



Investment Strategy

The Fund generally invests in a broad selection of securities listed on foreign stock exchanges. The Fund will actively hedge up to 40% of the Fund's exposure to international currency back to Australian dollars.

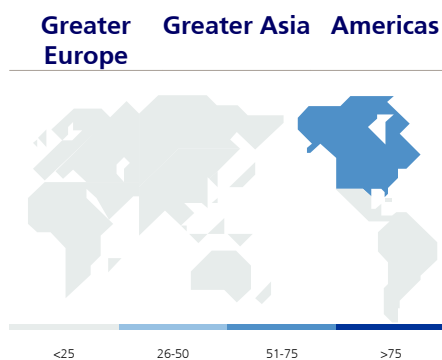
Fund Facts

APIR Code	ZUR0061AU
Inception Date	25/07/1997
Total Est. Management Cost % [^]	1.04
Buy/Sell Spread%	0.04
Est. Transactional Op. Cost %	Nil
Distribution Frequency	Semi-Annually
Underlying Fund Manager	Lazard Asset Management Pacific Co

Portfolio Characteristics

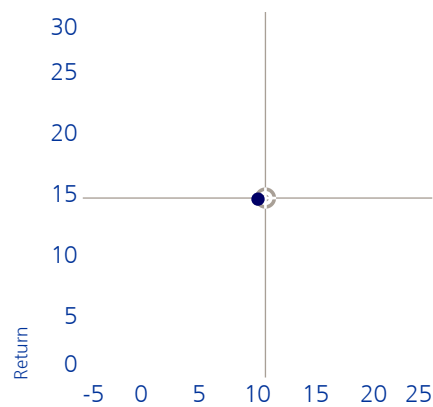
Funds Under Management	\$306.40m
Number Of Holdings	105
Turnover Ratio%	11.83828563
Latest distribution date	30 Jun 2021
Latest distribution amount	0.0120
Benchmark	MSCI World (ex-Australia) Accumulation Index in \$A (net dividends reinvested)

Market Exposure



Risk Reward

Time Period: 30/06/2016 to 30/06/2021

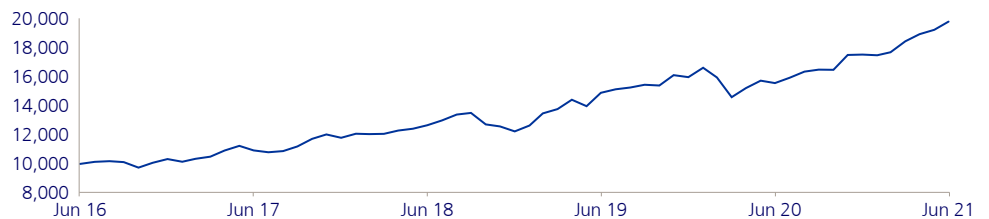


Fund Performance After Fees*

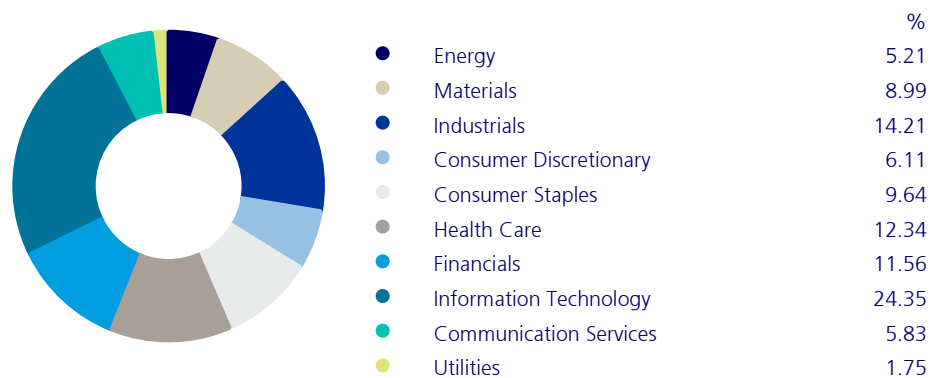
As at 30/06/2021	1 Month %	3 Months %	1 Year % p.a	3 Years % p.a	5 Years % p.a	Since Inception % p.a
Growth	2.07	6.46	26.04	14.07	-0.07	1.48
Distribution	0.87	0.90	1.16	2.00	14.71	5.91
Total	2.94	7.36	27.20	16.07	14.64	7.40
Benchmark	4.71	9.33	27.50	14.50	14.73	7.03

Investment Growth

30/06/2016 to 30/06/2021



Portfolio Equity Sectors



Risk Statistics

Time Period: 30/06/2016 to 30/06/2021

Std Dev	10.04
Alpha	1.11
Beta	0.91
Sharpe Ratio (arith)	1.29
Up Capture Ratio	93.56
Down Capture Ratio	85.20

Currency Management

Hedging Level as at 30 Jun 2021	0%
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Top 10 Holdings

Portfolio Date: 30/06/2021	Portfolio Weighting%	Benchmark Weighting%
Alphabet Inc	2.27	2.60
Microsoft Corp	1.95	3.43
Apple Inc	1.38	4.06
Laboratory Corp of America Holdings	1.28	0.05
Texas Instruments Inc	1.25	0.31
Danaher Corp	1.20	0.30
Analog Devices Inc	1.19	0.11
Schneider Electric SE	1.17	0.15
Adobe Inc	1.15	0.49
Bank of America Corp	1.15	0.57

Zurich Investments

Global Thematic Share Fund

Fund Focus - June 2021



Market

World equity markets rose sharply in the second quarter on investor confidence that the global economic recovery will continue uninterrupted despite the emergence of inflation risk.

While coronavirus risk remained a concern as intensifying outbreaks emerged in many parts of the world, the spectre of inflation was front and centre in the minds of investors during the period amid supply-chain bottlenecks, a surge in commodity prices, and sharp increases in China's factory-gate prices in April and May. Investors were increasingly worried that pandemic-driven stimulus measures would result in a significant rise in global inflation, which, in turn, could force key central banks to retreat from their ultra-accommodative monetary policy stances before an economic recovery is fully realised. The current low interest rate environment has also propped up stock markets by driving investors chasing higher returns toward risk assets. Thus, a shift toward interest rate normalisation could potentially be highly disruptive to market behaviour.

Against this backdrop, investors paid especially close attention to the monetary policy path of the US Federal Reserve, the world's de facto central bank, amid mixed domestic inflation data released during the period. Markets reacted negatively in mid-June when the US Federal Reserve announced that if the recent high inflation persists, it could start raising interest rates by late 2023, which would be earlier than expected. However, markets recovered shortly thereafter, as investors bought into the US Federal Reserve's assertion that the spike in inflation was transitory in nature and a consequence of an economy that is strengthening in the wake of last year's pandemic-induced coma.

Fund

The Fund produced a solid absolute return in the June quarter but was unable to keep pace with the impressive index return.

Ten themes rose in value while one declined. Themes are discussed in descending order of contribution.

First World Health: IQVIA advanced on strong results and expectations for long duration COVID-19 related spending. Danaher gained on strong results and the acquisition of upstream bioprocessor, Alveon. Zoetis rose on strength in their companion animal business and launch of new products. Sysmex declined after announcing the details of new product launches.

Software as a Standard: Intuit rose on strong results from tax season and signals that Credit Karma, which Intuit recently acquired, is working on expanding its platform's outreach. Adobe traded higher on continued investment in digital, expanding use of creative cloud, and larger contract wins for digital experience. Microsoft rose on strong results, driven by cloud division. SAP climbed on results that showed robust license demand. PTC lagged on foreign exchange rate impact to results and profit-taking pressure after recent performance.

Data Network and Profits: Alphabet climbed on strong results showing demand acceleration and strong cost control. Wolters Kluwer rose as organic growth accelerated. Visa advanced on strong results driven by increases in consumer spending. Intercontinental Exchange lagged on market rotation, with COVID-19-related volumes expected to wane. Aon lagged on a legal challenge to its merger with Willis Towers Watson. Tencent declined on ongoing Chinese regulation.

Enduring Brands: Diageo and Pernod Ricard rose on encouraging consumption data with premiumisation and at-home trends expected to sustain. Nestlé rose on strong organic growth. Beiersdorf climbed on a change in CEO and strong results in its adhesives division. Johnson & Johnson lagged after a blood clot challenge with its vaccine. Kao faltered on slow return to Japanese tourism.

Asset Efficiency: Johnson Controls rose on strong HVAC sales and expectations for building automation spend. Assa Abloy advanced with its Capital Markets Day on reopening optimism and growth in contactless and digital locks. Safran traded higher on solid results and continued recovery in aviation activity. Fanuc declined on conservative guidance. Deere retreated after strong recent stock price performance and due to delays in infrastructure bills.

Bits of Chips: ASML gained on strong chip demand and increased orders for semiconductor capital equipment. ADI rose on solid results. Taiwan Semiconductor Manufacturing Company lagged after recent robust stock price performance. Infineon declined after strong recent stock price performance and with limits to auto production volumes given chip shortages.

Distribution Footprints: PPG gained on strong results showing price leverage to rising raw material prices and volume recovery. Nutrien rose with movement in commodity prices and strong fertiliser prices. Ecolab declined on rotation out of so-called "pandemic winners." Kansai Paint fell on the COVID-19 resurgence in India.

Empowered Consumer: LVMH rose with strong results driven by China and digital sales. Amazon and Apple gained on results as well. Inditex and EssilorLuxottica rose on gradual reopening of brick-and-mortar stores. Alibaba lagged on increased investment spending. Sony declined on investment plans in its new midterm plan. Nexon retreated on weak results showing a deceleration in Korea.

Extreme Risks: Kirkland Lake and Agnico Eagle climbed on results and with gold prices. Truist traded lower as US Treasury bond yields declined from highs after the US Federal Reserve reaffirmed its ultra-accommodative monetary policy stance.

Energy Transitions: Oil stocks rose with the oil price on continued OPEC discipline and rising consumption. Wind turbine companies Siemens Gamesa, Vestas and renewable utilities NextEra Energy and Iberdrola all declined on rising input costs.

Digital Runway: ICICI rose on encouraging corporate outlook. Bank Rakyat retreated on a capital raise to fund an acquisition and a new wave of COVID-19 in Indonesia. Ping An faltered on slow growth and the purchase of Founder Group conglomerate assets.

Outlook

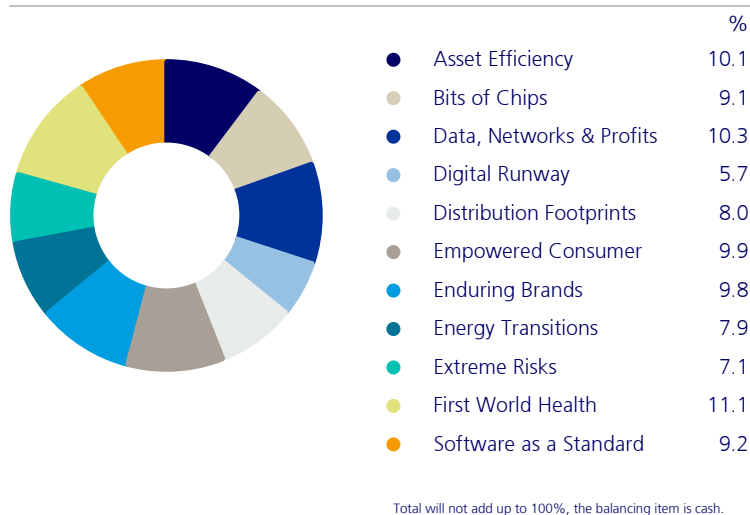
The global economic outlook has improved materially as the result of the accelerated deployment of coronavirus vaccines and the aggressive actions of monetary and fiscal policymakers worldwide.

Looking forward, the investment team believes the world will be grappling with a host of factors which includes:

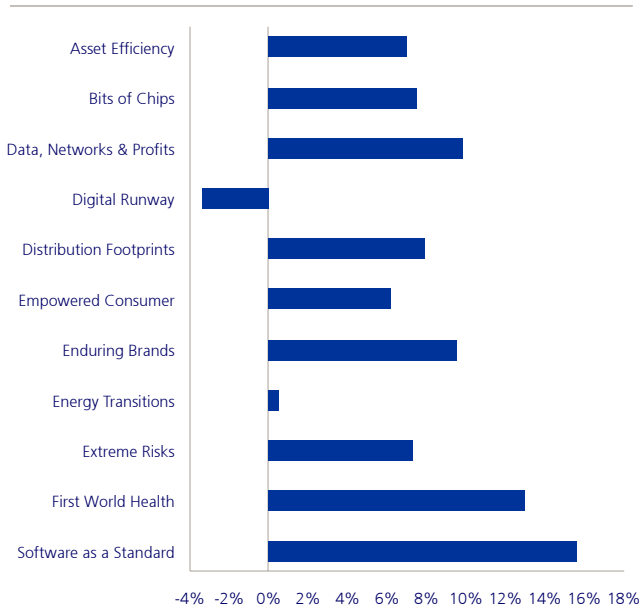
- The way economies transition from a sharp cyclical recovery to a more normal trajectory of growth.
- The evolution of the rate of inflation and the way in which fiscal and monetary policymakers respond to changing economic conditions.
- The next stages of the coronavirus pandemic.
- The progress governments make in confronting climate change by embracing sustainability policies and the way and the pace at which the private sector reduces carbon emissions.
- Geopolitical developments, especially the strategic confrontation between China and the world's liberal democracies led by the US.

Beyond these economic, civic, and geo-political concerns, the Fund is invested in the opportunities created by long-term structural changes whose duration stretches over longer time horizons.

Themes



Contribution By Theme



* 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 1.04% includes a Management Fee of 0.98%, an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.06%

Past performance is not a reliable indicator of future performance.

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