

# Fortress Global Funds Quarterly Reports

Fixed Income Fund

Global Opportunity Wealth Fund

US Equity Fund

International Equity Fund

Emerging Markets Fund

Income Builder US Fund

Income Builder International Fund

March 31, 2021





April, 2021.

Dear investors,

The Fortress funds had an exceptionally strong first quarter. Our equity returns were all positive and well ahead of benchmark, led by the US Equity Fund, up 14% for the quarter and 70% since this time last year. What a difference a year makes. Markets favoured precisely the kinds of high-quality, well-valued shares that make up our portfolios – a long-awaited swing back to value from growth. The Fixed Income Fund, meanwhile, had a small decline as U.S. bond yields rose along with inflation expectations. Broad diversification remained sensible and valuable: the Global Opportunity Wealth Fund, which has a balanced portfolio with allocations across fixed income and global equities via the other funds, gained just over 5% in the quarter.

The recovery in financial markets from the pandemic-induced lows of early last year has been significant, quick by historic standards – and is now likely complete. Equity indexes are at all-time highs, and bond yields and corporate spreads are back to where they were before anyone had heard of COVID-19. While the U.S. Federal Reserve (Fed) still maintains it is a long way from reducing its immense stimulus, other central banks in places like Canada and Norway have taken steps to get back to “normal”. The Fed will of course move eventually. Looking forward, equity market gains will almost certainly need to rely less on the rush of fresh stimulus, and look instead to underlying profitability, earnings growth and their interplay with valuations. But this is not necessarily a bad thing. This is normal.

At the same time, it is important to remember that monetary policy – *even with gradual moves back towards normal* – is still extremely easy and supportive for equities. Easing up on the gas is not the same as hitting the brakes, even though it is natural for investors to sometimes fear what comes next. Back in the real economy, there is almost certainly pent-up consumer demand behind the increased savings rates observed in many countries in 2020. There is also still meaningful fiscal stimulus in the U.S. and elsewhere. It has been an interesting feature of the recent increase in bond yields that most of the move has been due to an increase in *inflation expectations* rather than to a bump up in real (i.e. inflation-adjusted) yields. This could leave room for real yields to rise in future at the behest of central banks and, if coupled with a decline in inflation expectations, could mean nominal yields do not rise as much as some may fear. This suggests a supportive backdrop for equities could persist for some time and that positive returns in medium-term bonds could be possible given today's yields and the dynamics of a steep yield curve.

For the first time in a few years, the first quarter saw widespread pressure on the prices of aggressively valued growth shares and the more speculative subset of the market in general. This occurred at the same time as prices rose for the less fashionable, more conventionally profitable, segments of the market. We hesitate to suggest that Q1 2021 equity performance is a taste of things to come. No one knows what tomorrow will bring. But it seems more and more likely that a return to “normal” is underway in financial market behaviour, and this may provide a pleasing tailwind for the Fortress equity funds. As we said last quarter, we continue to see *substantial* potential for multi-year outperformance of high-quality, well-valued shares against the broad market. Today, this subset of the investment world is one of the few still priced for attractive long-term returns.

Thank you for investing with us.

Sincerely,

A handwritten signature in blue ink that reads "Peter Arender".

Peter Arender, CFA  
Chief Investment Officer



# Fixed Income Fund

## HIGHLIGHTS:

The Fund declined 2.6% in the first quarter and is up 6.9% over the past year. U.S. bond yields rose during the quarter as continued recovery from the pandemic in many parts of the world spurred expectations for economic growth and inflation, and a quicker return towards "normal" monetary policy.

U.S. Treasury 10-year bond yields increased from 0.9% to 1.7% and reached levels last seen in late 2019 before the pandemic. As the U.S. Federal Reserve (Fed) kept its target rate at zero and continued with its bond purchase programmes, shorter maturity bonds were little changed. The Fund's relatively high levels of cash and (previously) substantial holdings in inflation-linked bonds helped it decline less than the broad market during this period.

We continued to invest selectively during the quarter as rates rose and prices fell. Corporate bond issues saw strong demand even at tighter spreads but we did find some offering good value relative to underlying fundamentals. We also significantly reduced positions in inflation-linked bonds in February and March as 10-year inflation breakeven rates moved towards the wide end of their normal historic range at 2.5%. As nominal rates have risen so has the Fund's average yield and therefore expected future return. The dynamics of a steep yield curve can also be expected to add some additional return as time passes if Fed policy keeps short rates low. We see a 2-2.5% total return over the coming year as a reasonable expectation based on current positioning.

## FUND OBJECTIVE

Consistent returns and protection of principal over the medium-term with investments in high-quality bonds.

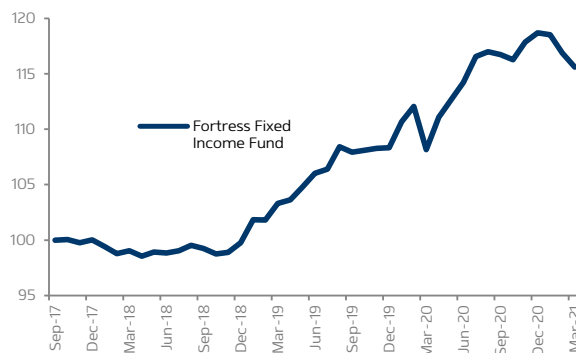
<b>Minimum Investment:</b>	US\$ 100,000
<b>Net Asset Value per Share:</b>	US\$ 115.5980
<b>Fund Net Assets:</b>	US\$ 32,170,962
<b>Fund Inception:</b>	Oct 2, 2017
<b>Strategy Inception:</b>	Oct 2, 2017
<b>Bloomberg Ticker:</b>	FORFIFA KY
<b>Dealing/NAV Dates:</b>	15th and end of each month

## INVESTMENT RETURNS

	3mo	1yr	3yr	5yr	Inception
<b>Fund</b>	-2.62%	6.87%	5.28%	n/a	4.23%
<b>Index</b>	-3.37%	0.71%	4.64%	3.14%	3.66%

*Periods longer than one year are annual compound returns*

## PERFORMANCE SINCE INCEPTION to 3/31/2021



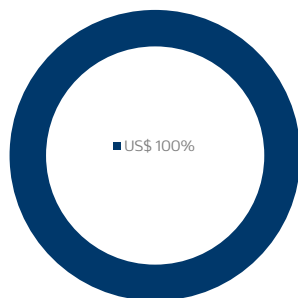
Fund returns are net of fees and withholding taxes.

## PORTFOLIO SUMMARY

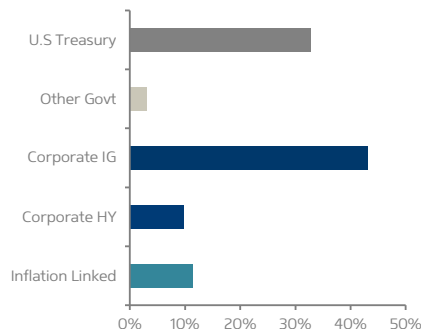
	Weight	Yield	Term to Maturity	Credit Rating*	Spread (bps)
<b>FUND</b>	<b>100%</b>	<b>1.61%</b>	<b>8.1 yrs</b>	<b>A-</b>	<b>63</b>
Corporate securities	52.8%	2.01%	3.9 yrs	BBB	107
Government securities	47.2%	1.16%	15.5 yrs	AA+	22

\* Source: Bloomberg

## CURRENCY ALLOCATION



## ALLOCATION SUMMARY



## TOP 10 HOLDINGS

US DOLLAR CASH	17.6%
TSY INFL IX N/B 0.625 2/15/2043	11.4%
US TREASURY N/B 2.875 8/15/2028	4.9%
US TREASURY N/B 0.625 5/15/2030	4.0%
US TREASURY N/B 2.25 8/15/2049	3.2%
US TREASURY N/B 2.25 2/15/2027	3.1%
ABBVIE INC 2.95 11/21/2026	2.7%
JUNIPER NETWORKS INC 2 12/10/2030	2.2%
MORGAN STANLEY FLOATING 10/24/2023	2.1%
APPLE INC 1.2 2/8/2028	2.0%

## EXPENSES

### Paid by the Fund

Management Fee: 0.35% of net assets per annum  
 Administrator Fee: 0.075% of net assets per annum

### Investor Redemption Fees

Within 3 months of purchase: 2%  
 All other times: 0.1%

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  
 Roger Cave              John Howard  
 Maria Nicholls          Tracey Shuffler

### FUND DIRECTORS

Roger Cave  
 John Howard

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# Global Opportunity Wealth Fund

## HIGHLIGHTS:

The Fund gained 5.6% in the first quarter and is up 39.1% over the past year. A year on from the pandemic-induced panic in global markets, the investment world continued to price in a return to more normal economic activity and monetary policy. Equities added to their recent gains and bonds declined marginally. The Fund's value-oriented equity allocations added substantially to returns as the Fortress funds all outperformed their benchmarks.

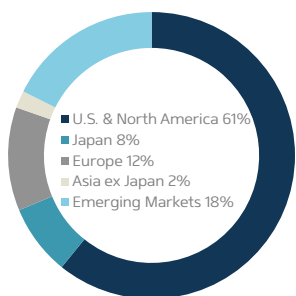
U.S. equities led performance in the quarter as a "return to normal" theme spread to varying degrees around global financial markets. This meant that bond yields rose and are now back to pre-pandemic levels in most maturities. It also meant that highly valued growth shares encountered some selling pressure and index returns were muted.

There were no substantial changes to the Fund's allocations during the quarter. Investor inflows were deployed across current allocations in a way that naturally pulled the equity allocation back down to its long-term target after recent strength. The portfolio ended the quarter invested 68% in equities and 32% fixed income. We continue to see substantial return potential specifically from the kinds of high-quality, well-valued global equities where we invest. Bond yields may rise further as conditions normalise but modest positive returns in the coming year are still likely from that low risk part of the portfolio.

## PORTFOLIO SUMMARY

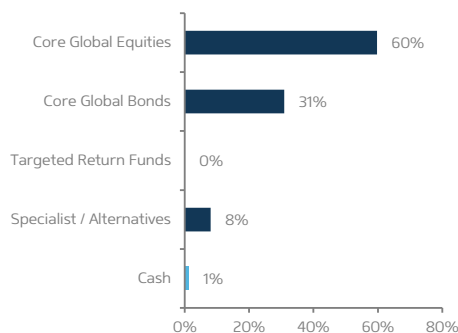
The Fund's portfolio is spread across core global equities and high-quality bonds with a long-term value orientation. The benchmark for the Fund is a blended index of 60% global stocks and 40% global bonds, though positioning may differ from this both structurally and tactically. The Fund may include smaller allocations to specialist managers and alternative assets depending on the value available in areas such as small capitalisation shares, real estate and emerging markets debt.

## 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.

<b>Minimum Investment:</b>	US\$ 100,000
<b>Net Asset Value per Share:</b>	US\$ 137.1044
<b>Fund Net Assets:</b>	US\$ 8,477,787
<b>Fund Inception:</b>	May 31, 2013
<b>Strategy Inception:</b>	May 31, 2013
<b>Bloomberg Ticker:</b>	FORTGOW KY
<b>Dealing/NAV Dates:</b>	15th and end of each month

## INVESTMENT RETURNS

	3mo	1yr	3yr	5yr	Inception
<b>Fund</b>	<b>5.6%</b>	<b>39.1%</b>	<b>5.9%</b>	<b>6.2%</b>	<b>4.1%</b>
<b>Benchmark</b>	<b>1.4%</b>	<b>32.5%</b>	<b>9.0%</b>	<b>9.0%</b>	<b>7.2%</b>

*Periods longer than one year are annual compound returns*

## PERFORMANCE SINCE INCEPTION to 3/31/2021



Fund returns are net of fees and withholding taxes.

## TOP ALLOCATIONS

FORTRESS FIXED INCOME FUND	30.9%
FORTRESS INTERNATIONAL EQUITY FUND	26.6%
FORTRESS US EQUITY FUND	21.4%
FORTRESS EMERGING MARKETS FUND	10.6%
TEMPLETON ASIAN SMALLER COMPANIES FUND	6.2%
LEGG MASON WA ASIAN OPPORTUNITIES FUND	1.8%
US DOLLAR CASH	1.3%
VANGUARD TOTAL WORLD STOCK ETF	1.2%

## 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

## AUDITORS

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# US Equity Fund

## HIGHLIGHTS:

The Fund gained 14.2% in the first quarter and is up 70.3% over the past year. U.S. equities continued their recovery from the lows of this time last year as economic healing continued and monetary policy remained extremely supportive. Value shares outpaced growth by a wide margin during the quarter, adding to the Fund's performance.

This quarter marked a significant change in equity market behaviour in the U.S. Many of the higher priced growth shares that had led the way in recent years came under selling pressure, while more reasonably priced value shares rallied. One reason for this may be growing expectations that progress on COVID-19 vaccines will see a broadening and normalisation of economic activity. Another reason may be that the price and performance differential between the two groups, just became too wide for investors to keep ignoring. The portfolio's performance was driven by holdings such as Foot Locker (+40%), Walgreens Boots Alliance (+39%) and Snap-on (+36%). Almost all sectors and holdings posted meaningful gains.

During the quarter we took profits on holdings in TE Connectivity, McKesson and Foot Locker, and established new positions in Church & Dwight, Johnson & Johnson and Facebook. We also added to existing positions in Regeneron Pharmaceuticals and Northrop Grumman, and trimmed holdings in Target, Tractor Supply and Morgan Stanley as their prices rallied. The portfolio's average price/earnings ratio of 14x remains attractive even after recent gains and we still see substantial potential for absolute and relative returns from this portfolio. Earnings growth is expected to be positive again next year as we move past the recovery from 2020 and onto a more normal trajectory.

## FUND OBJECTIVE

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

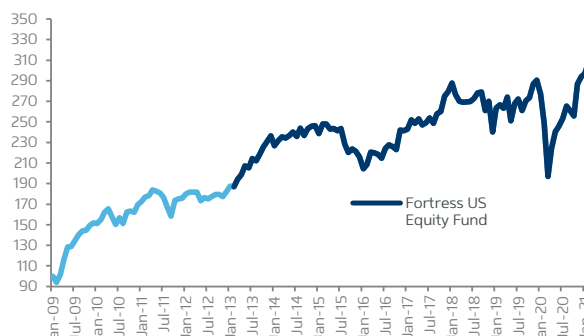
<b>Minimum Investment:</b>	US\$ 100,000
<b>Net Asset Value per Share:</b>	US\$ 179.5246
<b>Fund Net Assets:</b>	US\$ 18,719,359
<b>Fund Inception:</b>	Feb 28, 2013
<b>Strategy Inception:</b>	Feb 18, 2009
<b>Bloomberg Ticker:</b>	FORUEFA KY
<b>Dealing/NAV Dates:</b>	15th and end of each month

## INVESTMENT RETURNS

	3mo	1yr	3yr	5yr	Inception
<b>Fund</b>	<b>14.2%</b>	<b>70.3%</b>	<b>7.5%</b>	<b>8.8%</b>	<b>10.5%</b>
Index	6.1%	55.6%	16.1%	15.6%	15.9%

Periods longer than one year are annual compound returns

## PERFORMANCE SINCE INCEPTION to 3/31/2021

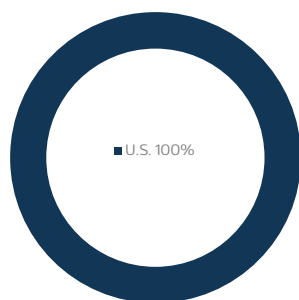


Returns prior to Feb 28, 2013 are for the composite of segregated accounts managed with the identical strategy, adjusted for Fund management and administration fees. Fund returns are net of fees and withholding taxes.

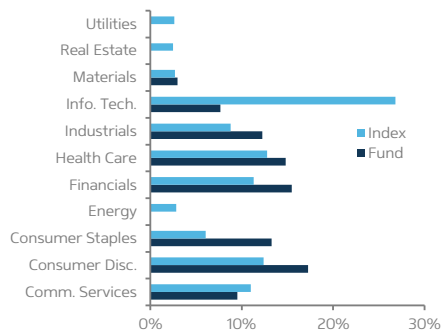
## PORTFOLIO SUMMARY

	P/E Ratio	P/B Ratio	Div Yld	ROE	Volatility
<b>FUND</b>	<b>14.4</b>	<b>3.6</b>	<b>2.1%</b>	<b>25.0%</b>	<b>4.4%</b>
Index	22.2	4.4	1.9%	19.8%	4.1%
+/-	-7.8	-0.8	0.2%	5.2%	0.3%

## GEOGRAPHIC ALLOCATION



## SECTOR ALLOCATION



## TOP 10 HOLDINGS

US DOLLAR CASH	6.7%
DR HORTON INC	4.0%
AMERIPRISE FINANCIAL INC	4.0%
UNITEDHEALTH GROUP INC	3.9%
BEST BUY CO INC	3.8%
SNAP-ON INC	3.7%
ANTHEM INC	3.5%
INTERPUBLIC GROUP OF COS INC	3.4%
GARMIN LTD	3.3%
JOHNSON & JOHNSON	3.3%

## 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  
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# International Equity Fund



## HIGHLIGHTS:

The Fund gained 7.7% in the first quarter and is up 51.5% over the past year as international equity markets continued to heal from last year's damage. Value shares outpaced growth and this added to the Fund's performance in the quarter. The portfolio's valuation remains very attractive especially as more normal earnings growth resumes.

While the U.S. Federal Reserve (Fed) kept its pandemic stimulus largely intact to the start of this year, some other central banks began to roll back their programmes slightly. This is to be expected as economies improve and it is worth noting that monetary policy, even with some normalisation, remains hugely accommodative. During the quarter the Fund's holdings in Japan had some of the largest gains - Marubeni (+28%) and Daito Trust (+28%) led the way and are still very attractively valued. Canadian holdings like Magna (+25%) and Manulife (+22%) also rallied. There was relative weakness in consumer staples companies like Heineken (-5%).

During the quarter we took profits on holdings in Daimler and Ashtead Group, and established a new position in British American Tobacco at an extremely reasonable valuation. We also added to existing positions in Roche Holding and Kirkland Lake Gold, and continued to trim back holdings in Logitech International and Tokyo Electron as their share prices rose. With these adjustments and some investor inflows the Fund's cash level rose during the quarter. We continue to be extremely selective in adding to or establishing new positions. The Fund's portfolio has an average price/earnings ratio of only 12x, a level consistent with substantial future returns, and as economic life returns more to normal the portfolio's holdings are expecting an average earnings growth of 9% next year.

## FUND OBJECTIVE

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

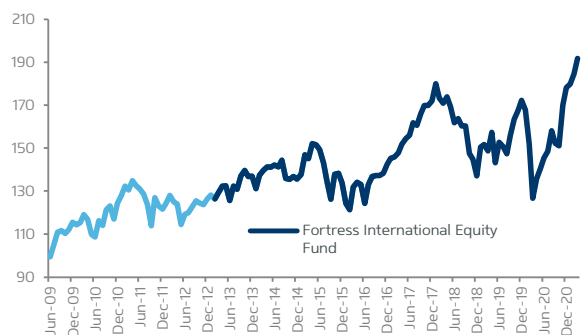
<b>Minimum Investment:</b>	US\$ 100,000
<b>Net Asset Value per Share:</b>	US\$ 151.8583
<b>Fund Net Assets:</b>	US\$ 50,051,237
<b>Fund Inception:</b>	Feb 28, 2013
<b>Strategy Inception:</b>	Jun 30, 2009
<b>Bloomberg Ticker:</b>	FORIEFA KY
<b>Dealing/NAV Dates:</b>	15th and end of each month

## INVESTMENT RETURNS

	3mo	1yr	3yr	5yr	Inception
<b>Fund</b>	<b>7.7%</b>	<b>51.5%</b>	<b>3.9%</b>	<b>7.8%</b>	<b>5.7%</b>
<b>Index</b>	<b>3.5%</b>	<b>49.4%</b>	<b>6.5%</b>	<b>9.8%</b>	<b>7.4%</b>

*Periods longer than one year are annual compound returns*

## PERFORMANCE SINCE INCEPTION to 3/31/2021

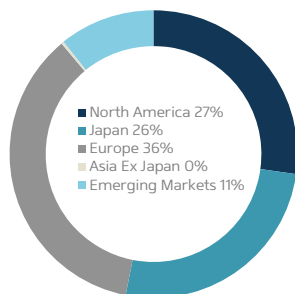


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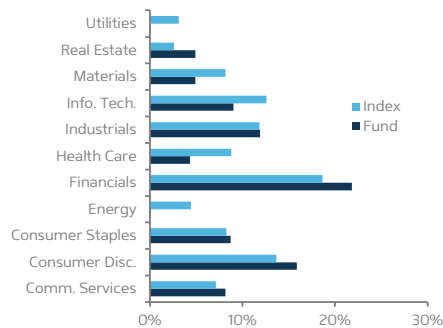
## PORTFOLIO SUMMARY

	P/E Ratio	P/B Ratio	Div Yld	ROE	Volatility
<b>FUND</b>	<b>11.9</b>	<b>1.8</b>	<b>3.0%</b>	<b>15.1%</b>	<b>4.3%</b>
<b>Index</b>	<b>16.2</b>	<b>1.9</b>	<b>2.4%</b>	<b>11.7%</b>	<b>4.5%</b>
<b>+/-</b>	<b>-4.3</b>	<b>-0.1</b>	<b>0.6%</b>	<b>3.4%</b>	<b>-0.2%</b>

## GEOGRAPHIC ALLOCATION



## SECTOR ALLOCATION



## TOP 10 HOLDINGS

US DOLLAR CASH	10.1%
MANULIFE FINANCIAL CORP	4.1%
ROCHE HOLDING AG-GENUSSSCHEIN	4.0%
ITOCHU CORP	3.9%
MAGNA INTERNATIONAL INC	3.9%
CHINA MERCHANTS BANK-H	3.8%
LEGAL & GENERAL GROUP PLC	3.7%
TORONTO-DOMINION BANK	3.7%
TOKYO ELECTRON LTD	3.7%
CANADIAN TIRE CORP-CLASS A	3.5%

## 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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# Emerging Markets Fund



## HIGHLIGHTS:

The Fund gained 5.9% in the first quarter and is up 55.0% over the past year. Emerging equities, while generally stronger in the quarter, had divergent performance as progress on COVID-19 varied by country and region, and Chinese government actions impacted some of the large internet companies. Value shares outperformed growth globally, providing a tailwind to the Fund's overall return.

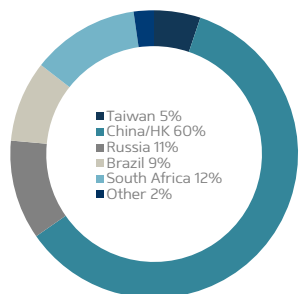
The Fund's top performers during the quarter included holdings in China Longyuan Power (+35%), Rosneft (+34%), China Merchants Bank (+21%) and Tatneft (+16%). Some shares that started the year strongly wound up finishing with declines - these included Great Wall Motor (-18%) and Alibaba (-3%). Brazilian shares fell during the quarter as progress on COVID-19 vaccinations and economic reopening remained difficult. Countries appear to be on different trajectories of recovery and diversification at this time is proving especially important.

There were a number of small changes to the portfolio during the quarter. We were generally sellers of unusual short-term strength to redeploy capital into the broader portfolio. In January we moved entirely out of our position Grupo Aeroportuario del Sureste, and established a new holding in Chinese personal care products maker Hengan International. We trimmed back holdings in Great Wall Motor, NetEase and China Longyuan Power as they rallied, and added to a range of existing positions including Nedbank, CSPC Pharmaceutical, Alibaba and Banco Bradesco. With a price/earnings ratio of 9x the portfolio continues to offer exceptional value as the world eventually normalises. Next year's average earnings growth is expected to be approximately 13%.

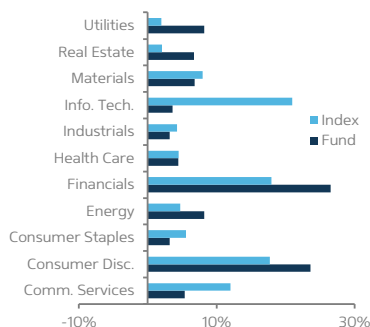
## PORTFOLIO SUMMARY

	P/E Ratio	P/B Ratio	Div Yld	ROE	Volatility
FUND	9.3	1.4	2.9%	15.1%	5.3%
Index	14.9	2.0	2.2%	13.4%	4.7%
+/-	-5.6	-0.6	0.7%	1.6%	0.6%

## GEOGRAPHIC ALLOCATION



## SECTOR ALLOCATION



## FUND OBJECTIVE

Long term growth with limited risk in emerging markets equities.

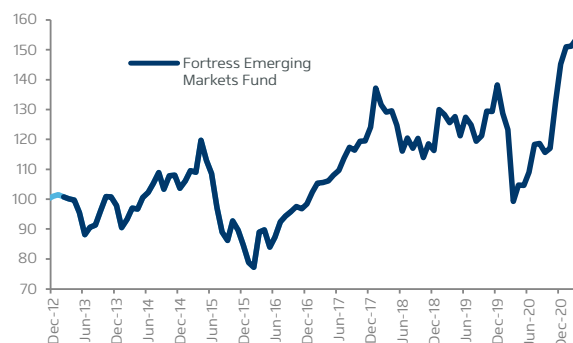
Minimum Investment:	US\$ 100,000
Net Asset Value per Share:	US\$ 152.7032
Fund Net Assets:	US\$ 49,233,904
Fund Inception:	Feb 28, 2013
Strategy Inception:	Dec 20, 2012
Bloomberg Ticker:	FORTEMA KY
Dealing/NAV Dates:	15th and end of each month

## INVESTMENT RETURNS

	3mo	1yr	3yr	5yr	Inception
Fund	5.9%	55.0%	6.0%	11.6%	5.3%
Index	2.3%	58.4%	6.5%	12.1%	5.1%

*Periods longer than one year are annual compound returns*

## PERFORMANCE SINCE INCEPTION to 3/31/2021



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

HAIER SMART HOME CO LTD-H	5.4%
NASPERS LTD-N SHS SPON ADR	5.2%
GREAT WALL MOTOR COMPANY-H	5.0%
CSPC PHARMACEUTICAL GROUP LT	4.3%
CHINA MERCHANTS BANK-H	4.2%
ALIBABA GROUP HOLDING-SP ADR	4.2%
CHINA LONGYUAN POWER GROUP-H	3.7%
NEDBANK GROUP LTD	3.7%
NINE DRAGONS PAPER HOLDINGS	3.7%
NETEASE INC-ADR	3.7%

## 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%

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  
 Roger Cave              John Howard  
 Maria Nicholls        Tracey Shuffler

### FUND DIRECTORS

Roger Cave  
 John Howard

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# Income Builder US Fund

## HIGHLIGHTS:

The Fund gained 10.0% in the first quarter and is up 52.1% over the past year. U.S. equities continued their recovery from the weakness of early 2020, and value shares outperformed growth by a wide margin in the quarter. Economic expectations continued to normalise with the U.S. and other countries registering progress on COVID-19 vaccinations. This led to a rise in bond yields back to pre-pandemic levels and a corresponding drop in bond prices.

The outperformance of the Fund's underlying portfolio relative to the index on which the structural call option positions are based led to a pleasant return boost this quarter. Option implied volatility also remained relatively high (20%+) during much of the quarter, providing another source of incremental return. By comparison, fixed income market returns were largely negative as bond yields rose. 10-year U.S. Treasury notes, for example declined 7% in price during the quarter.

During the quarter we raised significant cash in the Fund to reduce its sensitivity to short-term market movements. As markets grapple with what comes next for interest rates and aggressively priced growth shares, high-quality, well-valued equities remain one of the few parts of the global capital market still priced for substantial future returns, in our view. The Fund's underlying portfolio has an average earnings yield of nearly 7%, a good estimate of our annual medium-term return expectation as conditions normalise and earnings growth also resumes.

## FUND OBJECTIVE

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

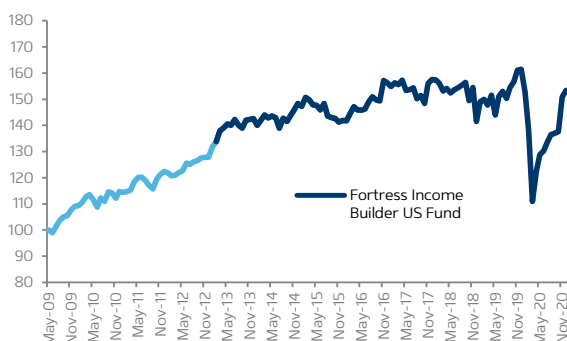
<b>Minimum Investment:</b>	US\$ 100,000
<b>Net Asset Value per Share:</b>	US\$ 126.0122
<b>Fund Net Assets:</b>	US\$ 12,965,157
<b>Fund Inception:</b>	Feb 28, 2013
<b>Strategy Inception:</b>	Jun 11, 2009
<b>Bloomberg Ticker:</b>	FORBUA KY
<b>Dealing/NAV Dates:</b>	15th and end of each month

## INVESTMENT RETURNS

	3mo	1yr	3yr	5yr	Inception
<b>Fund</b>	<b>10.0%</b>	<b>52.1%</b>	<b>3.3%</b>	<b>2.8%</b>	<b>4.5%</b>

*Periods longer than one year are annual compound returns*

## PERFORMANCE SINCE INCEPTION to 3/31/2021



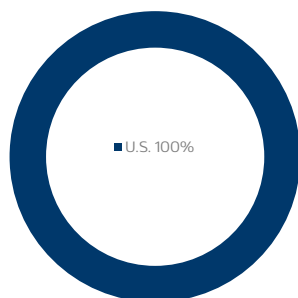
Returns prior to Feb 28, 2013 are for the composite of segregated accounts managed with the identical strategy, adjusted for Fund management and administration fees. Fund returns are net of fees and withholding taxes.

## PORTFOLIO SUMMARY

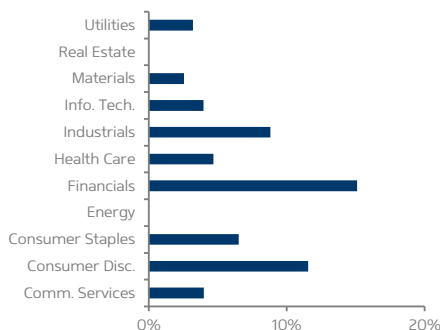
	Earnings Yield	Dividend Yield	Call Option Coverage	Put Option Protection	Monthly Volatility
<b>FUND</b>	<b>6.6%</b>	<b>2.0%</b>	<b>40%</b>	<b>0%</b>	<b>3.0%</b>

*Options data are delta-adjusted*

## GEOGRAPHIC ALLOCATION



## SECTOR ALLOCATION



## TOP 10 HOLDINGS

US DOLLAR CASH	39.7%
AMERIPRISE FINANCIAL INC	3.0%
FORTUNE BRANDS HOME & SECURI	2.9%
TRACTOR SUPPLY COMPANY	2.8%
UNITEDHEALTH GROUP INC	2.8%
DISCOVER FINANCIAL SERVICES	2.7%
SNAP-ON INC	2.6%
TE CONNECTIVITY LTD	2.6%
EASTMAN CHEMICAL CO	2.5%
TARGET CORP	2.5%

## 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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# Income Builder International Fund

## HIGHLIGHTS:

The Fund gained 6.5% in the first quarter and is up 46.0% over the past year. International equities continued their recovery from the weakness of early 2020, although at a slower pace than U.S. markets. Value shares outperformed growth which contributed to the Fund's return. While conditions vary by country and region, economic expectations largely continued to normalise with progress on COVID-19 vaccinations. This led to a rise in bond yields in the U.S. and elsewhere back to pre-pandemic levels and a corresponding drop in bond prices

The Fund had a healthy return on its underlying portfolio of high-quality equities during the quarter. Option implied volatility also remained relatively high (20%+) during much of the quarter, providing another source of incremental return. By comparison, fixed income market returns were largely negative as bond yields rose. 10-year U.S. Treasury notes, for example declined 7% in price during the quarter.

During the quarter we raised significant cash in the Fund to reduce its sensitivity to short-term market movements. As markets grapple with what comes next for interest rates and aggressively priced growth shares, high-quality, well-valued equities remain one of the few parts of the global capital market still priced for substantial future returns, in our view. The Fund's underlying portfolio has an average earnings yield of 8%, a good estimate of our annual medium-term return expectation as conditions normalise and earnings growth also resumes.

## FUND OBJECTIVE

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

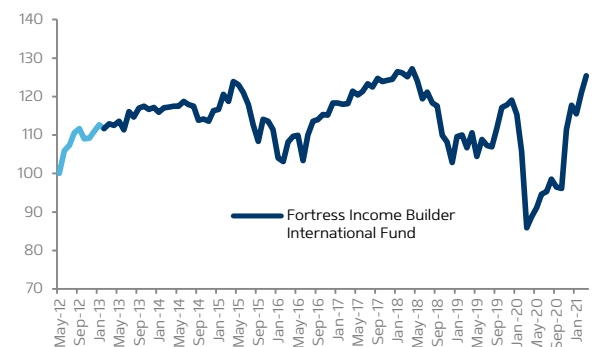
<b>Minimum Investment:</b>	US\$ 100,000
<b>Net Asset Value per Share:</b>	US\$ 112.2547
<b>Fund Net Assets:</b>	US\$ 20,423,218
<b>Fund Inception:</b>	Feb 28, 2013
<b>Strategy Inception:</b>	Jun 1, 2012
<b>Bloomberg Ticker:</b>	FORIBIA KY
<b>Dealing/NAV Dates:</b>	15th and end of each month

## INVESTMENT RETURNS

	3mo	1yr	3yr	5yr	Inception
<b>Fund</b>	<b>6.5%</b>	<b>46.0%</b>	<b>0.1%</b>	<b>3.0%</b>	<b>2.6%</b>

Periods longer than one year are annual compound returns

## PERFORMANCE SINCE INCEPTION to 3/31/2021



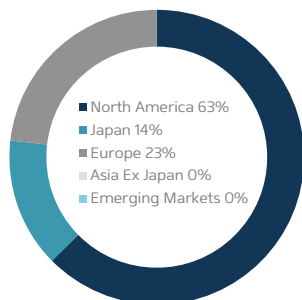
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## PORTFOLIO SUMMARY

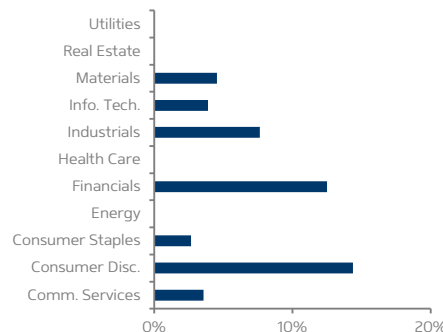
	Earnings Yield	Dividend Yield	Call Option Coverage	Put Option Protection	Monthly Volatility
<b>FUND</b>	<b>8.4%</b>	<b>2.6%</b>	<b>43%</b>	<b>0%</b>	<b>3.8%</b>

Options data are delta-adjusted

## GEOGRAPHIC ALLOCATION



## SECTOR ALLOCATION



## TOP 10 HOLDINGS

US DOLLAR CASH	50.8%
MAGNA INTERNATIONAL INC	3.2%
TOKYO ELECTRON LTD	2.7%
ITOCHU CORP	2.4%
MICHELIN (CGDE)	2.2%
TOYOTA MOTOR CORP -SPON ADR	2.0%
LEGAL & GENERAL GROUP PLC	2.0%
ALLIANZ SE-REG	2.0%
CRH PLC-SPONSORED ADR	2.0%
RANDSTAD NV	1.9%

## EXPENSES

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Administrator Fee: 0.1% of net assets per annum

### Investor Redemption Fees

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All other times: 0.2%

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