



# Global Growth 2 Fund

Monthly Update as at 31 December 2024

## PORTFOLIO MANAGER(S)



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Founder and Chief  
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\*Guy Thornewill and Toby Woods are responsible for research and analysis

## FUND COMMENTARY

The Global Growth 2 Fund returned -1.3% during the month, bringing it to a 12-month return of 13.5%.

The post US election rally faded for global equities in December, both in the US and in Europe with indices closing the month in negative territory. The main reason for this was that US yields and the US dollar rose quite sharply, as investors became more concerned that the incoming US administration's policies would re-ignite inflation. We remain less convinced, as although the last mile of reducing inflation is often tougher, there are many deflationary forces out there including the proliferation of AI. Nevertheless, the next few months might be volatile as policy actions become clearer. Larger company equities, and especially the mega cap technology stocks, once again outperformed, continuing a trend seen for much of 2024.

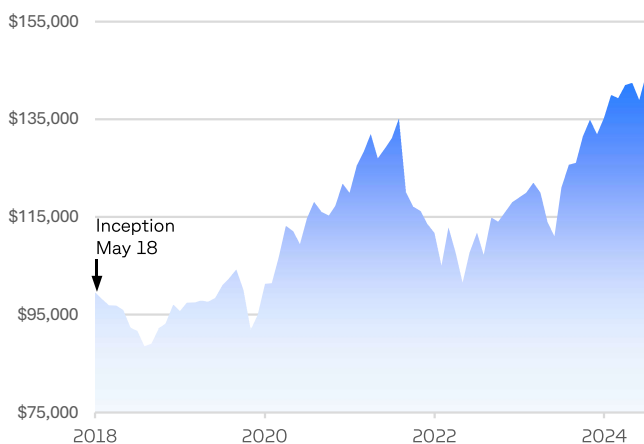
The best performers for the fund in December included Broadcom, Tesla and Pandora. Broadcom announced a solid set of results driven by AI spending, but it was the positive guidance for the next few years on its addressable market that got investors excited. With the shares having reached our valuation we took some profits. Tesla has performed well for the fund since we bought it just after the US election, but we also took profits with the valuation now looking very extended. Pandora is transitioning from selling charms to becoming a broader jewellery company, the brand is demonstrating strong momentum, and management are executing well so far. The shares rose 16% in the month. Negative performers included Uber, due to some concerns about its market position in autonomous driving, and interest rate sensitive stocks in the portfolio.

During the month we added positions in Eli Lilly, a US pharma company that is well positioned in the global obesity drug market, and Block, a fintech company that we think can accelerate sales growth in 2025. These purchases were funded by exiting Swiss speciality chemical producer Sika, where we believe sales growth may remain lacklustre in 2025.

Looking ahead to 2025, we still anticipate positive returns for equities, and valuations remain attractive for shares outside the US. While US larger company equities do look expensive on some measures, with tax cuts and further AI spending on the horizon, we still expect additional gains.

## 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	<p>Potentially Lower Returns</p> <p>1 2 3 4 <b>5</b> 6 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)



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## PERFORMANCE

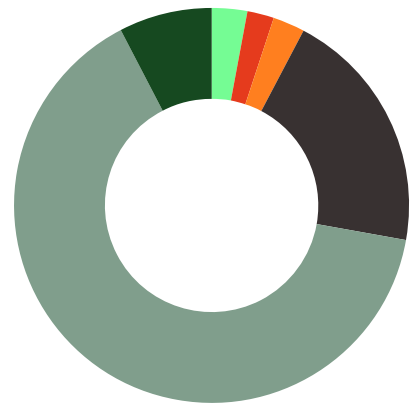
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	Annualised since inception
<b>Global Growth 2 Fund</b>	-1.3%	13.5%	1.7%	6.8%	5.5%
<b>MARKET INDEX<sup>1</sup></b>	-0.7%	23.1%	9.2%	11.4%	10.8%

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)	2.9%
Asian Equities	2.2%
Emerging Market Equities	2.6%
European Equities	20.1%
US and Canadian Equities	64.6%
Listed Property	7.6%



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
Apple Inc
JPMorgan Chase & Co
Microsoft Corporation
Schneider Electric SE

Holdings are listed in alphabetical order.

## UNIT PRICE

# \$1.41

## ANNUALISED RETURN SINCE INCEPTION

# 5.5% p.a.

after fees and before tax

## FUND STATUS

CLOSED

OPEN



Information is current as at 31 December 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.