

# Fortress Global Funds Quarterly Reports

Income Builder US Fund

Income Builder International Fund

US Equity Fund

International Equity Fund

Emerging Markets Fund

Global Opportunity Wealth Fund

Fixed Income Fund

December 31, 2017



Your Future. Our Business.



January 2018.

Dear investors,

The fourth quarter delivered a fitting finish to a strong year in equities. Emerging markets saw strong performance from both share prices and currency appreciation. International equities posted solid returns, and in the U.S. the kinds of underappreciated value shares in which our funds invest came to life and put up an excellent quarter. This came as the U.S. Federal Reserve (Fed) raised its target rate again in December and expectations grew for even more hikes in 2018. Bonds posted only a marginal gain during the quarter as they fought the headwinds of higher interest rates.

Interest rates are gradually moving to centre stage for investors, and we think it is worth pausing to consider the project now underway. For years, rates have remained lower than would be expected based on factors like employment and economic growth. Now, with large corporate tax cuts in the U.S. on top of a growing economy, low unemployment, record profits, and emerging wage pressures, the move to a more normal level of interest rates takes on greater urgency. The challenge the Fed faces in our view is to perform the sleight of hand to gradually withdraw the "hand" supporting prices of many financial assets today, without anybody in the audience noticing. As with stage magic, a little misdirection will help. But when investors do notice, and they will, pressure on asset prices will likely follow.

Rising interest rates are naturally a headwind for financial assets of all kinds because a higher discount rate applied to future cash flows automatically results in a lower present value – i.e. market price – of those cash flows. Higher interest rates can also apply pressure to the corporate profit margins by raising their borrowing costs. In addition, they can decrease investor demand for assets like shares purchased with borrowed money as the cost of borrowing rises.

Today there is an additional way in which rising rates could matter: correlations. Part of the magic of the last ten years has been the *inverse* correlation between U.S. stocks and bonds, especially at times of market stress. When stocks fall, bond prices rise. Risk-conscious holders of U.S. stocks have cleverly become accustomed to this and indeed to count on it. It has let them buy more stocks. An investor can hold more of both stocks and bonds if by combining them they reduce the risk of holding either one alone. The only problem with this thinking is that the last ten years have been an aberration: normally all financial assets – stocks and bonds included – move broadly together in response to one primary force, interest rates. Higher interest rates mean lower prices for stocks and bonds; lower rates mean higher prices. If confidence in the aberrant "inverse" relationship wanes, and a return to "normal" correlation becomes expected, demand will likely drop for both stocks and bonds. Put another way, when the *reason* that stocks decline becomes rising interest rates, then there will be one fewer place to look for comfort and it will be a cold, lonely day for investors in aggressively priced assets.

And there is certainly no shortage of aggressively priced assets today. It is hard to find a broad asset class that is priced for above average long-term returns from here. Low interest rates and a nine-year bull market have squeezed a lot of juice from equities and unfortunately left relatively little for the future. Of course, under the surface in each market there is usually far better value to be found among the downtrodden, temporarily unloved and overlooked shares, and we are positioning in them where appropriate. From an asset class perspective, the one large area where we continue to see substantial opportunity is in emerging markets. This is in spite of the huge rally these shares have enjoyed over the last year. Valuations continue to be reasonable and under the surface of many markets we can still find outstanding value with the bonus that fundamentals are once again on the upswing.

An environment with many fully priced assets, and the risk of rising interest rates, creates challenges. We are responding to today's challenges, as always, by following the value. We are uncovering and investing in well-valued shares around the world based on the application of a disciplined, consistent process. As a result, each Fortress equity fund has aggregate valuations that are at a significant discount to the broad market, and we are naturally sidestepping the areas of each market that are most overpriced and therefore in our view most vulnerable to disappointment. At an asset allocation level, we still favour international and emerging markets equities, where prices are reasonable, over the U.S. where they are less so. We are carrying more cash than normal. We are keeping the duration (i.e. interest rate sensitivity) of bond investments relatively short.

Of course, there are always challenges. These are just today's. At the times when asset prices are cheapest, and expected returns for the future correspondingly highest, the news surrounding us – and you – will inevitably be terrible. There will be fear in the air and we will all feel it. The challenge will be to stay invested appropriately, and for us to invest more even in the face of the bad news, because that is the exact time to invest most profitably. But that is not yet today's challenge. Today's challenge is that the news is actually pretty good, on balance, and expected returns in many areas are relatively low. Today we invest to earn a reasonable return, *selectively*, where we can, and prepare for the day when the news once again gets less cheery and bargains reappear. Higher interest rates may be part of what gives us all that chance, time will tell.

Thank you very much for investing with us.

Sincerely,



Peter Arender, CFA  
Chief Investment Officer



# Income Builder US Fund

## HIGHLIGHTS:

The Fund gained 4.0% during the fourth quarter and is up 0.7% over the past year. The portfolio's high quality equity holdings outpaced the market advance at the end of the year, but lagged through most of 2017. Rising interest rates continued to pressure fixed income markets and dampen returns for bond investors.

The U.S. Federal Reserve raised its target rate another 0.25% in December and expectations of more hikes pushed bond yields higher especially in short maturities. Interest-sensitive sectors such as utilities and real estate lagged a steady stock market advance. Further increases in rates are likely as monetary policy adjusts to a strong U.S. and global economy, full employment, and signs of increasing inflation. Against this backdrop we think the Fund's strategy remains an excellent alternative, or complement, to conventional bonds.

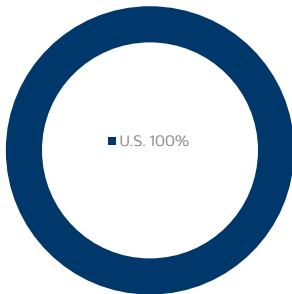
During the quarter we moved out of holdings in SCANA and VF Corporation, and established new positions in biotechnology company Amgen and payment services company Discover Financial Services. Biotech and financial services are both sectors where shares have lagged in recent years due to tepid investor sentiment. The fundamentals in many cases though remain steady and desirable, and the undemanding valuations reduce risk. Amgen trades on a Price/Earnings ratio of 15x and a dividend yield of 3%, while continuing to grow earnings. During the quarter we also trimmed positions in Ameriprise Financial and UnitedHealth which had both grown as their share prices appreciated. The portfolio's hedges are tighter than normal, reflecting the increased short-term market risk following the recent market surge.

## PORTFOLIO SUMMARY

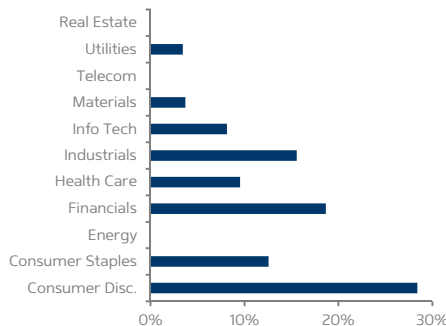
	Earnings Yield	Dividend Yield	Call Option Coverage	Put Option Protection	Monthly Volatility
FUND	6.8%	2.2%	40%	20%	1.6%

Options data are delta-adjusted

## GEOGRAPHIC ALLOCATION



## SECTOR ALLOCATION



## FUND OBJECTIVE

Target a fixed return of 8% per year with bond-like volatility.

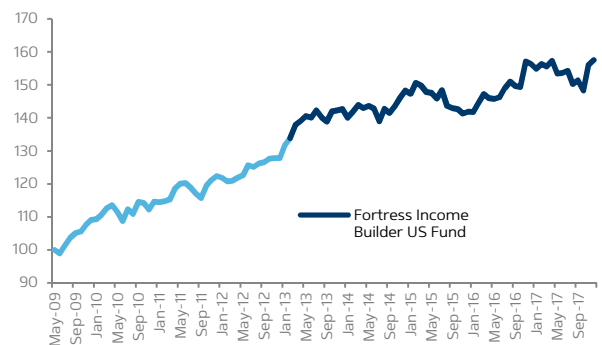
Minimum Investment:	US\$ 100,000
Net Asset Value per Share:	US\$ 117.6511
Fund Net Assets:	US\$ 15,909,614
Fund Inception:	Feb 28, 2013
Strategy Inception:	Jun 11, 2009
Bloomberg Ticker:	FORIBUA KY
Dealing/NAV Dates:	15th and end of each month

## INVESTMENT RETURNS

	3mo	1yr	3yr	5yr	Inception
Fund	4.0%	0.7%	2.0%	4.3%	5.5%

Periods longer than one year are annual compound returns

## PERFORMANCE SINCE INCEPTION to 12/31/2017



Returns prior to Feb 28, 2013 are for the composite of segregated accounts managed with the identical strategy, adjusted for Fund management and administration fees. Fund returns are net of fees and withholding taxes.

## TOP 10 HOLDINGS

AMERIPRISE FINANCIAL INC	4.3%
VF CORP	4.3%
UNITEDHEALTH GROUP INC	4.2%
TE CONNECTIVITY LTD	4.1%
TRACTOR SUPPLY COMPANY	4.1%
TYSON FOODS INC-CL A	4.0%
RAYTHEON COMPANY	4.0%
TORCHMARK CORP	4.0%
HONEYWELL INTERNATIONAL INC	3.9%
KOHL'S CORP	3.9%

## EXPENSES

### Paid by the Fund

Management Fee: 1% of net assets per annum  
 Administrator Fee: 0.1% of net assets per annum

### Investor Redemption Fees

Within 6 months of purchase: 2%  
 All other times: 0.2%

Paid to the benefit of remaining shareholders in both cases

## INVESTMENT MANAGER

Fortress Fund Advisors Limited

## ADMINISTRATOR

Fortress Fund Managers Limited

## PRIMARY CUSTODIAN

Morgan Stanley

## AUDITORS

EY

## FORTRESS FUND MANAGERS DIRECTORS

Sir Geoffrey Cave     John Williams  
 Ken Emery     John Howard  
 Roger Cave     David Simpson

## FUND DIRECTORS

David Bynoe     Roger Cave  
 John Howard

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# Income Builder International Fund



## HIGHLIGHTS:

The Fund declined 0.2% in the fourth quarter and has gained 5.2% over the past year. The Fund's underlying portfolio was little changed within a generally positive backdrop for international equities. Implied volatility of options remained low.

Returns were strong among the Fund's UK and Canadian holdings. These gains were largely offset by mixed performance in Japanese and other Asian positions. Interest rate changes became a focus for markets. The U.S. Federal Reserve raised its target rate again in December and other global central banks began hinting that they too could soon reduce monetary stimulus. Bond prices have started 2018 under substantial pressure, and the Fund's portfolio of stocks has strengthened.

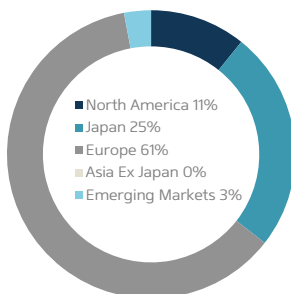
During the fourth quarter we moved out of a holding in Nordea Bank and established a new position in Japan's Sumitomo Chemical Company. Sumitomo Chemical is like a number of Japanese industrial companies at the moment - it has strong, growing earnings, a healthy dividend and cheap valuation. Its Price/Earnings ratio is less than 10x, putting it in line with the average of the portfolio. This kind of valuation is typically consistent with well above-average long-term returns, especially when fundamentals are improving, as they are now among many international companies.

## PORTFOLIO SUMMARY

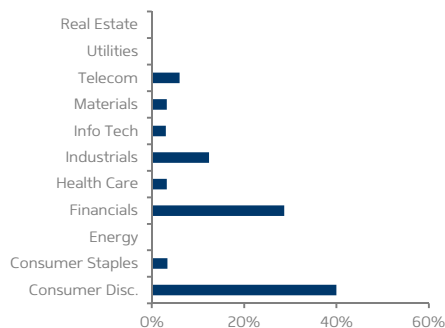
	Earnings Yield	Dividend Yield	Call Option Coverage	Put Option Protection	Monthly Volatility
FUND	9.7%	3.5%	55%	16%	2.5%

Options data are delta-adjusted

## GEOGRAPHIC ALLOCATION



## SECTOR ALLOCATION



## FUND OBJECTIVE

Target a fixed return of 8% per year with bond-like volatility.

Minimum Investment:	US\$ 100,000
Net Asset Value per Share:	US\$ 111.4797
Fund Net Assets:	US\$ 21,617,634
Fund Inception:	Feb 28, 2013
Strategy Inception:	Jun 1, 2012
Bloomberg Ticker:	FORBIA KY
Dealing/NAV Dates:	15th and end of each month

## INVESTMENT RETURNS

	3mo	1yr	3yr	5yr	Inception
Fund	-0.2%	5.2%	2.3%	2.3%	4.0%

Periods longer than one year are annual compound returns

## PERFORMANCE SINCE INCEPTION to 12/31/2017



Returns prior to Feb 28, 2013 are for the composite of segregated accounts managed with the identical strategy, adjusted for Fund management and administration fees. Fund returns are net of fees and withholding taxes.

## TOP 10 HOLDINGS

ALLIANZ SE-REG	4.1%
MICHELIN (CGDE)	4.1%
MAGNA INTERNATIONAL INC	4.0%
CONTINENTAL AG	3.7%
VALEO SA	3.7%
LEGAL & GENERAL GROUP PLC	3.7%
BARRATT DEVELOPMENTS PLC	3.7%
AXA SA	3.6%
OLD MUTUAL PLC	3.6%
MARUBENI CORP	3.6%

## EXPENSES

### Paid by the Fund

Management Fee: 1% of net assets per annum  
Administrator Fee: 0.1% of net assets per annum

### Investor Redemption Fees

Within 6 months of purchase: 2%  
All other times: 0.2%  
Paid to the benefit of remaining shareholders in both cases

## INVESTMENT MANAGER

Fortress Fund Advisors Limited  
**ADMINISTRATOR**  
Fortress Fund Managers Limited  
**PRIMARY CUSTODIAN**  
Morgan Stanley  
**AUDITORS**  
EY

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FORTRESS FUND MANAGERS, FIRST FLOOR, CARLISLE HOUSE, HINCKS STREET, BRIDGETOWN, BB11144, BARBADOS

TEL: (246) 431-2198 invest@fortressfund.com www.fortressfund.com



# US Equity Fund

## HIGHLIGHTS:

The Fund gained 8.2% in the fourth quarter and is up 15.7% over the past year. U.S. stocks were strong again as a corporate tax cut was passed, earnings continued to improve, and some stressed sectors like retail and energy stabilised.

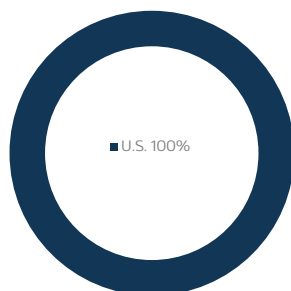
Another rate hike by the U.S. Federal Reserve (Fed) in December did little to dampen investor enthusiasm as shares advanced again. Interest rates are gradually taking centre stage, though, as the U.S. economy operates at full employment and inflation expectations rise. We believe bond yields are likely to rise further as quantitative easing is unwound and the Fed continues to gradually tighten towards a more neutral level. All things being equal this is a headwind for equity valuations as well as for underlying corporate earnings. It is another argument for caution in U.S. equities, especially those whose valuations have advanced so far in a zero interest rate environment.

During the quarter we moved out of a longtime position in Aflac as its multi-year share price advance finally outpaced its fundamentals. We established a new position in drugstore operator Walgreens Boots Alliance in November as its share price was punished along with those of most retailers, yet its earnings continued to grow. At a Price/Earnings ratio of 13x it is in line with the Fund's portfolio average, which continues to be a substantial discount to the market index.

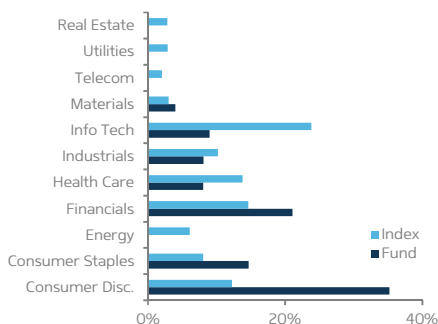
## PORTFOLIO SUMMARY

	P/E Ratio	P/B Ratio	Div Yld	ROE	Volatility
FUND	13.0	2.4	2.3%	20.3%	3.5%
Index	18.3	3.3	1.9%	18.9%	3.7%
+/-	-5.3	-0.9	0.4%	1.4%	-0.2%

## GEOGRAPHIC ALLOCATION



## SECTOR ALLOCATION



## FUND OBJECTIVE

Long term growth with limited risk in U.S. large cap equities.

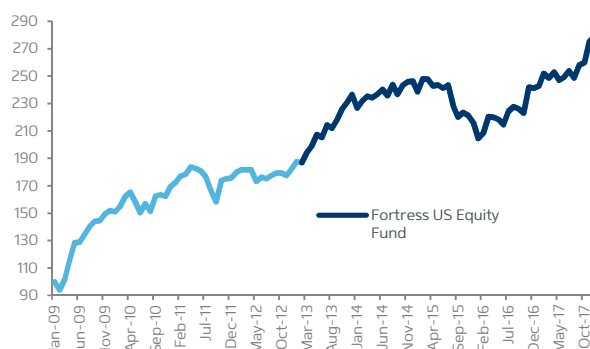
Minimum Investment:	US\$ 100,000
Net Asset Value per Share:	US\$ 149.4098
Fund Net Assets:	US\$ 7,450,819
Fund Inception:	Feb 28, 2013
Strategy Inception:	Feb 18, 2009
Bloomberg Ticker:	FORUEFA KY
Dealing/NAV Dates:	15th and end of each month

## INVESTMENT RETURNS

	3mo	1yr	3yr	5yr	Inception
Fund	8.2%	15.7%	4.3%	8.9%	12.3%
Index	6.5%	21.1%	10.7%	15.1%	17.4%

Periods longer than one year are annual compound returns

## PERFORMANCE SINCE INCEPTION to 12/31/2017



Returns prior to Feb 28, 2013 are for the composite of segregated accounts managed with the identical strategy, adjusted for Fund management and administration fees. Fund returns are net of fees and withholding taxes.

## TOP 10 HOLDINGS

TRACTOR SUPPLY COMPANY	4.7%
PRINCIPAL FINANCIAL GROUP	4.6%
LINCOLN NATIONAL CORP	4.6%
TE CONNECTIVITY LTD	4.5%
AMERIPRISE FINANCIAL INC	4.4%
CISCO SYSTEMS INC	4.4%
BEST BUY CO INC	4.4%
TYSON FOODS INC-CL A	4.4%
CUMMINS INC	4.3%
GENERAL MOTORS CO	4.1%

## EXPENSES

### Paid by the Fund

Management Fee: 1% of net assets per annum  
 Administrator Fee: 0.1% of net assets per annum

### Investor Redemption Fees

Within 6 months of purchase: 2%  
 All other times: 0.2%

Paid to the benefit of remaining shareholders in both cases

## INVESTMENT MANAGER

Fortress Fund Advisors Limited

### ADMINISTRATOR

Fortress Fund Managers Limited

### PRIMARY CUSTODIAN

Morgan Stanley

### AUDITORS

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# International Equity Fund



## HIGHLIGHTS:

The Fund gained 3.6% in the fourth quarter and is up 20.6% over the past year. International equities generally had a strong finish to the year while major currencies strengthened further against the U.S. dollar.

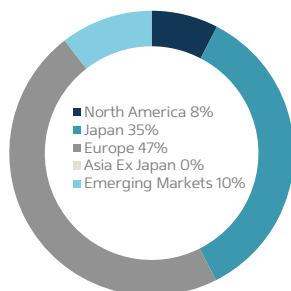
The spread of investor interest to shares outside the U.S. in response to attractive valuations and improving fundamentals continued during the quarter. The Fund's holdings in the U.K. saw particular strength, as the recovery from post-Brexit lows continued. Shares like Barratt Developments, easyJet and Old Mutual led the way. Performance among Japanese shares was weaker, but valuations of our holdings there remain some of the most attractive in the portfolio. Central bank inclinations towards tighter policy did not seem to concern investors.

During the quarter we moved out of holdings in Generali and China Construction Bank, and established new positions in Sumitomo Chemical of Japan and China Overseas Land & Investment. Sumitomo has a Price/Earnings ratio of less than 10x, steady earnings and a growing dividend. China Overseas has a P/E of 8x, dividend yield of 3%, and like many China-related companies (in this case listed in Hong Kong) it has seen a resumption of earnings growth since the middle of 2017. These are the kinds of characteristics we look for. With an average P/E of less than 10x and a healthy dividend yield the Fund's portfolio continues to have absolute and relative valuations consistent with above average long-term returns.

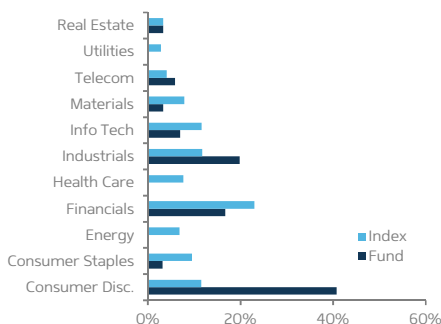
## PORTFOLIO SUMMARY

	P/E Ratio	P/B Ratio	Div Yld	ROE	Volatility
FUND	9.7	1.5	3.3%	15.5%	3.7%
Index	14.4	1.8	2.8%	12.5%	4.3%
+/-	-4.7	-0.3	0.5%	3.0%	-0.6%

## GEOGRAPHIC ALLOCATION



## SECTOR ALLOCATION



## FUND OBJECTIVE

Long term growth with limited risk in non-U.S. large cap equities.

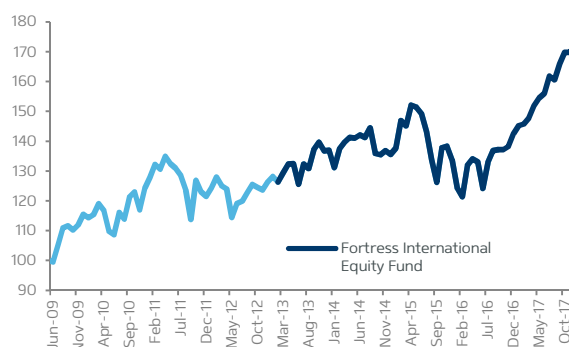
Minimum Investment:	US\$ 100,000
Net Asset Value per Share:	US\$ 136.0831
Fund Net Assets:	US\$ 21,968,453
Fund Inception:	Feb 28, 2013
Strategy Inception:	Jun 30, 2009
Bloomberg Ticker:	FORIEFA KY
Dealing/NAV Dates:	15th and end of each month

## INVESTMENT RETURNS

	3mo	1yr	3yr	5yr	Inception
Fund	3.6%	20.6%	8.2%	6.3%	6.6%
Index	5.0%	27.2%	7.8%	6.8%	8.1%

Periods longer than one year are annual compound returns

## PERFORMANCE SINCE INCEPTION to 12/31/2017



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## TOP 10 HOLDINGS

SAMSUNG ELECTR-GDR	4.1%
MAGNA INTERNATIONAL INC	4.1%
ITOCHU CORP	3.9%
PERSIMMON PLC	3.9%
NSK LTD	3.8%
ASHTAD GROUP PLC	3.8%
CONTINENTAL AG	3.7%
BARRATT DEVELOPMENTS PLC	3.6%
RANDSTAD HOLDING NV	3.6%
CHINA OVERSEAS LAND & INVEST	3.6%

## EXPENSES

### Paid by the Fund

Management Fee: 1% of net assets per annum  
Administrator Fee: 0.1% of net assets per annum

### Investor Redemption Fees

Within 6 months of purchase: 2%  
All other times: 0.2%

Paid to the benefit of remaining shareholders in both cases

## INVESTMENT MANAGER

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### ADMINISTRATOR

Fortress Fund Managers Limited

### PRIMARY CUSTODIAN

Morgan Stanley

### AUDITORS

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# Emerging Markets Fund



## HIGHLIGHTS:

The Fund gained 6.6% in the fourth quarter and is up 26.1% over the past year. Emerging markets shares and currencies shook off higher interest rates in the U.S. as underlying fundamentals continued to improve.

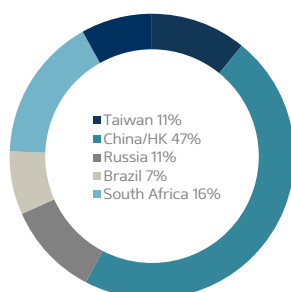
The Fund's South African holdings like Barclays Africa, Nedbank and Barloworld saw outsized gains during the quarter, and a stronger rand eventually added to these gains after initially weakening in October and November. The Russian energy producers saw mixed performance during the quarter but have since enjoyed a strong start to 2018 along with other parts of the global energy complex. Performance of China-related shares, especially those in the automobile sector, also lagged but they too have begun 2018 with significant gains. Taiwanese and Brazilian shares were little changed.

During the quarter we trimmed positions in Guangzhou Automobile and Samsung Electronics, both of which had rallied significantly. Samsung for example has more than doubled since mid-2016 but its earnings have also doubled and it still trades on a Price/Earnings ratio of only 7x. We established a new holding in South Korean communications company SK Telecom in November. This is yet another example of a stock with improving fundamentals and undemanding valuation - it trades on a P/E of 8x and has a dividend yield of 4%. From a bottom-up perspective we continue to find some of the best value in the world among emerging markets companies, especially as earnings have been improving. We still see significant return potential in the area.

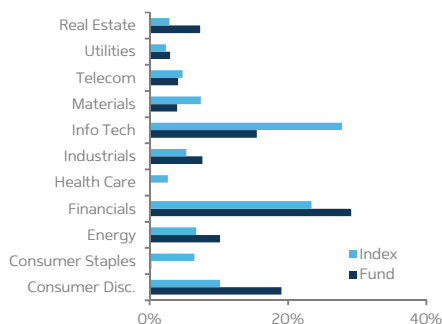
## PORTFOLIO SUMMARY

	P/E Ratio	P/B Ratio	Div Yld	ROE	Volatility
FUND	8.5	1.3	3.4%	14.9%	4.7%
Index	12.7	1.8	2.2%	14.2%	4.1%
+/-	-4.2	-0.5	1.2%	0.7%	0.6%

## GEOGRAPHIC ALLOCATION



## SECTOR ALLOCATION



## FUND OBJECTIVE

Long term growth with limited risk in emerging markets equities.

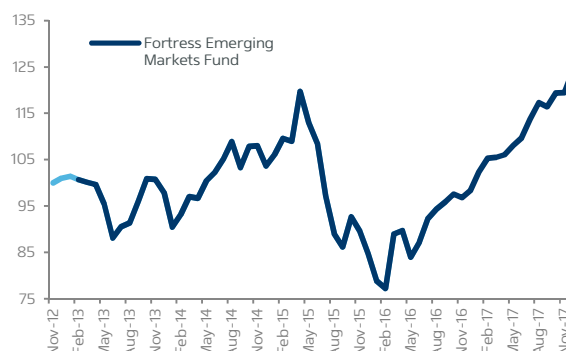
Minimum Investment:	US\$ 100,000
Net Asset Value per Share:	US\$ 123.2701
Fund Net Assets:	US\$ 23,743,467
Fund Inception:	Feb 28, 2013
Strategy Inception:	Dec 20, 2012
Bloomberg Ticker:	FORTEMA KY
Dealing/NAV Dates:	15th and end of each month

## INVESTMENT RETURNS

	3mo	1yr	3yr	5yr	Inception
Fund	6.6%	26.1%	6.2%	4.2%	4.4%
Index	7.4%	37.3%	9.1%	4.3%	4.3%

Periods longer than one year are annual compound returns

## PERFORMANCE SINCE INCEPTION to 12/31/2017



Returns prior to Feb 28, 2013 are for the composite of segregated accounts managed with the identical strategy, adjusted for Fund management and administration fees. Fund returns are net of fees and withholding taxes.

## TOP 10 HOLDINGS

ISHARES MSCI TAIWAN ETF	6.3%
IMPERIAL HOLDINGS LTD	4.7%
CHINA MERCHANTS BANK-H	4.5%
HAIER ELECTRONICS GROUP CO	4.3%
SHIMAO PROPERTY HOLDINGS LTD	4.2%
BARLOWORLD LTD	4.1%
SAMSUNG ELECTR-GDR	4.0%
TATNEFT PAO-SPONSORED ADR	4.0%
GUANGZHOU AUTOMOBILE GROUP-H	3.9%
SK TELECOM CO LTD-SPON ADR	3.8%

## EXPENSES

### Paid by the Fund

Management Fee: 1% of net assets per annum  
Administrator Fee: 0.1% of net assets per annum

### Investor Redemption Fees

Within 6 months of purchase: 2%  
All other times: 0.5%

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### PRIMARY CUSTODIAN

Morgan Stanley

### AUDITORS

EY

## FORTRESS FUND MANAGERS DIRECTORS

Sir Geoffrey Cave	John Williams
Ken Emery	John Howard
Roger Cave	David Simpson
David Bynoe	
<b>FUND DIRECTORS</b>	
David Bynoe	Roger Cave
John Howard	

The Fund is a segregated portfolio of Fortress Global Funds SPC Inc., which is an exempted portfolio company incorporated in the Cayman Islands. Offering is to qualified investors only via Offering Memorandum and a Supplement related to this specific portfolio. This report is for information purposes only and does not constitute an offer or solicitation to purchase the Fund. **The Fund may not be sold to U.S. persons.**

FORTRESS FUND MANAGERS, FIRST FLOOR, CARLISLE HOUSE, HINCKS STREET, BRIDGETOWN, BB11144, BARBADOS

TEL: (246) 431-2198 invest@fortressfund.com www.fortressfund.com



# Global Opportunity Wealth Fund



## HIGHLIGHTS:

The Fund gained 2.8% in the fourth quarter and is up 9.2% over the past year. U.S. and emerging markets equities had the strongest returns during the quarter, and bonds were little changed.

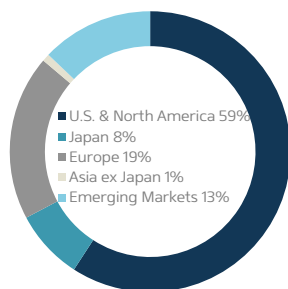
While corporate profits in most parts of the world continued to grow and equity markets performed well, interest rates are gradually becoming an issue for investors. The U.S. Federal Reserve raised its target rate again in December and more hikes are expected in 2018. Rising interest rates are a concern for bonds because higher rates push down bond prices, but they are also a headwind for equities where future cash flows need to be discounted at higher rates, and company profits can get reduced by higher borrowing costs. U.S. interest rates have room to move higher based on full employment and growing wage pressures, and the Fund is positioned accordingly.

During the quarter we moved out of U.S. Treasury note holdings and cash and established a position in the new Fortress Fixed Income Fund. Gaining efficient exposure to corporate and government bonds "in-house" will add incrementally to the return we can expect from the Fund's fixed income allocation going forward.

## PORTFOLIO SUMMARY

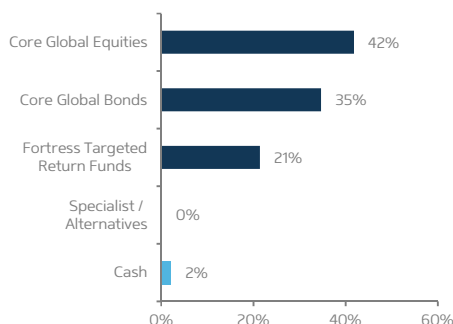
The Fund's portfolio is diversified across key asset classes and a combination of strategies to generate return and limit risk. The long term benchmark for the Fund is a blended index of **60%** global stocks and **40%** global bonds, though the Fund's positioning may differ from this both structurally and tactically. Limiting risk is a key objective of the overall asset allocation. The Fund will typically include allocations to the low volatility, targeted return Fortress Income Builder funds as an alternative to core equity and bond allocations.

## GEOGRAPHIC ALLOCATION



Geographic allocations estimated on a look-through basis.

## ASSET CLASS SUMMARY



## FUND OBJECTIVE

Long term wealth preservation and growth for the whole portfolio.

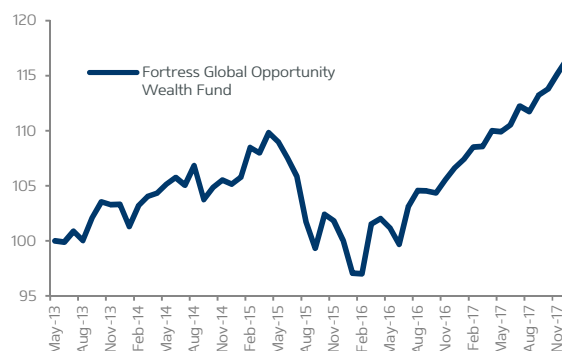
Minimum Investment:	US\$ 100,000
Net Asset Value per Share:	US\$ 116.4326
Fund Net Assets:	US\$ 4,469,792
Fund Inception:	May 31, 2013
Strategy Inception:	May 31, 2013
Bloomberg Ticker:	FORTGOW KY
Dealing/NAV Dates:	15th and end of each month

## INVESTMENT RETURNS

	3mo	1yr	3yr	5yr	Inception
Fund	2.8%	9.2%	3.5%	n/a	3.4%
Benchmark	3.8%	16.9%	6.3%	6.8%	6.5%

Periods longer than one year are annual compound returns

## PERFORMANCE SINCE INCEPTION to 12/31/2017



Fund returns are net of fees and withholding taxes.

## TOP 10 ALLOCATIONS

Fortress Fixed Income Fund	24.1%
Fortress International Equity Fund	19.7%
Fortress US Equity Fund	14.7%
Fortress Income Builder International Fund	11.3%
Fortress Income Builder US Fund	10.1%
PIMCO Global Investment Grade Credit Fund	8.0%
Fortress Emerging Markets Fund	7.4%
Legg Mason WA Asian Opportunities Fund	2.5%
Cash	2.1%

## EXPENSES

### Paid by the Fund

Management Fee: 0.65% of net assets p.a. (rebated for Fortress funds)

Administrator Fee: 0.1% of net assets per annum

### Investor Redemption Fees

Within 6 months of purchase: 2%

All other times: 0.2%

Paid to the benefit of remaining shareholders in both cases

## INVESTMENT MANAGER

Fortress Fund Advisors Limited

### ADMINISTRATOR

Fortress Fund Managers Limited

### PRIMARY CUSTODIAN

Morgan Stanley

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