

# Global Growth Share Fund

Fund Focus - April 2023



## Investment Strategy

The Fund invests in securities with high growth potential that are primarily listed on international stock exchanges. In addition, the Fund employs an active currency management strategy whereby up to 40% of the Fund's exposure to international currency can be hedged back to Australian dollars.

## Portfolio Characteristics

Funds Under Management	\$234.84m
Number of Holdings	92
Turnover Ratio %	32.69
Latest Distribution Date	30 June 2022
Latest Distribution Amount	0.1089
Benchmark	MSCI World (ex-Australia) Accumulation Index in \$A (net dividends reinvested)

## Fund Facts

APIR Code	ZUR0580AU
Inception Date	31 August 2009
Total Est. Management Cost %	0.99
Est. Transactional Op. Cost %	0.01
Buy/Sell Spread %	0.03
Distribution Frequency	Semi Annually
Underlying Fund Manager	American Century Investments

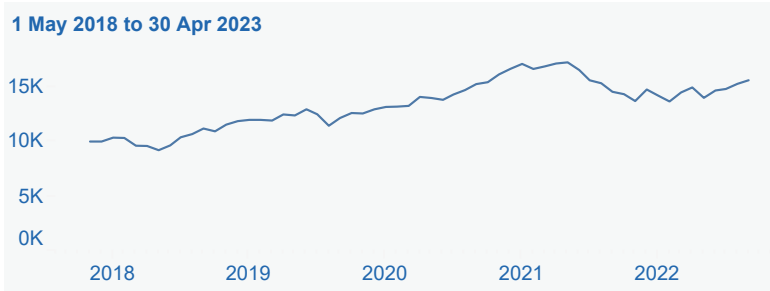
## Fund Performance After Fees\*

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	0.00	5.84	3.90	8.88	6.09
Growth	2.15	6.39	1.42	4.81	1.57	5.77
Total	2.15	6.39	7.26	8.70	10.44	11.87
Benchmark	3.16	9.40	11.12	12.71	11.11	11.39

## Market Exposure



## Investment Growth (\$10,000)

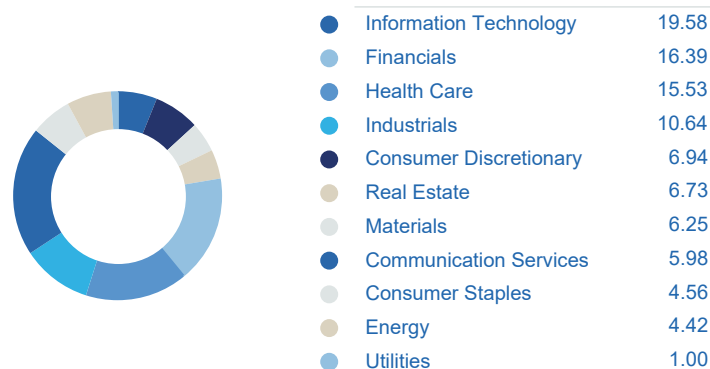


## Risk Reward

1 May 2018 to 30 Apr 2023



## Portfolio Equity Sectors (%)



## Top 10 Holdings (%)

	Weight	Benchmark
Microsoft Corp Commo	5.29	4.10
Astrazeneca Plc Comm	2.55	0.00
Equinix Inc Reit Usd	2.27	0.13
Alphabet Inc Common	2.19	1.21
Mastercard Inc Commo	2.08	0.61
Novo Nordisk A/s Com	2.00	0.52
S&p Global Inc Commo	2.00	0.23
Amazon.Com Inc Commo	1.98	1.82
Axa Sa Common Stock	1.92	0.12
Visa Inc Common Stoc	1.91	0.71

## Risk Statistics

1 May 2018 to 30 Apr 2023

Std Dev	12.85
Alpha	-0.38
Beta	0.99
Sharpe Ratio (arith)	0.81
Up Capture Ratio	99.11
Down Capture Ratio	102.51
Currency Management %	0

## Market Commentary

Global stocks rose during April as market volatility ebbed, and first-quarter US corporate earnings comfortably exceeded expectations. Fears of a global contagion within the banking system also eased, though credit markets remained challenged. Persistent inflation amid mixed US economic data heightened investors' expectations for another interest rate increase in early May.

US stocks gained, overcoming mixed economic data and banking industry worries. Recession fears deepened as gross domestic product growth in the first quarter decreased from the previous quarter, and consumer confidence dropped in April to a nine-month low. On the upside, manufacturing output increased at the fastest rate since May 2022. European and UK equities rose, outperforming broader global markets. Purchasing managers' indices in both regions showed economic expansion. Japan's stock market increased marginally, underperforming global markets, while emerging markets stocks declined amid concerns about high interest rates and the possibility of a global recession.

## Fund Commentary

The Fund produced a solid return of 2.15% in April but was unable to keep pace with the strong index return.

The key positive contributors to performance included CoStar Group and AstraZeneca.

**CoStar Group** - The US-based provider of commercial real estate data reported quarterly earnings and revenues that exceeded analysts' estimates, driving shares higher.

**AstraZeneca** - The pharmaceutical giant's stock advanced as investors looked favourably on its development of a new antibody treatment capable of neutralising all known strains of COVID-19, which may become available before the end of 2023.

The key detractors from performance included MarketAxess Holdings, NXP Semiconductors and Catalent.

**MarketAxess Holdings** - Shares of the operator of bond trading platforms traded lower despite the company reporting monthly and quarterly credit volumes that improved versus the previous year.

**NXP Semiconductors** - Shares of the automotive chip designer and manufacturer moved lower amid relatively subdued revenue and earnings expectations for 2023. Flat automotive sales and an easing of chip shortages likely contributed to the anticipated slowdown in demand for NXP's chips.

**Catalent** - The contract drugmaker's stock declined after the company lowered sales expectations for 2023. Productivity challenges and higher costs at three of its plants drove the lowered estimates.

Notable purchases in April included Prudential and Beckton Dickinson and Co.

**Prudential** - The company has divested its underperforming segments in the US and Europe and is now exclusively focused on growing its Asia ex-Japan business. The more focused growth approach, plus the reopening of China from the pandemic shutdown, should result in the reacceleration of new business underwriting.

**Beckton Dickinson and Co** - The company's organic revenue growth should materially improve over the next year as demand for its products is relatively insulated from an economic downturn. There is also potential upside from new products such as the Alaris pump.

Notable sales included Toronto-Dominion Bank which was sold on evidence that fundamentals are under pressure. Additionally, the Bank of Canada has indicated that it has finished its rate-hike cycle. Loan growth has also decelerated, and asset quality is deteriorating.

\* 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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