



# Chairman's Fund

Monthly Update as at 31 October 2024

## PORTFOLIO MANAGER(S)



**MIKE TAYLOR**  
Founder and Chief  
Investment Officer



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Head of Australasian Equities  
and Co-Portfolio Manager

## FUND COMMENTARY

The Chairman's Fund delivered a return of 0.1% in October, bringing its 12-month performance to 26.4%.

October presented several challenges for investors, particularly with U.S. election dynamics shifting in favour of Donald Trump. This development has raised concerns about how a second Trump presidency might impact markets, especially given the potential inflationary pressure from his policies. While his strategies may boost earnings and spending in the short term, they could exacerbate inflation and further strain the US deficit, which is already at record peacetime levels.

In response, markets saw strong movements in gold, Bitcoin, and US bond yields. In Europe, the ECB delivered its first back-to-back rate cut in 13 years, with another reduction expected at its December 12 meeting as inflation trends toward 2%. Despite some weakness in industrial orders and consumer spending, the Q3 earnings season started on a positive note.

Although markets are factoring in potential US Federal Reserve rate cuts, the yield on the 10-year US Treasury rose from 3.6% in mid-September to 4.3%, partly driven by the increased likelihood of a Trump victory. This rise in yields has created headwinds for bonds and interest-rate-sensitive stocks.

As a result, the volatility index (VIX), a measure of market uncertainty, remained elevated at around 20 throughout the month. However, the Chairman's Fund posted a modest gain, buoyed by strong performance from Australasian small-cap funds, particularly the Emerging and AU Growth Fund.

A standout performer was Generation Development Group, which reported record sales inflows of \$209 million into its Investment Bond products for Q1 FY25, driven by the growing appeal of tax-efficient offerings, especially amid potential Australian superannuation tax changes. Globally, the fund's technology holdings, led by Nvidia and TSMC, continued to perform well, supported by robust spending on AI infrastructure. However, future capital expenditures will need to be justified by earnings, or this spending may slow. Other notable performers included Spotify and new holding Deckers Outdoor, with strong results from its HOKA and UGG brands. Intuitive Surgical also reported solid performance, driven by strong sales of its innovative new surgical robot.

Looking ahead, the outcome of the US election will be a critical factor in determining the direction of global markets.

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, before tax.



● 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

Generation Development Group Ltd

Life360 Inc

William Blair SICAV Fund

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.)	10 yrs (p.a.)	Annualised since inception
<b>Chairman's Fund</b>	0.1%	26.4%	0.9%	9.2%	9.2%	10.4%	10.0%
<b>MARKET INDEX: COMPOSITE<sup>1</sup></b>	0.7%	25.1%	3.5%	7.2%	6.9%	8.6%	8.3%

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)	8.5%
Australasian Equities	42.6%
International Equities	48.9%

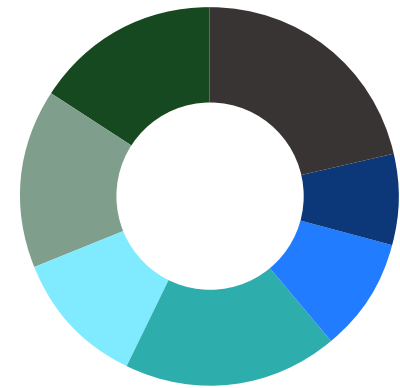
\*Asset allocation is rounded to the nearest tenth of a percent; therefore, the aggregate may not equal 100%.



## HOLDINGS

Global Growth	21.4%
Australasian Growth	7.8%
Australasian Growth 2	9.9%
Australasian Dividend Growth	18.2%
Australasian Emerging Companies	11.8%
Growth UK & Europe	15.2%
Global Growth 2	15.7%

Net of Chairman's cash holdings



### UNIT PRICE

# \$2.60

### ANNUALISED RETURN SINCE INCEPTION

# 10.0% p.a.

after fees and before tax

### FUND STATUS

CLOSED

OPEN



Information is current as at 31 October 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.