



# Australasian Emerging Companies Fund

Monthly Update as at 30 September 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 3.4% during the month, bringing it to a 12-month return of 25.7%.

Australian equities rose 3% in September, with small caps up 4.4%, outperforming large caps. The market was supported by China's aggressive monetary stimulus announcements and the start of the Federal Reserve's easing cycle. Mining was the top-performing sector on the ASX, up 14%, benefiting from China's stimulus, though the 23% return of the MSCI China Index overshadowed this. While the market is positioned to gain from stronger Chinese demand, we remain cautious given China's structural challenges.

Key contributors to performance included Ai-Media and Metro Mining, while Dimerix detracted.

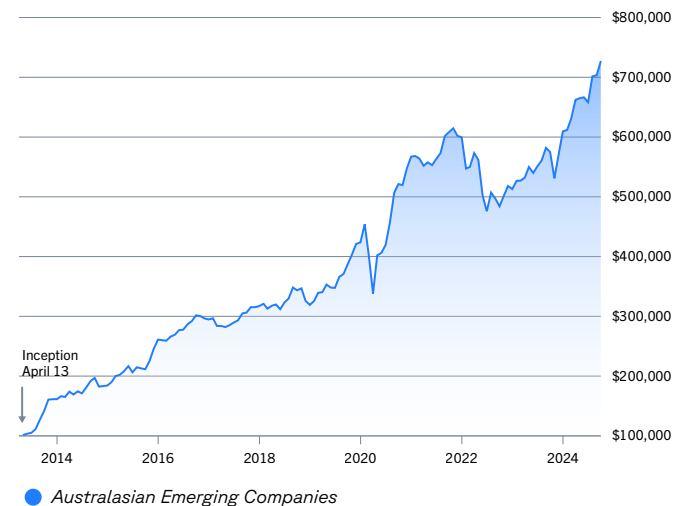
Ai-Media's share price continued to climb after its FY24 result in August, showing improved margins due to its shift from human to artificial intelligence (AI) solutions, notably the Lexi product suite. The company's margins and revenue are expected to grow as the transition progresses, making it a highly attractive investment. Ai-Media's profitability and strong market position set it apart, and even partial achievement of its aspirational targets presents a compelling case.

Metro Mining rebounded after a pullback last month, driven by China's stimulus efforts. The upcoming third-quarter production update is key, expected to confirm strong production volumes and cash generation.

Dimerix underperformed as the market focused on the pace of patient enrollment in its phase 3 clinical trial. We anticipate an increase in patients dosed by October as more trial sites open. Our investment thesis remains unchanged, based on the high likelihood of success in the phase 3 trial, given the initial results, unmet medical need, and financial burden of FSGS on healthcare systems. We view Dimerix as an undervalued biotech opportunity on the ASX.

## CUMULATIVE FUND PERFORMANCE

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



## 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	<p>Potentially Lower Returns</p> <p>1 2 3 4 5 <b>6</b> 7</p> <p>Potentially Higher Returns</p> <p>Lower Risk Higher Risk</p>

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



# Australasian Emerging Companies Fund

Monthly Update as at 30 September 2024

## PERFORMANCE

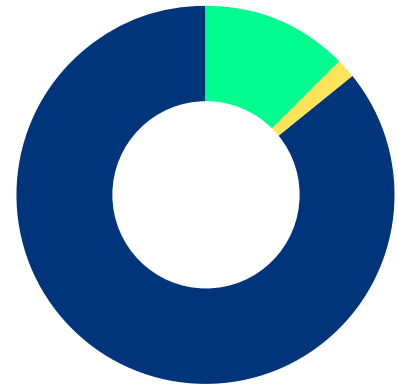
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)	Annualised since inception
<b>Australasian Emerging Companies Fund</b>	3.4%	25.7%	5.9%	13.3%	13.1%	14.0%	18.9%
<b>MARKET INDEX<sup>1</sup></b>	7.4%	23.2%	0.1%	9.7%	10.2%	9.0%	6.8%

Returns after fees but before individual PIR tax applied

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

## INVESTMENT MIX

Cash (including Derivatives)	12.5%
International Fixed Interest	0.1%
New Zealand Equities	1.7%
Australian Equities	85.6%



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

## TOP FIVE EQUITY HOLDINGS

Dropsuite Ltd
Generation Development Group Ltd
IPD Group Ltd
Metro Mining Ltd
Spartan Resources Ltd

Holdings are listed in alphabetical order.

### UNIT PRICE

# \$7.22

### ANNUALISED RETURN SINCE INCEPTION

# 18.9% p.a.

after fees and before tax

### FUND STATUS

CLOSED OPEN



Information is current as at 30 September 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.