



Global Growth Fund

Monthly Update as at 30 September 2024

PORTFOLIO MANAGER(S)



GUY THORNEWILL*
Head of Global Research



TOBY WOODS*
Senior Investment Analyst



MIKE TAYLOR
Founder and Chief Investment Officer

*Guy Thornewill and Toby Woods are responsible for research and analysis

FUND COMMENTARY

The Global Growth Fund returned -1.0% during the month, bringing it to a 12-month return of 10.3%.

September was marked by continued volatility, driven by escalating geopolitical tensions in the Middle East and a large stimulus program in China. Despite these challenges, markets closed the month at or near new highs. With inflation moderating as anticipated, interest rates are being cut in the US and Europe. We expect further cuts as consumer spending slows and industrial orders stagnate, particularly in the automotive sector. Lower rates are generally favourable for equity markets, especially for smaller companies.

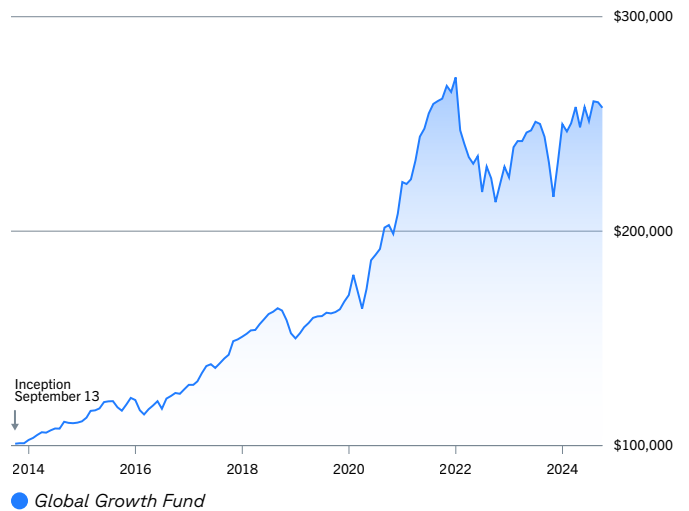
While the fund had a disappointing month, this was not due to specific stock issues. Instead, a slower-than-expected recovery in industrial orders affected sentiment in some holdings, such as Bufab and DiscoverIE. Despite the end of destocking, new orders have been slow to rebound, causing some holdings to underperform the market. However, with rate cuts now underway, we believe this trend will reverse, and many stocks appear significantly undervalued.

The fund was active this month, adding a position in ID Logistics, which executed a market placement to raise capital for its growth plans. The company has a strong track record in the warehouse logistics sector and remains majority-owned by its founder. We also acquired shares in BE Semiconductor after its stock sold off due to cooling AI sentiment, presenting an opportunity for this semiconductor equipment manufacturer. Lastly, we added Yeti, a US company known for high-end coolers and drink bottles, anticipating a recovery in consumer spending in 2025. These purchases were funded by selling positions in JFrog and Tecan, both of which delivered disappointing results.

We remain optimistic about the outlook for smaller companies, although we acknowledge heightened geopolitical risks in the short term due to the escalating Middle East crisis.

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 international smaller companies, international managed funds and other products issued by Pie Funds.
Inception date	September 2013
Standard withdrawal period	10 working days
Risk indicator	<div style="display: flex; justify-content: space-between;"> Potentially Lower Returns Potentially Higher Returns </div> <div style="text-align: center;"> 1 2 3 4 5 6 7 </div> <div style="display: flex; justify-content: space-between;"> 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
Global Growth Fund	-1.0%	10.3%	-0.7%	9.7%	8.8%	8.8%	8.9%
MARKET INDEX ¹	1.9%	19.7%	5.9%	9.2%	9.2%	10.3%	10.5%

Returns after fees but before individual PIR tax applied

1. S&P Global SmallCap Total Return Index (75% hedged to NZD).

INVESTMENT MIX

Cash (including Derivatives)	11.2%
Emerging Market Equities	18.5%
European Equities	21.1%
UK Equities	12.1%
US and Canadian Equities	31.5%
Listed Property	5.6%



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

TOP FIVE EQUITY HOLDINGS

Blackbaud Inc
Colliers International Group Inc
Hillman Solutions Corp
Merit Medical Systems Inc
William Blair SICAV

Holdings are listed in alphabetical order.

UNIT PRICE

\$2.55

ANNUALISED RETURN SINCE INCEPTION

8.9% 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. 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.