

## 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	\$1.191
Mgt. Fee	1.15%
Perf. Fee	0%
APIR Code	PIM7035AU

### Class 2

Unit Price	\$1.194
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
30 June 2022	\$0.165	\$0.158

## Risk Statistics

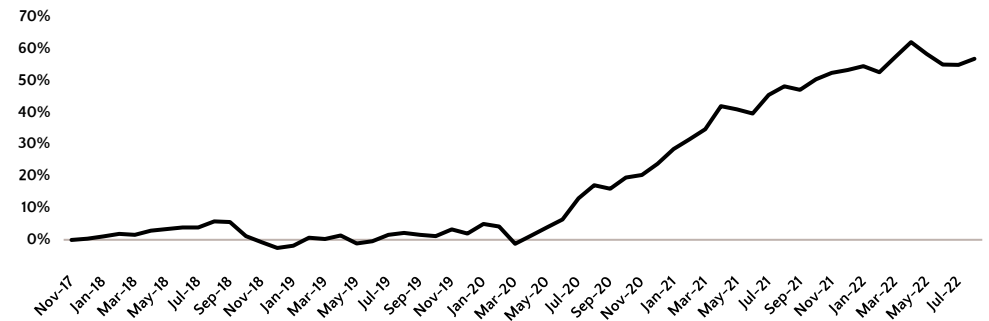
Sharpe Ratio	1.32
Sortino Ratio	2.47
Standard Deviation	7.44%
Maximum Drawdown	-7.88%
% Positive Months	65%

## Service Providers

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

<sup>1</sup>Per unit

## Cumulative Growth Since Inception

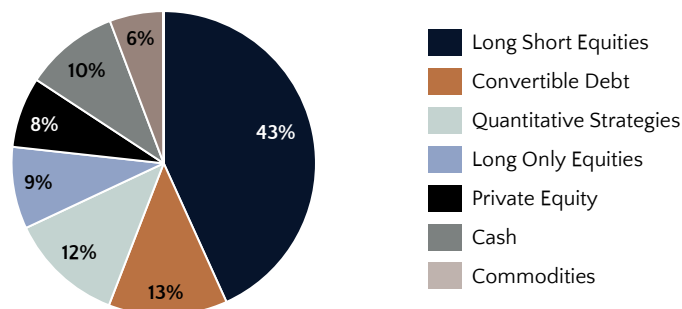


## Performance Table

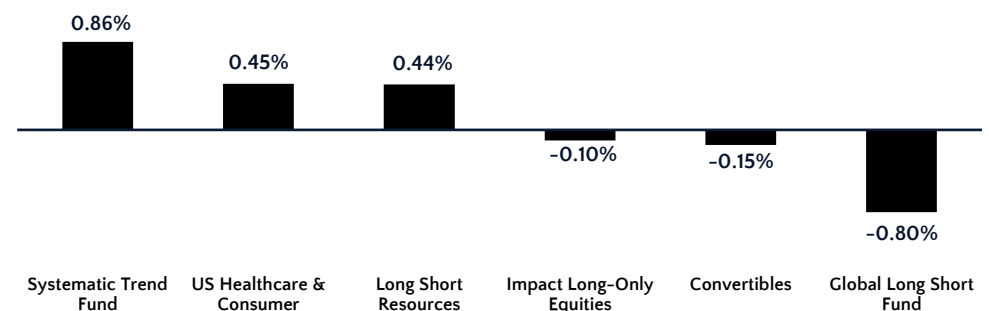
	Since Inception	Since Inception p.a.	1y	6m	3m	1m							
Class 1 (net)	56.76%	9.92%	5.79%	2.74%	-0.95%	1.22%							
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017	-	-	-	-	-	-	-	-	-	-	-	0.40%	0.40%
2018	0.71%	0.80%	-0.37%	1.30%	0.53%	0.42%	0.04%	1.80%	-0.16%	-4.21%	-1.84%	-1.87%	-2.96%
2019	0.78%	2.57%	-0.47%	1.13%	-2.43%	0.66%	2.07%	0.58%	-0.65%	-0.34%	2.06%	-1.19%	4.95%
2020	2.91%	-0.75%	-5.25%	2.53%	2.66%	2.36%	6.23%	3.69%	-0.98%	3.02%	0.68%	2.90%	21.13%
2021	3.78%	2.28%	2.45%	5.37%	-0.71%	-0.93%	4.18%	1.90%	-0.76%	2.26%	1.33%	0.59%	23.78%
2022	0.80%	-1.25%	3.12%	2.99%	-2.33%	-2.06%	-0.08%	1.22%					2.27%

Total returns shown for the Lucerne Alternative Investments Fund have been calculated using unit 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



## 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 – September 2022

### What goes up can come down....

Investor sentiment reversed in August with a reality check delivered by the US Federal Reserve in Jackson Hole. With inflation in the US at 8.5% and the Federal Reserve chair's comments on not relenting until the 2% inflation target is achieved, we expect more rate rises for the remainder of the year. Equity and Bond markets gave back all the gains from July as the noise around peak inflation faded and core inflation data came in higher than expected. Our view remains the same and we maintain our macro outlook going forward and expect substantial challenges to the global economy.

It is anticipated the earnings downgrade cycle is beginning with higher inflation and borrowing costs starting to impact the consumer and consequently squeezing business margins despite inflation led higher revenue numbers. The question therefore remains on the ability of companies to pass on rising input prices and receding margins.

### ....except it seems inflation

In Australia, the official cash rate sits at 2.35% and stands in stark contrast to the remainder of the Dollar nations; NZ 3.00%, Canada 3.25%, US 3-3.25%. While Australia's quarterly release of information remains least widespread (Q2 CPI 6.1% yoy), its economy is by far the best performer globally as commodity exports are creating massive trade and current account surpluses and the employment market is stretched tight. We expect the RBA rate rises to continue until inflation numbers show some form of reversal while contending with a weakening currency and higher wage costs.

### Performance

Pleasingly the Lucerne Alternative Investment Fund returned 1.22% in August bringing the Calendar Year to date return to 2.26%, all whilst global equities and bond markets experienced a retracement of earlier gains amidst high volatility.

LAIF's largest contributors were our allocations to a systematic trend fund, US Healthcare & Consumer Discretionary, Long Short funds and Global Resources. USD strengthened over August and this was a positive for the fund.

The biggest detractors were impact investing, Convertibles and the Global Long Short Equities. Long bias in the Impact Investment strategy attributed negatively while the Global Long Short strategy was impacted due to whipsawing markets, as expected.

The Fund maintains a risk-off position and the Investment Committee is confident the allocations around the macro outlook and volatility expectations will continue to deliver on the Fund's objectives. One key focus is to identify the opportunity for risk adjusted returns in this challenging environment. The IC initiated an investment in the 'De-Carbonisation' theme in August consistent with our objective to provide uncorrelated and differentiated returns.

### Lucerne Alternative Investments Fund, September 2022

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