



Chairman's Fund

Monthly Update as at 31 May 2024

PORTFOLIO MANAGER(S)



MIKE TAYLOR
Founder and Chief
Investment Officer



MICHELLE LOPEZ
Head of Australasian Equities
and Co-Portfolio Manager

FUND COMMENTARY

The Chairman's Fund returned 2.3% during the month, bringing it to a 12-month return of 14.7%.

Equity markets rebounded in May, with major indices in the US and Europe making new all-time highs. In Australia, the market was less buoyant, with the Small Ordinaries ending the month broadly flat, which was assisted by a rally in commodity stocks.

Equities were underpinned by a strong first quarter reporting season in the US, with strong rises in spending on artificial intelligence fuelling optimism for future earnings growth. The best performer from a global perspective was once again Nvidia, which reported another very strong set of figures. Spending on AI chips and infrastructure has not started slowing down yet. Duolingo was the worst performer, falling 15% despite reporting good numbers and raising guidance, as there are market concerns that AI developments could impact its online language learning business.

Closer to home, we had Telix Pharmaceuticals return 20% for the month following the company's announcement of positive data from the ProstACT SELECT trial of TLX591, a therapy for the treatment of adult patients with prostate cancer. We also had Insurance Broker PSC Insurance gain 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 brings forward future returns to what has been a successful investment. 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.

From a portfolio construction perspective, we continue to take advantage of market volatility to build positions in companies we believe to have both a near term catalyst and long-term structural growth, with solid fundamentals and valuation upside. We are mostly funding these purchases from positions that are currently under takeover (considered a source of cash, with limited upside).

For more information on our funds, please visit 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.



● Chairman's Fund

FUND DETAILS

Recommended minimum investment period 5 years

Objective To generate capital growth, which outperforms the market index.

Description Invests predominantly in Pie Funds products which predominantly invest in listed equities.

Inception date September 2014

Standard withdrawal period 15 working days

Risk indicator

Potentially Lower Returns ← → Potentially Higher Returns

1 2 3 4 5 6 7

Lower Risk ← → Higher Risk

TOP FIVE EQUITY HOLDINGS

Discoverie Group PLC

Frp Advisory Group PLC

Mermaid Marine Australia Ltd

Sdipitech AB (publ)

William Blair SICAV - EMK SMC I Class

Holdings are listed in alphabetical order and exclude Cash and Cash Equivalents



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PERFORMANCE

	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	Annualised since inception
Chairman's Fund	2.3%	14.7%	2.0%	9.6%	9.9%	10.0%
MARKET INDEX: COMPOSITE¹	1.2%	13.8%	3.2%	7.4%	8.4%	8.0%

Returns after fees but before individual PIR tax applied

1. The market index is a composite index (50% S&P Global SmallCap Total Return Index (75% Hedged to NZD), 50% S&P/ASX Small Ordinaries Total Return Index (75% Hedged to NZD)).

INVESTMENT MIX

Cash (including Derivatives)	7.5%
Asian Equities	0.6%
Emerging Market Equities	5.1%
European Equities	20.6%
UK Equities	7.5%
US and Canadian Equities	16.5%
New Zealand Equities	0.6%
Australian Equities	41.5%



HOLDINGS

Global Growth	22.6%
Australasian Growth	7.1%
Australasian Growth 2	9.4%
Australasian Dividend Growth	18.3%
Australasian Emerging Companies	10.8%
Growth UK & Europe	16.2%
Global Growth 2	15.6%



Net of Chairman's cash holdings

UNIT PRICE

\$2.50

ANNUALISED RETURN SINCE INCEPTION

10.0% p.a.

after fees and before tax

FUND STATUS

CLOSED

OPEN



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