

**Investment Strategy**

The Fund generally invests in a broad selection of securities listed on foreign stock exchanges. The Fund will be fully unhedged at all times, providing investors with exposure to foreign exchange fluctuations as well as underlying share price movements.

**Portfolio Characteristics**

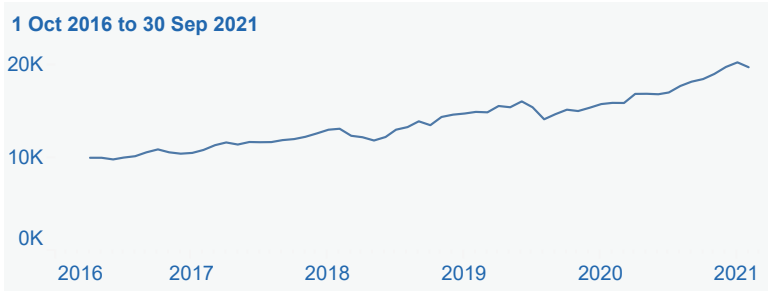
Funds Under Management	\$4.01m
Number of Holdings	104
Turnover Ratio %	19.04
Latest Distribution Date	30 June 2021
Latest Distribution Amount	0.0682
Benchmark	MSCI World (ex-Australia) Accumulation Index in \$A (net dividends reinvested)

**Fund Facts**

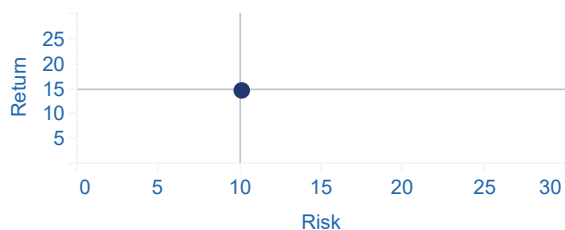
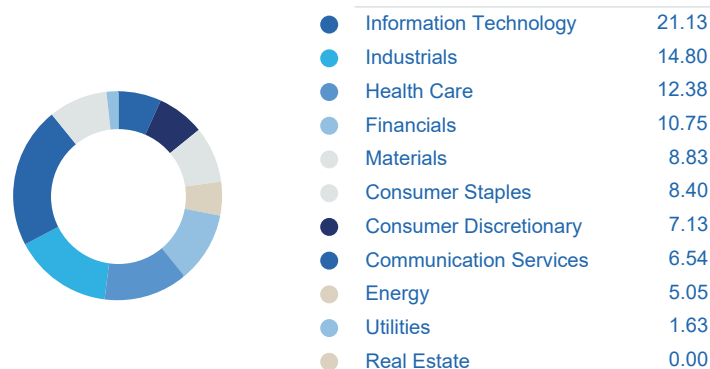
APIR Code	ZUR0518AU
Inception Date	14 October 2005
Total Est. Management Cost %	0.98
Est. Transactional Op. Cost %	0.00
Buy/Sell Spread %	0.04
Distribution Frequency	Semi Annually
Underlying Fund Manager	Lazard Asset Management Pacific Co

**Fund Performance After Fees\***

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	0.00	9.27	6.63	18.36	9.45
Growth	-2.59	3.80	14.82	7.95	-3.56	-0.80
Total	-2.59	3.80	24.09	14.57	14.81	8.64
Benchmark	-3.05	3.99	27.76	13.28	15.17	8.30

**Market Exposure****Investment Growth (\$10,000)****Risk Reward**

1 Oct 2016 to 30 Sep 2021

**Portfolio Equity Sectors (%)****Top 10 Holdings (%)**

	Weight	Benchmark
Alphabet Inc Common	2.25	2.78
Microsoft Corp Commo	2.01	3.55
Danaher Corp Common	1.38	0.34
Thermo Fisher Scient	1.30	0.40
Sony Group Corp Comm	1.30	0.25
Equinor Asa Common S	1.30	0.04
Schneider Electric S	1.28	0.16
Laboratory Corp Of	1.26	0.00
Texas Instruments In	1.24	0.31
Bank Of America Corp	1.18	0.58

**Risk Statistics**

1 Oct 2016 to 30 Sep 2021

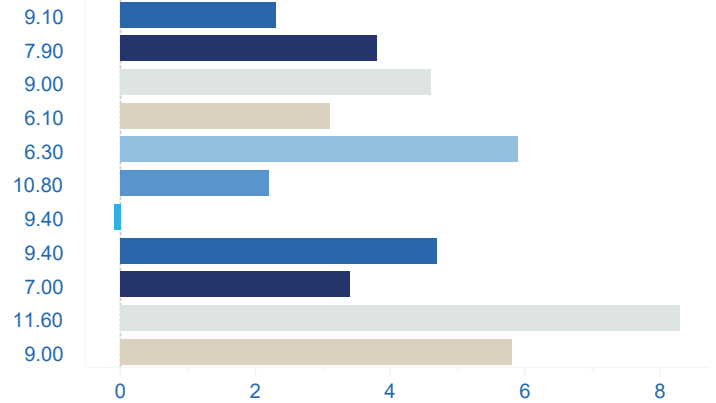
Std Dev	10.08
Alpha	1.14
Beta	0.90
Sharpe Ratio (arith)	1.47
Up Capture Ratio	93.12
Down Capture Ratio	86.63
Currency Management %	0

### Theme Weight %



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

### Contribution by Theme %



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

## Market Commentary

Traders maintained a cautious posture during the period as they worked through a handful of developments and coronavirus risk continued to hang over global financial markets. The US Federal Reserve's stimulus policy path was the focal point of much of the market's attention after announcing in August and again in September that it was prepared soon to slow the pace of its monthly purchase of government-backed bonds and may begin to raise interest rates sometime next year. Stock markets at first reacted positively to the news but wobbled as the policy grew closer to realisation. Other key central banks also made news in September, the Europe, the European Central Bank (ECB) and the Bank of England (BoE) both signalled they were prepared to tighten their monetary policies and the Bank of Japan announced that it would hold its accommodative monetary policy steady.

Events in China were a major source of worry amid data indicating that the country's economy was slowing. Compounding this anxiety was the ongoing crackdown by Chinese regulators on certain domestic sectors, and news that the debt-laden private Chinese private real estate developer Evergrande could default on its debt obligations. The latter development was especially worrisome because traders feared that it could damage China's broader property development industry.

Concerns about persistent inflation waxed and waned during the quarter but became more acute in September amid data for August indicating factory gate inflation in the US and China, along with consumer prices in Europe and wholesale prices in Japan, had hit multi-year highs.

## Fund Commentary

The Fund produced a solid absolute return in the September quarter, though slightly underperformed the strong index return. Ten themes rose in value in the quarter while one declined. Themes discussed below are in descending order of contribution.

**First World Health: Life Sciences** names Thermo Fisher, Danaher and Siemens Healthineers rose on strong quarterly results and expectations for protracted coronavirus-related test spending.

**Software as a Standard:** Intuit traded higher, thanks to strong quarterly results and investor enthusiasm about its latest acquisition of email marketing firm Mailchimp. Accenture gained on solid quarterly results, as digital transformations remain a priority. Salesforce climbed, thanks to strong quarterly results and a capital markets update. PTC fell on disappointing quarterly results.

**Data Network and Profits:** AON rose on strong quarterly results and the termination of its merger with Willis Towers Watson. Alphabet rose on broad strength in quarterly results, with YouTube advertising rising significantly. RELX rose as quarterly results showed organic growth picking up. Wolters Kluwer rose on expectations for higher organic growth. Visa, Mastercard, and Fidelity National Information Services all retreated as part of a larger decline in electronic payments companies due to concerns about the growing Buy Now Pay Later (BNPL) option trend and the slow global reopening of travel. Tencent declined on worries about regulatory risk stemming from the Chinese government's crackdown on the domestic gaming industry.

**Distribution Footprints:** Rentokil advanced on strong quarterly results showing higher margins and investor optimism after the company's Capital Markets Day focused on global growth opportunities for its Hygiene division. Nutrien traded higher on fertiliser prices. PPG traded lower on worries about margin pressure stemming from higher paint inputs.

**Bits of Chips:** ASML climbed on with better-than-expected quarterly results and broad demand for new and old generation equipment. Keysight rose on strong 5G testing demand. Applied Materials and Taiwan Semiconductor Manufacturing Company retreated on coronavirus-driven volume disruption.

\* 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 a Management Fee of 0.98%, an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.00%

Past performance is not a reliable indicator of future performance.

This report is issued by Zurich Investment Management Limited ABN: 56 063 278 400, AFSL: 232511, GIIN: FVHHKJ.00012.ME.036 : . The information in the report has been derived from sources reasonably believed to be reliable and accurate and is to be used for research purposes only. Subject to law, none of the companies of the Zurich Financial Services Australia Limited Group, nor their directors or employees, gives any representation or warranty as to the reliability, accuracy or completeness of the information, nor accepts any responsibility arising in any way (including by reason of negligence) from errors in or omissions from, the information provided. A Product Disclosure Statement (PDS) for the Fund is available and can be obtained by calling Zurich Investments on 131 551. The PDS should be considered in deciding whether to acquire, or to continue to hold, an investment in the fund. This information is of a general nature only and does not take into account the investment objectives, financial situation or particular needs of any investor and should not be taken as a securities or stock recommendation. These factors should be considered before any investment decision is made in relation to the fund. Furthermore, this product has been designed to meet certain objectives, financial situations and needs, which are described in our Target Market Determination available at [zurich.com.au/tmd](http://zurich.com.au/tmd)