

# Global Thematic Share Fund

Fund Focus - April 2022



## 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	\$259.87m
Number of Holdings	105
Turnover Ratio %	20.90
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

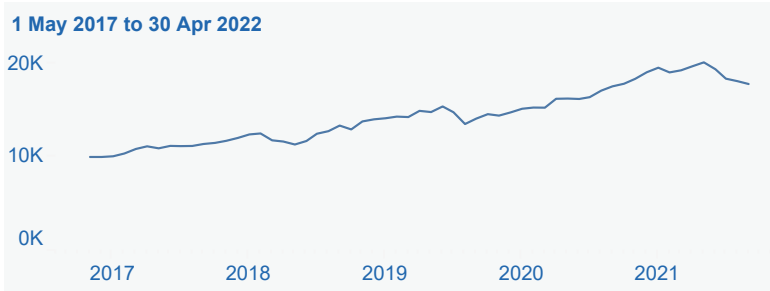
## Fund Performance After Fees\*

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	0.00	0.85	1.84	14.29	5.70
Growth	-1.68	-8.14	0.57	8.18	-2.36	1.31
Total	-1.68	-8.14	1.42	10.02	11.93	7.01
Benchmark	-3.17	-9.33	4.73	10.06	11.36	6.73

## Market Exposure

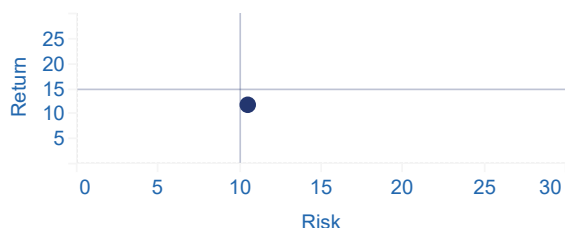


## Investment Growth (\$10,000)

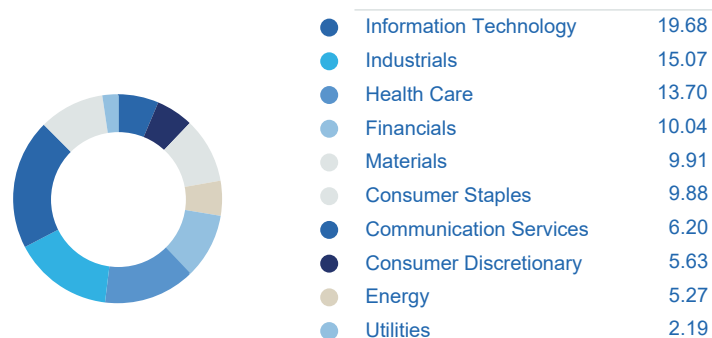


## Risk Reward

1 May 2017 to 30 Apr 2022



## Portfolio Equity Sectors (%)



## Top 10 Holdings (%)

	Weight	Benchmark
Microsoft Corp Commo	2.14	3.76
Alphabet Inc Common	2.09	2.55
Unitedhealth Group I	1.43	0.91
Thermo Fisher Scient	1.36	0.41
Reliance Industries	1.32	0.00
Coca-cola Co/the Com	1.29	0.50
Waste Management Inc	1.27	0.13
Iberdrola Sa Common	1.25	0.13
Spdr Gold Shares Etp	1.24	0.00
Danaher Corp Common	1.23	0.31

## Risk Statistics

1 May 2017 to 30 Apr 2022

Std Dev	10.44
Alpha	1.47
Beta	0.91
Sharpe Ratio (arith)	1.14
Up Capture Ratio	94.65
Down Capture Ratio	85.19
Currency Management %	0

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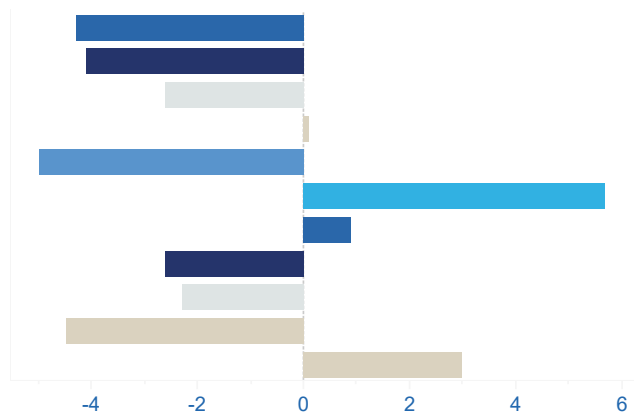


## Theme Weight %



Asset Efficiency	7.90
Bits of Chips	8.60
Data, Networks & Profits	9.90
Digital Runway	5.90
Empowered Consumer	10.00
Enduring Brands	10.30
Energy Transitions	9.40
Extreme Risks	6.00
First World Health	12.70
Software as a Standard	8.30
Sustainable Solutions	9.90

## Contribution by Theme %



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

## Market Commentary

Global stock prices fell sharply in April 2022 in local currency terms, as events conspired to hinder a sustainable market rally. The month was marked by investors growing increasingly nervous about the risks to the global economy. The downbeat market sentiment was established early in the month when details from the US Federal Reserve's (Fed) March meeting indicated that the world's most influential central bank intended to adopt an aggressive posture in order to rein in runaway domestic inflation. The Fed's announcement a few weeks later that a 50-basis-point interest rate hike was likely at its May meeting further soured investor mood. Global stock markets were worried that the accelerating pace of the Fed's monetary tightening would run the risk of a policy error that would tip the US economy—the world's largest—into a recession. Growing expectations of higher interest rates have driven government bond yields higher, posing a headwind for risk assets. In April, the yield on the benchmark 10-year US Treasury note recorded its largest monthly gain since December 2009, ending at 2.89%.

## Fund Commentary

The Fund retreated in absolute terms in April but was strongly ahead of the index return. Top performing themes included Enduring Brands and Sustainable Solutions. Themes are discussed below in order of contribution.

**Enduring Brands:** Coca-Cola and Reckitt Benckiser rose on robust results that demonstrated their respective pricing power.

**Sustainable Solutions:** Waste Management and Avery Denison advanced on strong quarterly results, with solid demand and good pass through of costs.

**Energy Transitions:** Iberdrola climbed on robust quarterly results, reiteration of 2025 targets, and the evolving European energy outlook. NextEra Energy declined on tariff-related delays to solar installations.

**Digital Runway:** Bank Rakyat and Bank Central Asia rose with robust quarterly results, thanks in part to accelerating Indonesian loan growth in the wake of the pandemic.

**Extreme Risks:** Gold holdings outperformed with the price of gold, which fell less than the benchmark. US banks fell on economic concerns.

**Data, Networks, and Profits:** Mastercard and Visa outperformed on strong quarterly results showing a return to consumer spending, particularly cross border. Intercontinental Exchange retreated on market rotation and an anticipated slowdown in mortgage activity linked to higher interest rates.

**First World Health:** UnitedHealthcare advanced on broad strength in quarterly results. Boston Scientific rose on an increase in procedures as activity normalised in the wake of the pandemic.

**Bits of Chips:** Applied Materials, Infineon, Keysight all fell on concerns that supply chain challenges will limit ability to fulfill demand and raise costs.

**Asset Efficiency:** Honeywell outperformed on robust results showing strong demand for its products. Schneider and Fanuc receded on cyclical and supply chain concerns.

**Software as a Standard:** PTC gained on strong quarterly results, as their subscription business model and end market demand led to an upward guidance revision.

**Empowered Consumer:** Reliance traded higher on energy-related divisions. Disney fell on concerns about softening demand for streaming services after Netflix reported weak subscription numbers.

The investment team added to Amazon (Empowered Consumer) on weakness following disappointing quarterly results. Amazon has doubled its logistics capacity through the pandemic and faces a few short-term operating challenges. As these factors normalise, the company has the potential to generate significant cash flow.

\* 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% includes 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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