# Fisher Investments Australasia Global Equity Focused Fund

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**Fund Description:** The Fund is an actively managed fund investing in a portfolio of listed equity securities across developed world markets.

**Investment Objective:** The Fund aims to outperform the Benchmark over a full market cycle.

**Benchmark:** MSCI World Index (in AUD)

**Minimum Suggested Time Frame:** A full market cycle (typically, 5 years+).

**Investment Style and Approach:** The Fund aims to identify and invest in equities and equity related securities that are expected to provide strong performance relative to other equities within the Benchmark. The investment strategy focuses on three basic elements:

- **Country Exposure:** Identify which countries appear most likely to provide strong performance relative to other countries within the Benchmark;
- **Economic Sector Exposure:** Identify which economic sectors and industries appear most likely to provide strong performance relative to other economic sectors and industries within the Benchmark; and
- **Security Selection:** Identify the security or group of equities and equity-related securities within a particular country and/or sector which are considered most likely to outperform their peer group.

## FUND FACTS

| | | | |
|---|---|---|---|
| **Fund Size:** | A$5.1M | **Management Fee:** | 0.84% pa |
| **Investment Manager:** | Fisher Investments Australasia Pty Ltd | **Transaction Costs:** | 0.01% pa |
| **Fund Inception:** | 20/04/2017 | **Buy/Sell Spread:** | +/-0.10% |
| **Fund Performance Inception:** | 29/07/2021 | **Distributions:** | Annually |
| **Base Currency:** | AUD | **Minimum Initial Investment:** | A$25,000 |
| **Currency Management:** | Unhedged | **APIR Code:** | ETL6546AU |
| **ARSN:** | 618 549 483 | **Valuation:** | Daily |
| **Liquidity:** | Daily | **Risk Level:** | Very High |

All fees quoted above are inclusive of Goods and Services Tax (GST) and net of any Reduced Input Tax Credits (RITC). Transaction costs are variable and deducted from the Fund as they are incurred and reflected in the unit price, net of amounts recovered by the buy-sell spread.

## PERFORMANCE

| Performance | 3 Months | 1 Year | 3 Year (pa) | 5 Year (pa) | Since 29/07/2021 (Fund Performance Inception) (pa) |
|---|---|---|---|---|---|
| Fund[1,2] | 12.6% | 36.0% | 13.4% | - | 13.6% |
| Benchmark[4] | 11.9% | 30.8% | 12.2% | 14.0% | 12.8% |

| Performance | 3 Months | 1 Year | 3 Year (pa) | 5 Year (pa) | Since 01/01/2010 (Composite Inception) (pa) |
|---|---|---|---|---|---|
| Composite[2,3] | 12.1% | 35.3% | 12.7% | 18.7% | 14.8% |
| Benchmark[4] | 11.9% | 30.8% | 12.2% | 14.0% | 12.8% |

[1] Returns are not available for 5 years due to the Fund's actual performance as measured from the Fund's performance inception date being less than those time periods.

[2] Net returns are as of the date of this factsheet and are presented after deduction of management fees, foreign withholding taxes on dividends, interest income and capital gains and include any performance-based fees. Returns for periods 1 year or greater are calculated on an annualised basis. Returns reflect the reinvestment of dividends, royalties, interest and other forms of accrued income.

[3] **The composite performance data is not the actual performance return of the Fund.** The composite performance consists of actual performance data for separately managed accounts and investment vehicles (together, "client accounts") managed by the Investment Manager, the Investment Manager's parent company Fisher Asset Management, LLC, or one of their affiliates that delegates portfolio management to Fisher Asset Management, LLC, implementing a global equity focused strategy measured against the Benchmark substantially similar to the Fund's investment strategy. Composite performance is presented net of foreign withholding taxes on dividends, interest income and capital gains. The deduction of foreign withholding taxes may vary according to each investor's domicile. The composite performance return was calculated using time-weighted rates of return, with daily valuation and geometric linking of periodic returns. Valuations are based on trade date. Neither leverage nor derivatives have been used in obtaining performance. The composite performance data reflects the deduction of actual brokerage or other commissions and any other expenses that were charged to client accounts. **All commissions, expenses, fees and foreign withholding taxes reflected in the composite performance may differ from those the Fund will incur or charge, as applicable. The underlying assets in the client accounts may change from time to time and may not be the same as the Fund.**

[4] Benchmark is the MSCI World Index (in AUD)

Investing in securities involves the risk of loss and there is no guarantee that all or any capital invested will be repaid. Past performance is never a guarantee of future returns. International currency fluctuations may result in a higher or lower investment return. Before making a decision whether to acquire, or to continue to hold an investment in the Fund, investors should obtain and consider the current Product Disclosure Statement (PDS), Reference Guide and Target Market Determination (TMD) for the Fund. The Fund's investment objectives, risk, charges and expenses should be carefully considered.

# REGIONAL ALLOCATION[4]

| Region | Portfolio (%) | Benchmark* (%) | Relative Weight (%) |
|---|---|---|---|
| North America | 83.6 | 76.7 | 6.9 |
| Europe & Middle East ex UK | 13.3 | 11.5 | 1.8 |
| Australasia ex Japan | 1.2 | 2.6 | -1.4 |
| UK | 1.0 | 3.4 | -2.4 |
| Japan | 0.8 | 5.4 | -4.6 |

*Benchmark is the MSCI World Index

# SECTOR ALLOCATION[4]

| Sector | Portfolio (%) | Benchmark* (%) | Relative Weight (%) |
|---|---|---|---|
| Information Technology | 30.5 | 26.2 | 4.3 |
| Communication Services | 11.3 | 8.1 | 3.2 |
| Energy | 5.9 | 3.7 | 2.2 |
| Consumer Staples | 6.4 | 6.0 | 0.4 |
| Industrials | 11.0 | 10.6 | 0.4 |
| Financials | 16.3 | 16.0 | 0.3 |
| Health Care | 8.7 | 10.3 | -1.6 |
| Materials | 1.2 | 3.2 | -2.0 |
| Real Estate | 0.0 | 2.1 | -2.1 |
| Consumer Discretionary | 8.8 | 11.1 | -2.3 |
| Utilities | 0.0 | 2.5 | -2.5 |

*Benchmark is the MSCI World Index

# FUND COMMENTARY

In the December quarter, the Fund outperformed its benchmark. Country and sector allocation, as well as security selection contributed to relative return. An overweight to and selection within the US was the largest contributor to relative return, driven by semiconductor manufacturer Nvidia, e-commerce company Amazon.com and technology conglomerate Apple. Additionally, a strategic lack of exposure to Switzerland contributed as the country underperformed. Conversely, security selection within Information Technology was the largest detractor from relative return, driven by semiconductor manufacturing companies Applied Materials (AMD) and ASML, as well as software company Adobe. Further, an overweight to and security selection within France detracted, as cosmetics company L'Oréal, oil and natural gas company TotalEnergies and luxury goods company LVHM underperformed.

# MARKET REVIEW

Despite some intra-quarter volatility, global developed equity markets returned 11.89% in the December quarter (as measured by the MSCI World Index in AUD). The fall in the Australian dollar was a significant contributor the return, given the MSCI World Index fell 2.6% in USD terms. The US Presidential election in November served as a catalyst for markets during the period. A Republican sweep across both chambers of Congress and the White House was perceived favourably, with markets (rightly or wrongly) anticipating potential benefits from lower taxes and reduced regulatory burdens. This positive sentiment fuelled a strong rally in November. However, there was a resurgence of volatility in December, driven by the US Federal Reserve (Fed) reducing its cash rate cutting forecast for 2025 (from 100 bps to 50 bps).

Mixed economic data in the US helped keep sentiment in check. The S&P Global's preliminary purchasing managers' indexes (PMIs) delivered mixed readings in December, with services hitting 58.5 (a 38-month high) while manufacturing remained contractionary at 48.3. Meanwhile, consumption data revealed consumers' ongoing resilience. Retail sales came in at 0.7% m/m in November, beating consensus expectations for a 0.5% increase—helping undercut "exhausted consumer" fears. However, "sticky" inflation fears weighed on sentiment somewhat after November's CPI rose to 2.7% y/y from October's 2.6%. However, days later the personal consumption expenditures price index revealed only a tiny year-over-year uptick to 2.4% from 2.3% in October, seeming assuaging concerns over a potential resurgence in prices.

In other economic news, the European Central Bank (ECB) cut its deposit facility rate by 25 basis points in December, dropping the rate to 3.0%. Looking forward, consensus anticipates further easing through at least mid-2025, with some suggesting larger 50 bps cuts may be necessary to support the eurozone economy through the political upheaval in Germany and France and protectionist US trade policy. In Japan, Q3 GDP rose 0.9% annualised, slowing from Q2's 2.2%.

Household consumption rose 3.7% annualised, its quickest rate since Q2 2022, but business investment dipped -0.7%. That contraction may be tied to October's snap election, which weighed on confidence.

# FUND CHARACTERISTICS[4]

| Portfolio Characteristic | Fund | Benchmark* |
|---|---|---|
| Wtd. Avg. Mkt. Cap (A$B) | 1,910.4 | 1.328.5 |
| Holdings | 45 | 1,395 |
| Trailing Price / Earnings | 24.1 | 23.5 |
| Price / Book Value | 4.6 | 3.5 |
| Price / Sales | 3.1 | 2.3 |
| Dividend Yield (%) | 1.5 | 1.7 |
| ESG Score | 7.0 | 6.0 |
| Carbon Intensity–Scope 1 & 2 | 30.4 | 91.7 |

Carbon Intensity reduction relative to MSCI World equals -76.1%

*Benchmark is the MSCI World Index

# TOP 10 HOLDINGS[4]

| Security | Weight (%) | Country | Sector |
|---|---|---|---|
| Nvidia | 8.4 | US | IT |
| Apple | 6.9 | US | IT |
| Microsoft | 5.5 | US | IT |
| Alphabet | 4.9 | US | Comm. Serv. |
| Amazon | 4.9 | US | Cons. Disc |
| Meta | 3.9 | US | Comm. Serv. |
| Walmart | 3.4 | US | Cons. Staples |
| Morgan Stanley | 3.0 | US | Financials |
| Exxon Mobil | 2.5 | US | Energy |
| Netflix | 2.5 | US | Comm. Serv. |

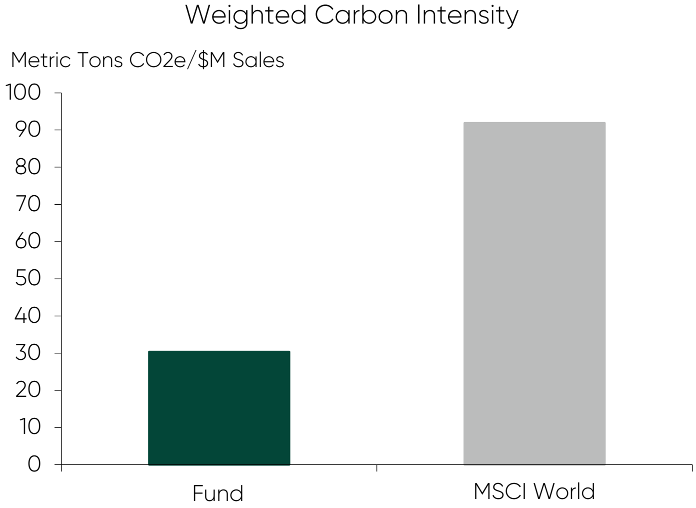
Portfolio holdings are subject to change without notice.

## MARKET OUTLOOK

At this point in 2025, for global equity markets we see three potential outcomes with roughly equal odds. There is a reasonable case for a strong year of 20%-plus returns—largely because it is near-universally ruled out. There is an equally reasonable case for a mild down year, hinging on what we call "the Perverse Inverse." In brief, the US election made many investors optimistic with hope and excitement about the incoming Republican government's potentially "pro-business" stance. While that buoys election-year returns, it also sets lofty expectations in the new year—which could be frustrated by legislative hurdles. Last, there is a still-equal probability for equities to eke out barely positive returns that frustrate bulls and bears alike.

For now, we continue to monitor which of the three potential scenarios for 2025 are more likely to play out before finalising our formal outlook. To us, economic drivers presently look set to extend many of 2024's dominant trends. But politics and sentiment are in flux, and changes to them are where we expect to find shifts favouring one scenario.

## CARBON INTENSITY[5]




## DISCLOSURES

4. Sources: SS&C Systems and FactSet. Assets under management, allocations, characteristics and holdings are as of 31/12/2024. Holdings are subject to change at any time and should not be considered a recommendation to buy or sell particular securities. These figures are based on certain assumptions (including forecasting a company's earnings, profit and balance sheet) which may be inaccurate or impacted by unknown risks. All ESG and Carbon Intensity data is based on MSCI ESG Research. The 'ESG Score' is a portfolio weighted-average of the individual companies' ESG Ratings Industry-Adjusted Scores (the company's overall ESG score). Note that the ESG Score is based on the relative market capitalisation of portfolio holdings rather than on the absolute number of portfolio holdings. Accordingly, companies with larger portfolio weights will have more effect on the ESG Score than companies with smaller weights. In other words, the total ESG score assesses the ability of covered underlying securities to manage medium- to long-term risks and opportunities. Carbon Intensity is a normalised measure of carbon footprint per million dollars invested. Relative Weight calculation is based on the difference between the rounded values for portfolio and benchmark weight. While Fisher Investments evaluates and integrates environmental, social, and governance ("ESG") factors at multiple stages throughout the investment process this is not an ESG Fund. Please see the PDS for further information on how we invest.

5. Source: FactSet Portfolio Analysis and MSCI ESG Manager as of 31/12/2024, presented in metric tons. While Fisher Investments evaluates and integrates environmental, social, and governance ("ESG") factors at multiple stages throughout the investment process this is not an ESG Fund. Please see the PDS for further information on how we invest.

Actual outcomes may vary in a materially positive or negative manner. The Fund's Target Market Determination is available here www.eqt.com.au/insto. A Target Market Determination describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.

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