



SUPERVISED HIGH YIELD FUND

Supervised Investments Australia Limited

Conservative Opportunism

Monthly Performance Report

November 30, 2015

The Supervised High Yield Fund ARSN 600 244 102 (**SHYF** or **Fund**) is an Australian Dollar hedged international Debt Securities managed investment scheme. The Manager's objective is to deliver capital preservation whilst generating a high return, low risk portfolio.

Investment Policy

The Fund is managed using an absolute return investment process. This process uses economic analysis and asset research combined with historic worst case stress testing to search out and discover the lowest risk best reward investment opportunities in the debt market. The Fund does not invest in junk bonds.

Unit Price and Performance Update

The Fund's net asset value (**NAV**) is calculated at the end of each month and represents the value of the Fund's assets less the value of the liabilities of the Fund (including the Fund's fees, costs and taxes). The value of a Fund unit is then calculated by dividing the Fund NAV by the number of units on issue in the Fund at the end of the relevant month.

Fund returns have been calculated using exit prices and reinvestment of distribution.

FUND INFORMATION AS AT 30 NOVEMBER 2015	\$ Value
Net asset value of fund (NAV)	\$19.327 million
Pre distribution unit price	\$12.4757
Distribution paid per unit	\$0.00
Ex distribution unit price	\$12.4757
Buy / Sell Spread	0

Manager's Comment

The Supervised High Yield Fund's, return for the month to 30 November 2015 was 0.04% (net of fees). The Fund underperformed its benchmark (the RBA cash rate plus 1.5%) by 0.25%. For the twelve months to 30 November, the Fund returned 5.30% (net of fees) outperforming its benchmark by 1.59%.

The Funds returns in November were negatively affected by weakness in the US and Australian corporate debt market where the Fund has invested 26.76% of its assets. We believe this weakness is a short term phenomena because the underlying assets in which we have invested are sound. These market prices are affected more by sentiment than actual credit risk metrics.

The overriding sentiment effecting market prices during November was weakness in commodity prices. For instance West Texas Intermediate crude oil prices traded from USD47 to USD39. This created a lot of negative sentiment in the high yield bond market in America.

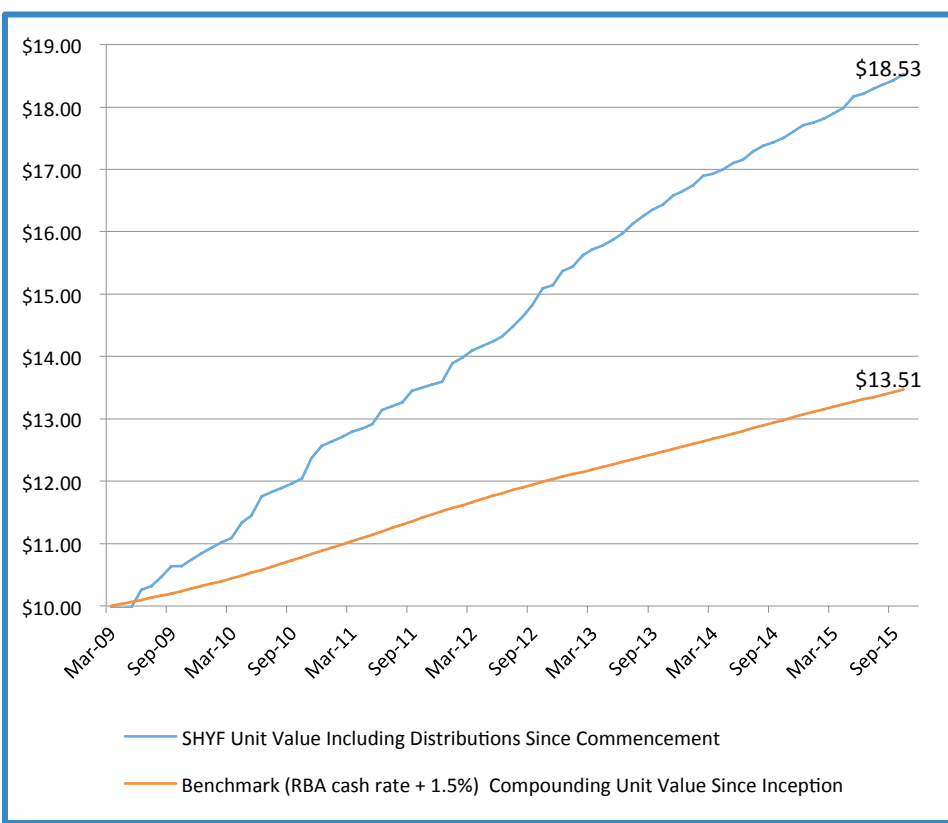
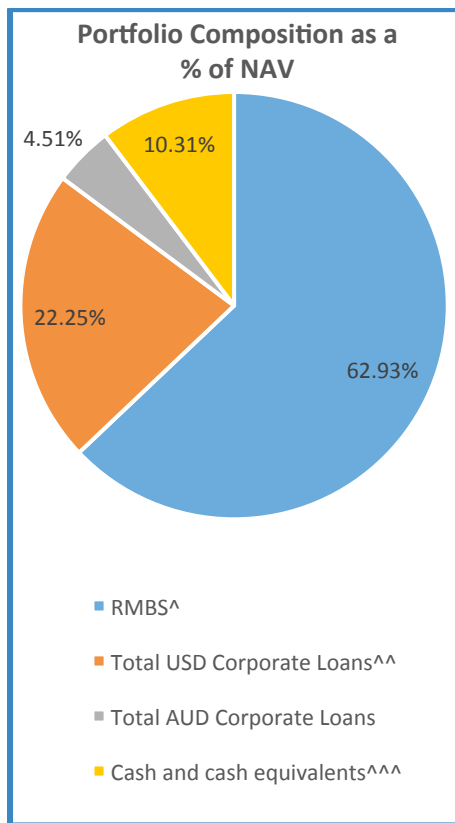
In Australia the market was surprised by improving employment statistics. Irrespective of the deteriorating employment conditions in the Australian resource sector the ABS reported that around 293,000 more people were employed in November 2015 than in November 2014. This improvement has lessened the probability of the expected cut to the official Reserve Bank of Australia Cash rate.

In fact with improving employment at home and a possible increase in US rates just around the corner we now expect to see interest rates in Australia to remain at current levels for the next six months.

Compound Annual Returns to 30 November 2015 [^]	Fund	Benchmark*	Relative Performance
1 Month	0.04%	0.29%	-0.25%
3 Months	0.94%	0.88%	0.06%
6 Months	1.99%	1.77%	0.22%
1 Year	5.30%	3.71%	1.59%
3 Years	6.97%	3.94%	3.03%
5 Years	8.42%	4.52%	3.90%
Since commencement**	9.74%	4.61%	5.13%

[^] Returns are after fees and expenses; *The Fund's current benchmark is the RBA bank rate plus 1.5%. The Fund's benchmark since commencement to June 2013 was the RBA bank rate plus 1.0% and in July 2013 it was changed to RBA bank rate plus 1.5%; ** Fund commenced on 1 April 2009.

Source: Supervised Investments Australia Limited, the investment manager of the Fund. Past performance is no guarantee of future performance and no guarantee of future performance is implied.



[^] AUD Residential Mortgage Backed Securities; ^{^^} USD Collateralised Secured Corporate Loan Obligations; ^{^^^} Includes cash at bank, cash held in margin accounts plus other receivables less payables. **Fund Benchmark:** The Fund’s current benchmark is the RBA bank rate plus 1.5%. The Fund’s benchmark since commencement to June 2013 was the RBA bank rate plus 1.0% and in July 2013 it was changed to RBA bank rate plus 1.5%.

Source: Supervised Investments Australia Limited, the investment manager of the Fund. Past performance is no guarantee of future performance and no guarantee of future performance is implied.

Disclaimer: Supervised Investments Australia Limited ACN 125 580 305 AFSL 317155 (SIAL) is the investment manager of the Supervised High Yield Fund (ARSN 600 244 102) (SHYF or Fund).

One Managed Investment Funds Limited (ABN 47 117 400 987) (AFSL 297042) is the responsibility entity of Fund (OMIFL). The information contained in this document was not prepared by OMIFL but was prepared by other parties. While OMIFL has no reason to believe that the information is inaccurate, the truth or accuracy of the information contained therein cannot be warranted or guaranteed. Anyone reading this report must obtain and rely upon their own independent advice and inquiries. Investors should consider the Product Disclosure Statement dated 19 December 2014 as amended by the Supplementary Product Disclosure Statement dated 18 September 2015 (PDS) issued by OMIFL before making any decision regarding the Fund. The PDS contains important information about investing in the Fund and it is important investors obtain and read a copy of the PDS before making a decision about whether to acquire, continue to hold or dispose of units in the Fund. You should also consult a licensed financial adviser before making an investment decision in relation to the Fund. A copy of the PDS and continuous disclosures may be obtained from <http://oneinvestment.com.au/> or <http://supervisedinvestments.com/>.

SIAL believes that the information contained in this document is accurate when issued. SIAL does not warrant that such information or advice is accurate, reliable, complete or up-to-date, and to the fullest extent permitted by law, disclaims all liability of SIAL and its associates. This document should be regarded as general information only rather than advice. In preparing this document, SIAL did not take into account the investment objectives, financial situation and particular needs of any individual person.

The information contained in this document must not be copied or disclosed in whole or in part without the prior written consent of SIAL, and SIAL accept no liability whatsoever for the actions of third parties in this respect. It is presented for informational purposes only and is not to be construed as a solicitation or an offer or recommendation to buy or sell any securities. Any opinions expressed in this document may be subject to change. SIAL is not obliged to update the information. The information must not be used by recipients as a substitute for the exercise of their own judgment and investigation. Neither SIAL nor any of their directors, employees or agents accept any liability for any loss or damage arising out of the use of all or part of, or any omission, inadequacy or inaccuracy in, this document.

OMIFL and SIAL do not guarantee the performance of the Fund or the repayment of any investor’s capital. To the extent permitted by law, neither OMIFL nor SIAL, including their directors, senior executives, employees, consultants, advisers, officers or authorized representatives, are liable for any loss or damage arising as a result of reliance placed on the contents of this document. SIAL only provides services to wholesale clients, as defined in section 761G of the Corporations Act. Past performance is not indicative of future performance. Information in this document is current as at 30 November 2015.