

Managed Growth Fund

Fund Focus - February 2024



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 Manageme..	\$55.97m
Latest Distribution Date	31 December 2023
Latest Distribution Amount	0.0031
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 %	0.10
Distribution Frequency	Quarterly

Fund Performance After Fees

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	0.28	2.36	6.80	8.07	6.45
Growth	2.19	6.85	8.07	-1.36	-2.20	0.74
Total	2.19	7.13	10.43	5.44	5.87	7.19
Benchmark	2.05	7.18	13.13	7.48	7.63	7.47

Strategic Investment Partners

Australian Shares

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

Fixed Interest and Cash

Schroder Investment Management Australia

Infrastructure

Lazard Asset Management Pacific Co

Alternative Investments

Insight Investment Management (Global)
GAM Investments

Absolute Return Bond

AllianceBernstein Investment Management

Convertible Bonds

Lazard Asset Management Pacific Co

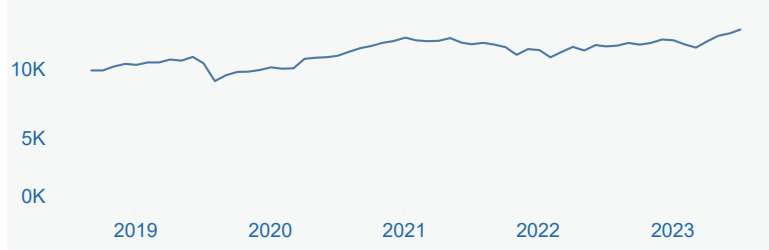
Risk Statistics

1 Mar 2019 to 29 Feb 2024

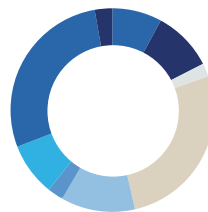
Std Dev	9.54
Sharpe Ratio (arith)	0.61

Investment Growth (\$10,000)

1 Mar 2019 to 29 Feb 2024



Portfolio Equity Sectors (%)



Absolute Return Bonds	7.89
Alternatives	9.60
Australian Property	2.12
Australian Shares	26.82
Diversified Fixed Interest	11.99
Global Property	2.31
Growth Fixed Income	6.30
Infrastructure	2.12
International Shares	28.07
Liquidity	2.78

Actual Asset Allocation

	Actual Asset Allocation %	Benchmark Weight %	Active Position %
Absolute Return Bonds	7.9	8.0	-0.1
Alternatives	9.6	9.0	0.6
Australian Property	2.1	2.0	0.1
Australian Shares	26.8	29.0	-2.2
Diversified Fixed Interest	12.0	10.0	2.0
Global Property	2.3	2.0	0.3
Growth Fixed Income	6.3	6.0	0.3
Infrastructure	2.1	2.0	0.1
International Shares	28.1	28.0	0.1

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Market Commentary

The Zurich Investments Managed Growth Fund rose by 2.19% in February.

Global equity markets advanced in February, as a US-led surge in technology stocks bolstered risk appetites. With the fourth-quarter corporate earnings season in full swing, the focus during the month was squarely on the two levers that set stock prices—company profits and interest rates. The blockbuster quarterly earnings of US-based artificial intelligence (AI) chip designer Nvidia reverberated across global stock markets, sparking a strong, broad-based rally that was especially beneficial to shares of technology companies linked to AI and raising hopes that the resultant frenzy would support economic growth worldwide.

The upbeat mood of investors was tempered by ongoing uncertainty about the timing of interest rate cuts from key central banks. All eyes were on the Federal Reserve (Fed) after the US central bank warned last month that it would not lower interest rates until inflation was “moving sustainably” toward its 2% target and minutes from that meeting indicated that monetary policymakers were worried about moving too quickly to lower borrowing costs. Data released early in the month suggesting that consumer and producer prices in January rose more than expected raised concerns that inflation was reaccelerating, but those worries eased after the Fed's preferred gauge of inflation, the Personal Consumption Expenditures (PCE) price index, showed prices in January rising in line with expectations.

In February, the AREIT market experienced a rally, largely due to the impressive performance of Goodman Group, which served as a major driver for the overall index. Despite high interest rates, the Australian economy has demonstrated resilience, as the Reserve Bank of Australia decided to keep the cash rate unchanged for the month. Retail sales rebounded in January after a decline in December. The monthly consumer price index decreased to 3.4%, while employment remained stable and unemployment slightly increased to 4.1%. Both consumer and business confidence saw an increase. Additionally, house prices rose in February, but building approvals experienced a decline.

February reporting season ended with the Small Ordinaries lagging global indices, up only 1.7%. The Small Industrials rallied 3.9%, while falling commodity prices and a higher cost environment saw the Small Resources off 4.6%. Strong sentiment around potential AI-beneficiaries saw Information Technology rally 12.3%. Consumer Discretionary was up 6.5% as industry sales were up 1.1% year-on-year in January which reflected a more resilient consumer than previously feared. Healthcare (+1.1%) underperformed as many companies grappled with the tight labour market. Financials were up 2.0%, led by the platform providers (NWL +13.7% and HUB +4.7%) who continued to enjoy strong industry tailwinds. The Real Estate sector was down 0.6%, driven by ongoing expansion in cap rates across the sector. Higher interest costs remained a drag on company earnings across the board but had less mentions overall compared to the last few reporting periods.

* 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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