

## FUND OBJECTIVE

The NWQ Global Markets Fund (Fund), managed by NWQ Capital Management, is a diversified multi manager portfolio. The principal investment objective of the Fund is to produce returns commensurate with the volatility target of 15% p.a. as measured by the long term standard deviation of monthly returns.

This is achieved through active allocations to a select number of liquid alternative managers that employ a variety of strategies. The Fund places emphasis on managers who demonstrate a rigorous and repeatable investment process that has delivered a strong track record.

PERFORMANCE	NWQ GLOBAL MARKETS FUND	S&P/ASX200 ACCUMULATION INDEX	BLOOMBERG AUSBOND COMPOSITE INDEX	RBA CASH
<b>NET RETURNS</b>				
1 MONTH	0.11%	3.70%	1.04%	0.10%
3 MONTHS	0.53%	7.97%	3.05%	0.35%
1 YEAR	-	-	-	-
SINCE INCEPTION <sup>1</sup>	2.30%	8.48%	8.52%	1.23%
<b>RISK</b>				
STANDARD DEVIATION SINCE INCEPTION (p.a.) <sup>1,2</sup>	-	-	-	-

<sup>1</sup> Inception date is 1 September 2018.

<sup>2</sup> There is insufficient data to calculate the standard deviation.

## MANAGER ALLOCATION

Total number of managers being allocated to: 9

**FX:** managers that typically trade foreign exchange spot and derivative contracts only.

Manager allocation: 4 managers

**GLOBAL MACRO:** managers that typically trade futures and/or other derivative contracts based on non-price or economic data.

Manager allocation: 2 managers

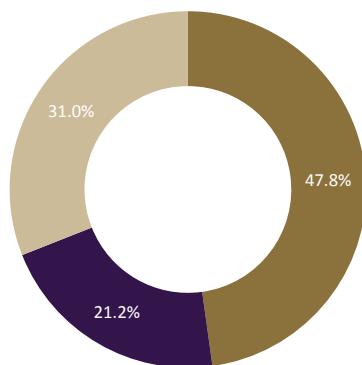
**MANAGED FUTURES:** managers that typically trade futures and/or other derivative contracts based on price or fundamental value.

Manager allocation: 3 managers

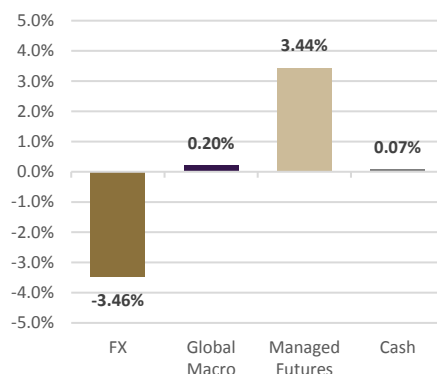
**COMMODITIES:** managers that trade commodity futures or other derivative contracts only.

Manager allocation: 0 managers

## STRATEGY ALLOCATION



## STRATEGY CONTRIBUTION TO PERFORMANCE BEFORE NWQ FEES



## COMMENTARY

The NWQ Global Markets Fund (Fund) rose +0.11% in the month of June. The Fund has returned +2.30% since inception in September 2018 and has delivered investors meaningful diversification, particularly during the December quarter of 2018.

Global equity markets rallied in June with US equities up +7.05%, European equities up +4.43%, and Japanese equities up +3.52%. The rebound was driven by optimism around progress on a trade deal between the US and China ahead of the G20 Summit in Japan and weakening economic data in the US lending support to the view that the Federal Reserve will move to cut interest rates. These factors also conspired to see the US Dollar Index weaken (-1.66%) and the bond market rally with the yield on the US 10Y bond closing the month at 2.00%.

Equity and bond market pricing reflects two very different outlooks for the global economy. Equity investors are looking through falling earnings and expecting the Fed to step in and cut interest rates—and thereby the discount rate for valuations—to justify current multiples. In contrast, bond investors see deteriorating economic fundamentals and geopolitical risks as potentially leading to a recession in the near term. As these conflicting outlooks resolve themselves we are likely to see higher levels of volatility and in this scenario having a diversified portfolio of managers is considered a sound way to navigate the likely challenging times ahead.

There were strong positive contributions to the Fund's overall return in June from its equity and fixed income exposures. The Fund also saw a positive contribution from its commodity exposures. However, these gains were partially offset by losses from the Fund's currency exposures.

## FUND INFORMATION

<b>FUND NAME:</b>	NWQ GLOBAL MARKETS FUND	<b>SUBSCRIPTIONS/REDEMPTIONS:</b>	MONTHLY WITH 5 BUSINESS DAYS NOTICE
<b>APIR:</b>	NWQ8621AU	<b>MANAGEMENT FEE:</b>	1.50% P.A.
<b>INVESTMENT MANAGER:</b>	NWQ CAPITAL MANAGEMENT	<b>PERFORMANCE FEE:</b>	10.00%
<b>ADMINISTRATOR:</b>	APEX FUND SERVICES (SYDNEY) PTY LTD	<b>HURDLE**:</b>	RBA CASH RATE, HIGH WATER MARK
<b>AUDITOR:</b>	ERNST & YOUNG	<b>MINIMUM CONTRIBUTION:</b>	\$500,000
<b>LEGAL COUNSEL:</b>	HALL & WILCOX	<b>INCOME DISTRIBUTIONS:</b>	ANNUALLY AFTER JUNE 30
<b>DERIVATIVE COUNTERPARTY:</b>	DEUTSCHE BANK AG (LONDON)	<b>NAV PRICE (AS AT 30/06/19):</b>	1.0230

\*\*Incentive fee calculations only

## MONTHLY NET RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2019	-2.14%	-2.61%	2.90%	2.13%	-1.67%	0.11%							-1.41%
2018	-	-	-	-	-	-	-	-	-0.38%	3.51%	-1.97%	2.64%	3.76%

## DISCLAIMER & DISCLOSURES

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**Past performance is not a reliable indicator of future performance.**

Performance information presented above represents the performance of unit holders interests purchased at the inception of the Fund. Returns experienced by individual investors will vary depending on their date of investment, as well as the timing of any additions to or redemptions from their investment in the Fund. **The month-end returns presented above are estimates and are subject to change.**

**S&P/ASX 200 Accum. Index:** A market capitalisation-weighted and float-adjusted index comprised of the largest 200 companies listed on the Australian Securities Exchange. The index is adjusted for the effect of reinvested dividends, and is equal to the price level S&P/ASX 200 Accum. Index plus the index value of reinvested dividends.

**Bloomberg Ausbond Composite Index:** A capital accumulation index that includes all securities in the Treasury, Semi-Government, and Non-Government indices. The minimum issuance size is A\$100m and issues must carry a BBB- (S&P) rating or higher.

**RBA Cash Rate:** The RBA Cash Rate denotes the target rate set by the Reserve Bank of Australia at which financial institutions can borrow or charge to lend funds in the money market on an overnight basis. The returns associated with the RBA Cash Rate are those that would be earned on a sum of money lent in the money market for the duration of the relevant time frame.

**Note:** Investors generally cannot invest directly in the S&P/ASX 200 Accum. Index or any of the other indices mentioned above. These indices are presented for reference purposes only. The statistical data regarding the S&P/ASX 200 Accum. Index, and other indices mentioned above, has been obtained from sources believed to be reliable but NWQ does not represent that it is accurate or complete and should not be relied on as such. The indices (a) may be adjusted to reflect reinvestment of dividends, (b) are unmanaged, and (c) set forth the performance of well-known, broad-based market statistics. The indices are not necessarily representative of the management style of NWQ.