

# Global Thematic Share Fund

Fund Focus - October 2021



## 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.

## Portfolio Characteristics

Funds Under Management	\$301.86
Number of Holdings	104
Turnover Ratio %	16.99
Latest Distribution Date	30 June 2021
Latest Distribution Amount	0.0120
Benchmark	MSCI World (ex Australia) Accumulation Index in \$A (net dividend reinvested)

## Fund Facts

APIR Code	ZUR0061AU
Inception Date	25 July 1997
Total Est. Management Cost %	0.99
Est. Transactional Op. Cost %	Nil
Buy/Sell Spread %	0.04
Distribution Frequency	Semi Annually
Underlying Fund Manager	Lazard Asset Management Pacific Co

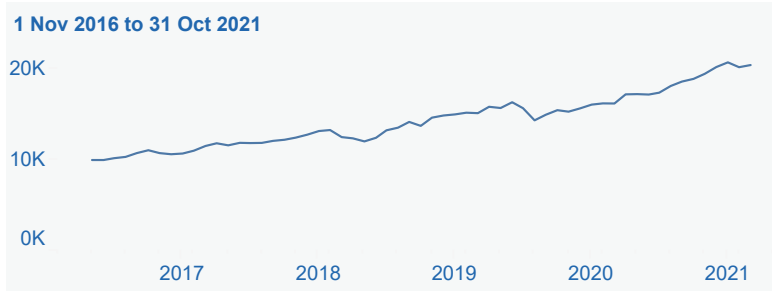
## Fund Performance After Fees\*

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	0.00	1.15	2.03	14.91	5.84
Growth	1.18	1.09	24.96	15.75	1.43	1.66
Total	1.18	1.09	26.11	17.78	16.34	7.50
Benchmark	1.65	1.61	31.36	16.03	15.87	7.17

## Market Exposure

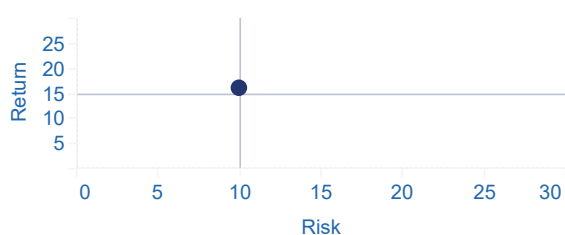


## Investment Growth (\$10,000)

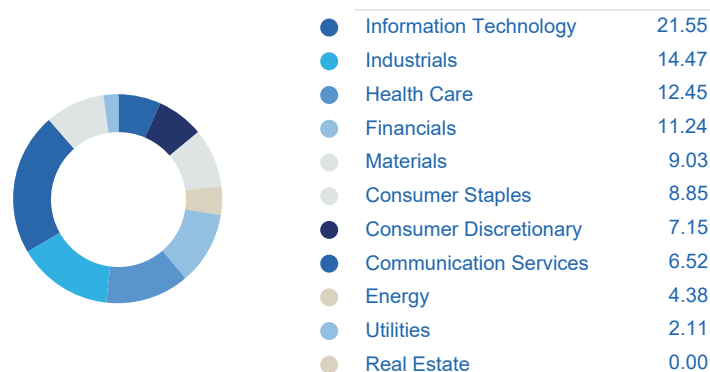


## Risk Reward

1 Nov 2016 to 31 Oct 2021



## Portfolio Equity Sectors (%)



## Top 10 Holdings (%)

	Weight	Benchmark
Alphabet Inc Common	2.39	2.93
Microsoft Corp Commo	2.27	3.96
Thermo Fisher Scient	1.38	0.42
Danaher Corp Common	1.36	0.33
Bank Of America Corp	1.27	0.61
Schneider Electric S	1.25	0.15
Adobe Inc Common Sto	1.25	0.52
Laboratory Corp Of	1.24	0.00
Iqvia Holdings Inc C	1.20	0.08
Keysight Technologie	1.19	0.06

## Risk Statistics

1 Nov 2016 to 31 Oct 2021

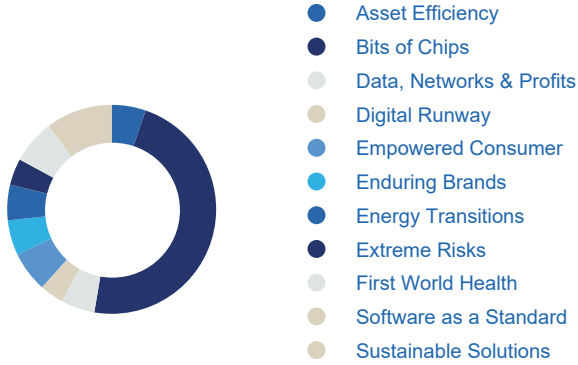
Std Dev	9.90
Alpha	1.96
Beta	0.89
Sharpe Ratio (arith)	1.65
Up Capture Ratio	93.98
Down Capture Ratio	80.46
Currency Management %	0

# Global Thematic Share Fund

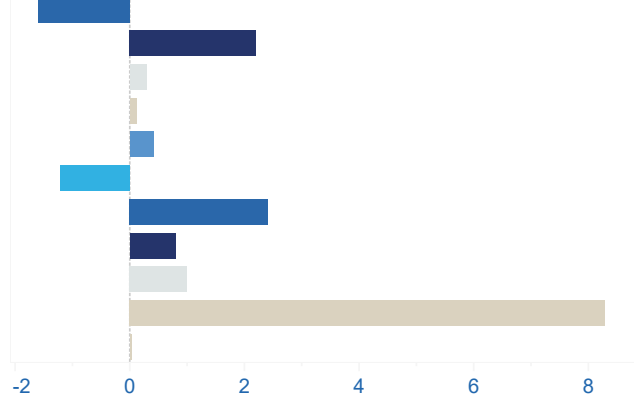
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## Theme Weight %



## Contribution by Theme %



Note: Total will not add up to 100%, the balancing item is cash

## Market Commentary

After faltering last month, the global equity markets' rally staged a strong comeback in October, as upbeat corporate earnings provided the momentum to overcome mounting obstacles.

Investors continued to grapple with various risk factors during the month, with surging global inflation at the forefront as the result of supply chain bottlenecks, labour shortages, and rising shipping costs and oil prices. Several recent measures of price gains, including annual inflation for the US and Europe and wholesale prices in Japan, all hit multi-year highs. Traders are concerned that stubbornly high inflation will force central banks, especially the US Federal Reserve, to raise interest rates to contain it, which, in turn, would drive bond yields higher, thereby undercutting the appeal of stocks. Adding to investor worries were signs that the global economy was slowing.

Despite these stiff headwinds, world equity markets found ample support from an exceptionally strong start to the third-quarter corporate earnings season to post solid returns for the month.

## Fund Commentary

The Fund produced a solid absolute return in October but was unable to keep pace with the strong index return. Themes discussed below are in descending order of contribution.

**Software as a Standard:** All stocks in this theme gained, led by Microsoft, thanks to strong quarterly results boosted by its Azure cloud division. Intuit also climbed in response to the company's investor day, which focused on long-term cross-selling opportunities.

**Energy Transitions:** Iberdrola rose, thanks to an improvement in the regulatory outlook in Spain. Equinor declined after strong recent share performance as gas prices stabilised.

**Bits of Chips:** Despite cuts to its near-term guidance, Aptiv rose on expectations for volume recovery in the coming years. Infineon traded higher on long-term growth expectations at the company's Capital Markets day. Texas Instruments declined after the company issued conservative guidance.

**First World Health:** UnitedHealth rose on strong quarterly results, investor enthusiasm about the growing pipeline at its sister company, pharmacy benefits manager Optum, and additional detail on COVID-related utilisation. Thermo Fisher advanced on broad strength in its quarterly results. Medtronic traded lower on trial data. Boston Scientific faltered due to the COVID-driven impact to activity levels.

**Extreme Risks:** Bank of America gained on strong quarterly results, which showed organic revenue momentum. Gold miner stocks declined with the fall in the price of gold and high costs.

**Empowered Consumer:** Nike rose with peer results showing less impact from supply chain. Live Nation advanced, thanks to improving activity levels brought about by new COVID-19 treatments. Reliance corrected after strong recent stock price appreciation.

**Data, Networks, and Profits:** Intercontinental Exchange traded higher due to strong results in its Mortgage Technology division. Alphabet advanced on strong advertising sales despite IOS headwinds. Visa, FIS, and Mastercard all fell on continued concerns over new competition.

**Digital Runway:** ICICI Bank rose on strong margins and solid returns reported in its quarterly results. Bank Central Asia and Bank Rakyat climbed on strong quarterly results and the ongoing recovery in Indonesia. AIA declined due to ongoing COVID-19 disruption in China. HDFC faltered on elevated restructuring.

**Sustainable Solutions:** PPG gained despite a warning about rising raw material prices, thanks to investor optimism about the company's outlook. Kansai Paint declined on raw material price impact in India.

**Enduring Brands:** Nestle and Coca-Cola rose on strong organic sales growth. Unilever, Kao, and Beiersdorf all declined on raw material cost headwinds.

\* 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 0.99% an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.01%.

Past performance is not a reliable indicator of future performance.

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