

# Unhedged Global Thematic Share Fund

Fund Focus - January 2024



## Investment Strategy

The Fund generally invests in a broad selection of securities listed on foreign stock exchanges. The Fund will be fully unhedged at all times, providing investors with exposure to foreign exchange fluctuations as well as underlying share price movements.

## Portfolio Characteristics

Funds Under Managemem..	\$2.91m
Number of Holdings	102
Turnover Ratio %	10.39
Latest Distribution Date	31 December 2023
Latest Distribution Amount	0.0011
Benchmark	MSCI World (ex-Australia) Accumulation Index in \$A (net dividends reinvested)

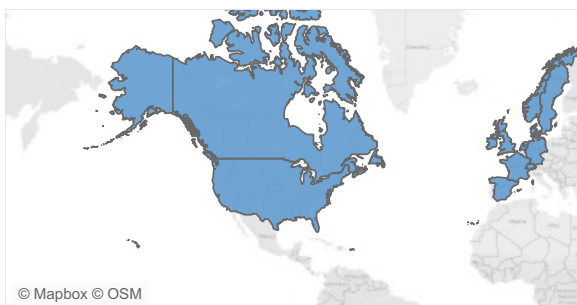
## Fund Facts

APIR Code	ZUR0518AU
Inception Date	14 October 2005
Total Est. Management Cost %	0.99
Est. Transactional Op. Cost %	0.01
Buy/Sell Spread %	0.04
Distribution Frequency	Semi Annually
Underlying Fund Manager	Lazard Asset Management Pacific Co

## Fund Performance After Fees\*

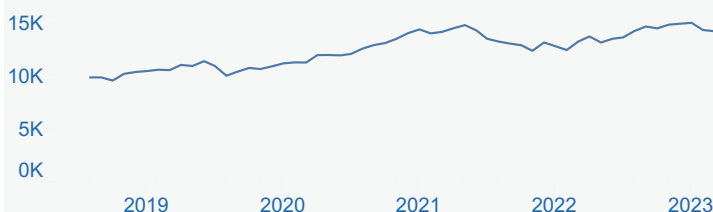
	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	0.17	8.11	10.70	8.83	9.50
Growth	2.18	7.20	4.84	-2.21	3.10	-1.50
Total	2.18	7.37	12.95	8.49	11.93	8.00
Benchmark	4.52	11.16	25.09	13.62	13.67	8.31

## Market Exposure



## Investment Growth (\$10,000)

1 Feb 2019 to 31 Jan 2024



## Risk Reward

1 Feb 2019 to 31 Jan 2024



## Portfolio Equity Sectors (%)



Information Technology	20.51
Industrials	15.35
Health Care	11.73
Financials	11.49
Materials	9.92
Consumer Staples	9.70
Communication Services	6.09
Energy	5.24
Consumer Discretionary	5.17
Utilities	2.14

## Top 10 Holdings (%)

	Weight	Benchmark
Microsoft Corp Commo	2.87	4.70
Alphabet Inc Common	2.51	2.63
Boston Scientific Co	1.68	0.16
Amazon.Com Inc Commo	1.64	2.41
Bp Plc Common Stock	1.43	0.00
Salesforce Inc Commo	1.41	0.46
Unitedhealth Group I	1.41	0.79
Stryker Corp Common	1.40	0.19
Waste Management Inc	1.39	0.13
Totalenergies Se Com	1.39	0.25

## Risk Statistics

1 Feb 2019 to 31 Jan 2024

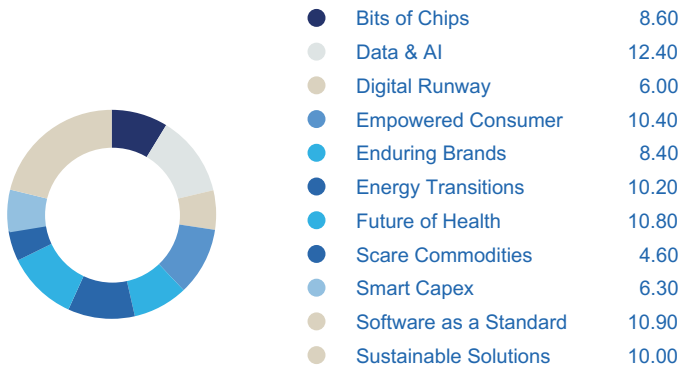
Std Dev	11.11
Alpha	-0.20
Beta	0.89
Sharpe Ratio (arith)	1.07
Up Capture Ratio	87.89
Down Capture Ratio	88.04
Currency Management %	0

# Unhedged Global Thematic Share Fund

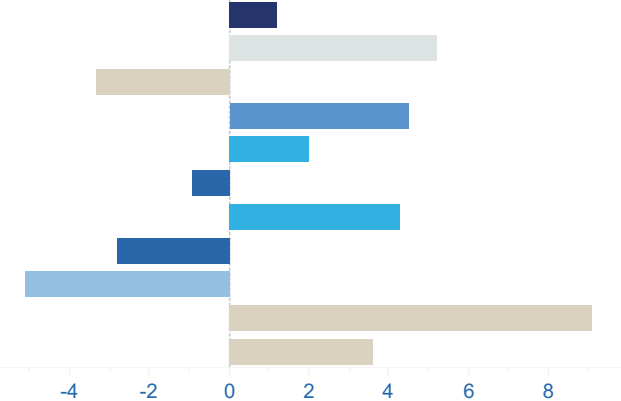
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Theme Weight %



Contribution by Theme %



Note: Total will not add up to 100%, the balancing item is cash

## Market Commentary

Global equity markets recorded their third consecutive month of gains in January amid growing speculation about when major central banks will begin retreating from their current interest rate-policy stances. Stock markets found themselves in the middle of a tug of war during the month—while being pulled in one direction by rising investor optimism about the global outlook for interest rates, they were also being pulled in the opposite direction by key central banks seeking to rein in expectations. Against this backdrop, all eyes were on the US Federal Reserve (Fed), which last month hinted that its rate-hiking campaign had reached its conclusion and forecast that it could lower interest rates three times in 2024. With preliminary data for the fourth quarter suggesting that the US economy grew at healthy pace while domestic inflation continued to slow, stocks rose on hopes that the world's most influential central bank would begin reducing rates in March. As expected, the Fed held borrowing costs steady in January for a fourth consecutive time, leaving them at their highest level since 2001. However, the US central bank's warning that it would not lower interest rates until inflation was "moving sustainably" toward its 2% target and that a rate cut in March was unlikely sapped some of the momentum from the market rally.

## Fund Commentary

In January, the Fund rose in absolute terms but trailed the strong index return. Themes are discussed below in descending order of contribution.

**Software as a Standard:** Ongoing acceleration in demand related to artificial intelligence (AI) was a broad tailwind for this theme, with SAP, Salesforce, and Microsoft rising most. SAP and Microsoft both posted robust operating results showing acceleration in cloud revenue.

**Data and AI:** Similar to Software as a Standard, bullish sentiment around artificial intelligence represented a broad tailwind for holdings in this theme with Mastercard, Visa, and RELX rising most. Visa and Mastercard both posted results showing strength in consumer spending and cross-border payments. Tencent declined with a broader weakness in Chinese equities.

**Future Health:** Stryker rose on strength in its Orthopaedic, MedSurg, and Neurotechnology businesses and margin recovery to pre-pandemic levels. Boston Scientific gained on broad based growth across all its business divisions and FDA approval of its Farapulse product. Danaher climbed on easing of biotech funding concerns.

**Empowered Consumer:** Reliance Industries advanced on strength in its upstream and oil to chemical businesses. Disney rose on expectations for sequential improvements in its theme park business. Estée Lauder retreated on expectations for continued skincare demand weakness particularly in China.

**Sustainable Solutions:** Testing, Inspection, and Certification service providers, Bureau Veritas and Intertek, climbed on expectations for demand recovery and stronger macroeconomic environment than 2023.

**Enduring Brands:** Colgate-Palmolive gained on better-than-expected pricing trends and volume share gains in emerging markets, both in Asia and Latin America. Spirit maker Remy Cointreau retreated on disappointing Cognac sales and slower than anticipated demand recovery.

**Bits of Chips:** Taiwan Semiconductor Manufacturing Company gained on demand acceleration related to AI and recovery in consumer electronics exposed product lines. Infineon and Aptiv retreated on weak demand in automotive end market.

**Energy Transitions:** Renewable Energy players Vestas and Iberdrola fell on profit-taking pressure after share price outperformance in the prior quarter ahead of election risk. Equinor declined on weak European gas prices.

**Scarce Commodities:** Gold miner Newmont retreated on operational challenges at its Telfer storage facility and Brucejack mine. Barrick and Agnico Eagle also experienced elevated production costs and similarly declined.

**Digital Runway:** HDFC Bank declined on disappointing net interest margins and slowdown in retail deposit accretion. Pan Asian insurers, AIA, Ping An Insurance, and Prudential, retreated with broader continued weakness in Chinese macroeconomic environment.

\* 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 an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.01%.

## Past performance is not a reliable indicator of future performance.

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