

# Unhedged Global Growth Share Fund

Fund Focus - July 2023



## Investment Strategy

The Fund invests in securities with high growth potential that are primarily listed on international 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	\$260.78m
Number of Holdings	92
Turnover Ratio %	33.56
Latest Distribution Date	30 June 2023
Latest Distribution Amount	0.1050
Benchmark	MSCI World (ex-Australia) Accumulation Index in \$A (net dividends reinvested)

## Fund Facts

APIR Code	ZUR0581AU
Inception Date	31 August 2009
Total Est. Management Cost %	0.98
Est. Transactional Op. Cost %	0.01
Buy/Sell Spread %	0.03
Distribution Frequency	Semi Annually
Underlying Fund Manager	American Century Investments

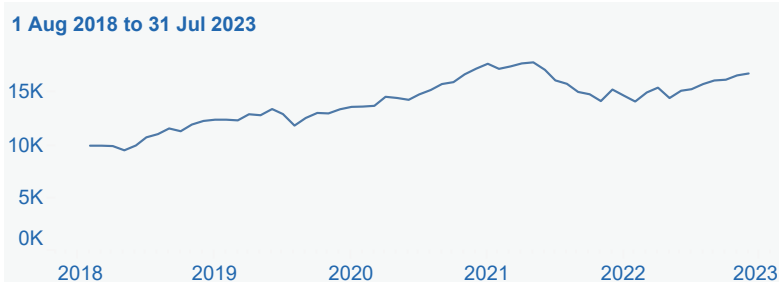
## Fund Performance After Fees\*

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	3.67	3.88	3.35	3.13	3.90
Growth	1.10	0.44	6.08	4.46	7.05	7.96
Total	1.10	4.11	9.96	7.80	10.18	11.86
Benchmark	2.09	6.52	17.62	14.03	11.36	11.68

## Market Exposure



## Investment Growth (\$10,000)

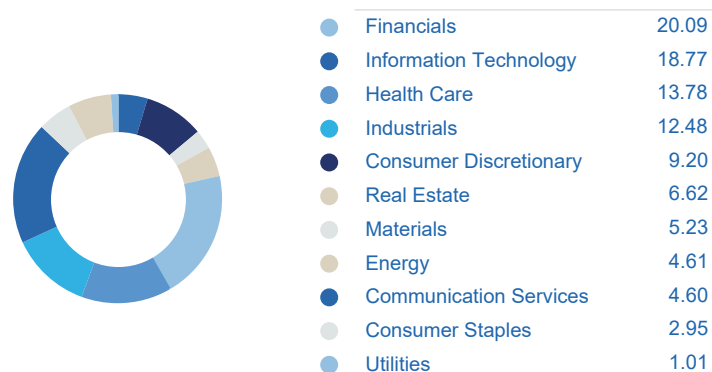


## Risk Reward

1 Aug 2018 to 31 Jul 2023



## Portfolio Equity Sectors (%)



## Top 10 Holdings (%)

	Weight	Benchmark
Microsoft Corp Commo	6.23	4.13
Amazon.Com Inc Commo	3.69	2.15
Alphabet Inc Common	2.51	1.38
Equinix Inc Reit Usd	2.36	0.13
Mastercard Inc Commo	1.99	0.58
Novo Nordisk A/s Com	1.86	0.47
Visa Inc Common Stoc	1.77	0.67
Air Products And	1.76	0.12
Astrazeneca Plc Comm	1.73	0.00
Axa Sa Common Stock	1.68	0.10

## Risk Statistics

1 Aug 2018 to 31 Jul 2023

Std Dev	12.88
Alpha	-0.88
Beta	0.99
Sharpe Ratio (arith)	0.79
Up Capture Ratio	97.48
Down Capture Ratio	103.06
Currency Management %	0

## Market Commentary

Global stocks advanced in July as optimism increased that the US economy may avoid a recession. Slowing inflation rates, stronger-than-expected economic growth and higher-than-expected corporate earnings fuelled positive investor sentiment. US and European stocks now have retrieved most of their 2022 losses.

In the US, value outperformed growth while small-cap stocks outperformed mid-caps, which in turn posted higher returns than large caps. Eighty percent of S&P 500 Index companies reporting second-quarter earnings so far have exceeded consensus projections, according to FactSet.

Non-US developed market stocks advanced in line with US stock returns. European stocks increased amid weak economic data and the HCOB Eurozone Composite Purchasing Managers' Index fell for the third straight month, exhibiting a contraction for the first time this year. Emerging markets stocks outperformed developed markets as the US dollar declined in value relative to other global currencies.

## Fund Commentary

The Fund produced a positive absolute return in July but was unable to outperform the strong index return.

The key positive contributors to performance included Stellantis and Grupo Financiero Banorte.

**Stellantis** - The automaker's stock rose during the month after management announced revenues for the first half of 2023 that beat consensus forecasts. The company reiterated its guidance for the remainder of the year.

**Grupo Financiero Banorte** - Shares of this Mexican bank rose in July after the company released its second-quarter financial results. While earnings did not quite match analysts' expectations, its growth in net profits was robust, notably in the trading and insurance business segments.

The key detractors from performance included Hexagon and Verisign.

**Hexagon** - Shares of this maker of sensors and autonomous technology dropped after the release of mixed financial results that disappointed some investors.

**VeriSign** - Shares of the domain name registry company fell after an analyst downgrade that cited potentially slowing growth in domains.

Notable purchases in July included Taiwan Semiconductor Manufacturing Co and Alibaba Group Holding while notable sales included FMC.

Taiwan Semiconductor Manufacturing Co continues to reiterate its long-term growth potential underpinned by demand for high-performance computing requirements. The investment team believes that artificial intelligence will be an incremental and meaningful growth driver for the company over time.

Alibaba Group Holding's online retail sales in China are reaccelerating and its core China retail revenue, while still negative, is showing improvement from prior quarters. Further, the company's planned spin-offs of several businesses and share repurchases have the potential to unlock value and return capital back to shareholders.

FMC is a crop chemical manufacturer with an emphasis on herbicides. The stock was fully exited after a series of disappointing earnings results, as the company has been executing unevenly and management has given too many excuses on missing earnings.

\* 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 1.0% an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.00%.

Past performance is not a reliable indicator of future performance.

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