

Zurich Investments

# Managed Growth Fund

Fund Focus - June 2025



Investment Strategy		Portfolio Characteristics		Fund Facts	
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.		Funds Under Manageme..	\$421.19m	APIR Code	ZUR0059AU
		Latest Distribution Date	30 June 2025	Inception Date	2 April 1997
		Latest Distribution Amount	4.8878	Total Est. Management Cost %	0.91
		Benchmark	CPI+2.5% pa over rolling five year periods before fees and taxes.	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	3.74	3.85	5.03	3.03	5.67	6.36
Growth	-2.40	0.31	4.50	5.91	2.06	0.87
Total	1.34	4.15	9.52	8.93	7.74	7.23
Benchmark	1.41	5.52	12.47	11.80	9.21	7.67

Strategic Investment Partners

- Australian Shares**  
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  
RQI Investors  
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 International Management

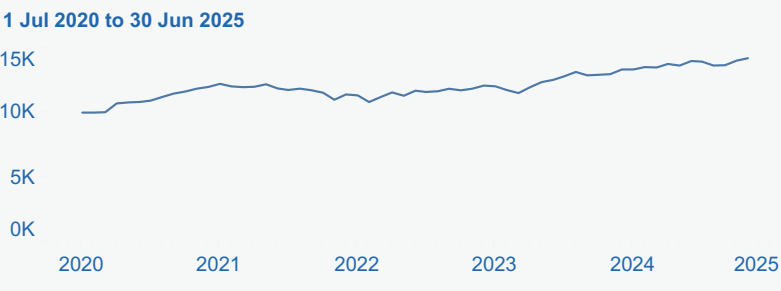
- Absolute Return Bond**  
AllianceBernstein Investment Management

- Convertible Bond**  
Lazard Asset Management Pacific Co

Risk Statistics

1 Jul 2020 to 30 Jun 2025	
Std Dev	7.29
Sharpe Ratio (arith)	1.06

Investment Growth (\$10,000)



Portfolio Equity Sectors (%)



Actual Asset Allocation

	Actual Asset Allocation %	Benchmark Weight %	Active Position %
Absolute Return Bonds	11.1	8.0	3.1
Alternatives	8.5	9.0	-0.5
Australian Property	2.3	2.0	0.3
Australian Shares	28.6	29.0	-0.4
Diversified Fixed Interest	8.6	10.0	-1.4
Global Property	2.3	2.0	0.3
Growth Fixed Income	6.9	6.0	0.9
Infrastructure	2.4	2.0	0.4
International Shares	28.1	28.0	0.1

## Market Commentary

The Zurich Investments Managed Growth Fund rose by 4.15% in the June quarter.

Global equity markets surged in the second quarter of 2025, driven by resilient risk appetites, despite economic and geopolitical uncertainties. The April rollout of broad US tariffs, including higher rates on goods from China, initially triggered market selloffs. Optimism returned after a 90-day tariff pause and a US-China truce, though no major trade deals were finalised. The US Federal Reserve held rates steady amid mixed economic data, citing concerns over inflation driven by import taxes. Meanwhile, central banks in Europe and Asia adjusted policies to address slowing growth and tariff impacts, with the European Central Bank nearing the end of its rate-cutting cycle. Geopolitical risks, including the Israel-Iran conflict, briefly disrupted markets but again eased following a ceasefire.

Earnings season revealed mixed results across regions, with US companies outperforming expectations while Europe and Asia faced earnings contractions. Equity markets broadly rallied, with developing markets outperforming developed ones. US stocks hit record highs, supported by strong earnings and easing trade tensions, while European indices benefited from rate cuts and defence sector gains. Japanese equities underperformed due to tariff concerns, and Chinese stocks lagged amid China's economic struggles. Information technology led sector performance, fuelled by AI-driven gains, while energy lagged as crude oil prices fell. Overall, optimism around trade moderation and robust corporate earnings helped sustain market momentum despite lingering challenges.

Emerging market equities, as measured by the MSCI Emerging Markets Index (Net), advanced in the second quarter, as attractive relative valuations continued to result in outperformance versus developed markets. China/Hong Kong underperformed the benchmark in the quarter, whilst the United States and China held their second round of trade negotiations in London 9th–10th June. Talks focused on China's export controls on rare earth minerals and US restrictions on advanced technology exports. Whilst the discussions helped ease tensions, challenges remain due to the lack of detailed commitments from both sides.

India's market also slightly underperformed the benchmark in the quarter, as the Reserve Bank of India cut policy rates by 50 basis points (bps; 100 bps equal 1.00%), above expectations of 25 bps, and lowered the cash reserve ratio by 100 bps. Taiwan markets proved to be strong during the quarter, as May exports orders accelerated to 39% year over year (from 20% year-over-year growth in April) due to the early pull in orders before a new tariff takes effect. Strong market performance was due to short-term tariff risks relief during the 90-day pause/negotiation period and positive sentiment on IT stocks due to the rising artificial intelligence (AI) adoption trend globally.

Korea's stock market also surged in the quarter as the country's presidential election eased political uncertainty and sparked optimism over economic recovery and capital market reforms. Outside of Asia, performance was mixed but overall strong in Latin America, particularly in well-performing countries such as Mexico, Peru and Brazil.

Australian economic indicators showed mixed results. Employment fell by 2.5k in May, while the unemployment rate remained stable. Retail sales increased, though below market expectations and consumer confidence for June rose. May's CPI rose by 2.1% year-on-year, down from April's 2.4%. Business confidence for May increased whereas business conditions declined. The AREIT market achieved a total return of 1.70% in June, surpassing the broader equities market. This performance was influenced by a decrease in 10-year bond yields by 11 basis points to 4.16% during the month.

\* 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 0.91% includes an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.04%.

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

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