Newport Diversified Income Fund

June 2020

Fact Sheet

Investors
Qualified wholesale investors only

Asset Class
Absolute Return

Strategy
Multi-Strategy Income

Investment Style
Multi-Manager

Structure
Unit Trust (wholesale unregistered managed investment scheme)

Trustee
Newport Private Wealth Pty Ltd

Investment Manager
Newport Asset Management

Administrator
Recap Management Pty Ltd

NAV / Liquidity
Monthly subscriptions
Quarterly redemptions

Currency
AUD

Investment Management Fee
1.50% p.a. + 15% performance fee

Minimum Initial Investment
$100,000

Entry Fee
Nil

Exit Fee
1% within the first 12 months

See IM for further details

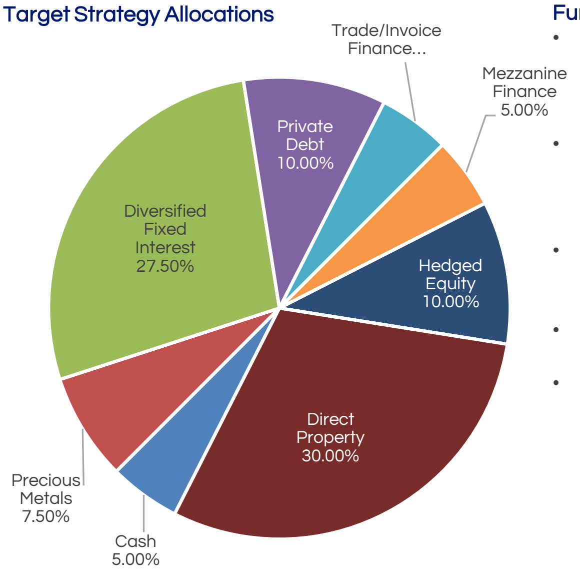
Investment Objective

Income & Capital Growth : the fund aims to deliver, over rolling 5-year periods, a net total return (capital growth + income) which exceeds the RBA CPI + 5% index with low volatility, low equity market beta and low correlation to traditional asset classes. The fund will aim to make quarterly income distributions

Investment Strategy

The fund aims to achieve its objective by investing in a diversified portfolio of underlying fund managers and listed securities that provide exposure to income yielding assets such as property/infrastructure, MBS, trade finance, private debt, diversified credit, traditional bonds as well as some alternative asset classes and hedge funds. A multi-strategy, multi-manager approach allows for the diversification of risk away from any single income yielding asset class and any single manager or strategy. Each underlying fund offers the potential for attractive long-term returns with low correlation to traditional asset classes and each underlying fund has an investment strategy that we believe is complementary to the other underlying funds

Target Strategy Allocations



Fund Benefits

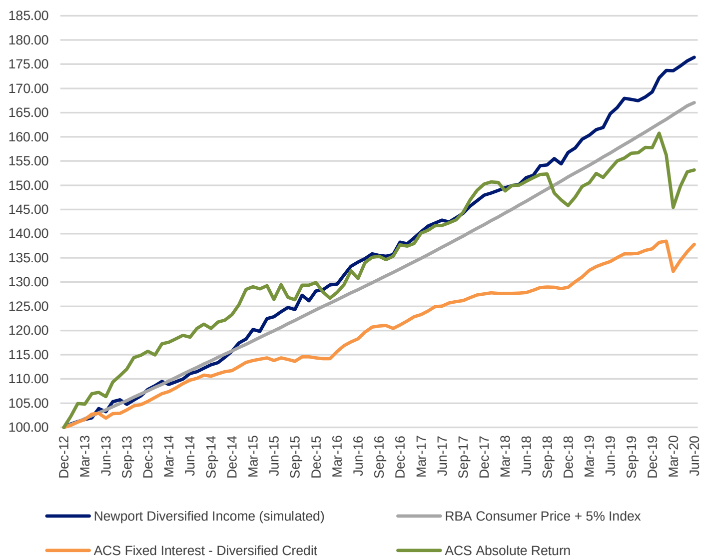
- A unique and innovative alternative investment solution: The fund provides access to an actively managed, diversified range of global income & alternative asset classes/strategies
- A potential volatility dampener: The fund aims to reduce overall volatility when added to a portfolio of more traditional equity and bond investments
- Low cross-asset class correlation: The fund seeks a low correlation to traditional equity, property and bond markets
- Low equity market beta: The fund seeks to maintain little to no equity market beta
- Global expertise of Newport Asset Managment: With a very large number of alternative strategies & income managers globally, good strategy & manager selection is critical

Performance

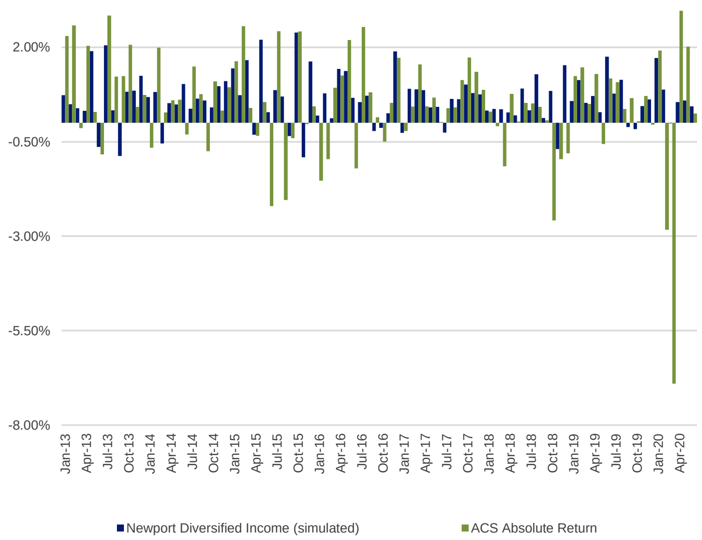
	Returns (%)								Statistics		
	1 month	3 months	6 months	YTD	1 Year	3 Year Ann.	5 Year Ann.	Since Incep. Ann.	Max Drawdown	Sharpe	Volatility
Newport Diversified Income (TR)	0.44	1.59	4.23	4.23	7.08	7.31	7.51	7.86	-0.91	2.57	2.28
RBA Consumer Price + 5% Index	0.55	1.67	3.37	3.22	6.79	6.84	6.88	7.08	-	-	-
ACS Absolute Return	0.35	5.31	-2.91	-2.91	-0.16	2.62	3.91	5.85	-9.54	0.78	4.91
ACS Fixed Interest - Diversified Credit	1.05	4.24	0.69	0.69	2.68	3.30	3.90	4.37	-4.51	1.00	2.36
ASX 200 Accumulation Index	2.61	16.48	-10.42	-10.42	-7.68	5.19	5.95	7.73	-26.75	0.41	14.02

Source: FE fundinfo Limited & Newport Private Wealth. Returns are to last month end. Statistics are since inception of simulated data. See disclaimer for further details

Cumulative Returns Chart



Monthly Returns Chart (%)



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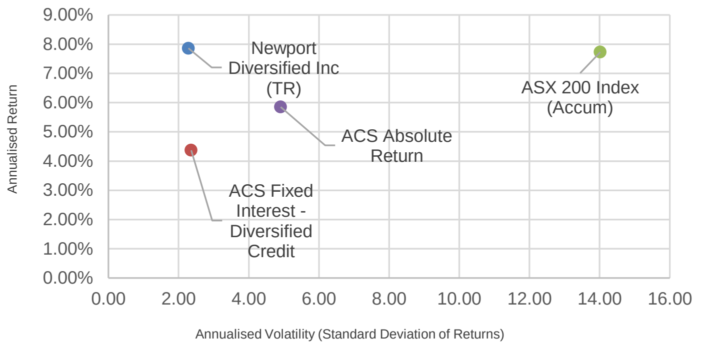
Risk vs. Return



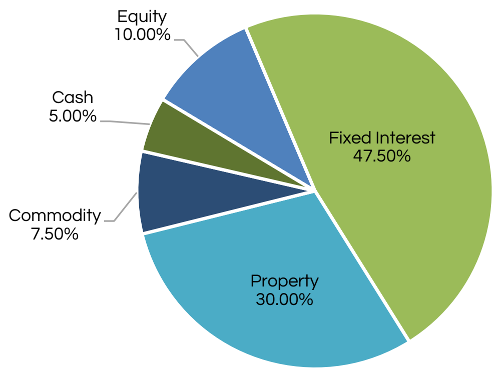
Source: FE fundinfo Limited & Newport Private Wealth. Risk vs. Return figures since inception of simluated data. See disclaimer below for further details

Correlation

Newport Diversified Income	
0.31	ACS Absolute Return
0.25	ACS Fixed Interest - Diversified Credit
0.38	Bloomberg AusBond Composite
0.15	MSCI World
0.24	S&P ASX 200

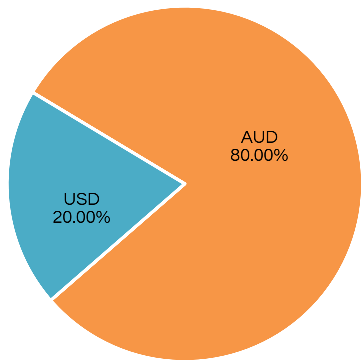
Since inception of simulated data to last month end

Current Asset Class Allocation



Asset allocation as of 1 July 2020

Currency Exposure



Rounding may mean that the sum of the % allocations does not exactly equal 100%

Market & Portfolio Commentary

Contacts

For Trustee, transaction, unitholding and product related matters

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Fact Sheet Data : Performance figures presented prior to launch are simulated. The inception of simulated data is 31/12/2012. The simulated performance of the fund assumes the same weighting to each of the managers at 31/12/2012 as it is at fund launch with an annual rebalance in June of each year. Simulated returns are expressed in AUD and are net of an assumed total expense ratio (TER) of 2% p.a. and does not include a any performance fee. Performance figures reflect reinvestment of capital gains and dividend income and do not take into account any taxes payable by the investor. Returns of greater than 1 year are cumulative unless otherwise stated and Statistics are annualised since inception of simulated data. Inception of simulated data = 31/12/2012. Risk free rate 2.00%. Market data source = FE fundinfo Ltd.