

# ACI Healthcare Impact Fund

Fund Focus - June 2024



## Investment Strategy

The Fund invests in healthcare securities with high growth potential that are primarily listed on international 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..	\$29.08m
Number of Holdings	46
Turnover Ratio %	10.02
Latest Distribution Date	30 June 2024
Latest Distribution Amount	0.0015
Benchmark	MSCI Health Care (Net Dividends Reinvested) Accumulation Index in \$A

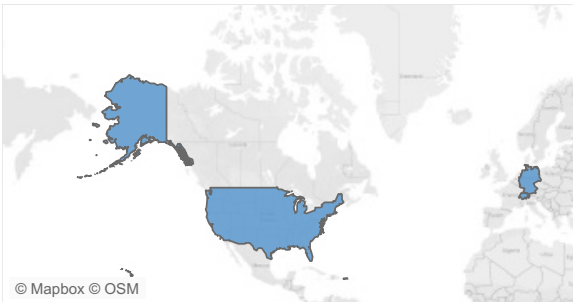
## Fund Facts

APIR Code	ZUR4499AU
Inception Date	13 March 2020
Total Est. Management Cost %	1.10
Est. Transactional Op. Cost %	0
Buy/Sell Spread %	0.03
Distribution Frequency	Semi Annually
Underlying Fund Manager	American Century Investments

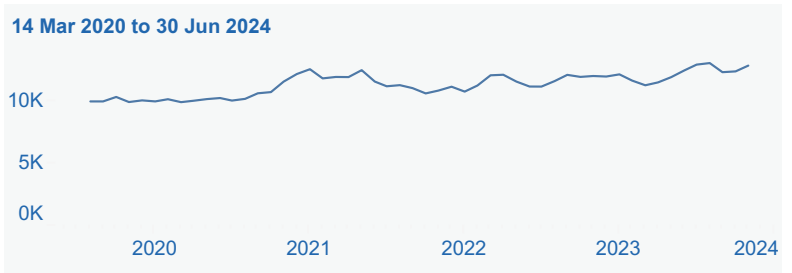
## Fund Performance After Fees\*

	1 Month	3 Months	1 Year	3 Years	Since Inception
Distribution	0.12	0.11	0.12	0.07	0.39
Growth	3.64	-1.66	6.83	3.50	6.82
Total	3.75	-1.55	6.95	3.57	7.20
Benchmark	2.69	-1.85	10.81	9.09	9.87

## Market Exposure



## Investment Growth (\$10,000)



## Risk Reward

1 Jul 2021 to 30 Jun 2024



## Portfolio Equity Sectors (%)



## Top 10 Holdings (%)

	Weight	Benchmark
Novo Nordisk A/s Adr	9.42	0.00
Unitedhealth Group I	9.31	6.03
Eli Lilly & Co Commo	7.42	9.39
Regeneron Pharmaceut	6.25	1.46
Intuitive Surgical I	6.23	2.02
Danaher Corp Common	3.75	2.26
Roche Holding Ag Com	3.33	2.50
Boston Scientific Co	3.28	1.45
Abbott Laboratories	3.18	2.31
Zoetis Inc Common St	2.75	1.02

## Risk Statistics

1 Jul 2021 to 30 Jun 2024

Std Dev	12.51
Alpha	-5.13
Beta	1.02
Sharpe Ratio (arith)	0.29
Up Capture Ratio	92.33
Down Capture Ratio	129.46
Currency Management %	0

## Market Commentary

US stock indices moved higher in the June quarter, adding to the strong performance for the first half of 2024. As has been the case all year, performance was largely driven by the stocks of companies currently benefiting from artificial intelligence (AI) and those expected to benefit as AI is incorporated into their businesses.

Health care underperformed. The sector posted a loss, lagging the broader market. Within the MSCI World Health Care Index, only pharmaceuticals and biotechnology registered gains. Health care technology stocks were sharply lower.

## Fund Commentary

The Fund fell with the market in the June quarter although it edged ahead of the index return by 0.33%.

The key positive contributors included Alnylam Pharmaceuticals, Intuitive Surgical and Regeneron Pharmaceuticals.

**Alnylam Pharmaceuticals** - The biopharmaceutical company's stock rose sharply after it reported strong positive results for its heart drug in late-stage trials. Alnylam is the leader in RNAi, a new treatment modality that could address a broad range of diseases. Indeed, it has several drugs in the market and in development.

**Intuitive Surgical** - The company benefited from procedure growth for its da Vinci robotic surgical system, FDA approval of its latest da Vinci 5 system and, in June, FDA clearance for its da Vinci X system for use in prostate surgery. These next-generation systems aim to provide meaningful enhancements in efficacy and outcomes.

**Regeneron Pharmaceuticals** - The biotechnology company's stock was the recipient of investor enthusiasm around its blockbuster drug Dupixent, which is expected to receive FDA approval to treat chronic obstructive pulmonary disease. The company's ongoing drug discovery is supported by its leading global gene sequencing effort.

The key detractors included Arvinas and Bristol-Myers Squibb.

**Arvinas** - Arvinas is an innovative drug company addressing breast and prostate cancers. The stock performed very well in late 2023 and early 2024 but has since given back those gains. The company is well capitalised, and we're encouraged by the appointment of a new CFO as we await the outcome of its phase 3 breast cancer trial.

**Bristol-Myers Squibb** - The biotechnology company reported a smaller quarterly loss than had been expected and better revenues but reduced forward guidance and announced a restructuring plan to reduce operating expenses.

**Silk Road Medical** was sold during the quarter. The medical device maker agreed to be acquired during the period at a significant premium by Boston Scientific. The deal is expected to close in the second half of the year.

\* 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 1.1% includes an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.00%.

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

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