

## Key Fund Details

Net Asset Value <b>A\$5.9923</b>	APIR Code <b>SWI1413AU</b>	Fund Name WCM Quality Global Growth Fund (Managed Fund) Class A (Unhedged)
		Fund Manager WCM Investment Management
		Responsible Entity AGP Investment Management Limited
		ARSN 630 062 047
		Inception Date 17 June 2019
		Stock Universe Global (ex-Australia)
Annualised Return Since Inception <b>6.22%</b>	Annualised Value Added Since Inception <b>-1.15%</b>	Number of Stocks 20 - 40
		Management Fee <sup>1</sup> 1.25% p.a.
		Administration Fee <sup>1</sup> 0.10% p.a.
		Performance Fee <sup>1,2</sup> 10%
		Hedging Unhedged
		Typical Cash Allocation 0% - 7%
		Benchmark <sup>3</sup> MSCI All Country World Index (ex-Australia)
		Minimum Investment \$20,000 initial, \$10,000 additional investment

**Notes:** 1. Fees are inclusive of GST and less RITC. 2. Performance Fee is 10% of the Portfolio's outperformance relative to the benchmark after the Management Fee and subject to high water mark and capped at 0.375% of the value of the Portfolio in each calculation period. 3. With gross dividends reinvested reported in Australian dollars and unhedged.

## Performance<sup>1</sup>

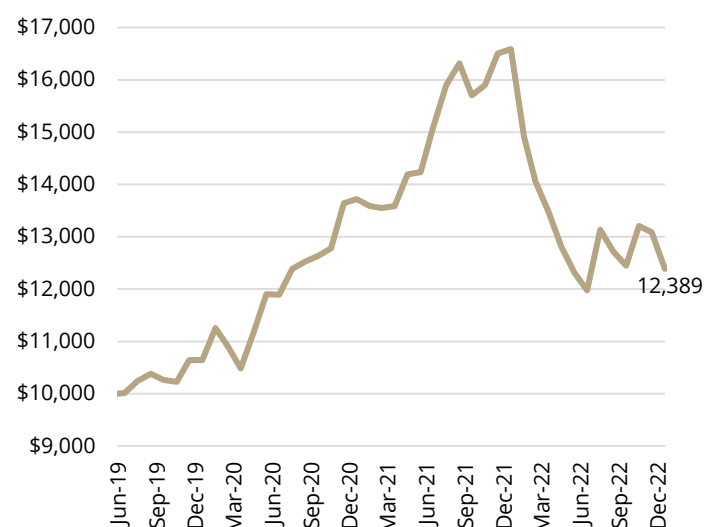
	1 Month	3 Months	1 Year	3 Years	Inception <sup>1</sup>
Portfolio	-5.30%	-0.47%	-25.31%	5.20%	6.22%
Benchmark	-5.45%	3.51%	-12.70%	5.53%	7.37%
Value Added <sup>2</sup>	0.15%	-3.98%	-12.61%	-0.33%	-1.15%

**Notes:** Fund performance is calculated based on net asset value per unit, which is after management fees, performance fees and expenses and assumes that all distributions are reinvested into the Fund. Periods greater than 1 year are annualised. 1. Inception date is 17 June 2019. 2. Value Add equals portfolio return minus benchmark return.

## Top 10 Portfolio Holdings

Company	Weight %
Thermo Fisher Scientific	5.00
United Health Group	4.66
Amphenol Corporation	4.38
Novo Nordisk	3.87
Visa Inc - Class A	3.79
LPL Financial Holdings	3.75
Arthur J Gallagher & Co	3.58
Stryker Corp	3.53
Waste Connections Inc	3.33
LVMH Moet Hennessy Louis Vuitton	3.28
<b>Total</b>	<b>39.17</b>

## Portfolio Value of A\$10K Invested<sup>1</sup>



**Notes:** 1. Calculations are based on the NAV prices with distributions reinvested, after ongoing fees and expenses but excluding tax and entry fees (if applicable). Source: AGP Investment Management Limited.



**Paul Black**  
CEO & Portfolio Manager  
WCM Investment Management

### For More Information

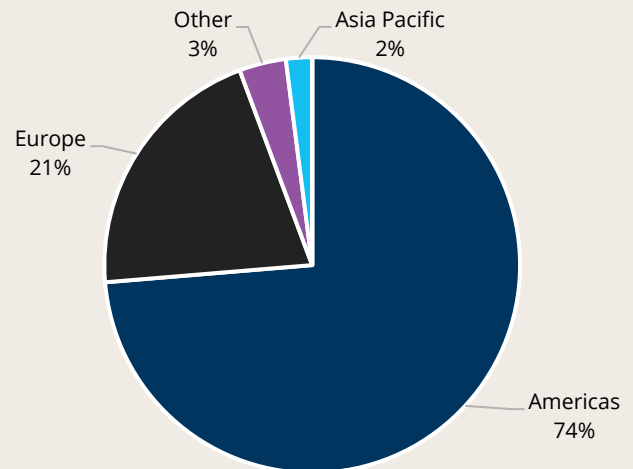
Please visit our website at: [www.associateglobal.com/funds/wcma/](http://www.associateglobal.com/funds/wcma/)

If you have any questions, please contact our distribution team on 1300 052 054 or [invest@associateglobal.com](mailto:invest@associateglobal.com).

## Sector Breakdown

Sector	Weight %
Health Care	24.45
Information Technology	23.09
Industrials	15.99
Financials	12.10
Consumer Discretionary	11.62
Materials	4.93
Consumer Staples	4.18
Cash	3.64
<b>Total</b>	<b>100.00</b>

## Regional Market Allocation



## Portfolio Update

The portfolio delivered a return of -5.30% during the month, outperforming the MSCI All Country World Index (ex-Australia) (the **Benchmark**) return of -5.45%.

Global equity markets declined sharply in December 2022, bringing to a close the worst calendar year of returns for the MSCI All Country World Index benchmark since 2008. Once again it was the familiar themes of inflation, interest rates, recession fears and the war in Ukraine which weighed on markets. While inflation is showing tentative signs of having peaked, it remains significantly above global central banks' tolerance levels. Market expectations therefore are for further interest rate rises into the first quarter of 2023. The most significant 'new' news in December was the decision of the Bank of Japan to ease yield curve controls and the additional relaxation of China's zero COVID-19 policies. In terms of regions, Asia recorded a positive return and was the best performer for the month, with the US being one of the weakest. Performance dispersion at a sector level was relatively narrow. Utilities and Financials were two of the better performers and Technology lagged. At a factor level, it was another strong month for value relative to growth.

Portfolio underperformance in December was largely attributed to stock selection. While stock selection was a positive contributor in the Health Care and Information Technology sectors, it was offset by holdings in the Financials, Industrials and Consumer Staples sleeves of the portfolio. In terms of sector selection, the largest positive contributions came from the overweight exposures to Health Care and Industrials and zero exposure to Communication Services. Sector exposures detracting from performance included the underweight position in Consumer Staples and Utilities and above benchmark exposure to Information Technology.

The 2022 bear market for equities was driven by the compression of valuation multiples due to sharply rising bond yields. This environment has been particularly challenging for WCM's Quality Global Growth Equity Strategy given its bias to companies with investment theses based on longer duration investment timeframes. One of the core values of WCM's investment team is 'continuous learning'. This means that while it would be easy to blame recent portfolio underperformance solely on these 'style' headwinds, the investment team also recognises mistakes they have made and the lessons to be learned from them. In terms of outlook, the consensus view from market commentators is for a slowdown in economic growth as central banks remain firmly focused on bringing down inflation. Trying to forecast the timing and scale of this slowdown is a near impossible task. However, when it does occur the market's attention will likely move more towards the sustainability of corporate earnings. This will provide a more positive backdrop for the portfolio given its exposure to high quality (i.e., expanding economic moat) companies now trading at relatively low valuations.