



NATURAL RESOURCE FUND

MONTHLY REPORT – NOVEMBER 2015

	Terra Res. Fund	ASX All Ords	ASX 300 Mining	ASX Small Res.
1 Month	-2.3%	-0.7%	-16.5%	-11.7%
3 Month	3.6%	1.3%	-18.1%	-7.7%
FYTD	-16.3%	-2.1%	-23.7%	-23.0%
Incept (p.a.)	21.3%	8.2%	-10.5%	-21.2%
Unit Price	\$1.66			

FUND PERFORMANCE

During the month the ASX 300 Metals and Mining lost another 16.5% and the ASX Small Resources Index dropped 11.7%. The ASX All Ords were lower 0.7% for the month of November. The Fund was down 2.3% in November.

The Unit Price is currently \$1.66.

MARKET OVERVIEW

The S&P/ASX300 Accumulation Index was lower 0.7% after last month's positivity and global equity markets were lacklustre in November with MSCI World returning -0.5% (in US dollars). The focus remained on the prospect of a US rate rise and strengthening of the US dollar was a feature of the month.

US equities rose slightly as banks were supported by the likelihood of higher interest rates, and therefore higher net interest margins. Higher yielding sectors such as telecoms and utilities recorded losses.

Eurozone equities outperformed other regions, supported by expectations that the European Central Bank would announce further monetary policy easing in December.

Emerging markets lagged their developed counterparts as the stronger US dollar weighed on emerging market currencies. Renewed commodity

price weakness had a negative impact on several markets.

COMMODITY OVERVIEW

In November energy prices dropped considerably with oil down 10.1% for the month.

Copper was drastically lower 10.5%, Zinc down 7.7% and Lead lower 3.0%. While precious metals also treated with disdain with Silver down 9.5% and Gold lower 6.7%.

OUTLOOK

Aside from a few shining lights, which we are across, mining stocks continue to be out of favour with most investors. This now definitely includes generalist fund managers who often note the fact they do not own a single mining equity in their portfolios.

These are the times that highly successful mining portfolios are built. Having taken the pain in most of our key holdings, and with catalysts in the months ahead we love hearing that the large institutions do not hold mining equities.

This means we have a significant advantage over almost all players in mining and energy markets and we will continue to hold adequate levels of cash while conservatively assessing the many opportunities that are presenting themselves in the market.

We thank you for your continued support.