

**FUND OBJECTIVE**

The NWQ Fiduciary Fund (Fund), managed by NWQ Capital Management, is a diversified multi manager portfolio. The principal investment objective of the Fund is to produce attractive positive returns irrespective of market direction. This is achieved through active allocations to selected Australian equity fund managers that employ a variety of traditional and absolute return strategies. The Fund places emphasis on managers who demonstrate a rigorous and repeatable investment process that has delivered a strong track record.

This report contains performance figures for a Wholesale A Investor where a management fee of 0.50% p.a. and a performance fee of 5.00% (subject to performance hurdle and high water mark) have been deducted along with estimated ordinary expenses of 0.50% p.a. and assuming the reinvestment of distributions. Past performance is no guarantee of future performance.

PERFORMANCE	NWQ FIDUCIARY FUND	HFRI DIVERSIFIED FOF INDEX	BLOOMBERG AUSBOND COMPOSITE INDEX	RBA CASH
<b>NET RETURNS</b>				
1 MONTH	2.31%	2.07%	0.29%	0.02%
3 MONTHS	-3.64%	-1.93%	0.00%	0.06%
1 YEAR	3.00%	0.65%	4.94%	0.73%
3 YEARS (p.a.)	3.47%	1.97%	5.15%	1.25%
5 YEARS (p.a.)	3.37%	1.03%	4.51%	1.46%
SINCE INCEPTION (p.a.)	4.82%	2.37%	4.80%	1.77%
TOTAL RETURN SINCE INCEPTION	39.60%	18.03%	39.43%	13.25%
<b>RISK</b>				
STANDARD DEVIATION SINCE INCEPTION (p.a.)	5.61%	4.54%	2.73%	0.18%

**MANAGER ALLOCATION**

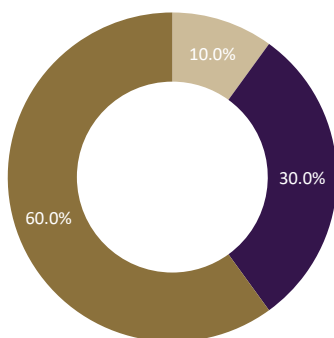
Total number of managers being allocated to: 10

**ALPHA:** Equity market neutral managers whose returns do not depend on the direction of the equity market.  
**Manager allocation:** 6 managers

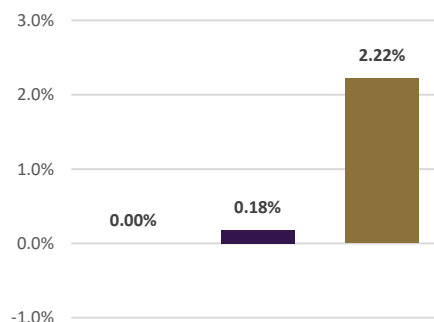
**BETA:** Long/short managers whose returns can be dependent on the direction of the equity market.  
**Manager allocation:** 4 managers

**CASH & FIXED INCOME:** Allocation to an at-call cash account held for liquidity purposes.

**STRATEGY ALLOCATION**



**STRATEGY CONTRIBUTION TO PERFORMANCE BEFORE NWQ FEES**

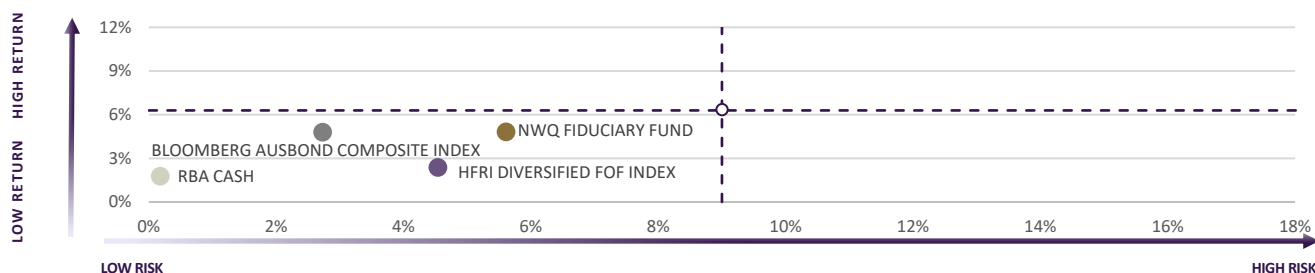


**COMMENTARY**

The NWQ Fiduciary Fund (Fund) returned +2.31% in May compared with the HFRI benchmark return of +2.07%.

Equity markets remained volatile in May but managed to build upon the recovery that got underway in April. A sea of central bank liquidity and direct government transfers has encouraged risk taking and powered the “V-shaped” recovery in global equity markets. The recovery broadened out in May with value outperforming growth in Australia for the first time since December last year. However, there are several threats to the sustainability of the rally, from uncertainty around corporate earnings and the possibility of defaults through to heightened trade tensions and a “second wave” of infections. The positive performance of the Australian market (+4.36%) in May was broadly consistent with returns across the Western world—equity markets were up in Japan (+8.34%), the US (+4.76%), and Europe (+2.95%). The Fund has hedged out 70% of the fall in the Australian market for the calendar year (-3.65% for the Fund vs. -12.70% for the market) and is well positioned for a full recovery. The Fund’s recovery began in April and continued in May with the Alpha managers taking advantage of both relative value opportunities and corporate activity. We expect these sources of alpha to persist as the Australian economy reopens and businesses and consumers come to terms with the “new normal”.

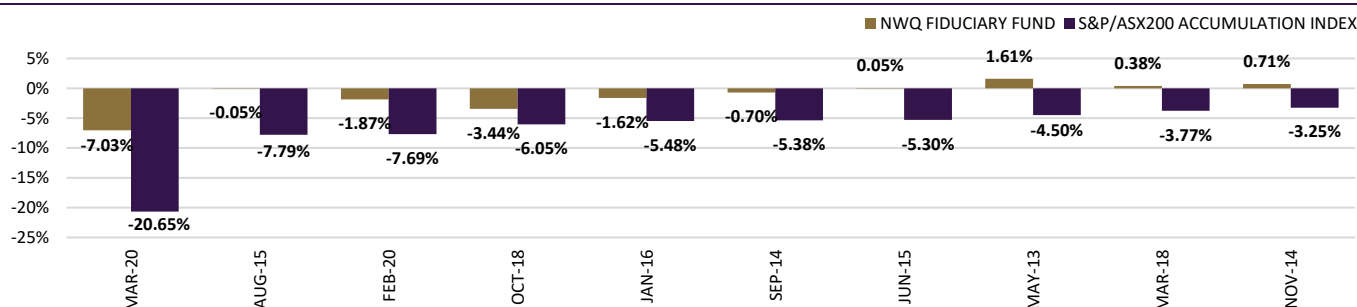
**RISK VS. RETURN SINCE INCEPTION MAY 2013**



**MONTHLY NET RETURNS**

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
<b>2020</b>	1.90%	-1.87%	-7.03%	1.31%	2.31%								<b>-3.65%</b>
<b>2019</b>	0.44%	1.68%	-0.58%	0.16%	-0.72%	-0.03%	3.21%	0.85%	0.07%	0.56%	0.39%	1.68%	<b>7.91%</b>
<b>2018</b>	0.40%	0.45%	0.38%	0.62%	1.20%	-0.16%	-0.58%	0.80%	-0.46%	-3.44%	-2.22%	-0.49%	<b>-3.55%</b>
<b>2017</b>	1.02%	-0.35%	0.21%	0.25%	0.81%	0.86%	-0.17%	-0.13%	2.57%	2.50%	1.65%	2.80%	<b>12.62%</b>
<b>2016</b>	-1.62%	-2.53%	-1.48%	0.27%	2.86%	-0.44%	1.88%	-1.54%	0.16%	-2.26%	-1.57%	-0.86%	<b>-7.03%</b>
<b>2015</b>	1.09%	1.73%	1.49%	0.10%	-0.19%	0.05%	4.19%	-0.05%	2.97%	1.80%	0.66%	2.23%	<b>17.19%</b>
<b>2014</b>	-0.38%	2.26%	1.29%	-0.95%	0.42%	-0.25%	1.78%	0.04%	-0.70%	-0.76%	0.71%	-0.40%	<b>3.03%</b>
<b>2013</b>	-	-	-	-	1.61%	0.10%	2.76%	0.79%	0.63%	2.00%	0.42%	1.41%	<b>10.11%</b>

**PERFORMANCE VS. S&P/ASX200 ACCUMULATION INDEX'S 10 WORST DOWN MONTHS (SINCE INCEPTION)**



**FUND INFORMATION**

<b>FUND NAME:</b>	NWQ FIDUCIARY FUND	<b>RETAIL MANAGEMENT FEE:</b>	DIRECT: 1.30% P.A.	INDIRECT: 1.00% P.A.
<b>APIR CODE:</b>	NWQ001AU	<b>RETAIL PERFORMANCE FEE:</b>	DIRECT: 0.00%	INDIRECT: 0.00%
<b>INVESTMENT MANAGER:</b>	NWQ CAPITAL MANAGEMENT	<b>WHOLESALE MANAGEMENT FEE:</b>	WHOLESALE A: 0.50% P.A.	WHOLESALE B: 0.95% P.A.
<b>ADMINISTRATOR:</b>	APEX FUND SERVICES (SYDNEY) PTY LTD	<b>WHOLESALE PERFORMANCE FEE:</b>	WHOLESALE A: 5.00%	WHOLESALE B: 0.00%
<b>AUDITOR:</b>	ERNST & YOUNG	<b>HURDLE**:</b>	RBA CASH RATE, HIGH WATER MARK	
<b>LEGAL COUNSEL:</b>	HALL & WILCOX	<b>MINIMUM CONTRIBUTION:</b>	\$25,000	
<b>RESPONSIBLE ENTITY:</b>	EQUITY TRUSTEES LIMITED	<b>INCOME DISTRIBUTIONS:</b>	ANNUALLY AFTER JUNE 30	
<b>SUBSCRIPTIONS:</b>	MONTHLY	<b>NAV PRICE (AS AT 31/05/20):</b>	WHOLESALE A: 1.1048	WHOLESALE B: 1.0957
<b>REDEMPTIONS:</b>	MONTHLY WITH 30 DAYS NOTICE		DIRECT: 0.9587	INDIRECT: 0.9875

\*\*Incentive fee calculations only

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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.**

**HFRI Diversified Fund of Funds Index:** FOFs classified as 'Diversified' exhibit one or more of the following characteristics: invests in a variety of strategies among multiple managers; historical annual return and/or a standard deviation generally similar to the HFRI Fund of Fund Composite index; demonstrates generally close performance and returns distribution correlation to the HFRI Fund of Fund Composite Index. A fund in the HFRI FOF Diversified Index tends to show minimal loss in down markets while achieving superior returns in up markets.

**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 any of the other indices mentioned above. These indices are presented for reference purposes only. The statistical data 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.