

Managed Growth Fund

Fund Focus - December 2022



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	\$57.62m
Latest Distribution Date	31 December 2022
Latest Distribution Amount	0.1503
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 %	0.94
Est. Transactional Op. Cost %	0
Buy/Sell Spread %	0.12
Distribution Frequency	Quarterly

Fund Performance After Fees

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.13	0.14	9.25	8.44	10.64	6.64
Growth	-2.35	4.36	-16.52	-6.20	-6.39	0.37
Total	-2.22	4.50	-7.27	2.23	4.25	7.01
Benchmark	-2.72	4.52	-5.21	4.00	5.79	7.18

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
Allspring Global Investors

Australian Property Securities

Renaissance Property Securities Pty Ltd

Global Property Securities

Quay Global Investors

Alternative Investments

Insight Investment Management (Global) Limited

Infrastructure

Lazard Asset Management Pacific Co

Fixed Interest and Cash

Schroder Investment Management Australia

Absolute Return Bond

AllianceBernstein Investment Management Australia Limited

Convertible Bonds

Lazard Asset Management Pacific Co

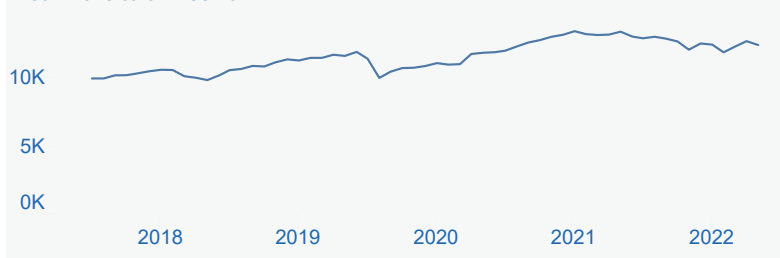
Risk Statistics

1 Jan 2018 to 31 Dec 2022

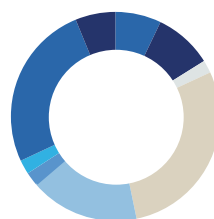
Std Dev	9.58
Sharpe Ratio (arith)	0.44

Investment Growth (\$10,000)

1 Jan 2018 to 31 Dec 2022



Portfolio Equity Sectors (%)



● Absolute Return Bonds	7.10
● Alternatives	9.01
● Australian Property	1.98
● Australian Shares	28.68
● Diversified Fixed Interest	17.00
● Global Property	2.08
● Infrastructure	2.20
● International Shares	25.77
● Liquidity	6.18

Actual Asset Allocation

	Actual Asset Allocation %	Benchmark Weight %	Active Position %
Absolute Return Bonds	7.1	8.0	-0.9
Alternatives	9.0	9.0	0.0
Australian Property	2.0	2.0	0.0
Australian Shares	28.7	29.0	-0.3
Diversified Fixed Interest	17.0	16.0	1.0
Global Property	2.1	2.0	0.1
Infrastructure	2.2	2.0	0.2
International Shares	25.8	28.0	-2.2
Liquidity	6.2	4.0	2.2

Market Commentary

The Zurich Investments Managed Growth Fund rose in the December quarter by 4.50%.

Global equities rose solidly overall in the fourth quarter, belying a turbulent period that saw risk appetites wax and wane amid shifting market dynamics. Data suggesting that worldwide inflation may finally have peaked sparked a two-month rally starting in October on hopes that central banks would soon tap the brakes on their rate-hiking campaigns. However, despite the US Federal Reserve downshifting to a 50-bp hike in December, it signalled that it expected to raise rates higher than previously anticipated to manage domestic inflation that remains elevated. Key central banks in the UK and Europe quickly followed suit. The warning from these major central banks that they were committed to crushing stubbornly high inflation at a time when economies were already slowing, or in recession, dampened investor sentiment and drove global stock markets downward in December.

Investors were also monitoring developments in China where President Xi secured an unprecedented third term, leading to a sell-off in the Chinese equity market as investors weighed up the implications for the Chinese economy. However, Chinese equities rallied in November and December after the government indicated they would be rolling back the strict 'zero COVID' policy in response to nationwide protests.

Health care stocks produced solid gains and outperformed the broader market. Biotechnology stocks performed best, buoyed by several high-profile potential blockbuster drug approvals late in the year. Health care equipment and supplies stocks also performed well as medical device makers benefited from a rebound in procedure volumes and several notable new FDA approvals. The health care technology industry stocks declined as this growth-oriented industry tends to carry high valuations and requires ongoing spending to build out businesses, which made them vulnerable in an environment of slowing growth and rising financing costs. Health care technology was the only industry that declined during the period.

The AREIT market rose by 11.56% in the December quarter but reversed some of its gains at quarter-end due to a solid increase in bond yields as central banks raised short-term rates and warned of more to come. Data on the Australian economy remained mixed. As was largely expected, the Reserve Bank of Australia (RBA) lifted the cash rate to 3.10% in December, the highest level since late 2012. Gross domestic product (GDP) rose but it was slightly softer than expected. Home values continued to fall, leaving values -5.3% lower over 2022, led by Sydney and Melbourne. However, Adelaide, Darwin and Perth were up for the year. Employment rose more strongly than expected in November and the unemployment rate remained unchanged as the participation rate increased. Housing finance approvals fell in October, with both investor and owner occupier loans moving lower.

* 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 0.94% includes an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.07%.

Past performance is not a reliable indicator of future performance.

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