

**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	1.12%	0.51%	1.76%	0.01%
3 MONTHS	2.95%	1.16%	2.73%	0.03%
1 YEAR	9.75%	15.23%	0.53%	0.14%
3 YEARS (p.a.)	4.98%	6.36%	4.77%	0.72%
5 YEARS (p.a.)	4.63%	5.69%	3.40%	1.04%
SINCE INCEPTION (p.a.) <sup>1</sup>	6.24%	4.25%	4.27%	1.54%
TOTAL RETURN SINCE INCEPTION <sup>1</sup>	64.79%	40.99%	41.15%	13.46%
<b>RISK</b>				
STANDARD DEVIATION SINCE INCEPTION (p.a.) <sup>1</sup>	5.76%	4.77%	2.98%	0.23%

<sup>1</sup> Inception date is 15 May 2013.

**MANAGER ALLOCATION**

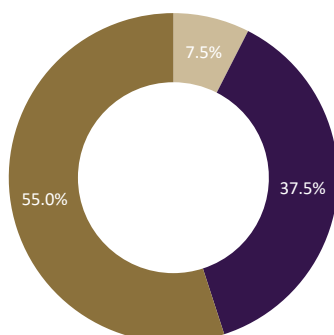
Total number of managers being allocated to: 11

**ALPHA:** Equity market neutral managers whose returns do not depend on the direction of the equity market.  
Manager allocation: 5 managers

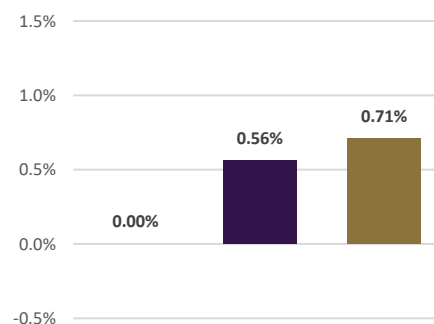
**BETA:** Long/short managers whose returns can be dependent on the direction of the equity market.  
Manager allocation: 6 managers

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

**STRATEGY TARGET ALLOCATION**



**STRATEGY CONTRIBUTION TO PERFORMANCE BEFORE NWQ FEES**



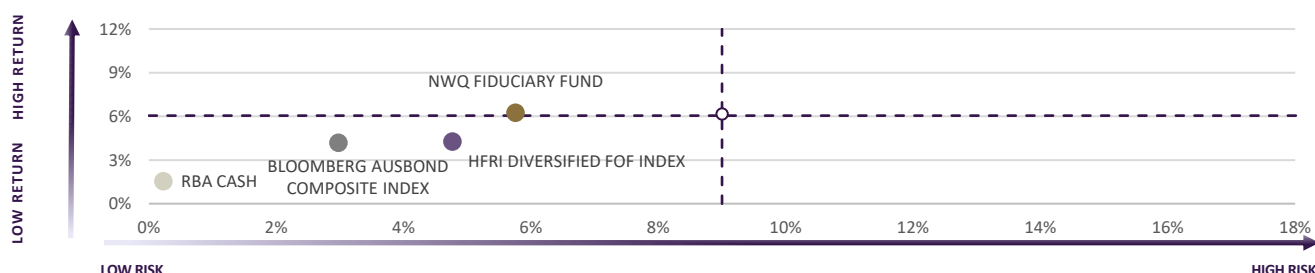
**COMMENTARY**

The NWQ Fiduciary Fund (Fund) returned +1.12% in July compared with the HFRI benchmark return of +0.51%.

Risk sentiment was positive at the start of July with a 'Goldilocks' jobs report showing the US economy continues to improve but not at a rate fast enough to pressure the Fed into bringing forward its forecasts for interest rate increases. Sentiment was also buoyed by a raft of strong corporate earnings results across the US and Europe, leading analysts to revise upward their expectations for future earnings. In some quarters, however, optimism around the outlook for corporate earnings has given way to concerns that advanced economies may have passed 'peak growth' and margins may come under pressure due to rising input and labour costs. The spread of the delta variant, which has necessitated tighter restrictions in many jurisdictions, combined with moves from Chinese authorities to clamp down on for-profit education providers were other factors to weigh on risk sentiment. Equity markets rose in the US (+2.38%), Europe (+1.86%), and Australia (+1.10%), but fell sharply in Japan (-5.23%). The Australian stock market was led by the Materials (+7.13%), Industrials (+4.25%), and Utilities (+1.60%) sectors with the IT (-6.88%), Energy (-2.53%), and Financials (-1.43%) sectors lagging.

Fund performance in July was well balanced with positive contributions from the Alpha and Beta managers as well as from both the long and short sides of the portfolio. The Fund continues to maintain a modest net exposure to the stock market (35%) and no direct exposure to the bond market. The Fund continues to present a compelling alternative to the traditional balanced fund construct, particularly for investors concerned about the elevated valuations of the stock and bond markets.

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

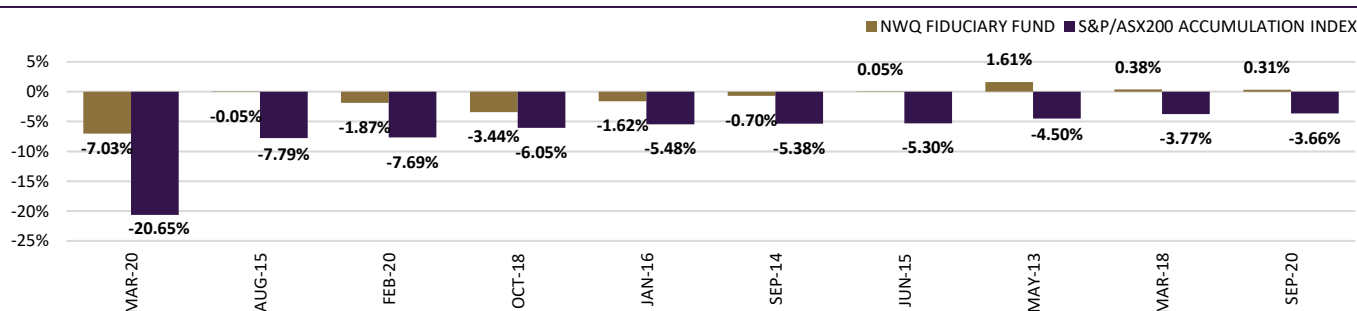


○ Risk return benchmark is RBA Cash Rate + 4.0-5.0% p.a. with the maximum allowable risk budget of 9% p.a. as measured by the standard deviation of monthly returns

**MONTHLY NET RETURNS**

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
<b>2021</b>	1.41%	-1.07%	-0.63%	4.13%	0.76%	1.05%	1.12%						<b>6.87%</b>
<b>2020</b>	1.90%	-1.87%	-7.03%	1.31%	2.31%	2.30%	5.13%	1.93%	0.31%	-0.53%	-0.94%	1.93%	<b>6.42%</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>	HWL EBSWORTH	<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 31/07/2021):</b>	WHOLESALE A: 1.2257	WHOLESALE B: 1.2195
<b>REDEMPTIONS:</b>	MONTHLY WITH 30 DAYS NOTICE		DIRECT: 1.0608	INDIRECT: 1.0964

\*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.

**Traditional Balanced Fund:** The Traditional Balanced Fund is a composite index adapted from Morningstar's Multisector Balanced Index and is comprised of the following asset classes: Australian Shares (S&P/ASX300 TR), International Shares (MSCI World Ex-Australia NR AUD), Australian Listed Property (S&P/ASX300 A-REIT TR), International Listed Property (FTSE EPRA/NAREIT Developed NR Hdg AUD), Unlisted Property (S&P/ASX300 A-REIT TR), Australian Fixed Interest (Bloomberg AusBond Composite 0+Y TR AUD), International Fixed Interest (BarCap Global Aggregate TR Hdg AUD), and Australian Cash (RBA Bank accepted Bills 90 Days).

**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.