**Coolabah Capital Long Short Opportunities Fund**

**Re. Requested Inclusion into the Approved Product List**

**Date:** 19/08/2024

**Asset Class:** Alternatives  
**Fund Type:** Defensive Alternatives – unconstrained fixed income   
 **Description:** Alpha focused fixed income portfolio that can take Long/short positions, across cash, bonds, hybrid securities, credit, equities. Fits within the “unconstrained fixed income” or “defensive alternatives” sectors.  
 **Parent Opinion:** Founded in 2011. Since its inception, the firm has developed a strong reputation for its expertise in active fixed-income and credit investment strategies, particularly in Australia.  
 **People Opinion:** Christopher Joye’s strategies and leadership at Coolabah have been mostly well-received, particularly for their innovation and consistent performance. However, there is high turnover of assets, and strategies are complex utilizing many quantitative models in their investment thesis.  
 **Process Opinion:** The fund employs a long-short strategy that combines active security selection with valuation models to target mispricing’s in both long and short positions. Its primary investments are in global fixed income securities, including senior and subordinated debt, hybrids, and derivatives. The fund utilizes leverage to enhance returns, which is common in long-short strategies.

**Return Profile Opinion:** Objective is to outperform the RBA Cash Rate + 8% per annum over rolling 3-year periods. Performance fees are based on any returns above RBA Cash Rate + 1%.  
 **Product Terms Opinion:** 1% Management fee, 20.5% Performance Fee. High fees.   
  
**Overall Opinion:** Reasonable defensive alternative exposure in unconstrained fixed interest, offering better returns than RBA Cash Rate and good liquidity. Only concern is high management and performance fees.

Atchison