

# Concentrated Global Growth Fund

Fund Focus - October 2022



## Investment Strategy

The fund invests in a concentrated portfolio of 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 movements.

## Portfolio Characteristics

Funds Under Management	\$117.50m
Number of Holdings	32
Turnover Ratio %	46.44
Latest Distribution Date	30 June 2022
Latest Distribution Amount	0.1030
Benchmark	MSCI World (ex Australia) Accumulation Index in \$A (net dividend reinvested)

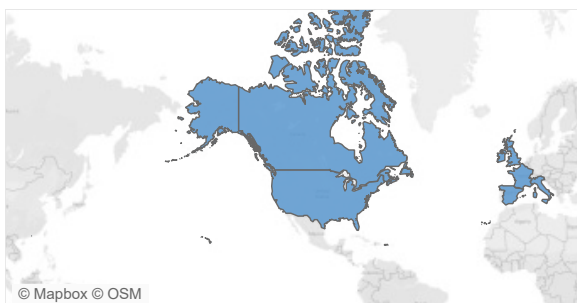
## Fund Facts

APIR Code	ZUR0617AU
Inception Date	19 October 2015
Total Est. Management Cost %	1.10
Est. Transactional Op. Cost %	0.01
Buy/Sell Spread %	0.02
Distribution Frequency	Semi Annually
Underlying Fund Manager	American Century Investments

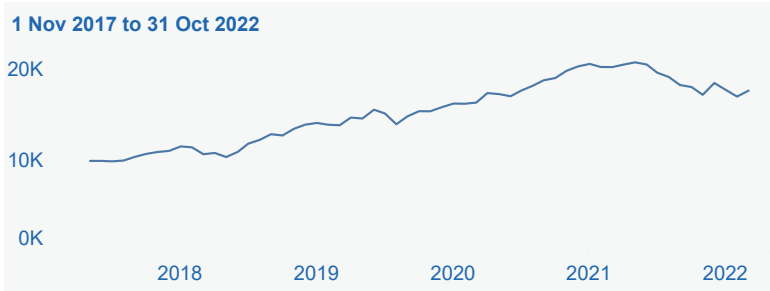
## Fund Performance After Fees\*

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	0.00	5.30	4.14	5.28	3.80
Growth	3.85	-4.56	-18.12	4.32	7.83	7.27
Total	3.85	-4.56	-12.82	8.46	13.10	11.06
Benchmark	7.81	1.68	-4.33	8.87	10.38	9.39

## Market Exposure

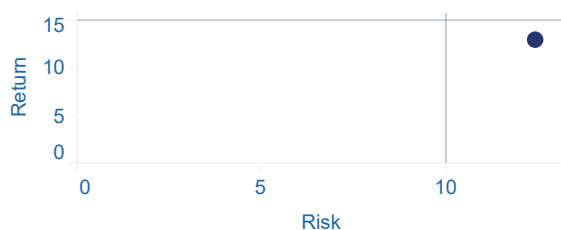


## Investment Growth (\$10,000)

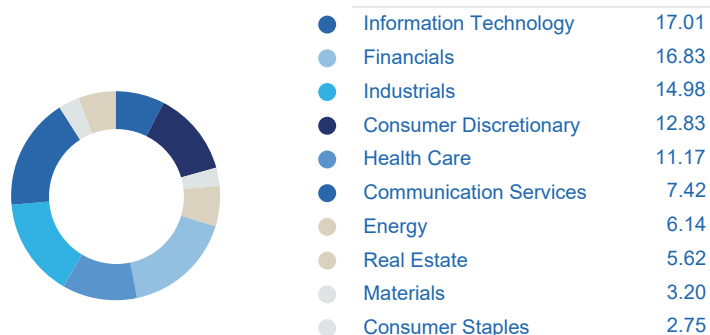


## Risk Reward

1 Nov 2017 to 31 Oct 2022



## Portfolio Equity Sectors (%)



## Top 10 Holdings (%)

	Weight	Benchmark
Microsoft Corp Commo	5.60	3.44
Alphabet Inc Common	4.40	2.30
Amazon.Com Inc Commo	4.07	1.96
B3 Sa - Brasil Bolsa	3.39	0.00
Heico Corp Common St	3.22	0.01
Costar Group Inc Com	3.21	0.07
Crh Plc Common Stock	3.20	0.06
Cheniere Energy Inc	3.19	0.08
S&p Global Inc Commo	3.17	0.23
Marvell Technology I	3.08	0.07

## Risk Statistics

1 Nov 2017 to 31 Oct 2022

Std Dev	12.40
Alpha	3.35
Beta	0.93
Sharpe Ratio (arith)	1.06
Up Capture Ratio	103.39
Down Capture Ratio	86.17
Currency Management %	0

## Market Commentary

Global stocks rallied in October as recession worries in many countries led investors to scale back expectations for the pace of central bank rate hikes. However, investors were disappointed by a lower CPI reading, as they had hoped for a more significant moderation in prices. Persistent inflation fuelled expectations that the US Federal Reserve will raise interest rates through year-end.

Stocks in Europe and the UK gained despite slowing economic growth and inflation. While the European Central Bank announced its second-consecutive 75 bps rate hike, the cooling economy raised hopes for a slower pace of rate increases going forward. In the UK, expectations were for another central bank rate hike in November.

Stocks in Japan ended the month higher in US-dollar terms as economic growth has improved moderately since the country ended lockdowns and restrictions on inbound travel. However, the pace of this improvement moderated in October. Emerging market stocks declined and underperformed non-US developed markets due to weakness in China's equity markets.

## Fund Commentary

The Fund produced a solid return of 3.85% in October but was unable to keep pace with the strong index return.

The key contributors to performance included B3 and CoStar Group.

B3 – Brazil's local equity exchange contributed to performance. The company has had consistently strong earnings growth, and trading volumes have been significant in recent periods.

CoStar Group - The provider of online real estate marketplaces, information and analytics is expected to continue to expand its earnings, and the stock performed strongly in October, contributing to portfolio returns. Even though it does not pay dividends, the firm is highly regarded because it reinvests positive cash flow.

The key detractors included Hong Kong Exchanges & Clearing, Catalent and AIA Group.

Hong Kong Exchanges & Clearing - The stock exchange operator provided a weak near-term outlook, sending shares lower. Despite the near-term outlook, the company's mutual market access initiatives, enabled via the Shanghai and Shenzhen Stock Connect program, should continue to be a foundational driver of volume growth over the long term.

Catalent - The maker of drug delivery technologies declined ahead of its quarterly earnings report in anticipation of weaker-than-expected revenue growth. The company has experienced lower demand for COVID-19-related products and has not yet replaced the decreased revenue through growth in its other segments.

AIA Group - A disruption in operations caused by COVID-19 continued to adversely affect the Hong Kong-based insurer, however, the company remains well positioned to benefit from the long-term penetration of life insurance and financial products in its core markets.

There were no new purchases during the period. Sales included ServiceNow, which was fully exited because fundamentals are expected to be negatively impacted as enterprise spending softens.

\* 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 1.1% includes 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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