

# Global Growth Share Fund

Fund Focus - December 2021



## 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	\$308.00m
Number of Holdings	93
Turnover Ratio %	29.99
Latest Distribution Date	30 June 2021
Latest Distribution Amount	0.0433
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
Buy/Sell Spread %	0.03
Distribution Frequency	Semi Annually
Underlying Fund Manager	American Century Investments

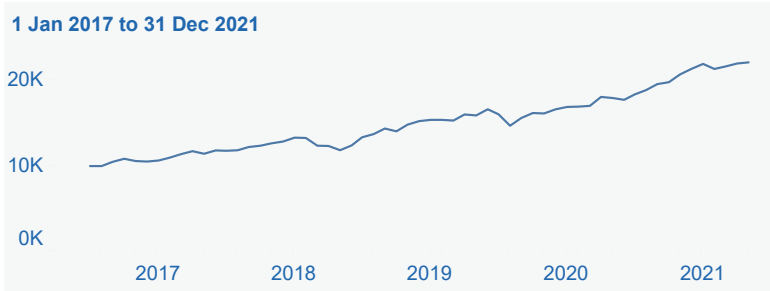
## Fund Performance After Fees\*

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	0.00	2.22	3.72	13.13	6.38
Growth	0.62	3.63	21.11	19.55	4.96	7.77
Total	0.62	3.63	23.34	23.27	18.08	14.15
Benchmark	1.68	7.19	29.58	20.56	15.07	12.83

## Market Exposure

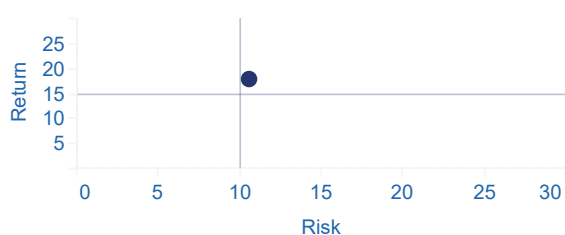


## Investment Growth (\$10,000)



## Risk Reward

1 Jan 2017 to 31 Dec 2021



## Portfolio Equity Sectors (%)



## Top 10 Holdings (%)

	Weight	Benchmark
Alphabet Inc Common	5.06	2.79
Microsoft Corp Commo	4.76	3.92
Amazon.Com Inc Commo	3.61	2.48
Texas Instruments In	2.22	0.28
Lowe's Cos Inc Commo	2.13	0.29
Nxp Semiconductors N	2.11	0.10
Charles Schwab Corp/	2.05	0.20
American Express Co	1.75	0.18
Equinix Inc Reit Usd	1.69	0.12
Astrazeneca Plc Comm	1.69	0.00

## Risk Statistics

1 Jan 2017 to 31 Dec 2021

Std Dev	10.52
Alpha	3.73
Beta	0.93
Sharpe Ratio (arith)	1.72
Up Capture Ratio	102.99
Down Capture Ratio	79.40
Currency Management %	0

## Market Commentary

Global markets rallied in the December quarter, despite uncertainty around the Omicron variant. Spikes in infection and hospitalisation rates led to new mobility restrictions, which investors feared could dampen economic growth. However, news that Omicron may deliver milder symptoms and lower mortality rates improved investor confidence. While uncertainty around this variant remained, shorter isolation period requirements improved the outlook.

Ongoing inflation concerns and higher interest rates expectations weighed on markets. Noting the highest inflation data in decades, central banks shifted toward policies to tighten monetary supply. In the US, the Federal Reserve signalled intent to accelerate tapering and to raise rates in 2022. Anticipation of higher rates weighed on long-duration growth stocks, including information technology, for much of the period.

## Fund Commentary

The Fund produced solid return for the quarter but was unable to outperform the impressive index return.

The key positive contributors to performance included Lowe's Companies, Advanced Micro Devices and NXP Semiconductors.

- **Lowe's Companies** – Amid the pandemic-driven surge in home improvement projects, Lowe's has seen revenue growth in its professional contractors segment. Lowe's reported strong third-quarter earnings and raised its full-year guidance, affirming for investors that its strong sales momentum continues.

- **Advanced Micro Devices** – The chipmaker's stock gained after reporting strong results driven by sustained investments by data centres. The company continues to gain market share from key competitors.

- **NXP Semiconductors** – A global shortage of chips and strength in the automobiles industry drove sales for NXP, a maker of chips that connect vehicles to the internet. Third-quarter revenue increased 26% year over year. In addition, expectations of growth in interconnected electric vehicles continue to bode well for the company.

Detractors included Singapore-based e-commerce giant Sea, which underperformed as investors weighed its ability to continue to expand its e-commerce franchise globally. Despite the recent performance, the investment team believe business fundamentals remain supportive of the investment thesis.

New purchases included Roper Technologies.

Roper Technologies - A position was initiated in this company due to its recent deleveraging initiative which is providing an attractive opportunity to reaccelerate capital deployment. The company has also divested certain businesses, which creates a less cyclical and more cash generative business mix.

\* 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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