



# Australasian Emerging Companies Fund

Monthly Update as at 31 May 2024

## PORTFOLIO MANAGER(S)



**KENT WILLIAMS**

Lead Portfolio Manager



**MICHELLE LOPEZ**

Head of Australasian Equities and  
Co-Portfolio Manager

## FUND COMMENTARY

The Australasian Emerging Companies Fund returned 0.2% during the month, bringing it to a 12-month return of 22.5%.

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 and micro cap discretionary names. The Small Ordinaries Index was down 0.1% in May, boosted by Small Resources which were +1.9%, with Industrials lagging.

The key contributors to performance were Metro Mining, Spartan Resources and Silex System. Our exposure to resources drove fund performance.

Metro Mining rallied into the end of the month as the bauxite price continues to strengthen helped by strong alumina prices. We believe the company remains significantly undervalued given the operational improvements put in place by the CEO coupled with the strengthening market dynamics.

Spartan Resources outperformed the broader gold sector over the month as the company continues to deliver impressive drill results, improving the quality of the asset. With a 2.5Mtpa mill on site the path to production is fast, requires relatively low capex and provides a pathway for incremental value creation

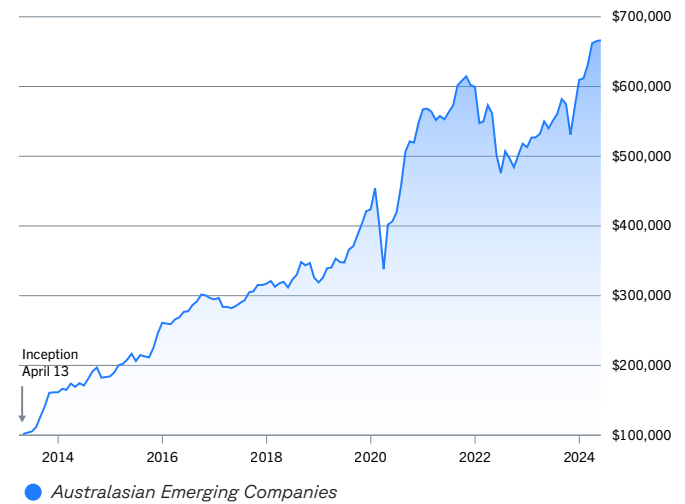
Silex Systems rallied again this month after the US Senate passed the "Prohibiting Russian Uranium Imports Act". Silex's GLE project is a major beneficiary given the law particularly focusses on enriched uranium which is relevant for Silex. This is a positive outcome as the law paves the way for potential funding to fast track their technology. .

Audinate detracted this month after the resignation of the company's CFO, who had been with the business since pre-IPO and is well regarded by the market. We still believe in the long term pathway for compounding returns as they continue to gain traction in the video networking market, whilst maintaining leadership in audio networking.

For more information on our funds, please visit [www.piefunds.co.nz/Investor-Documents](http://www.piefunds.co.nz/Investor-Documents)

## 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	Capital growth over a period exceeding five years.
Description	Invests predominantly in listed Australasian emerging companies.
Inception date	April 2013
Standard withdrawal period	15 working days
Risk indicator	<div style="display: flex; justify-content: space-between; align-items: center;"> <span>Potentially Lower Returns</span> <span>Potentially Higher Returns</span> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> <span>1</span> <span>2</span> <span>3</span> <span>4</span> <span>5</span> <span style="border: 2px solid black; border-radius: 50%; padding: 2px 5px;">6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 5px;"> <span>Lower Risk</span> <span>Higher Risk</span> </div>



# Australasian Emerging Companies Fund

Monthly Update as at 31 May 2024

## PERFORMANCE

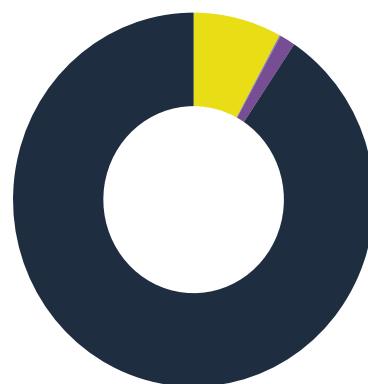
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)	Annualised since inception
<b>Australasian Emerging Companies Fund</b>	0.2%	22.5%	6.2%	13.8%	12.8%	14.3%	18.5%
<b>MARKET INDEX<sup>1</sup></b>	0.3%	12.4%	3.0%	11.5%	11.5%	9.5%	6.4%

Returns after fees but before individual PIR tax applied

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

## INVESTMENT MIX

<span style="color: yellow;">●</span> Cash (including Derivatives)	7.9%
<span style="color: blue;">●</span> International Fixed Interest	0.1%
<span style="color: purple;">●</span> New Zealand Equities	1.4%
<span style="color: darkblue;">●</span> Australian Equities	90.6%



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

## TOP FIVE EQUITY HOLDINGS

Austin Engineering Ltd
IPD Group Ltd
Jupiter Mines Ltd
Mermaid Marine Australia Ltd
Metro Mining Ltd

Holdings are listed in alphabetical order.

### UNIT PRICE

# \$6.62

### ANNUALISED RETURN SINCE INCEPTION

# 18.5% 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](http://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.