

INVESTMENT REPORT – 29 JULY 2022

BNP PARIBAS C WORLDWIDE GLOBAL EQUITY TRUST

OBJECTIVE

The investment objective of the Trust is to achieve long-term capital growth exceeding the return of the market by investing in global equities. C WorldWide Asset Management aims to generate excess returns relative to the Benchmark over a 3 year period, before taking fees and expenses into account.



DISTINGUISHING FEATURES

- A unique long-term investment approach that combines stable growth companies with thematic driven stock picks.
- Stability and experience of the C WorldWide Asset Management global decision team, which has managed the global portfolio since the early 1990s.
- A concentrated portfolio of 30 stocks enables C WorldWide Asset Management to focus on a select group of investment ideas.

TOP 10 HOLDINGS

SECURITY	SECTOR	TRUST
Alphabet	Communication Services	6.6%
Thermo Fisher Sci	Healthcare	6.2%
HDFC	Financials	6.2%
Microsoft Corp	Information Technology	6.0%
Novo Nordisk	Healthcare	5.9%
Visa	Information Technology	5.0%
Home Depot	Consumer Discretionary	4.7%
Amazon	Consumer Discretionary	4.3%
Nestle	Consumer Staples	3.9%
Sony Corp	Consumer Discretionary	3.8%
		52.6%

Source: BNP Paribas Securities Services.

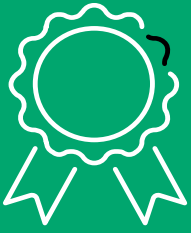
TRUST PERFORMANCE

	TRUST GROSS	TRUST NET	BENCHMARK
1 Month %	7.26	7.17	5.43
3 Months %	2.45	2.20	-0.11
FYTD %	7.26	7.17	5.43
1 Year %	-6.91	-7.83	-5.70
2 Years % p.a.	8.79	7.72	10.69
3 Years % p.a.	10.21	9.12	8.08
5 Years % p.a.	13.35	12.24	10.81
7 Years % p.a.	10.00	8.91	8.68
9 Years % p.a.	13.83	12.71	11.24
Since Inception (%)	14.19	13.07	11.93
Performance inception 27 May 2013			

Source: BNP Paribas Securities Services. Benchmark: MSCI All Country World Index, incl. net dividends, measured in AUD. Gross returns are calculated before fees and net returns are calculated using exit prices net of ongoing fees of 0.99% p.a. (inclusive of RITC and GST) and assuming reinvestment of distributions. No allowance is made for tax when calculating these figures. Gross returns are provided for wholesale investors only, retail investors should refer to net returns. The performance of the Trust is determined by calculating the change in redemption price between two periods. The sell spread of the Trust was decreased from 30bps to 15bps effective 4 March 2021 and remains at 15bps as at the date of this report. This change impacts the reported performance of the Trust accordingly over time periods including March 2021, but is not reflective of the performance of the underlying assets.



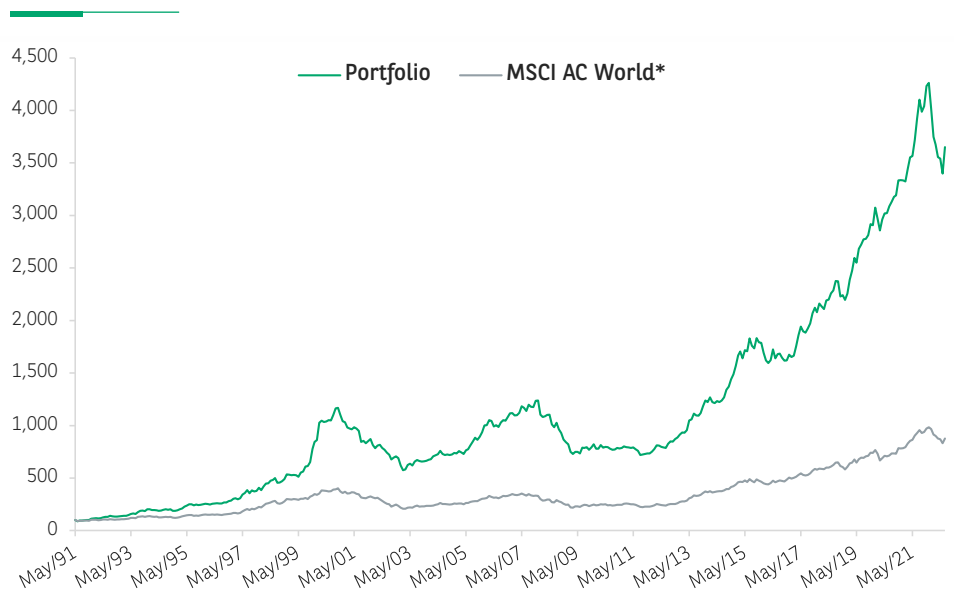
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WINNER!

At the 2022 Financial Standard Investment Leadership Awards, the BNP Paribas C Worldwide Global Equity Trust won the “International Equities - Active Core” category

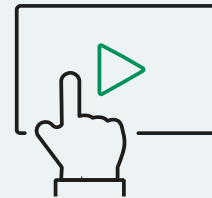
LONG TERM PERFORMANCE



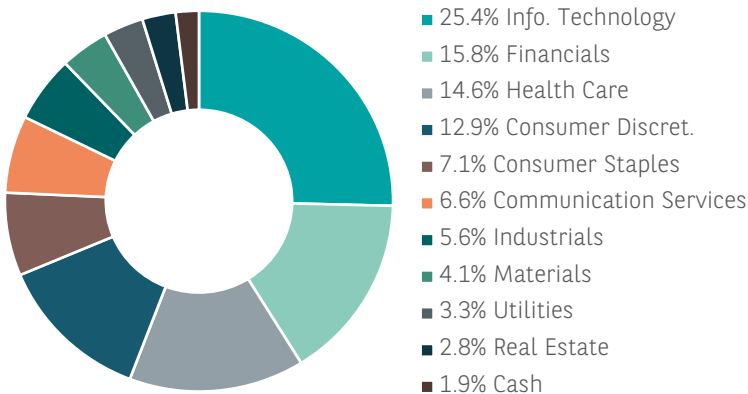
Source: C WorldWide Asset Management, in AUD. *Benchmark was originally a customized index which changed on 31 March 1996 to MSCI World Index and subsequently on 31 December 2010 to MSCI All Country World Index. Ex-Tobacco strategy inception May 1991. The Trust performance commenced on 27 May 2013. To give a longer-term view, the above chart shows the composite returns for C WorldWide Global Equity Ex. Tobacco Strategy (gross of fees), according to which the Trust is currently managed. The performance of the Trust will however differ from the Strategy due to factors such as fees and charges applicable to the Trust, and the impact of applications and withdrawals. Please note the performance calculation methodology applied to the Trust may differ from the composite returns presented.

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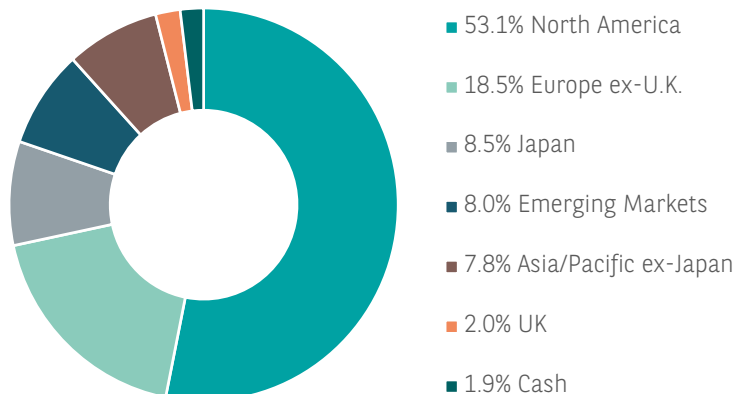


SECTOR ALLOCATION



Source: BNP Paribas Securities Services – Percentages may not add up to 100% due to rounding.

REGIONAL ALLOCATION



Source: BNP Paribas Securities Services – Percentages may not add up to 100% due to rounding.

RISKS OF MANAGED INVESTMENT SCHEMES

All investments carry risk.

Some of the general risks of managed investment schemes include:

Active Management Risk, Company Specific Risk, Concentration Risk, Counterparty Credit Risk, Currency Risk, Emerging Markets Risk, Interest Rate Risk, Legal Risk, Liquidity Risk, Market Risk, Operational Risk, Political Risk, Stock Selection Risk, and Trust Risk.

For further details of the risks associated with the Trust, a Product Disclosure Statement (PDS) for the Trust is available at www.bnpparibas-am.com.au



In case you missed it

View our latest [C Worldwide Global Equity Strategy Portfolio Update](#) with Bo Knudsen

COMMENTARY

MARKET PERSPECTIVES

The U.S. Federal Reserve raised rates, yet again by 75 basis points, but chair Powell provided a more “dovish” commentary at the press conference, suggesting to investors that a peak in interest rates could arrive sooner than expected. Risk assets soared, with the U.S. ten-year rate ending the month at the 2.65% level, down from close to 3.5% just a month and a half ago. Two and five-year real rates are now negative which supports growth assets. The corporate earnings season also provided reasons for optimism as results were generally not as bad as feared. The technology giants, Microsoft, Alphabet and Amazon (all holdings in the portfolio), showed resiliency in an environment where demand clearly is waning and a sequential slowdown from last quarter is evident. These three all rest on both a more cyclical side and what seems to be continued strong demand in the structural transformation of moving data into the cloud.

PORTFOLIO PERSPECTIVES

Among the top contributors to performance in July were Amazon, Home Depot, and Thermo Fisher. Amazon has had a challenging time navigating the demand swings during and after COVID. After a period of overinvestments and overstaffing, Amazon reported a strong second quarter report that showed that the company can handle an inflationary environment. Revenue accelerated to 10% growth, adjusted for currencies, and more importantly, the guidance for the next quarter of 17-21% growth points to an Amazon growing at the rates that we historically have come to expect. Amazon’s AWS-Cloud unit now has a yearly run rate of close to USD 80 billion, growing in excess of 30%. Perhaps more impressive is the surge in the backlog by 65% to USD 100 billion. The shares rose close to 25% during July.

Home Depot, which only reports in mid-August, saw its shares rebound as lower bond yields and mortgage rates have taken some pressure off the consumer. Late last year 30-year mortgage rates in the U.S. stood at 3%, only to move to 6% in June of this year and as of the end of July now stand at 5.3%.

Thermo Fisher raised its full-year sales forecast for the second time this year, on the back of another solid quarterly report. While the clinical end-market declined by 20% due to less COVID testing, core organic growth came in at an impressive 13%. The strength was broad-based with China growing more than 20%, despite lockdowns, and the biopharma end-market growing in the mid-teens percent. Thermo Fisher’s PPD, a clinical research services provider, is doing particularly well and the company raised guidance for this unit to 12% growth for the full year. This is pleasing since PPD, an acquisition that closed in December last year, is another testament to Thermo Fisher’s solid track record of inorganic growth. As the balance sheet shrinks below 2x Net-debt to EBITDA, this year, the company could be ready for another sizable acquisition, something the shares historically have reacted positively to.

Among the top detractors were AIA, Procter & Gamble and Bank Central Asia. None of the detractors this month made up a large negative contribution to performance. They simply failed to rise as much as a rapidly surging market. AIA, one of June’s largest contributors gave up some performance, possibly because they usually pause their buybacks one month ahead of the quarterly reports, which sometimes have led to a more volatile stock price.

PORTFOLIO CHANGES

There were no changes to the portfolio during the month.

Source: C WorldWide Asset Management



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HAVE QUESTIONS?

All enquiries welcome. Please contact your local sales representative.

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CHARACTERISTICS

APIR Code	AR00006AU
Benchmark	MSCI All Country World Index, incl. net dividends, measured in AUD
Trust Size (AUD)	\$480.2m
Performance Inception	27 May 2013
Distribution Frequency	Usually annually, as at 30 June
Minimum Investment	\$25,000
Delegated Investment Manager	C Worldwide Asset Management
Management Costs (includes GST after allowing for RITCs)	Capped at 0.99% p.a.
Performance Fee	Nil
Currency	AUD, unhedged
Buy/Sell Spread	+0.15% / -0.15%

DISCLOSURE

Equity Trustees Limited ("Equity Trustees") ABN 46 004 031 298 | AFSL 240975 is the Responsible Entity for the BNP Paribas C WorldWide Global Equity Trust ("the Trust") (ARSN 087585368). Equity Trustees is a subsidiary of EQT Holdings Limited ABN 22 607 797 615, a publicly listed company on the Australian Securities Exchange (ASX: EQT). BNP Paribas Asset Management Australia Ltd ("BNPP AMAU") ABN 78 008 576 449 | AFSL 223418 is the investment manager of the Trust. This publication has been prepared by BNPP AMAU to provide you with general information only. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither BNPP AMAU, Equity Trustees nor any of their related parties, their employees or directors, provide any warranty of accuracy or reliability in relation to such information or accept any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the Product Disclosure Statement (PDS) before making a decision about whether to invest in this product. The PDS can be obtained from <http://www.bnpparibas-am.com.au/> or from your adviser.

BNP Paribas C WorldWide Global Equity Trust's Target Market Determination available here www.bnpparibas-am.com.au. A Target Market Determination is a document which describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.

New Zealand financial services licensing and registration requirements do not apply to BNPP AMAU and CWW as they do not provide financial services to retail clients in New Zealand and do not have a place of business in New Zealand.

For more information regarding the Trust please call the Client Service Team on 1800 267 726 (Australia) or +612 9619 6041 or visit our website www.bnpparibas-am.com.au



BNP PARIBAS ASSET MANAGEMENT Australia Limited is recognised as a Responsible Investment Leader 2021 by the Responsible Investment Association Australasia (RIAA). This acknowledges our commitment to responsible investing; our explicit consideration of environmental, social and environmental factors in investment decision making, our strong and collaborative stewardship; and our transparency in reporting activity, including the societal and environmental outcomes being achieved.

