

## 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	2.92%	2.94%	0.95%	0.08%
3 MONTHS	1.31%	8.58%	3.73%	0.32%
1 YEAR	-	-	-	-
SINCE INCEPTION <sup>1</sup>	5.29%	11.67%	9.55%	1.32%
<b>RISK</b>				
STANDARD DEVIATION SINCE INCEPTION (p.a.) <sup>1,2</sup>	-	-	-	-

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

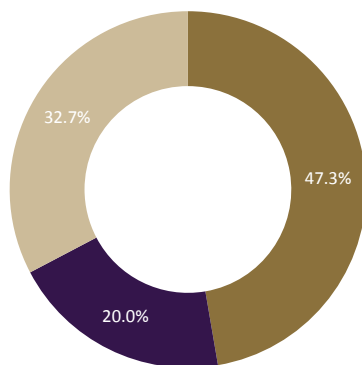
<sup>2</sup> There is insufficient data to calculate the standard deviation.

## MANAGER ALLOCATION

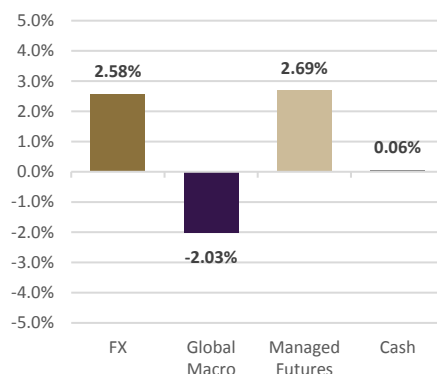
Total number of managers being allocated to: 9

- **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 +2.92% in the month of July. The Fund has returned +5.29% since inception in September 2018 and has delivered investors meaningful diversification, particularly during the December quarter of 2018.

Global equity markets rallied in July with equity markets in the US (+1.44%) and Australia (+2.94%) reaching record highs during the month. These new highs came during Q2 earnings season in the US for which analysts are predicting a modest decline in earnings growth for the quarter. This is well below what had previously been forecasted in September (+7.4%) and December (+4.1%) last year. The impact of the slowing momentum in earnings was overwhelmed by anticipation of the first interest rate cut in the US since the Global Financial Crisis. However, the Fed's statement that the 0.25% cut did not mark the beginning of a long easing cycle disappointed equity investors, which had aggressively priced in further cuts by the end of the year. These developments and the conflicting signals from the equity and bond markets presage future volatility in global currency, equity, and bond markets.

There were strong positive contributions to the Fund's overall return in July from currency exposures. The Fund also saw positive contributions from fixed income and commodity exposures. These gains were partially offset by a modest negative contribution from exposures to global equity markets.

## 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 31/07/19):</b>	1.0529

\*\*Incentive fee calculations only

## MONTHLY NET RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
<b>2019</b>	-2.14%	-2.61%	2.90%	2.13%	-1.67%	0.11%	2.92%						<b>1.47%</b>
<b>2018</b>	-	-	-	-	-	-	-	-	-0.38%	3.51%	-1.97%	2.64%	<b>3.76%</b>

## DISCLAIMER & DISCLOSURES

This report has been prepared by NWQ Capital Management Pty Ltd (NWQ) ABN 74 114 108 879 and AFSL 318835 for use only by Australian wholesale clients. It is not intended to be a recommendation to invest. Before acting on the information contained in this report, investors should consider its appropriateness based on their personal circumstances, obtain a copy of the relevant offer document, and consult their investment advisor.

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This report is not intended as an offer or solicitation for the purchase or sale of any financial product which may only be made on receipt of the offering document for the relevant fund. NWQ, its affiliated companies, directors or employees advise that they and persons associated with them may have an interest in the financial products discussed and that they may receive brokerage, commissions, fees and other benefits and advantages, whether pecuniary or not and whether direct or indirect, in connection with the financial products mentioned in this report.

**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.