

# Global Growth Share Fund

Fund Focus - June 2022



## 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	\$243.67m
Number of Holdings	93
Turnover Ratio %	39.74
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
Buy/Sell Spread %	0.03
Distribution Frequency	Semi Annually
Underlying Fund Manager	American Century Investments

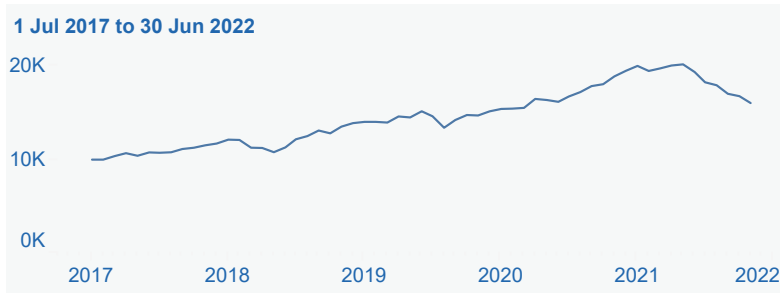
## Fund Performance After Fees\*

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	5.21	4.87	4.62	3.79	8.90	6.46
Growth	-9.60	-15.50	-19.73	2.08	1.87	5.09
Total	-4.39	-10.63	-15.11	5.88	10.77	11.55
Benchmark	-4.64	-8.42	-6.52	7.82	10.12	10.78

## Market Exposure



## Investment Growth (\$10,000)

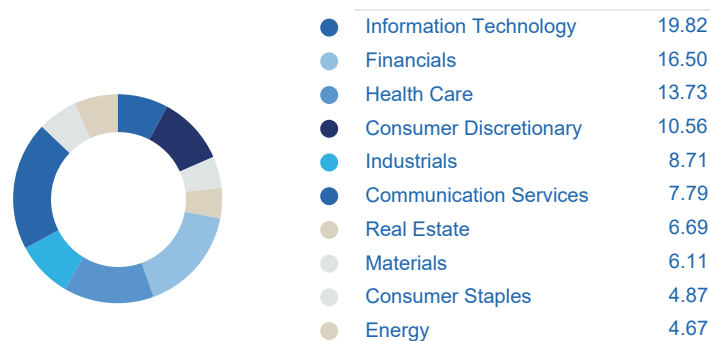


## Risk Reward

1 Jul 2017 to 30 Jun 2022



## Portfolio Equity Sectors (%)



## Top 10 Holdings (%)

	Weight	Benchmark
Microsoft Corp Commo	5.23	3.81
Alphabet Inc Common	4.51	2.66
Amazon.Com Inc Commo	3.38	2.02
Astrazeneca Plc Comm	2.57	0.00
Cheniere Energy Inc	2.03	0.06
Equinix Inc Reit Usd	1.95	0.12
Aia Group Ltd Common	1.90	0.27
Iqvia Holdings Inc C	1.80	0.09
Mastercard Inc Commo	1.79	0.57
Servicenow Inc Commo	1.75	0.20

## Risk Statistics

1 Jul 2017 to 30 Jun 2022

Std Dev	11.62
Alpha	0.96
Beta	0.97
Sharpe Ratio (arith)	0.93
Up Capture Ratio	100.75
Down Capture Ratio	95.97
Currency Management %	0

## Market Commentary

An abundance of bad news pressured growth stocks in the June quarter. Concerns about inflation, interest rates and Ukraine supported traditional value investments at the expense of growth. Energy, materials and financials continued to outperform amid supply chain shortages and higher interest rates. Longer-duration, traditionally growth-oriented sectors, including information technology and communication services, lagged.

## Fund Commentary

The Fund fell in the June quarter with the market and was unable to outperform the index return.

Monster Beverage was a key contributor in the quarter following signs that the company's share loss in the US has stabilised and that competitor, Red Bull, has lost market share. Other positives included approval of a \$500 million stock repurchase plan and speculation that Monster remains an acquisition target by a large global beverage company.

The key detractors included Amazon, Wolfspeed and Workday.

Amazon - The e-commerce giant's shares fell as rising interest rates and inflation drove fears that consumer spending would not continue its recovery. Despite potential earnings revisions, Amazon's leading position should insulate it from the worst of the downturn.

Wolfspeed - The semiconductor maker reported quarterly revenue below consensus estimates. The company attributed its disappointing results to COVID-19-related shutdowns at some of its subcontractors in China.

Workday - The enterprise software maker lost ground after falling short of first-quarter earnings estimates. The company cited the delay of several deals, which were pushed back to the second quarter. However, quarterly subscription growth grew and fiscal 2023 guidance increased slightly.

Notable purchases in the quarter included VeriSign and The Williams Cos.

VeriSign was purchased after its disappointing quarterly reporting drove a sell-off. The company's lower yearly domain name volume assumptions came amid slowing incremental demand and macroeconomic risks. Shares have derated, and the investment team believes revenue will accelerate as the company benefits from pricing over the next 24 months.

The Williams Cos. is one of the leading providers of infrastructure that safely delivers natural gas in the US. Rising US natural gas production should drive Williams' growth as volumes and demand for transportation rise, both in the US and globally, and customers look to replace Russian natural gas.

Notable sales included Texas Instruments and Adobe.

Texas Instruments was sold as the investment team believes the demand environment will slow. Shares have performed well relative to the index over the Fund's holding period and the investment team took profits and redeployed the proceeds to other higher-conviction ideas.

The investment team took profits on Adobe as they see better opportunities in the technology sector, plus the last earnings report was marginally disappointing.

\* 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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