

# Emerging Markets Equity Fund

Fund Focus - April 2025



## Investment Strategy

The investment team at Allspring Global Investments looks for companies with a sustainable high dividend yield backed by strong company financials and fundamentals, including above-average sales and earnings growth, overall financial strength, competitive advantages, and capable management.

## Portfolio Characteristics

Funds Under Manageme..	\$0.44m
Number of Holdings	105
Turnover Ratio %	^108.3
Latest Distribution Date	30 June 2024
Latest Distribution Amount	0.0755
Benchmark	MSCI Emerging Markets Index in \$A (net dividends reinvested)

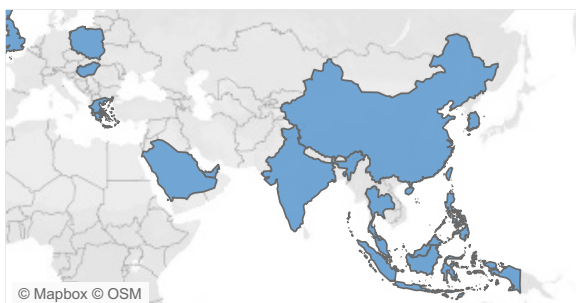
## Fund Facts

APIR Code	ZUR0614AU
Inception Date	26 June 2014
Total Est. Management Cost %	1.13
Est. Transactional Op. Cost %	0
Buy/Sell Spread %	0.00
Distribution Frequency	Annually
Underlying Fund Manager	Allspring Global Investments

## Fund Performance After Fees\*

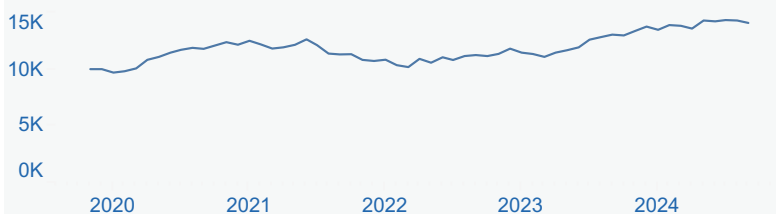
	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	0.00	6.95	6.81	6.30	5.22
Growth	-1.50	-0.99	0.94	0.77	1.79	1.34
Total	-1.50	-0.99	7.89	7.58	8.09	6.56
Benchmark	-1.33	-0.13	10.64	7.54	6.83	6.84

## Market Exposure



## Investment Growth (\$10,000)

1 May 2020 to 30 Apr 2025

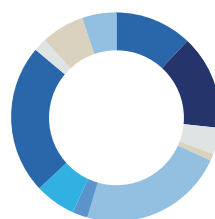


## Risk Reward

1 May 2020 to 30 Apr 2025



## Portfolio Equity Sectors (%)



Information Technology	22.33
Financials	22.01
Consumer Discretionary	14.17
Communication Services	11.66
Real Estate	6.50
Industrials	6.13
Utilities	4.99
Consumer Staples	3.98
Health Care	2.03
Materials	1.94
Energy	1.03

## Top 10 Holdings (%)

	Weight	Benchmark
Taiwan Semiconductor M..	7.03	8.60
Tencent Holdings Ltd	6.13	5.25
Alibaba Group Holding Li..	5.17	3.39
Samsung Electronics Co...	2.42	2.39
MediaTek Inc	2.38	0.81
Samsung Electronics Co ..	1.77	0.34
China Construction Bank ..	1.62	1.08
Embassy Office Parks R..	1.55	0.00
Infosys Limited Sponsore..	1.51	0.00
Etihad Etisalat Co.	1.36	0.08

## Risk Statistics

1 May 2020 to 30 Apr 2025

Std Dev	10.22
Alpha	2.16
Beta	0.86
Sharpe Ratio (arith)	0.79
Up Capture Ratio	92.85
Down Capture Ratio	78.78
Currency Management %	0

# Emerging Markets Equity Fund

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## Market Commentary

In April, emerging markets experienced an increase in US dollar terms. At the sector level, eight out of eleven sectors saw gains, with consumer staples, utilities, and real estate leading the performance. Conversely, consumer discretionary and energy were the weakest sectors. On a country level, seventeen out of twenty-four countries recorded positive performance. Mexico, Hungary, and Thailand emerged as the top performers, while Turkey, China/Hong Kong, and Saudi Arabia were the largest underperformers.

## Fund Commentary

The Fund declined in Australian dollar terms and slightly underperformed the index return.

In April, the China/Hong Kong markets underperformed. March exports saw a strong increase due to front-loading ahead of tariff risks. US import duties on Chinese products have risen to as high as 145%, while China has retaliated with 125% tariffs on US products. Taiwan's market outperformed, driven by first quarter GDP growth spurred by better export numbers. Korea's market also increased in April as South Korea's Constitutional Court upheld President Yoon Suk-yeol's impeachment, leading to a presidential election within the next 60 days. However, Korea's first quarter GDP contracted and fell below expectations due to weak investment, exports, and consumption.

India's market outperformed in April, as the Reserve Bank of India cut the policy rate as expected and shifted its monetary policy stance to "accommodative" from "neutral." This, along with subdued inflation, has led to market expectations of a deeper rate cut cycle. Although India was affected by reciprocal tariffs from the US, it is seen as relatively insulated amid the tariff chaos.

The Europe, Middle East, and Africa region experienced mixed performance in April. The United Arab Emirates saw positive market performance due to increased residential property sales driven by strong investor sentiment, a growing population, and steady global capital inflows. Saudi Arabia experienced negative performance as OPEC+ decided to increase production, adding pressure on oil prices. Greece's market increased as Standard & Poor's upgraded its sovereign credit rating to BBB (investment grade), citing strong fiscal discipline. South Africa advanced as the government coalition is likely to remain intact after the African National Congress dropped the proposed VAT rate hike, alleviating investor concerns about political risks. In Turkey, the arrest of Istanbul's mayor sparked mass protests and heightened political tensions. To stabilise financial markets, the Central Bank of Turkey hiked the one-week repo rate, marking the first increase since March 2024.

Latin America outperformed in April as the applied tariffs on exports to the US were less severe than anticipated. Mexico led the region with sustained optimism about its role in the integration of North American economies under the United States-Mexico-Canada Agreement. Chile advanced due to favorable economic dynamics excluding copper, and Brazil gained driven by low valuations and the outlook for the end of the rate hike cycle by May.

Overall, the investment team remains optimistic about emerging markets for 2025 due to improved political visibility, accommodative policies, favorable economic growth prospects, and low investor positioning. While President Trump's threats on tariffs and immigration present challenges, many emerging market countries have large domestic markets capable of sustaining growth and the flexibility for fiscal adjustments and countervailing policies in response to external conditions. Valuations within the asset class remain attractive. Emerging markets continue to be underappreciated and under-owned by global investors, offering diversification benefits as US exceptionalism wanes and the US dollar weakens.

\* 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 1.13% includes and Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.14%. ^12 month turnover as of 31 March 2025.

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

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