

Holdings >3% at 30 June 2019	(%)
easyJet	10.7
Sports Direct	9.0
Dignity	8.6
Randall & Quilter	8.4
Lloyds Banking Group	7.5
Bellway	7.4
Tesco	7.2
GlaxoSmithKline	6.1
Phoenix SG Ltd (Stanley Gibbons)	5.8
Vesuvius	5.0
Redrow	4.8
Hornby	4.3
JD Wetherspoon	3.2
Others <3% (4)	7.8
Cash Position	4.3

The NAV was up 0.8% with the FTSE All Share (incl. dividends) up 3.7% for the month.

Share price movements of note included Vesuvius up 10%, with easyJet up 9% and JD Wetherspoon up 7%. Fallers of note were Hornby and Dignity both being down 6%.

Whilst performance overall was flat, it has been an interesting month from an activity perspective. easyJet appears on the surface a strong riser in June, but this masks significant falls in May and most of June, before a late rally post it leaving the FTSE100 at the end of the month. These price falls gave us a wonderful opportunity to add 5% to the holding, which now makes it the largest weight in the portfolio.

The opportunity has arisen due to a combination of factors. The current competitive climate in European airline travel is manifesting itself in lower ticket prices and therefore lower profitability. A contributing factor of this is overcapacity, as weaker carriers continue to survive, helped by the low fuel prices that came along last winter. easyJet's share price has also continued to be buffeted by Brexit and its exit from the FTSE100, which resulted in significant index fund selling.

In combination, this has resulted in a share price drop of circa 40% since the summer of 2018, when it was trading above £15.

Despite the noise and uncertainty from the factors above, our long-term core thesis for easyJet remains the same: we see a strong business with valuable take-off and landing slots; low costs compared to the flag carriers it rubs against on these slot constrained routes; and a solid balance sheet that will allow it to weather the short term shake out of the weaker airlines. We remain comfortable that after the industry consolidates, easyJet will be one of the strong operators left standing.

In overall portfolio terms, the "upside to intrinsic value" is now over 120% which is very cheap. Gary Channon wrote in the Phoenix UK Fund quarterly report published on July 3rd that, "the portfolio is very attractive right now and this is not just a function of the price, it is also how the businesses are performing", "the majority are businesses that are trading well, absolutely and relatively. For example, 100 years after its founding Tesco is once again moving forward as a great business with positive momentum, great leadership and value creation."

He went on to add that, "When the portfolio is like this (i.e. big discount to intrinsic value) it feels like a very stretched piece of elastic. You are beginning to see some takeovers that exploit this under-pricing of UK centric businesses, but this has yet to impact price levels, but at some point, it will. We believe we have a wonderful portfolio of businesses, one of the best we've had, and therefore have high expectations of long-term returns from here."



Aurora Track Record

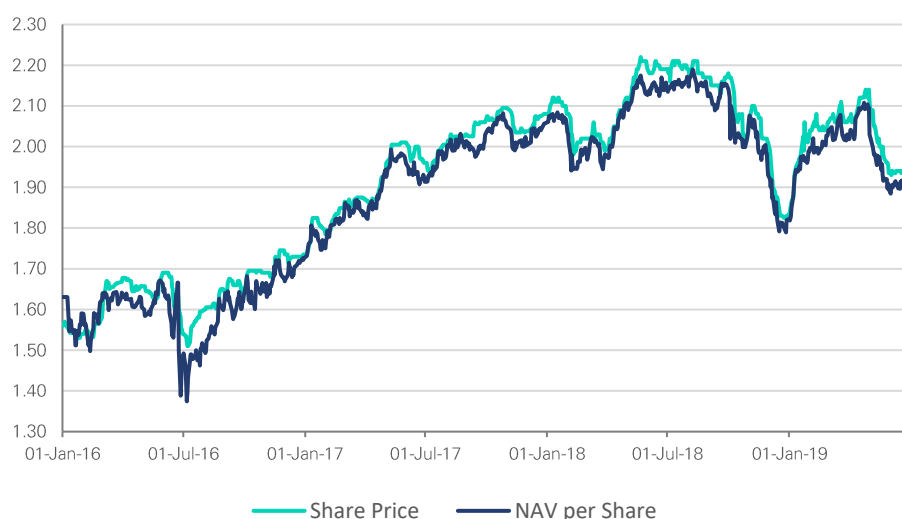
Performance	NAV Return %	Share Price Total Return** %	All-Share Index %**	Relative NAV to ASX %
2019 (to 30 June)	7.0	6.0	12.9	-5.9
2018	-10.3	-10.9	-9.5	-0.9
2017	20.4	21.2	13.1	7.3
2016	6.6	12.0	16.8	-10.1
Cumulative*	23.2	28.0	35.0	-11.8
2015	-2.3	4.3	0.9	-3.2
2014	-11.3	-10.6	1.2	-12.5

The appointment of Phoenix Asset Management Partners (“PAMP”) as Aurora’s investment manager came into effect in January 2016.

* Since 1 January 2016

**Share price return with dividends reinvested; All Share Index returns with dividends reinvested.

Aurora Share Price & NAV per Share – 30 June 2019



Aurora shares are eligible to be invested in an ISA. Neither the Aurora Investment Trust nor Phoenix Asset Management Partners run such a scheme. You should consult a financial adviser regarding a suitable self-select ISA provider.



Phoenix UK Fund Track Record

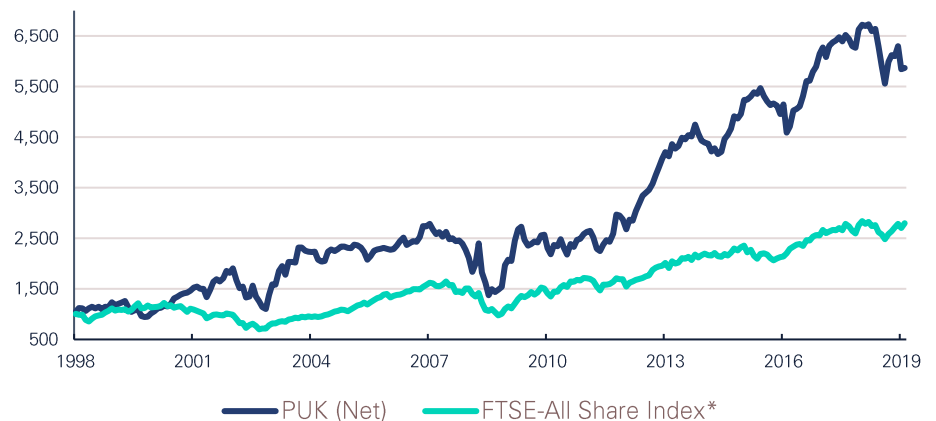
Fund Performance (%)	Gross Return	Net Return	FTSE All-Share Index*	Relative NAV to ASX
Cumulative Since Inception**	886.9	486.7	195.3	291.4
Since Inception Annualised**	11.4	8.7	5.2	3.5

* All-Share Index Returns with dividends reinvested

**From May 1998 to 30 June 2019

The investment strategy of the Aurora Investment Trust is the same as that of the Phoenix UK Fund.

Phoenix UK Fund Value of £1,000 invested at launch to 30 June 2019



* Data from 30th April 1998, All-Share Index Returns with dividends reinvested

Investment Objective

We seek to achieve long-term returns by investing in UK-listed equities using a value-based philosophy inspired by the teachings of Warren Buffett, Charlie Munger, Benjamin Graham and Phillip Fisher. Our approach, combined with thorough research, invests in high quality businesses run by honest and competent management purchased at prices that, even with low expectations, will deliver excellent returns.

Contact

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Fund Manager since 28 January 2016

Portfolio Manager: Gary Channon

Listing: London Stock Exchange

Inception Date: 13 March 1997

ISIN: GB0000633262

Bloomberg: ARR

Fees

Management: None

Performance: One third of returns in excess of the market

Regulatory Notice:

Aurora Investment Trust Plc ("the Trust") is a UK investment trust listed on the London Stock Exchange. Past performance is no guarantee of future performance. The value of investments and any income from them may go down as well as up and investors may not get back the amount invested. There can be no assurance that the Company's investment objective will be achieved, and investment results may vary substantially over time. This document is for information purposes only and does not constitute an offer or invitation to purchase shares in the Trust. Shares in an investment trust are traded on a stock market and the share price will fluctuate in accordance with supply and demand and may not reflect the underlying net asset value of the shares. This document is issued and approved by Phoenix Asset Management Partners Limited which is authorised and regulated by the Financial Conduct Authority.