

# Hedged Global Thematic Share Fund

Fund Focus - November 2022



## Investment Strategy

The Fund generally invests in a broad selection of securities listed on foreign stock exchanges. The Fund aims to be fully hedged at all times providing investors with exposure to underlying share price movements but minimising the effect of foreign exchange movements.

## Portfolio Characteristics

Funds Under Management	\$9.67m
Number of Holdings	104
Turnover Ratio %	17.49
Latest Distribution Date	31 December 2018
Latest Distribution Amount	0.0009
Benchmark	MSCI World (ex-Australia) Accumulation Index (fully hedged into\$A) (net dividends reinvested)

## Fund Facts

APIR Code	ZUR0517AU
Inception Date	14 October 2005
Total Est. Management Cost %	0.99
Est. Transactional Op. Cost %	0.11
Buy/Sell Spread %	0.04
Distribution Frequency	Semi Annually
Underlying Fund Manager	Lazard Asset Management Pacific Co

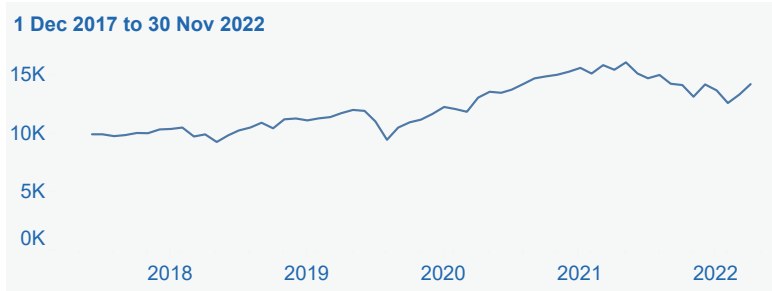
## Fund Performance After Fees\*

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	0.00	0.00	0.00	0.85	8.86
Growth	6.63	3.92	-7.92	6.58	7.02	-0.56
Total	6.63	3.92	-7.92	6.58	7.87	8.31
Benchmark	5.43	2.97	-10.14	6.59	7.00	7.63

## Market Exposure

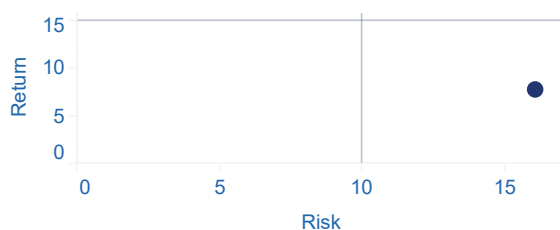


## Investment Growth (\$10,000)

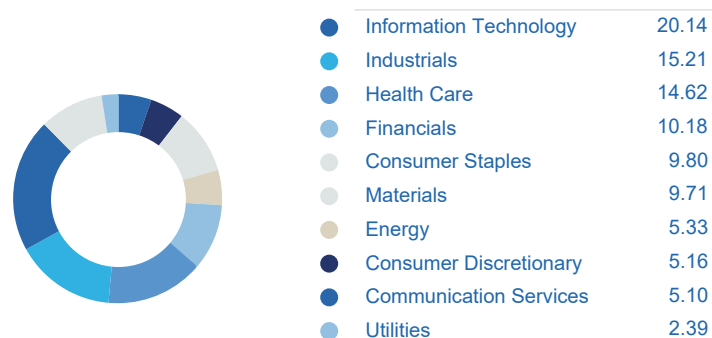


## Risk Reward

1 Dec 2017 to 30 Nov 2022



## Portfolio Equity Sectors (%)



## Top 10 Holdings (%)

	Weight	Benchmark
Microsoft Corp Commo	2.00	3.54
Alphabet Inc Common	1.89	2.29
Unitedhealth Group I	1.57	1.00
BP PLC	1.51	0.22
Thermo Fisher Scient	1.41	0.43
Totalenergies Se Com	1.38	0.30
Danaher Corp Common	1.37	0.37
Waste Management Inc	1.32	0.14
Analog Devices Inc C	1.31	0.17
Boston Scientific Co	1.26	0.13

## Risk Statistics

1 Dec 2017 to 30 Nov 2022

Std Dev	16.05
Alpha	1.23
Beta	0.93
Sharpe Ratio (arith)	0.49
Up Capture Ratio	95.00
Down Capture Ratio	89.64
Currency Management %	100

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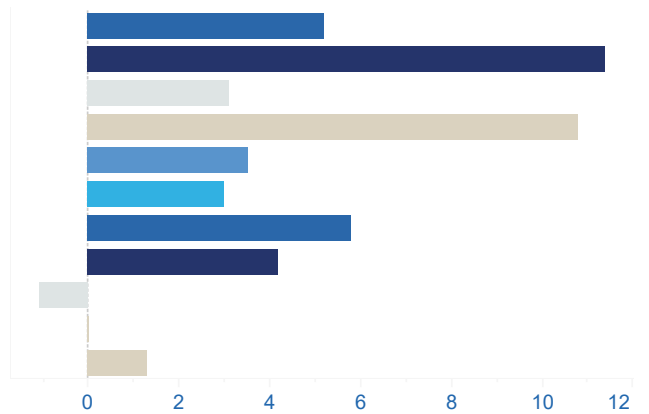
## Theme Weight %



- Asset Efficiency
- Bits of Chips
- Data, Networks & Profits
- Digital Runway
- Empowered Consumer
- Enduring Brands
- Energy Transitions
- Extreme Risks
- First World Health
- Software as a Standard
- Sustainable Solutions

Asset Efficiency	8.50
Bits of Chips	8.40
Data, Networks & Profits	9.00
Digital Runway	5.90
Empowered Consumer	9.40
Enduring Brands	9.70
Energy Transitions	9.90
Extreme Risks	6.20
First World Health	12.50
Software as a Standard	9.00
Sustainable Solutions	9.30

## Contribution by Theme %



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

## Market Commentary

The global outlook for inflation and interest rates remained front and centre in the minds of investors during the month. Data indicating that month-over-month inflation in the US eased more than expected in October sparked a strong rally in world stock markets as exuberant investors saw this as a sign that the US Federal Reserve (Fed) may look to slow the pace of future interest rate increases. A similar situation was playing out in Europe, where news that the annual rate of inflation had unexpectedly decelerated in November was cheered by investors and fuelled speculation that the European Central Bank may begin moderating its rate-hiking campaign in December. The outlook was not as positive in the UK, where the Bank of England raised interest rates 75 bps during the month as domestic inflation reached a 41-year high. Meanwhile, in China, the government's announcement that it would make modest adjustments to its "zero COVID" policy fuelled hopes that President Xi Jinping was pivoting toward policies that would be supportive of China's economy, potentially leading to a strong rebound in growth next year.

## Fund Commentary

The Fund produced an impressive return of 6.63% in November and was comfortably ahead of the index return. Themes are discussed below in order of contribution.

**Bits of Chips:** Infineon rose on strong quarterly results and raised mid-term guidance on strong demand for automotive power semiconductors. Analog devices gained on continued strength in demand from industrial and automotive markets. Taiwan Semiconductor Manufacturing Company climbed on easing of US-China tensions.

**Digital Runway:** Hong Kong and China exposed insurance companies AIA, Ping An and Prudential all rose on signs of progress in the re-opening in the country.

**Energy Transitions:** Vestas traded higher on strong order intake, particularly for offshore wind. Total rose with confidence in long-term cashflows.

**Asset Efficiency:** Johnson Controls gained on quarterly results showing resilient demand for building automation. Deere climbed on strong results and backlog.

**Empowered Consumer:** Chinese-related stocks rose on prospects for China re-opening, led by Alibaba and LVMH. Live Nation declined despite strong quarterly results on public challenges to its prior Ticketmaster acquisition. Amazon and Disney declined on weak quarterly results, with high content costs at Disney.

**Enduring Brands:** Pernod Ricard and Beiersdorf rose with strong quarterly results. J&J declined after recent strong stock price performance.

**Extreme Risks:** Gold miners rose with gold prices and a weaker dollar. US banks PNC and Truist fell with US yields.

**Sustainable Solutions:** PPG advanced with improved global supply chains. Ecolab faltered after quarterly results showed slower growth. Nutrien traded lower after quarterly results showed higher costs in fertilizer production.

**Data, Networks, and Profits:** Tencent rose on Chinese re-opening and signs of reduced regulatory headwinds. Clarivate receded on slower organic growth.

**Software as a Standard:** Autodesk dropped on quarterly results showing slower growth and a shift in customer preference to yearly subscription impacting cashflows. Intuit declined on news that its Credit Karma division saw a slowdown in activity.

**First World Health:** Siemens Healthineers rose on quarterly strong results. Medtronic fell on weak quarterly results and program failures. Olympus declined as results showed higher costs in results.

\* 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 0.98% 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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