

Managed Growth Fund

Fund Focus - April 2023



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	\$57.65m
Latest Distribution Date	31 March 2023
Latest Distribution Amount	0.2635
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	0.00	0.24	9.96	8.61	10.69	6.57
Growth	1.66	1.06	-8.98	-1.10	-5.70	0.54
Total	1.66	1.29	0.98	7.52	4.99	7.11
Benchmark	1.59	2.52	4.60	8.28	6.84	7.33

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

Infrastructure

Lazard Asset Management Pacific Co

Fixed Interest and Cash

Schroder Investment Management Australia

Alternative Investments

Insight Investment Management (Global) Limited

Absolute Return Bond

AllianceBernstein Investment Management

Convertible Bonds

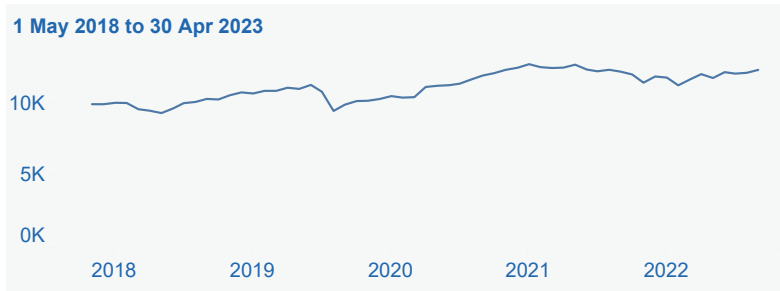
Lazard Asset Management Pacific Co

Risk Statistics

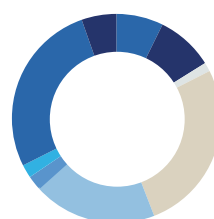
1 May 2018 to 30 Apr 2023

Std Dev	9.63
Sharpe Ratio (arith)	0.52

Investment Growth (\$10,000)



Portfolio Equity Sectors (%)



Absolute Return Bonds	7.26
Alternatives	8.86
Australian Property	1.39
Australian Shares	26.61
Diversified Fixed Interest	19.27
Global Property	2.14
Infrastructure	2.06
International Shares	27.04
Liquidity	5.37

Actual Asset Allocation

	Actual Asset Allocation %	Benchmark Weight %	Active Position %
Absolute Return Bonds	7.3	8.0	-0.7
Alternatives	8.9	9.0	-0.1
Australian Property	1.4	2.0	-0.6
Australian Shares	26.6	29.0	-2.4
Diversified Fixed Interest	19.3	16.0	3.3
Global Property	2.1	2.0	0.1
Infrastructure	2.1	2.0	0.1
International Shares	27.0	28.0	-1.0
Liquidity	5.4	4.0	1.4

Market Commentary

The Zurich Investments Managed Growth Fund rose by 1.66% in April.

Investors adopted a relatively cautious posture in April amid growing uncertainty about the global economic outlook. With the start of a new corporate earnings season and inflationary pressures continuing to exert themselves, the focus during the month was squarely on the two levers that set stock prices, interest rates and company profits. All eyes were on the US, where the Federal Reserve (Fed) is in the midst of its most aggressive rate-hiking campaign in over 40 years, raising its benchmark interest rate to its highest level since 2007 from its record low. Key domestic data released during the month suggested that the US economy had slowed in the first quarter, but inflation remained stubbornly high, leading to market expectations that the Fed would lift interest rates for a tenth consecutive time in May. The situation was equally challenging in Europe where data suggested that the economy grew only marginally in the first quarter, as high inflation led to stagnant consumer spending. In Japan, the TOPIX advanced but was a relative laggard, as the positive impact of a weak yen was partially offset by worries about how the country's export-reliant economy would be affected by a possible global economic recession. Meanwhile, in emerging Asia, China's stock market fell sharply on waning optimism of a further rebound in the Chinese economy amid signs that the country's policymakers will not be providing additional stimulus measures.

Healthcare stocks performed well in absolute terms and relative to the broader market. In a period when stocks were volatile and investors generally favoured more value-oriented shares, healthcare was attractive for its more defensive characteristics. Earnings and innovation were also strongly positive.

The AREIT market performed strongly in April and rose by 5.16%. The Reserve Bank of Australia (RBA) paused its cash rate hikes during the month, driving expectations that interest rates may have reached their peak. The Australian economy showed relatively positive signs over the month. Retail sales rose by 0.4% and consumer confidence surged on the back of the RBA pausing rate rises. Business confidence rose despite business conditions falling. House prices rose, the first rise in several months, although housing finance fell. Headline inflation rose 1.4% in the first quarter and slowed to 7.0% year-over-year, though the March 2023 inflation number slowed to 6.3%. Lastly, employment grew strongly, and the unemployment rate held steady at 3.5%. The main outperformers during the month were the residential developers and the fund managers. The residential developers all outperformed on improving house prices, the RBA pausing rates and slowing inflation. The outperformance of the fund managers was similarly aided by the RBA pausing rates and slowing inflation, with the expectation that this will see values stabilise and transactions increase. The main underperformers included self-storage names, long WALE and the office stocks. The self-storage operators underperformed post very strong outperformance in previous months. For the long WALE names, these stocks benefited over the last several months from defensive buying with investors rotating into residential and funds management. Finally, office stocks continued to be plagued by poor sentiment towards the sub-sector and news that there are several imminent transactions which will show sharp devaluations.

* 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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