

Zurich Investments

Managed Growth Fund

Fund Focus - April 2021



Investment Strategy

The Fund invests in a mix of Australian and international shares, fixed interest securities, listed property securities and cash. The Fund is designed to reduce investment risk by diversifying across asset classes.

Fund Facts

APIR Code	ZUR0059AU
Inception Date	2/04/1997
Total Est. Management Cost % [^]	0.99
Buy/Sell Spread%	0.12
Est. Transactional Op. Cost %	0.01
Distribution Frequency	Quarterly

Portfolio Characteristics

Funds Under Management	\$75.69m
Latest distribution date	31 Mar 2021
Latest distribution amount	0.0008
Benchmark	CPI+2.5% pa over rolling five year periods before fees and taxes.

Strategic Investment Partners

Australian Shares

Antares Capital Partners
 Celeste Funds Management Pty Limited
 DWS International
 Nikko Asset Management Limited
 Schroder Investment Management Australia

International Shares

American Century Investment Management, Inc
 Epoch Investment Partners, Inc
 Lazard Asset Management Pacific Co
 Realindex Investments Pty Limited
 Wells Capital Management, Inc

Australian Property Securities

Renaissance Property Securities Pty Ltd

Global Property Securities

Presima Inc

Fixed Interest and Cash

Schroder Investment Management Australia

Infrastructure

Lazard Asset Management Pacific Co

Alternative Investments

Insight Investment Management (Global)
 Robeco Hong Kong Ltd

Absolute Return Bond

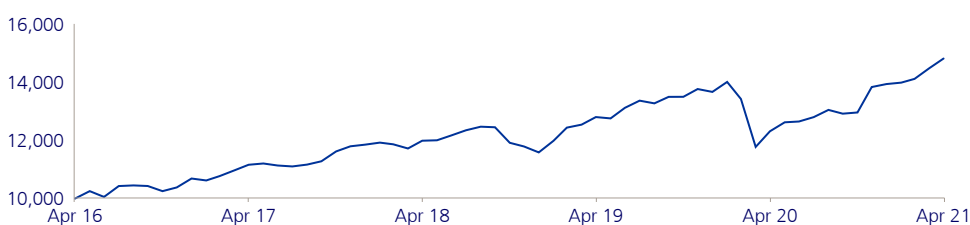
AllianceBernstein Investment Management

Fund Performance After Fees*

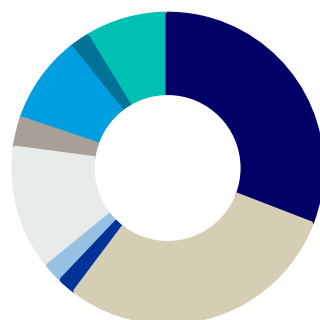
As at 30/04/2021	1 Month %	3 Months %	1 Year % p.a	3 Years % p.a	5 Years % p.a	Since Inception % p.a
Growth	2.30	5.87	12.15	-4.74	-2.54	1.20
Distribution	0.00	0.06	8.19	12.06	10.73	6.40
Total	2.30	5.93	20.34	7.32	8.19	7.60

Investment Growth

30/04/2016 to 30/04/2021



Asset Allocation



- Australian Equity
- International Equity
- AREIT
- GREIT
- Fixed Interest
- Cash
- Alternative Investments
- Infrastructure Assets
- Absolute Return Bonds

Risk Statistics

Time Period: 30/04/2016 to 30/04/2021

Std Dev	8.84
Sharpe Ratio (arith)	0.79

Actual Asset Allocation

	Actual Asset Allocation%	Benchmark Weight%	Active Position%
Australian Equity	31.39	29.00	2.39
International Equity	29.32	28.00	1.32
AREIT	1.81	2.00	-0.19
GREIT	2.10	2.00	0.10
Fixed Interest	12.68	16.00	-3.32
Cash	3.04	4.00	-0.96
Alternative Investments	8.97	9.00	-0.03
Infrastructure Assets	2.07	2.00	0.07
Absolute Return Bonds	8.61	8.00	0.61
Total	100.00	100.00	

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Market

The Zurich Investments Managed Growth Fund rose in April by 2.30%.

Global equity markets continued to rally in April, as investor confidence about a global economic recovery remained steadfast despite mixed news flow.

Trading was choppy at times during the month as investors mulled over the ramifications of two competing developments: indications that the global economy was strengthening and a fresh wave of coronavirus cases in key regions of the world that could derail an economic recovery. In the US, the economic outlook continued to brighten, thanks to massive monetary and fiscal stimulus, falling coronavirus cases, and increasingly positive domestic economic data. In Europe, investors were cautiously optimistic about the region, due largely to encouraging signs that Europe's economy was on the mend and that the latest wave of coronavirus infections was ebbing. In contrast, an intensifying viral outbreak in Japan led the government there to declare a state of emergency and the imposition of restrictive measures in four major regions, while the pandemic's unchecked spread in India and Brazil threatened to upend the fragile economic recovery in the developing world.

Stocks received a boost when the US Federal Reserve affirmed its intention to maintain an ultra-accommodative monetary policy stance for the foreseeable future. The yield on the benchmark 10-year US Treasury note, which has risen materially since the beginning of the year and thus became a headwind for risk assets, fell in April.

Against this backdrop, global equity markets recorded their best monthly performance thus far in 2021. In the US, the S&P 500 Index significantly outperformed the broader market benchmark, as an exceptionally strong start to the first-quarter earnings season reflected the country's accelerating economic recovery. Across the Atlantic, European equity markets modestly outpaced the broader global index on optimism that an economic recovery was underway. In Japan, the stock market retreated on concerns that the latest wave of coronavirus infections to hit the country will hinder an economic recovery. Meanwhile, in the developing world, China's stock market was a relative laggard on news that the country's factory activity growth had slowed in April. Investors were also concerned by news that China's government was imposing stricter regulations on some of the country's technology giants.

The Australian economy continues to rebound strongly. April house prices rose 1.7% with Sydney leading the charge at 2.1%. First quarter CPI disappointed at 0.6%, driven by homebuilder grants and lower electricity prices. Housing finance continued to surge with housing credit up 0.5% and 4.1% year-over-year. Employment rose 70,000 and unemployment fell to 5.6%.

The AREIT market advanced in April, driven by a minor reversion in the bond yield, a significant second wave of COVID-19 in India, caution around AstraZeneca's link to blood clotting and some retracement in the out and about trade globally.

The main AREIT news of the month included:

- Completion of Blackstone/Milestone industrial portfolio sale for \$3.8b or a 4.5% yield. This was followed by an \$850m industrial portfolio sell-down by Blackstone to Manulife also at a 4.5% cap rate.
- The Dexu merger of DWPF and the AMP fund ADPF was approved. This is a \$5b fund although it has a \$2.0b redemption facility. Dexu has agreed to offer \$400m immediately and progress the remaining unsatisfied redemptions over the next 18 months via asset sales.
- In M&A news, the battle for Vital Harvest continued with the final price being \$1.26 after starting at \$1.00 last year.

The Australian Small Companies Index rose strongly in April. Despite a lagged start, the vaccine rollout is paving a pathway to a broader economic reopening. Domestic economic data is stronger than anticipated. Employment and hours worked are well above pre-COVID levels, and job advertisements have remained strong despite the end of JobKeeper. The financials and materials sectors have done most of the heavy lifting this year, with the market starting to consider not only a recovery to post-COVID earnings, but the prospect of a cyclical earnings recovery in FY22 and beyond.

* 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 a Management Fee of 0.87%, an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.12%

Past performance is not a reliable indicator of future performance.

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