



Australasian Dividend Growth Fund

Monthly Update as at 31 May 2024

PORTFOLIO MANAGER(S)



MIKE ROSS
Lead Portfolio Manager



MICHAEL GOLTSMAN
Co-Portfolio Manager



FUND COMMENTARY

The Dividend Growth Fund returned -0.3% during the month, bringing it to a 12-month return of 23.8%.

May was a mixed month for equity markets. We saw the unemployment rate rise from 3.9% to 4.1%, an easing in consumer confidence and inflation continuing to run ahead of the target range. This presents some headwinds for the consumer which has led to several downgrades across the small cap discretionary names, none of which we owned. The Small Ordinaries Index was down 0.1% in May, boosted by Small Resources which were +1.9%, with Industrials lagging.

GQG Partners gained by 16% in May after posting another solid month of inflows in April. Inflows have accelerated in 2024, driving FUM growth, capitalising on strong performance and an improving market backdrop. May appears to have been another good month for the business.

Insurance Broker PSC Insurance gained 13% after reaching an agreement to be acquired by The Ardonagh Group for \$6.19 per share. We have been invested in the stock since its IPO in 2015, and the takeover will bring forward future returns to what has been a successful investment. Letting go of the stock is bittersweet because companies like PSC are rare. The company has an aligned board & management team with plenty of skin in the game and a long track record of success in the industry. The industry is defensive, and the business model is attractive, clipping the ticket on insurance premiums with retention rates north of 90%. This organic growth profile, in addition to a prudent acquisition strategy, has resulted in earnings-per-share compounding by 18% p.a. since 2016, also paying dividends along the way.

CUMULATIVE FUND PERFORMANCE

If you had invested \$100,000 at inception, the graph below shows what it would be worth today.



FUND DETAILS

Recommended minimum investment period	5 years
Objective	Generate income and capital growth over a period exceeding 5 years.
Description	Invests predominantly in listed Australasian smaller and medium growth companies paying dividends or that will produce cash-flow for future distributions.
Inception date	September 2011
Standard withdrawal period	10 working days
Risk indicator	<div style="display: flex; justify-content: space-between; align-items: center;"> Potentially Lower Returns Potentially Higher Returns </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> 1 2 3 4 5 6 7 </div> <div style="display: flex; justify-content: space-between; align-items: center;"> Lower Risk Higher Risk </div>

For more information on our funds, please visit www.piefunds.co.nz/Investor-Documents



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PERFORMANCE

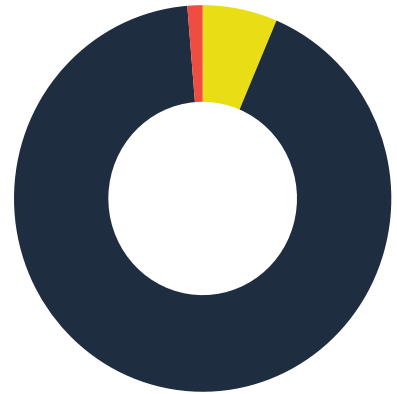
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)	Annualised since inception
Australasian Dividend Growth Fund	-0.3%	23.8%	7.1%	13.4%	13.8%	13.2%	15.9%
MARKET INDEX¹	-0.3%	11.2%	0.5%	4.6%	7.1%	6.3%	3.6%

Returns after fees but before individual PIR tax applied

1. S&P/ASX Small Ordinaries Total Return Index (75% hedged to NZD).

INVESTMENT MIX

● Cash (including Derivatives)	6.4%
● Australian equities	92.3%
● Listed Property	1.3%



Asset allocation is rounded to the nearest tenth of a percent; therefore, the aggregate may not equal 100%.

TOP FIVE EQUITY HOLDINGS

AUB Group Limited
Aussie Broadband Pty Ltd
GQG Partners Inc
Johns Lyng Group LTD
Mermaid Marine Australia Ltd

Holdings are listed in alphabetical order.

UNIT PRICE

\$4.55

ANNUALISED RETURN SINCE INCEPTION

15.9% p.a.

after fees and before tax

FUND STATUS

CLOSED

OPEN



Information is current as at 31 May 2024. Pie Funds Management Limited is the manager and issuer of the funds in the Pie Funds Management Scheme. Any advice given by Pie Funds Management Limited is general only. Our advice relates only to the specific financial products mentioned and does not account for personal circumstances or financial goals. Please see a financial adviser for tailored advice. You may have to pay product or other fees, like brokerage, if you act on any advice. As manager of the Pie Funds Management Scheme investment funds, we receive fees determined by your balance, and we benefit financially if you invest in our products. We manage this conflict of interest via an internal compliance framework designed to help us meet our duties to you. For information about how we can help you, our duties and complaint process and how disputes can be resolved, or to see our product disclosure statement, please visit www.piefunds.co.nz. Please let us know if you would like a hard copy of this disclosure information. Past performance is not a reliable indicator of future returns. Returns can be negative as well as positive, and returns over different periods may vary.