

The Trust Company (RE Services) Limited (ABN 45 003 278 831) (AFSL 235150) is the Responsible Entity and Issuer of units in Lucerne Alternative Investments Fund

## Fund Description

Lucerne Alternative Investments Fund is a multi-strategy fund-of-funds targeting a return above the RBA Cash Rate +6% through a diversified portfolio of direct investments and managed funds employing a variety of strategies.

[Click here to invest.](#)

## Key Facts

Inception Date	1 Dec 2017
Benchmark	RBA Cash Rate +6%
Liquidity	Monthly
Strategy	Multi-Strategy
Min. Investment	\$25,000

### Class 1

Unit Price	\$1.303
Mgt. Fee	1.15%
Perf. Fee	0%
APIR Code	PIM7035AU

### Class 2

Unit Price	\$1.299
Mgt. Fee	0.40%
Perf. Fee	12%
High Water Mark	Yes
APIR (Class 2)	PIM1923AU

## Distributions<sup>1</sup>

	Class 1	Class 2
30 June 2018	\$0.024	\$0.022
30 June 2020	\$0.009	\$0.012
30 June 2021	\$0.142	\$0.109

## Risk Statistics

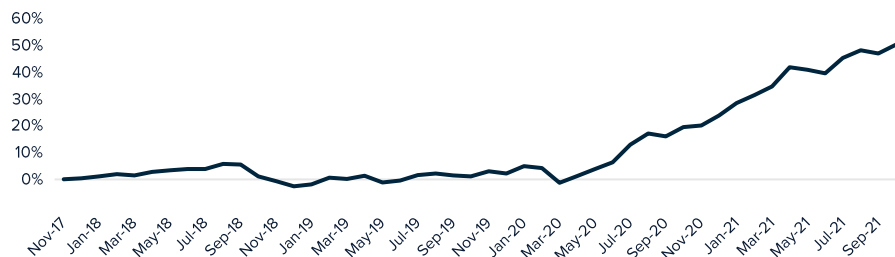
Sharpe Ratio	1.32
Sortino Ratio	2.46
Standard Deviation	7.62%
Maximum Drawdown	-7.88%
% Positive Months	67%

## Service Providers

Responsible Entity	Perpetual
Fund Admin.	Mainstream
Legal Advisor	Launch Financial Services Lawyers
Fund Auditor	EY

<sup>1</sup>Cents per unit

## Cumulative Growth Since Inception



## Performance Table

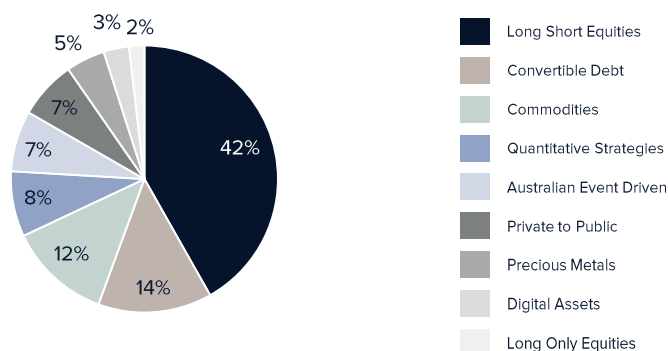
	Since Inception (Cumulative)	1y	6m	3m	1m
Class 1 (net)	50.39%	25.81%	5.98%	3.42%	2.27%

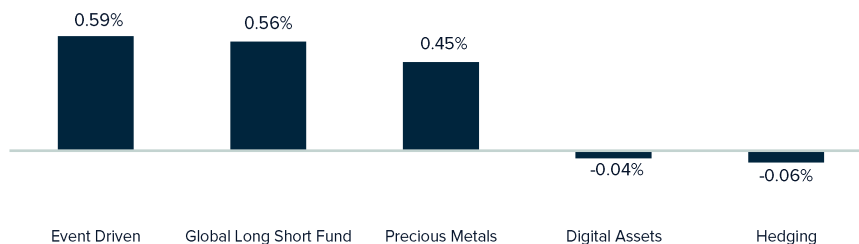
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017	-	-	-	-	-	-	-	-	-	-	-	0.40%	0.40%
2018	0.71%	0.80%	-0.37%	1.30%	0.53%	0.42%	0.04%	1.80%	-0.15%	-4.22%	-1.83%	-1.88%	-2.98%
2019	0.78%	2.58%	-0.47%	1.13%	-2.43%	0.65%	2.07%	0.58%	-0.66%	-0.34%	1.84%	-0.78%	4.96%
2020	2.69%	-0.74%	-5.26%	2.54%	2.65%	2.36%	6.23%	3.68%	-0.98%	3.02%	0.52%	3.07%	21.13%
2021	3.78%	2.28%	2.44%	5.37%	-0.71%	-0.93%	4.18%	1.90%	-0.76%	2.27%			21.43%

Total returns shown for the Lucerne Alternative Investments Fund have been calculated using exit prices after taking into account all of Perpetual's ongoing fees and assuming reinvestment of distributions. No allowance has been made for taxation. Past performance is not indicative of future performance. Information on this document may not be reproduced or communicated, including files downloadable from this website, without the express permission of Lucerne Australia Pty Ltd. Source: Mainstream Fund Services

## Strategy Allocation (Gross)



## Attribution



Note that distribution of factsheets occurs late in the following month as we need to receive final NAV reports from all underlying managers before finalising the NAV for LAIF. We appreciate your patience

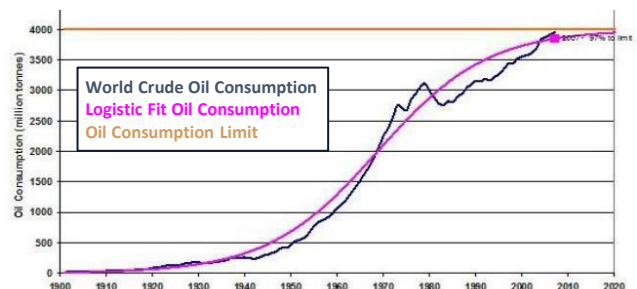
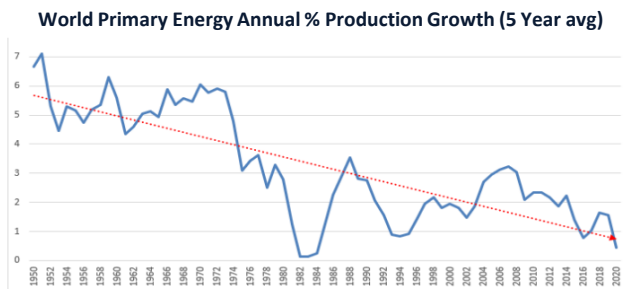
A person should consider the PDS and TMD in deciding whether to acquire or continue to hold units in Lucerne Alternative Investments Fund. The PDS and TMD are available for download at [laif.com.au](http://laif.com.au)

## Fund Commentary – October 2021

### Reduction in Carbon Emissions

The Investment Committee continues to discuss several key themes that are emerging including our assessment of the Fourth Industrial Revolution. It is the IC's view that technology will be a key component to delivering the next phase of energy production cost effectively and efficiently in a bid to meet the increasingly urgent need to reduce carbon emissions.

A key concern though is the transition from fossil fuels to renewables and how they can work in tandem while reliance changes from one to the other. A team of French Government scientists have warned that the collapse of the global oil system is coming so quickly that it could disrupt this transition to a renewable energy system. It has calculated that the energy return on invested capital will fall from 8% last year to 4% by 2024, raising the effective cost of energy from 12.5% of GDP to 25%. This is not because energy will be more expensive but because the rising cost will slow the global economy.



### Chinese Property Debt Bubble

The Chinese property debt bubble is an ongoing saga that the IC continues to monitor. The largest and most indebted property developer, Evergrande, missed a payment of USD45m in October and needs to make a USD148m payment in coupons to avert a dollar bond default. The IC is of the opinion that while it is a serious concern the risk of global market contagion is reduced as the issue will most likely be resolved by local measures. We are not currently contemplating an investment in China, however, we have noticed there is increasing interest amongst managers who invest in the region to consider the Chinese markets again as a contrarian strategy. However Sovereign Risk remains something the IC is wary of. Additionally, global companies in key industries have diversified their supply chains to other countries to reduce this single country risk.

### Fund Moves

There were no changes by the IC in October and the funds biggest contributor was its Australian event driven strategy which performed well as a result of performance upgrades by their high conviction ideas. Further LAIF's long short strategies recovered from their declines in September.

There were no major detractors to performance for the month of October. Negative returns came from a strengthening in the Australian dollar which impacted our USD denominated investments by approximately 4-5%. The IC is not considering a hedge against currency movements given our view on the overall direction of the Australian Dollar is likely to be weaker in the medium term.

## Lucerne Alternative Investment Fund October 2021

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