

# Managed Growth Fund

Fund Focus - November 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.

## Portfolio Characteristics

Funds Under Management	\$72.60m
Latest Distribution Date	30 September 2021
Latest Distribution Amount	2.2614
Benchmark	CPI+2.5% pa over rolling five year periods before fees and taxes.

## Fund Facts

APIR Code	ZUR0059AU
Inception Date	2 April 1997
Total Est. Management Cost %	0.96
Est. Transactional Op. Cost %	0
Buy/Sell Spread %	0.12
Distribution Frequency	Quarterly
Underlying Fund Manager	Australian Shares Antares Capital Partners..

## Fund Performance After Fees

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	1.67	8.42	9.52	11.26	6.51
Growth	0.23	-3.53	3.62	0.02	-2.93	1.08
Total	0.23	-1.86	12.03	9.54	8.33	7.59
Benchmark	1.05	-0.43	12.31	10.93	9.12	7.68

## Strategic Investment Partners

### Australian Shares

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

### 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

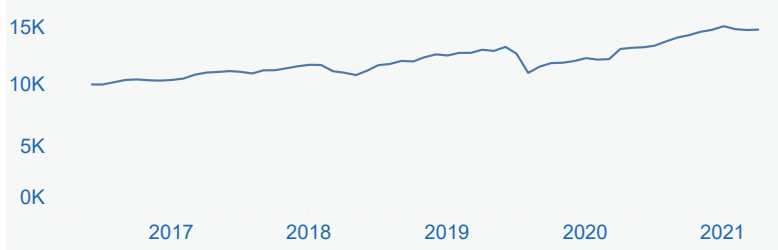
## Risk Statistics

1 Dec 2016 to 30 Nov 2021

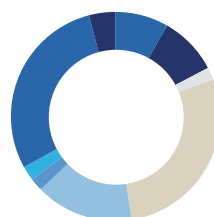
Std Dev	8.59
Sharpe Ratio (arith)	0.97

## Investment Growth (\$10,000)

1 Dec 2016 to 30 Nov 2021



## Portfolio Equity Sectors (%)



Absolute Return Bonds	8.23
Alternatives	9.09
Australian Property	1.89
Australian Shares	28.29
Diversified Fixed Interest	15.41
Global Property	1.76
Infrastructure	2.26
International Shares	29.01
Liquidity	4.06

## Actual Asset Allocation

	Actual Asset Allocation %	Benchmark Weight %	Active Position %
Absolute Return Bonds	8.2	8.0	0.2
Alternatives	9.1	9.0	0.1
Australian Property	1.9	2.0	-0.1
Australian Shares	28.3	29.0	-0.7
Diversified Fixed Interest	15.4	16.0	-0.6
Global Property	1.8	2.0	-0.2
Infrastructure	2.3	2.0	0.3
International Shares	29.0	28.0	1.0
Liquidity	4.1	4.0	0.1

## Market Commentary

The Zurich Investments Managed Growth Fund rose in November by 0.23%.

Global equity markets retreated in November in local currency terms, as a confluence of discouraging developments created new uncertainty and curbed risk appetites. After receding to the background in the past few months as investors shifted their focus to rising global inflation, the coronavirus pandemic was once again thrust to the forefront of risk factors. The discovery in southern Africa of a rapidly spreading strain of the virus with the potential ability to evade vaccines sent jitters through world financial markets. Traders were fearful that the emergence of this potentially more contagious variant, called Omicron, would hinder an uneven global economic recovery. As a result, stock prices wobbled in the days after this variant's emergence in late November, as investors assessed—and then reassessed—their worst-case scenarios.

Global stock markets came under additional pressure on the last day of November when the US Federal Reserve announced it would consider expediting the tapering of its monthly purchase of government-backed bonds in order to contain stubbornly high inflation. Investors were rattled by the news because it opened the door for the world's de facto central bank to retreat from its ultra-low interest rate policy, which has provided significant support for risk assets. The announcement came on top of news that the European Central Bank, arguably the world's second most influential bank, planned to end its bond purchases in March despite the threat of the new variant.

Healthcare stocks were mixed and underperformed the broader market in November. Early in the month, many stocks in the healthcare sector struggled as staffing shortages at hospitals and care providers created challenges and limited procedure volumes. Later in the month, the resurgence of COVID-19 and the new omicron variant created further uncertainty around the sector.

Biotechnology, life sciences tools and services and pharmaceuticals stocks performed best in the MSCI World Health Care Index. A number of these are COVID-19 vaccine and treatment manufacturers likely to experience additional demand, and several of these stocks benefited from US Food and Drug Administration regulatory decisions. In contrast, health care technology stocks fell sharply.

As the world inadvertently learns the entire Greek alphabet, news of the Omicron variant underpinned market weakness towards month-end. The S&P/ASX Small Ordinaries Index fell by 0.31% in the month, with strength in Information Technology and Materials, and weakness in the Energy, Industrials and Consumer Discretionary sectors. Global markets remained volatile in November, with mounting concerns around Omicron and inflation.

The AREIT market surged in November with the strong performance driven by falling bond yields and increasing risk aversion as the new Omicron COVID-19 variant emerged.

\* 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 0.96% includes an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.09%.

Past performance is not a reliable indicator of future performance.

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