

## Fund Overview

# William Blair Macro Allocation Fund

September 30, 2018

### INVESTMENT OBJECTIVE

Long-Term, Risk-Adjusted  
Total Return

### FUND CHARACTERISTICS

The Fund seeks to capitalize on fundamental opportunities through active management across asset classes, geographies, currencies, and risk themes.

### PORTFOLIO MANAGEMENT TEAM



**Brian D. Singer, CFA  
Partner**

- 36 years investment experience
- Head of Dynamic Allocation Strategies Team
- M.B.A., University of Chicago
- B.A., Northwestern University



**Thomas Clarke, Partner**

- 28 years investment experience
- B.Sc., University of Manchester (U.K.)

### WHY CONSIDER THE WILLIAM BLAIR MACRO ALLOCATION FUND?

#### Diversify Your Portfolio

- Actively managed top-down exposure complements portfolios with bottom-up managers by providing a diversifying alpha source
- Provides uncorrelated return stream versus long equities, which seeks to reduce portfolio volatility over time
- Seeks to provide equity-like returns with less volatility over a market cycle (5-10 years):
  - 10% expected average volatility
  - Average beta of 0.35
- Multi-asset portfolio of equities, fixed income, and currencies complements other alternative strategies (e.g., commodities, real estate, and real assets)

#### Manage Macro Risks

- Not a black box approach – investment process is fully transparent and fundamental at its core
- Fundamental analysis combined with continuous macro market analysis, including game theory, seeks to identify opportunities and provides insights on how to navigate macro risks
- Direct investments in markets/currencies helps to avoid idiosyncratic exposures and liquidity risks of investing in individual securities

#### Seek to Enhance Return Potential

- Broad, global mandate provides opportunistic exposure to specific macro events
- Unique valuation-based currency management (not momentum investing) provides a diversified source of alpha and allows team to take advantage of market opportunities independently of currency concerns
- Ability to take long and short positions provides potential to benefit from both positive and negative market events
- Dynamic investment approach helps the team to quickly minimize risk in the portfolio or efficiently and rapidly increase risk to pursue opportunities

### RISK DISCLOSURES

**The Fund involves a high level of risk and may not be appropriate for everyone.** You could lose money by investing in the Fund. There can be no assurance that the Fund's investment objective will be achieved. The Fund holds equity exposures, which may decline in value due to both real and perceived general market, economic, and industry conditions. Investing in bond markets is subject to certain risks including market, interest-rate, issuer, credit, and inflation risk; investments may be worth more or less than the original cost when redeemed. Derivatives may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Investing in derivatives could lose more than the amount invested. Investment return, principal value, and yields of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Investments are subject to a number of types of risk, including counterparty and contractual default risk. For a more detailed explanation and discussion of these and other risks, please read the Fund's Prospectus. The Fund is designed for long-term investors.

Class N shares are available to the general public without a sales load. Class I shares are available to certain institutional investors.

**Alpha:** A measure of a portfolio's return in excess of the market return, after both have been adjusted for risk. It is a mathematical estimate of the amount of return expected from a portfolio above and beyond the market return at any point in time.

**Beta:** A quantitative measure of the volatility of the portfolio relative to the overall market, represented by a comparable benchmark. A beta above 1 is more volatile than the overall market, while a beta below 1 is less volatile, and could be expected to rise and fall more slowly than the market.

**Game Theory:** Events, geopolitics, and policy changes affect market prices. Game theory, which considers the interests and incentives of governmental and economic leaders, provides a framework for making sense of geopolitical and macroeconomic developments.

**Standard Deviation (Expected Volatility):** A measure of the portfolio's risk. A higher standard deviation represents a greater dispersion of returns, and thus a greater amount of risk. The annualized standard deviation is calculated using monthly returns.

### BROAD INVESTMENT UNIVERSE

The Fund is broadly diversified and can invest in more than 100 different markets and currencies worldwide. It does not invest in individual stocks or bonds of individual companies.



### MACRO ALLOCATION FUND EXPOSURES AS OF 9/30/18

Current allocations within allocation ranges are highlighted with white dots and lines.

	LOWER EXPECTATIONS <sup>1</sup>	UPPER EXPECTATIONS <sup>1</sup>	CURRENT ALLOCATION
<b>Equity</b>	<b>-20%</b>	<b>80%</b>	<b>16.6%</b>
U.S.	-15%	50%	-0.3%
Canada	-15%	25%	-3.6%
Europe (ex-U.K.)	-15%	25%	8.4%
United Kingdom	-15%	25%	4.5%
Asia Developed	-15%	25%	1.3%
Emerging	-15%	25%	6.3%
<b>Fixed Income</b>	<b>-50%</b>	<b>130%</b>	<b>-6.8%</b>
U.S. <sup>3</sup>	-50%	75%	-3.0%
Developed (ex-U.S. <sup>3</sup> )	-75%	90%	-4.6%
Emerging	-25%	30%	0.8%
<b>Unencumbered Cash<sup>2</sup></b>	<b>-40%</b>	<b>100%</b>	<b>28.8%</b>
<b>Active Currency</b>			
U.S. Dollar (USD)	-50%	50%	-8.8%
Canada Dollar (CAD)	-30%	30%	0.0%
Other Americas	-30%	30%	10.5%
Euro (EUR)	-50%	50%	-6.0%
Switzerland Franc (CHF)	-30%	30%	-9.0%
Great Britain Pound (GBP)	-30%	30%	5.0%
Other Europe	-30%	30%	-0.5%
Australian Dollar (AUD) and New Zealand Dollar (NZD)	-50%	50%	-11.0%
Japan Yen (JPY)	-50%	50%	6.0%
China Yuan (CNY)	-30%	30%	-3.1%
Asia (Excluding JPY and CNY)	-30%	30%	0.9%
Other	-30%	30%	16.0%

Asset allocation is the process of distributing investments among various classes of investments (e.g., stocks and bonds). Asset allocation strategies do not assure a profit and may not protect against loss.

1 Holding allocations are not expected to fall below lower expectation band more frequently than 10% of the trading days based on daily value of Fund; similarly, holding allocations are not expected to exceed upper expectation band more frequently than 10% of trading days based on daily value of Fund.

2 Unencumbered cash is residual cash and equivalents.

3 Reflected as 10-year exposures.

**Please carefully consider the Fund's investment objectives, risks, charges, and expenses before investing. This and other information is contained in the Fund's prospectus, which you may obtain by calling +1 800 742 7272. Read it carefully before you invest or send money. Investing involves the risk of loss.**

This content is for informational and educational purposes only and not intended as investment advice or a recommendation to buy or sell any security. Investment advice and recommendations can be provided only after careful consideration of an investor's objectives, guidelines, and restrictions.

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