

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.

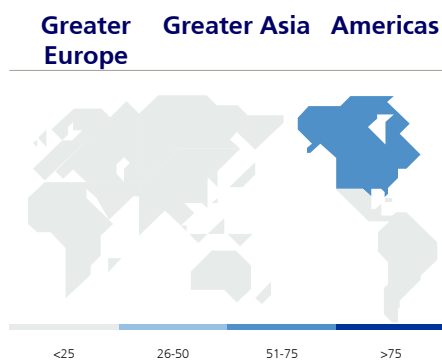
Fund Facts

APIR Code	ZUR0617AU
Inception Date	19/10/2015
Total Est. Management Cost % [^]	1.11
Buy/Sell Spread%	0.02
Est. Transactional Op. Cost %	Nil
Distribution Frequency	Semi-Annually
Underlying Fund Manager	American Century Investments

Portfolio Characteristics

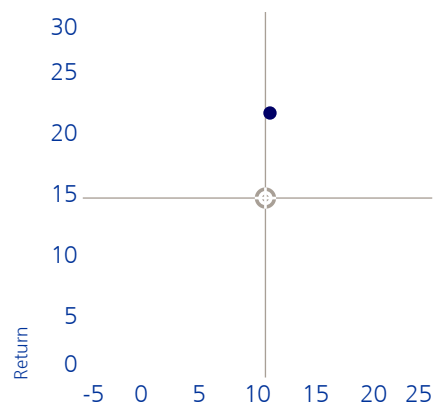
Funds Under Management	\$88.91m
Number Of Holdings	35
Turnover Ratio%	28.9046503
Latest distribution date	30 Jun 2021
Latest distribution amount	0.0226
Benchmark	MSCI World (ex-Australia) Accumulation Index in \$A (net dividend reinvested)

Market Exposure



Risk Reward

Time Period: 30/06/2016 to 30/06/2021



Risk Statistics

Time Period: 30/06/2016 to 30/06/2021

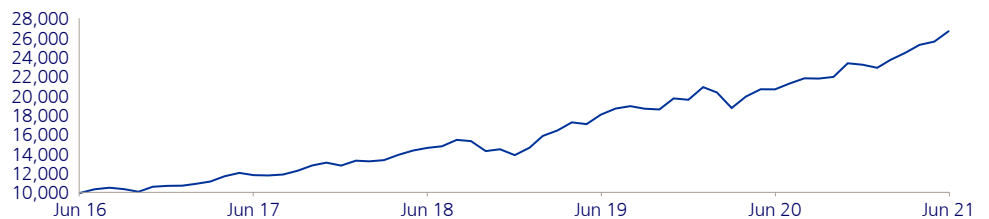
Std Dev	11.07
Alpha	7.07
Beta	0.92
Sharpe Ratio (arith)	1.73
Up Capture Ratio	113.20
Down Capture Ratio	68.88

Fund Performance After Fees*

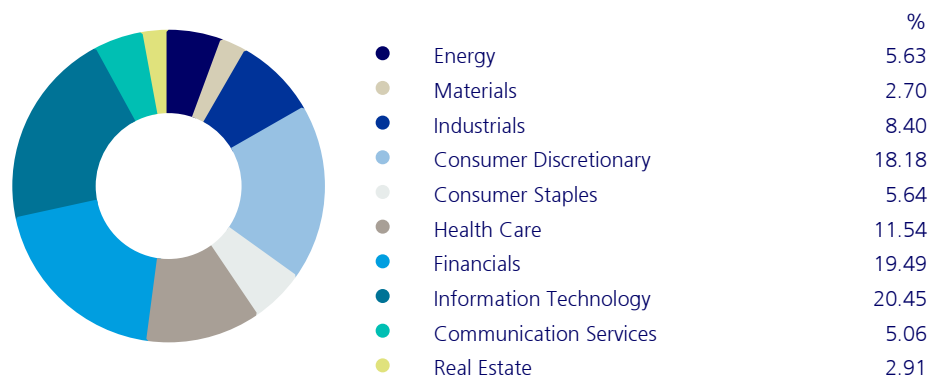
As at 30/06/2021	1 Month %	3 Months %	1 Year % p.a	3 Years % p.a	5 Years % p.a	Since Inception % p.a
Growth	2.99	7.86	27.53	15.17	17.45	12.58
Distribution	1.19	1.25	1.47	6.97	4.26	3.66
Total	4.18	9.11	29.00	22.14	21.71	16.23
Benchmark	4.71	9.33	27.50	14.50	14.73	11.50

Investment Growth

30/06/2016 to 30/06/2021



Portfolio Equity Sectors



Top 10 Holdings

Portfolio Date: 30/06/2021	Portfolio Weighting%	Benchmark Weighting%
Amazon.com Inc	5.60	2.60
Alphabet Inc	5.01	2.60
ServiceNow Inc	3.31	0.19
Avantor Inc	3.22	0.00
Adobe Inc	3.13	0.49
Equinix Inc	2.88	0.13
B3 SA - Brasil Bolsa Balcao	2.88	0.00
NXP Semiconductors NV	2.87	0.10
AstraZeneca PLC	2.87	0.28
Aptiv PLC	2.84	0.07

Market

Global equities rose in the June quarter although inflation expectations worried markets as the US Federal Reserve signalled that it may taper asset purchases and/or raise rates sooner than anticipated. The strong rally in cyclicals, commodities and rate-sensitive sectors moderated during the period with growth stocks outperforming value stocks, however, value continues to hold an edge on a year-to-date basis.

Fund

The Fund produced a strong absolute return in the June quarter that was marginally behind the index return. For the 12 months to 30 June 2021, the Fund is comfortably ahead of the index return.

The key positive contributors to performance included Avantor, Adobe and Cheniere Energy.

- Avantor – Strong quarterly earnings growth lifted the stock of Avantor, a developer of scientific and technical instruments. Avantor has announced plans to purchase RIM Bio, a China-based maker of single-use bioprocess bags, allowing the company to build its presence in the single-use manufacturing network in the Americas and Europe.
- Adobe – Consensus-beating quarterly earnings, better-than-expected third-quarter revenue guidance and news that several analysts had increased their price targets for Adobe's stock contributed to share strength in June. The company's document cloud revenue was up significantly in the quarter, and digital media revenue was up strongly as well.
- Cheniere Energy – A recovering economy and higher crude oil prices buoyed the energy sector, where liquefied natural gas company Cheniere was a standout performer. An acceleration in earnings growth is anticipated as new liquefaction facilities increase production volumes and capacity beyond consensus estimates.

Detractors from performance included Ping An Insurance Group, Booking Holdings and HDFC Bank.

- Ping An Insurance Group – The value of new business is recovering from the pandemic but at a very inconsistent pace, pressuring the stock of insurer Ping An. A reform of motor insurance pricing in China and uncertainty around the acquisition of a fintech firm that recently emerged from bankruptcy also detracted.
- Booking Holdings – The travel company fell mid-month on the news that its CEO had been hired elsewhere. Booking fell further along with other travel and leisure companies later in the month on concerns that earnings do not support recent share price inflation.
- HDFC Bank – Stock of the India-based bank fell as investors digested cautionary comments by management around asset quality. Despite the short-term uncertainties, HDFC remains poised to benefit from expanding middle-class demand for banking services and mortgages. India's consumer credit market remains underpenetrated.

Notable Trades

Notable trades in the quarter included the purchase of CRH and ICON.

CRH was added as earnings should be supported by volume growth and rising prices for cement. Demand across its core markets, including the US and Europe, is highly supportive of the investment team's fundamental outlook.

ICON provides outsourced clinical trial and commercialisation services to the pharmaceuticals industry. The stock was purchased as profit trends are expected to accelerate given recent strength in new business and ICON's acquisition of PRA Health Sciences. ICON addresses customers' needs to bring new products to market faster and at a lower cost.

Sales in the quarter included Danaher and Lonza Group.

Danaher was sold on expectation that fundamentals will slow as the demand tailwind from the COVID-19 pandemic starts to moderate.

Lonza Group was sold to cover the funding of investment into CRH. The improving trends at Lonza Group appear to have been fully priced in and valuation is less supportive of the investment thesis.

Top Holdings

The investment team continues to invest in companies where business fundamentals are improving and there is high conviction that improvement is sustainable. Some of the Fund's key holdings are highlighted below.

Amazon - Margins for e-commerce company should be boosted by the growing impact of advertising on its bottom line, its cloud computing services, and rising sales derived from third-party sellers. Revenue growth remains sustainable, and the company remains a dominant global e-commerce player.

Alphabet - The parent company of Google is a beneficiary of the reallocation of advertising budgets from traditional areas to the digital space. Its dominant search business and large user base support this trend. YouTube is also in the early stages of monetisation and is expected to enhance long-term growth potential.

ServiceNow - This firm provides cloud computing solutions that automate and integrate IT services and applications within an enterprise, helping clients improve service levels and reduce costs. The investment team believes that growth is sustainable given the adoption of ServiceNow's products and its ability to displace costlier legacy service offerings.

Avantor - The scientific and technical instruments company enjoys revenue driven by building sales in the Asia, Middle East and Africa region and continuing robust sales in the Americas and Europe. Investors are further encouraged by Avantor's exceptional cash generation.

Adobe – The investment team believes the company can maintain its growth trajectory based on the continued shift away from license-based software sales to subscription-based, cloud-distributed models. Adobe's digital experience division, which helps online businesses improve engagement, also drives growth.

* 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 1.11% includes a Management Fee of 1.1%, 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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