

## 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
<b>Class 1</b>	
Unit Price	\$1.363
Mgt. Fee	1.15%
Perf. Fee	0%
APIR Code	PIM7035AU
<b>Class 2</b>	
Unit Price	\$1.355
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

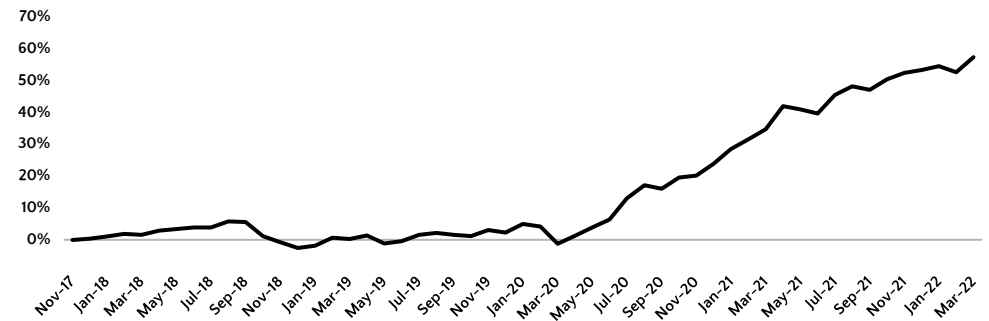
Sharpe Ratio	1.38
Sortino Ratio	2.59
Standard Deviation	7.40%
Maximum Drawdown	-7.88%
% Positive Months	68%

## 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

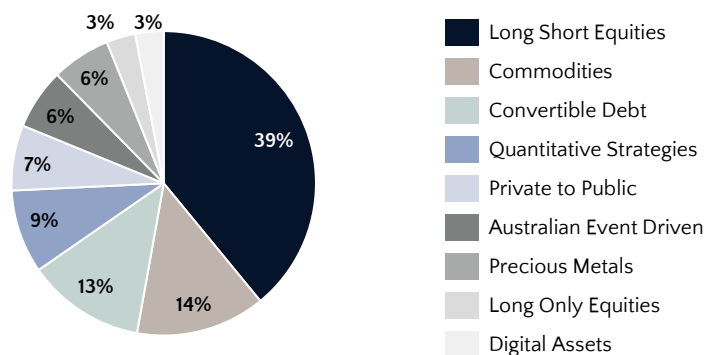


## Performance Table

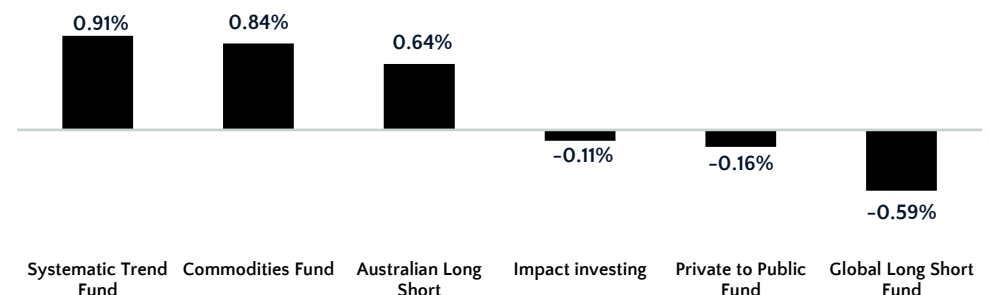
	Since Inception	Since Inception p.a.	1y	6m	3m	1m							
<b>Class 1 (net)</b>	57.34%	11.02%	16.83%	6.99%	2.64%	3.12%							
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2017</b>	-	-	-	-	-	-	-	-	-	-	-	0.40%	0.40%
<b>2018</b>	0.71%	0.80%	-0.37%	1.30%	0.53%	0.42%	0.04%	1.80%	-0.15%	-4.22%	-1.83%	-1.88%	-2.97%
<b>2019</b>	0.78%	2.58%	-0.47%	1.13%	-2.43%	0.65%	2.07%	0.58%	-0.66%	-0.34%	1.84%	-0.78%	4.95%
<b>2020</b>	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%
<b>2021</b>	3.78%	2.28%	2.44%	5.37%	-0.71%	-0.93%	4.18%	1.90%	-0.76%	2.27%	1.33%	0.59%	23.77%
<b>2022</b>	0.80%	-1.25%	3.12%										2.64%

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



## 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)

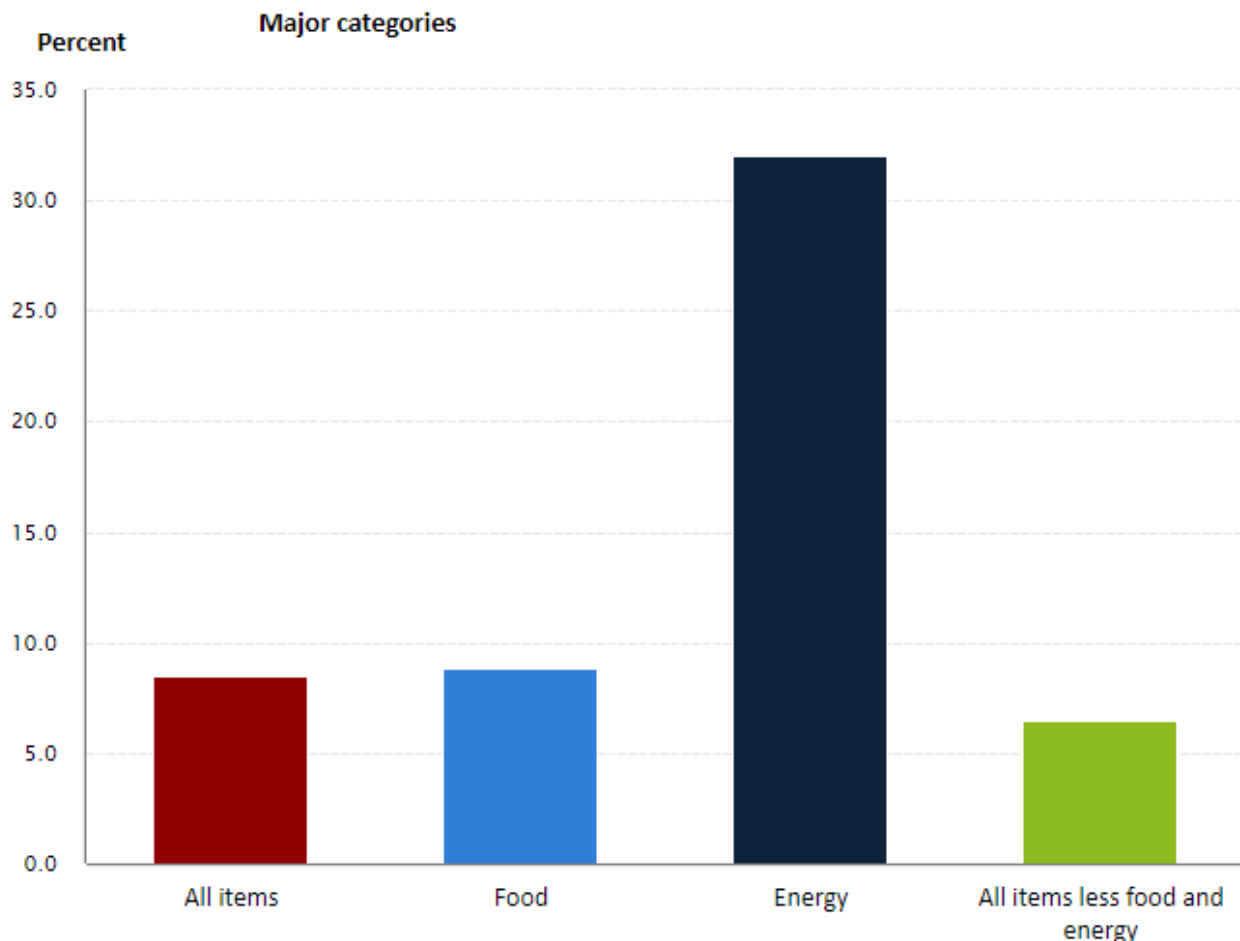
## Fund Commentary – March 2022

March was a volatile month for markets with Russia’s invasion of Ukraine escalating, resulting in further increases in oil and gas prices. The market was also preparing for the Federal Reserve’s first interest rate hike since 2018, causing the US Treasury market to incur its worst month since 2003. Broader indices then proceeded to rally for the balance of the month until US equity markets realised a sharp decline on the last trading day of March. Despite the recovery, global equities had their biggest quarterly loss since March 2020 whilst the ASX200 Accumulation index returned 2.24% for the March quarter.

Inflation continues to rise globally with US inflation climbing to 8.5% in the past year (highest since 1981) and Australia surprised with an increase of 5.1% (27 April 2022). These figures are mainly driven by the energy industry as prices have spiked due to the ongoing war between Russia and Ukraine and continued disruptions in global supply chains. Increasing inflation has placed further pressure on the RBA to increase rates at their next meeting in May, which most economists are now predicting. The bond market has now priced in a rate rise in May. It was our expectation that the RBA was going to lift rates post the Federal election, however, they may no longer have a choice but to bring this forward.

### 12-month percentage change, Consumer Price Index, selected categories, March 2022, not seasonally adjusted

Source: U.S Bureau of Labor Statistics



## Fund Commentary – March 2022

LAIF's biggest detractors were its global long/short equities, digital asset (currency exposure only) and impact investing strategies. Most of the negative attribution was due to a weakening USD, which was down 2.92% against the AUD for March. To mitigate against a further strengthening AUD, the LAIF IC implemented some currency hedging. Of late, the USD has strengthened, and this will have an overall positive impact on LAIF.

LAIF's largest attributors were in systematic trend following, resources and Australian long/short strategies. Systematic trend following and resources were the beneficiaries of increased prices in oil, gas, and other commodities. The Australian long/short strategy outperformed the ASX200 due to specific stock selection.

Pleasingly, LAIF returned a positive 3.12% in March bringing the quarterly return to 2.64%, all whilst global equities and bond markets experienced drawdowns.

## Disclaimer

This document is issued by Lucerne Investment Partners (authorised under AFSL 481217). The views, opinions or recommendations of the author in this newsletter are solely those of the author and do not necessarily reflect the views, opinions, recommendations, of Lucerne Investment Partners or its affiliates. Lucerne Investment Partners makes no representation or warranty with respect to the accuracy, completeness or currency of the content of this newsletter. The content is for general information purposes only and does not constitute financial advice. The information contained in this newsletter does not take into account the investment objectives, financial situation or particular needs of any particular person. Investors should take into consideration any product disclosure statement, prospectus or other disclosure document, and obtain advice based on their own individual circumstances, before making an investment decision. To the extent permitted by law, Lucerne Investment Partners excludes all liability for any loss or damage arising in any way including by way of negligence. 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.