



Global Growth 2 Fund

Monthly Update as at 31 January 2025

PORTFOLIO MANAGER(S)



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FUND COMMENTARY

The Global Growth 2 Fund returned 5.6% during the month, bringing it to a 12-month return of 19.5%.

The fund had a strong month, significantly outperforming its benchmark, with substantial gains from several core holdings and a generally positive start to the fourth-quarter earnings reporting season. Global equity markets have had a volatile beginning to 2025, with recent news about the Chinese AI model DeepSeek impacting many share prices. Furthermore, tariff announcements by the new U.S. president at the end of the month will likely lead to increased volatility for a while. It is our firm view that higher tariffs are not beneficial for economies or consumers, so we can only hope that reason will prevail.

Top performers in January included Spotify, Thermo Fisher, and EssilorLuxottica. Spotify is experiencing strong operational leverage as it increases prices, validating our thesis so far. Thermo Fisher reported strong earnings, with signs of improving demand for its laboratory equipment. EssilorLuxottica is seeing growing excitement around smart glasses and strong demand for its premium lenses. Constellation Energy was the best performer, rising 34% after announcing a large deal to acquire Calpine, another power generation company in the U.S. Newmont also performed well, rising 15% as gold prices hit new highs.

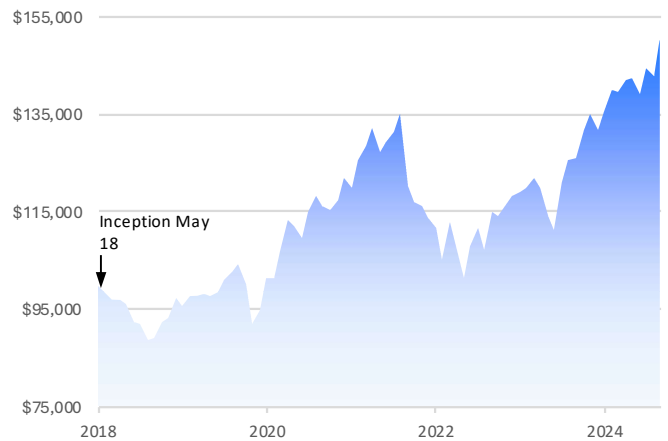
The worst performer was Manhattan Associates, a leader in warehouse management software. Despite strong earnings, the shares fell sharply due to a softer outlook for 2025, driven by weaker demand in its professional services segment. Its key cloud sales are still growing strongly, but we are reviewing our holding.

During the month, we bought back into Salesforce and Mastercard - companies we have held before - as we expect them to continue producing robust earnings growth. We also initiated a position in KKR, the listed private equity manager, as we see a strong growth outlook for private capital in the coming decade.

These purchases were funded by further reducing our position in Nvidia and exiting Advanced Micro Devices, as we believe the increasing efficiency of evolving AI models, such as DeepSeek, will erode the premiums these companies can charge for their AI chips. We think our other holdings in AI-related infrastructure stocks - such as data centres, mega-cap tech, and semiconductors - remain well-positioned, and we are looking to add more companies in the software sector.

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 large companies

Inception date May 2018

Standard withdrawal period 5 working days

Risk indicator

Potentially Lower Returns Potentially Higher Returns

1 2 3 4 5 6 7

Lower Risk Higher Risk



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PERFORMANCE

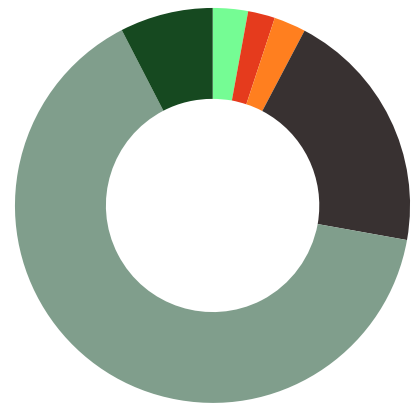
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	Annualised since inception
Global Growth 2 Fund	5.6%	19.5%	7.7%	7.6%	6.3%
MARKET INDEX ¹	2.9%	24.8%	11.1%	11.3%	11.1%

Returns after fees but before individual PIR tax applied

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

INVESTMENT MIX

Cash (including Derivatives)	4.4%
Asian Equities	2.2%
Emerging Market Equities	2.5%
European Equities	19.6%
US and Canadian Equities	64.7%
Listed Property	6.5%



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

TOP FIVE HOLDINGS (EXCLUDING CASH)

Amazon.Com Inc
JPMorgan Chase & Co
Meta Platforms Inc
Microsoft Corporation
Schneider Electric SE

Holdings are listed in alphabetical order.

UNIT PRICE

\$1.49

ANNUALISED RETURN SINCE INCEPTION

6.3% p.a.

after fees and before tax

FUND STATUS

CLOSED

OPEN



Information is current as at 31 January 2025. Pie Funds Management Limited ("Pie Funds") is the issuer and manager of the funds in the Pie Funds Management Scheme and the Pie KiwiSaver Scheme ("Schemes"), the product disclosure statements of which can be found at www.piefunds.co.nz. Past performance is not an indicator of future returns. This information is general only. Please see a financial adviser for tailored advice.