global economy.

PERFORMANCE COMMENTARY
The fund's performance was positive but it was not as strong as the benchmark. This was due to a number of factors, including a decline in the performance of the fund's holdings in the US and Europe.

I want to take this opportunity to reinforce that our clients are at the centre of everything we do at Pengana. We are humbled by the trust and faith that you have placed in us by giving us your wealth to manage and we understand the responsibilities that come with this.

Thank you as always for your support and custom. We welcome hearing from you, either at clientservice@pengana.com or +61-2-8524-9900.

Kind regards,



RUSSEL PILLEMER
CEO Pengana Capital Group

*To persons receiving this document in Australia:

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