



# Nationwide Long/Short Equity Fund

Mutual funds

Fact sheet

**Q3 2018**  
AS OF 09/30/18

**Objective:** Seeks long-term capital appreciation.

**Class A:** NWLEX  
**Inst Svc:** NWLGX

**Asset class:** U.S. Equity  
**Morningstar category:** Long-Short Equity

### Long Bias

Maintains higher long position given markets historically rise and keeps short position for greater diversification and less volatility

### Dividend yield

Looks for consistent dividend payers exhibiting conservative financial leverage ratios and strong cash flows

### Potential volatility mitigation

Potentially reduces portfolio volatility and lessens drawdowns during market declines by hedging long positions

### Overall Morningstar Ratings™



Out of 194 investments. An investment's overall Morningstar Rating, based on Class A risk-adjusted return, is a weighted average of its applicable 3- and 5-year Ratings. See disclosures below.

### Top 5 long equity holdings

	% of portfolio
AT&T Inc.	4.22
Phillip Morris International Inc.	4.12
Royal Dutch Shell	4.00
Chevron Corporation	3.93
Apple Inc.	3.49

### Top 5 short equity holdings

	% of portfolio
SPDR S&P 500 ETF Trust.	-10.49
Booking Holdings Inc.	-2.02
Monster Beverage Corporation	-1.88
Dorman Products, Inc.	-1.78
Power Integrations, Inc.	-1.67

Holdings are provided for informational purposes and should not be deemed as a recommendation to buy or sell the securities.

### Portfolio guidelines

- A long-biased fund with typically 40-60 long positions and 20-40 short positions
- Total long positions are generally between 80-100% of net assets
- Total short positions are generally between 10-40% of net assets

### Exposure guidelines

- Maximum gross market exposure (long % + short %) = Up to 140%
- Target net market exposure (long % - short %) = 75%

### Average annual total returns (%)

Share class	QTD	YTD	1-year	3-year	5-year	Since inception
Class A (without sales charge)	2.41	2.19	6.82	7.78	7.92	3.14
Class A (with 5.75% max sales charge)	-3.48	-3.68	0.67	5.67	6.65	-2.79
Institutional Service Class	2.48	2.55	7.25	8.11	8.22	6.96
S&P 500 Index	7.71	10.56	17.91	17.31	13.95	--
Morningstar Category	2.86	2.56	5.98	6.02	4.66	

Performance returns assume the reinvestment of all distributions. Returns for periods less than one year are not annualized. Total returns reflect a contractual expense limitation for direct annual Fund expenses for all classes for certain periods since inception, without which returns would have been lower. Pre-inception historical performance for newer share classes is based on the corresponding share class performance of a Fund's predecessor fund. If no predecessor Fund applies, historical performance is based on that of the longest existing share class, adjusted for sales charges if applicable.

	Expense ratios		Inception date
	Gross (%)	Net (%)	
Class A	3.69	3.28	12/11/2017
Institutional Service Class	3.29	2.88	09/28/2012

The expense ratios are as shown in the most recent prospectus. Expenses include underlying fund expenses. The difference between gross and net operating expenses reflects contractual fee waivers in place through 12/31/2019. Please see the Fund's prospectus for more details.

### Equity sector breakdown

Sector	Long weight (%)	Short weight (%)
Consumer discretionary	9.33	-5.24
Consumer staples	11.22	-1.59
Energy	7.77	--
Financials	5.79	--
Health care	17.04	-10.47
Industrials	9.94	-1.18
Information technology	25.80	-6.58
Materials	3.92	--
Real estate	1.89	--
Communication Services	9.41	--

The results shown represent past performance; past performance does not guarantee future results. Current performance may be lower or higher than the past performance shown. Share price, principal value, and return will vary, and you may have a gain or a loss when you sell your shares. To obtain the most recent month-end performance, go to [nationwide.com/mutualfunds](http://nationwide.com/mutualfunds) or call 800-848-0920.

## Portfolio characteristics

Total net assets (all classes)	\$24.6M
Total number of holdings, long (short)	50 (11)
P/E ratio	26.2x
Sharpe ratio	1.0
Standard deviation*	7.2
Alpha*	-3.8
Beta*	0.7
Turnover*	37.5%
Net exposure**, long (short)	117 (-17)
Upside capture ratio	52.05
Downside capture ratio	63.76
Gain to loss ratio	2.30

Portfolio characteristics are based on Class A shares.

\*Rolling 36 months

\*\*Gross exposure represents the absolute exposure of the fund to long and short holdings combined. Net exposure represents the difference between long and short holdings exposure for the fund.

## Calendar year returns (%) (without sales charge)



## Portfolio management

Logan Capital Management, Inc., Subadviser

Al Besse, Fund tenure since 2017

Stephen S. Lee, Fund tenure since 2017

Dana H. Stewardson, Fund tenure since 2017

Marvin I. Kline, CFA, Fund tenure since 2017

Richard E. Buchwald, CFA, Fund tenure since 2017

David F. Schroll, Fund tenure since 2017

Guy Judkowski, Fund tenure since 2017



• Not a deposit • Not FDIC or NCUSIF insured • Not guaranteed by the institution • Not insured by any federal government agency • May lose value

**DEFINITIONS:** **Average annual total returns** are the annual compounded returns that would have produced the cumulative total return if Fund performance had been constant during the given period. **P/E ratio** is the price of a stock divided by trailing 12-month earnings per share. **Sharpe ratio** measures excess return per unit of risk by rolling 36 months (standard deviation). A higher Sharpe ratio suggests better risk-adjusted performance. **Standard deviation** measures performance fluctuation by rolling 36 months, may not be indicative of future risk and is not a predictor of returns. **Alpha** represents the difference between a fund's actual returns and its expected performance by rolling 36 months, given its level of risk as measured by beta. A positive alpha is the added value an active manager has contributed over the benchmark returns. **Beta** measures volatility in relation to the fund's benchmark by rolling 36 months. A beta of less than 1.0 indicates lower volatility; a beta of more than 1.0, higher volatility than the benchmark. **R-Squared** measures the percentage of a fund's movements that can be explained by movements in a benchmark. **Turnover** measures how frequently investments are bought and sold within an investment fund during a year by rolling 12 months; the portfolio turnover rate is usually expressed as a percentage of the total value of an investment fund.

**Call 800-848-0920 to request a summary prospectus and/or a prospectus, or download prospectuses at [nationwide.com/mutualfunds-prospectuses.jsp](http://nationwide.com/mutualfunds-prospectuses.jsp). These prospectuses outline investment objectives, risks, fees, charges and expenses, and other information that you should read and consider carefully before investing.**

**KEY RISKS:** The Fund is subject to the risks of investing in equity securities. The Fund uses a long/short strategy: a long position (i.e., the Fund owns a stock outright), will cause the Fund to lose money if the price of the stock declines, and selling equity securities short will cause the Fund to lose money if the price of the stock increases. Short sales involve a form of leverage (investment exposure that exceeds the initial amount invested), which can exaggerate the Fund's losses. The Fund may invest in more-aggressive investments such as derivatives (many of which create investment leverage and are highly volatile) and exchange-traded funds (ETFs) (shareholders will bear additional costs). The Fund also is subject to the risks of investing in foreign securities (which may be more volatile, harder to price and less liquid than U.S. securities). The Fund uses both a growth style and a value style of investing, and may underperform other funds that use different investing styles. Please refer to the most recent prospectus for more detailed information.

**S&P 500® Index:** An unmanaged, market capitalization-weighted index of 500 stocks of leading large-cap U.S. companies in leading industries; gives a broad look at the U.S. equities market and those companies' stock price performance. Market index performance is provided by a third-party source Nationwide Funds Group deems to be reliable (Morningstar). Indexes are unmanaged and have been provided for comparison purposes only. No fees or expenses have been reflected. Individuals cannot invest directly in an index.

Morningstar Ratings are based solely on a proprietary mathematical formula based on measures of risk and performance that it recalculates each month. The ratings formula measures the amount of variation in a fund's or ETF's monthly performance (excluding the effects of sales charges and loads) emphasizing downward variations and rewarding consistency. Ratings are subject to change every month. The top 10% of funds and ETFs in the category receive 5 stars; the next 22.5%, 4 stars; the next 35%, 3 stars; the next 22.5%, 2 stars; and the bottom 10%, 1 star. As of November 1, 2016, Morningstar no longer provides ratings for load-adjusted share classes. Other share classes may have different performance characteristics. Ratings are based on each fund's Class A performance. Current fund performance may be higher or lower, which may change a fund's star rating. Despite high ratings, funds may have experienced negative performance during the period. The fund received 3 and 4 stars (Class A) and 4 and 4 stars (Institutional Service Class) for the 3- and 5-year periods among 194 and 105 Long-Short Equity funds, respectively. © 2018 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

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