

Managed Growth Fund

Fund Focus - October 2022



Investment Strategy

The Fund invests in a mix of Australian and international shares, fixed interest securities, listed property securities and cash. The Fund is designed to reduce investment risk by diversifying across asset classes.

Portfolio Characteristics

Funds Under Management	\$57.78m
Latest Distribution Date	30 September 2022
Latest Distribution Amount	0.0046
Benchmark	CPI+2.5% pa over rolling five year periods before fees and taxes.

Fund Facts

APIR Code	ZUR0059AU
Inception Date	2 April 1997
Total Est. Management Cost %	0.96
Est. Transactional Op. Cost %	0
Buy/Sell Spread %	0.12
Distribution Frequency	Quarterly

Fund Performance After Fees

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	0.43	9.58	8.52	10.77	6.67
Growth	3.60	-2.17	-15.95	-6.16	-6.28	0.35
Total	3.60	-1.74	-6.37	2.36	4.48	7.02
Benchmark	3.99	-0.28	-3.40	4.30	6.07	7.21

Strategic Investment Partners

Australian Shares

Antares Capital Partners
Celeste Funds Management Pty Limited
DWS International
Schroder Investment Management Australia
Tyndall Asset Management

International Shares

American Century Investment Management, Inc
Epoch Investment Partners, Inc
Lazard Asset Management Pacific Co
Realindex Investments Pty Limited
Allspring Global Investors

Australian Property Securities

Renaissance Property Securities Pty Ltd

Global Property Securities

Presima Inc

Fixed Interest and Cash

Schroder Investment Management Australia

Infrastructure

Lazard Asset Management Pacific Co

Alternative Investments

Insight Investment Management (Global)
Robeco Hong Kong Ltd

Absolute Return Bond

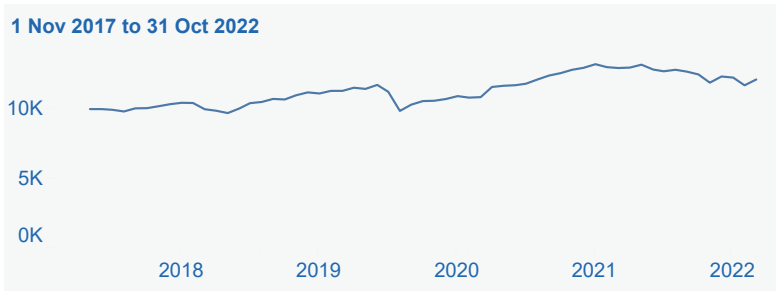
AllianceBernstein Investment Management

Risk Statistics

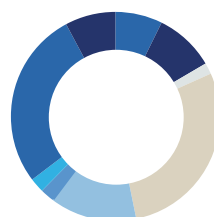
1 Nov 2017 to 31 Oct 2022

Std Dev	9.44
Sharpe Ratio (arith)	0.48

Investment Growth (\$10,000)



Portfolio Equity Sectors (%)



Absolute Return Bonds	7.29
Alternatives	9.26
Australian Property	1.73
Australian Shares	28.52
Diversified Fixed Interest	13.46
Global Property	2.16
Infrastructure	2.27
International Shares	27.51
Liquidity	7.81

Actual Asset Allocation

	Actual Asset Allocation %	Benchmark Weight %	Active Position %
Absolute Return Bonds	7.3	8.0	-0.7
Alternatives	9.3	9.0	0.3
Australian Property	1.7	2.0	-0.3
Australian Shares	28.5	29.0	-0.5
Diversified Fixed Interest	13.5	16.0	-2.5
Global Property	2.2	2.0	0.2
Infrastructure	2.3	2.0	0.3
International Shares	27.5	28.0	-0.5
Liquidity	7.8	4.0	3.8

Market Commentary

The Zurich Investments Managed Growth Fund rose in October by 3.60%.

Global stocks rallied in October as recession worries in many countries led investors to scale back expectations for the pace of central bank rate hikes. However, investors were disappointed by a lower CPI reading, as they had hoped for a more significant moderation in prices. Persistent inflation fuelled expectations that the US Federal Reserve will raise interest rates through year-end.

Stocks in Europe and the UK gained despite slowing economic growth and inflation. While the European Central Bank announced its second-consecutive 75 bps rate hike, the cooling economy raised hopes for a slower pace of rate increases going forward. In the UK, expectations were for another central bank rate hike in November.

Stocks in Japan ended the month higher in US-dollar terms as economic growth has improved moderately since the country ended lockdowns and restrictions on inbound travel. However, the pace of this improvement moderated in October. Emerging market stocks declined and underperformed non-US developed markets due to weakness in China's equity markets.

Healthcare stocks rose more than the broader global equity market for the month and continue to outperform over longer time periods. Biotechnology and healthcare providers and services performed best. Biotechnology stocks continued to be buoyed by a wave of recent high-profile drug approvals, including the Biogen/Eisai breakthrough in Alzheimer's treatment announced at the end of September. Healthcare providers and services benefited from a slowdown in the number of COVID-19 cases, while non-COVID-19 case volumes recovered gradually.

The AREIT market surged in October, partly in response to more dovish remarks from the Reserve Bank of Australia (RBA), and central banks globally, about the slowing of the pace of interest rate rises. The Australian economy was generally softer except for retail sales. The RBA raised to cash rate by 0.25% to 2.6% in early October, surprising the market that was expecting +0.50%. Employment growth slowed and unemployment was steady. Consumer confidence resumed its downward trend in October, but retail sales rose over the month and surged by 18.6% year-over-year. House prices continued to fall in October with declines in Sydney (-1.3%), Melbourne (-0.8%) and Brisbane (-2.0%).

October continued what has been a very volatile calendar year with the Small Ordinaries Accumulation Index, rising over the month by 6.5%. This heightened volatility has been a common characteristic of global markets over the year as sharp increases in interest rates have left markets pricing periods where interest rates have plateaued and will fall, to then price a 180-degree different view where rates move higher. In essence, weight of money trying to back the right side of the interest rate trade is moving markets and this is increasingly looking like a random walk decision making tree based on the last published data point.

* Performance returns quoted are compound rates of return calculated on exit prices and assume reinvestment of distributions. Returns are calculated net of all ongoing fees and any taxes payable by the fund. Total return includes both growth and distribution returns. Growth return is the change in exit price over the relevant period. The benchmark return shown is a gross return. Please note that figures shown are rounded to one decimal place, therefore some rounding errors may occur.

^ The Estimated Total Management Cost of 0.94% includes an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.07%.

Past performance is not a reliable indicator of future performance.

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