

# Global Growth Share Fund

Fund Focus - July 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	\$249.81m
Number of Holdings	95
Turnover Ratio %	44.25
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

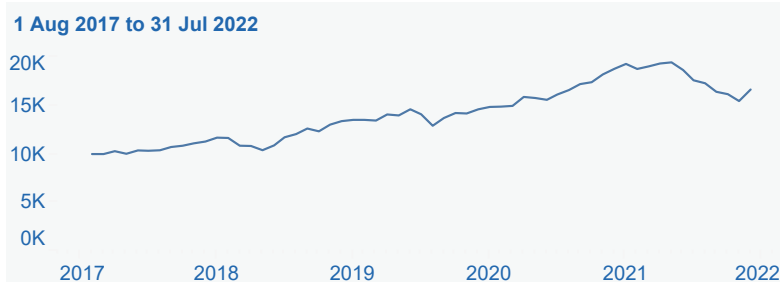
## Fund Performance After Fees\*

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	5.53	4.83	3.85	9.05	6.45
Growth	7.71	-4.09	-16.21	3.69	3.52	5.66
Total	7.71	1.43	-11.38	7.54	12.56	12.11
Benchmark	6.40	0.62	-4.39	9.23	11.87	11.23

## Market Exposure



## Investment Growth (\$10,000)

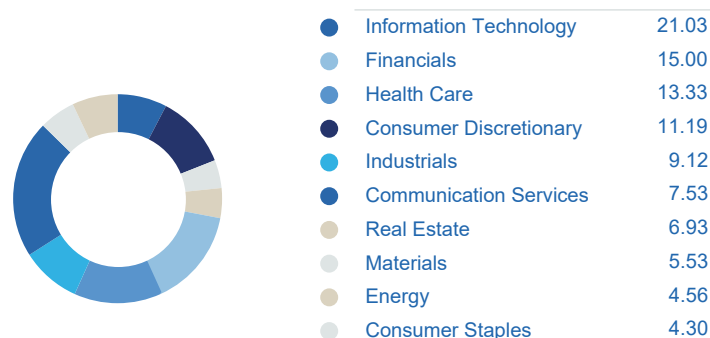


## Risk Reward

1 Aug 2017 to 31 Jul 2022



## Portfolio Equity Sectors (%)



## Top 10 Holdings (%)

	Weight	Benchmark
Microsoft Corp Commo	5.07	3.86
Alphabet Inc Common	4.27	2.63
Amazon.Com Inc Commo	4.24	2.38
Equinix Inc Reit Usd	2.10	0.12
Cheniere Energy Inc	2.03	0.07
Mastercard Inc Commo	1.94	0.60
Nxp Semiconductors N	1.86	0.09
Astrazeneca Plc Comm	1.82	0.00
Iqvia Holdings Inc C	1.77	0.09
S&p Global Inc Commo	1.63	0.26

## Risk Statistics

1 Aug 2017 to 31 Jul 2022

Std Dev	11.98
Alpha	0.87
Beta	0.98
Sharpe Ratio (arith)	1.05
Up Capture Ratio	101.84
Down Capture Ratio	97.78
Currency Management %	0

## Market Commentary

Global stocks rose in July partly on hopes that weak economic data may allow central banks to slow monetary tightening later in the year. US markets rallied on positive earnings reports and hopes that the weak economy may cause the US Federal Reserve to slow its pace of rate tightening. European and UK markets gained amid positive corporate earnings. However, inflation in both regions rose. The European Central Bank hiked rates for the first time since 2011, while speculation increased that the Bank of England will raise rates again in August. Stocks in Japan also rose, aided by hopes for improved economic growth now that lockdowns have ended. Emerging markets stocks declined and underperformed developed markets stocks. Elevated commodity prices, higher interest rates and increased global economic and geopolitical uncertainty pressured stock performance in many emerging markets.

## Fund Commentary

The Fund produced an impressive return of 7.71% in July which was ahead of the index return by 1.31%.

The key contributors to performance included Amazon, NXP Semiconductors and Wingstop.

**Amazon** - The e-commerce and cloud computing company's stock rallied after management reported better-than-expected second-quarter revenue growth driven by strength in its cloud computing business. The company attributed the growth to stronger consumer demand.

**NXP Semiconductors** - Strong customer demand for new chips benefited the automotive chip designer and manufacturer. The company reported second-quarter results that included a 28% year-over-year increase in sales and noted signs of improvement in the automotive end market.

**Wingstop** - Solid quarterly revenue and profit growth sent shares of the restaurant chain higher. The company's projections of lower food costs in the coming quarter added to investors' optimism for the stock.

**AIA Group** was a key detractor in July as the global insurer's stock declined amid volatility and macroeconomic uncertainty as financial services securities fell out of favour and investors sought safe-haven stocks.

Notable purchases in July included Lonza Group and Zoetis.

**Lonza Group** – A position was initiated Lonza, a leading contract manufacturer for the health care industry. Business and fundamentals for Lonza Group are supported by both demand for biologic drugs and manufacturing constraints at pharmaceuticals companies. Industry research and development pipelines are healthy as well.

**Zoetis** - Shares have been negatively impacted by the recent sell-off in growth-oriented companies, providing an attractive entry point. Zoetis benefits from strong demand for companion animal and livestock health products and from the commercialisation of innovative products and services.

Notable sales included OTP Bank which was exited as growth from key Eastern European markets remains highly uncertain because of the Ukraine war, which has become protracted. Further, there is potential risk that government policies, such as interest rate caps or higher taxation, may be implemented to combat economic challenges.

\* 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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