

# Global Thematic Share Fund

Fund Focus - July 2023



## 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	\$250.20m
Number of Holdings	102
Turnover Ratio %	8.300
Latest Distribution Date	30 June 2023
Latest Distribution Amount	0.0053
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 %	1.01
Est. Transactional Op. Cost %	Nil
Buy/Sell Spread %	0.04
Distribution Frequency	Semi Annually
Underlying Fund Manager	Lazard Asset Management Pacific Co

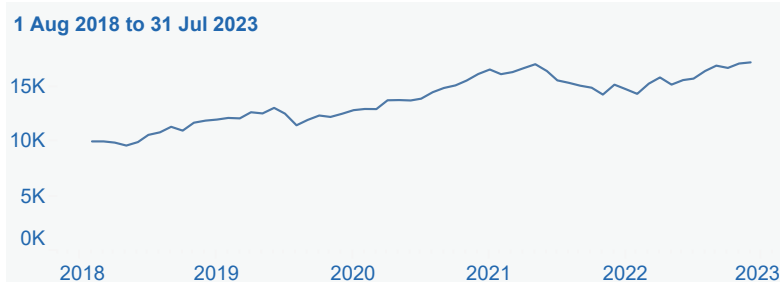
## Fund Performance After Fees\*

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	0.37	0.56	2.63	2.52	5.69
Growth	0.64	1.40	12.86	8.57	8.50	1.51
Total	0.64	1.77	13.42	11.21	11.02	7.20
Benchmark	2.09	6.52	17.62	14.03	11.36	7.09

## Market Exposure

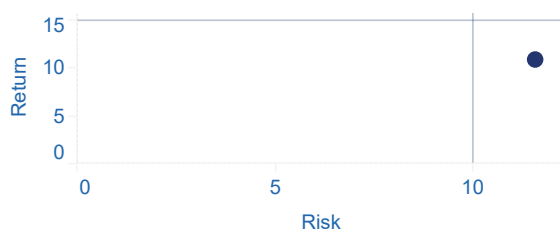


## Investment Growth (\$10,000)

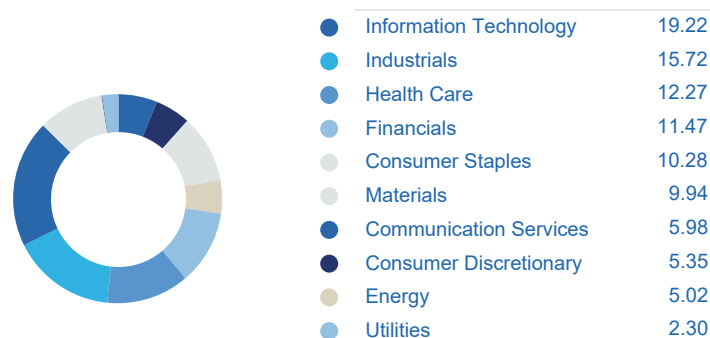


## Risk Reward

1 Aug 2018 to 31 Jul 2023



## Portfolio Equity Sectors (%)



## Top 10 Holdings (%)

	Weight	Benchmark
Microsoft Corp Commo	2.47	4.13
Alphabet Inc Common	2.30	2.62
Bp Plc Common Stock	1.48	0.00
Iberdrola Sa Common	1.38	0.13
Amazon.Com Inc Commo	1.37	2.15
Unitedhealth Group I	1.36	0.82
Boston Scientific Co	1.35	0.13
Adobe Inc Common Sto	1.32	0.44
Thermo Fisher Scient	1.29	0.37
Totalenergies Se Com	1.27	0.25

## Risk Statistics

1 Aug 2018 to 31 Jul 2023

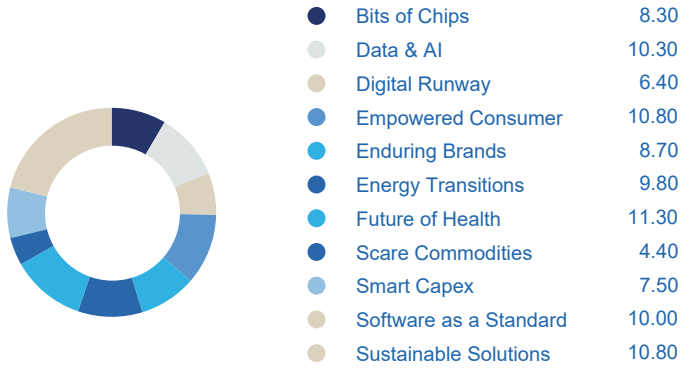
Std Dev	11.53
Alpha	0.71
Beta	0.90
Sharpe Ratio (arith)	0.96
Up Capture Ratio	91.20
Down Capture Ratio	86.57
Currency Management %	0

# Global Thematic Share Fund

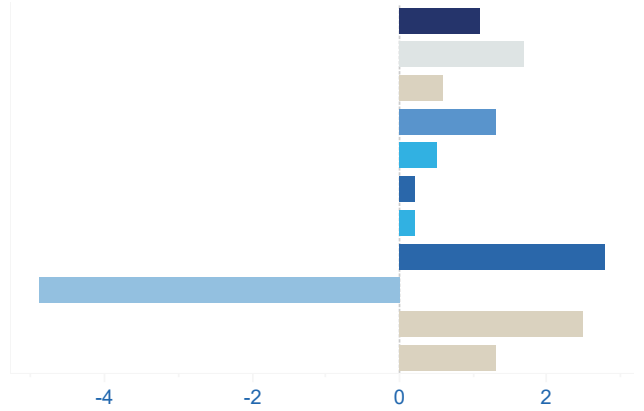
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## Theme Weight %



## Contribution by Theme %



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

## Market Commentary

Despite some profit-taking during the month, the global equity markets' 2023 rally continued in July amid speculation about the interest rate-policy paths of key central banks. With the start of a new corporate earnings season and inflationary pressures continuing to exert themselves, the focus during the month was squarely on the two levers that set stock prices—interest rates and company profits.

## Fund Commentary

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

**Software as a Standard:** Adobe, Intuit, and Salesforce were the top contributors within this theme, as bullish sentiment about artificial intelligence (AI) continued to provide a strong positive tailwind. Microsoft declined with ongoing optimization of broader cloud and IT spending.

**Data and AI:** Alphabet rose on robust operating results, highlighting both revenue acceleration and cost control and on excitement around further integrating AI into its advertising and search products. Tencent advanced as part of a broader gains made by Chinese equities, thanks to expectations on further stimulus measures.

**Empowered Consumer:** Alibaba climbed on expectations for a recovery in Chinese consumption demand driven by policy support. Reliance Industries rose on market share gains in its consumer-oriented businesses, particularly in groceries and media. Estée Lauder faltered after reporting a cybersecurity incident that may cause further disruption to parts of its business operations. Live Nation fell on rumours that the Justice Department may file an antitrust lawsuit against the company.

**Sustainable Solutions:** Nutrien gained with strong crop prices and expectations of a recovery in fertilizer demand. Avery Dennison rose on expectations for a faster end to customer destocking. Jacobs traded higher on strong demand on construction end market. Waste Management fell on weaker recycling and special waste volumes and delays to permitting of its sustainability investment projects. PPG declined on weakness in its coating and European businesses.

**Scarce Commodities:** Miners Antofagasta and Anglo American advanced in sympathy with the rise in the price of copper.

**Bits of Chips:** Infineon and Aptiv climbed on strong first half auto production volume. Applied Materials gained on optimism around opportunities surrounding broader adoption of AI. Keysight retreated on weakness in broader data centre spending. Taiwan Semiconductor Manufacturing Company receded on slower demand recovery, inventory correction, and delays in the production schedule of its Arizona N4 fab.

**Digital Runway:** Promise of further government stimulus targeting Chinese consumption boosted China-exposed holdings Ping An Insurance and DBS. ICICI rose on acceleration in loans and deposit growth.

**Enduring Brands:** Remy Cointreau advanced on quarterly results showing signs of the end of its inventory correction.

**Future Health:** UnitedHealth rose on better-than-expected operating results after previously warning about higher medical loss ratio (MLR). Zoetis climbed following positive news flow about its heartworm disease franchise. Danaher and Thermo Fisher both advanced on expectations of a demand upcycle, thanks to an improving biotech funding environment.

**Energy Transitions:** Integrated energy holdings BP and Total advanced in sympathy with the rise in the price of oil. Iberdrola declined after raising additional capital via green bond issuance.

**Smart Capex:** Caterpillar rose on dealer inventory replenishment, positive business mix, and strength in its construction business. Hexagon traded lower after a short seller report. Fanuc fell on weak orders in its robotics division and inventory destocking. Honeywell receded on weakness in its shorter-cycle Building Technologies and Safety & Productivity Solutions businesses. Cognex faltered on concerns about potential slowdown in warehouse automation demand.

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 1.01% includes an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.03%.

Past performance is not a reliable indicator of future performance.

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