



August  
2024 Issue 192

# Slice of Pie

Keeping you up to date with Pie Funds and the markets



A message from Mike

## With volatility comes opportunities



We are the only New Zealand-owned active fund manager with our own global experts, with specialised teams across New Zealand, Australia, and the UK.



NEW ZEALAND

**TRAVIS MURDOCH**

Head of Fixed Income and Portfolio Manager



AUSTRALIA

**MICHELLE LOPEZ**

Head of Australasian Equities and Portfolio Manager



UNITED KINGDOM

**GUY THORNEWILL**

Head of Global Research



A message from Mike

# With volatility comes opportunities

Writing a positive commentary about July is a bit challenging, especially when August has started with a lot of turbulence.

## Let's break down what's been going on:

- 1. Japan:** After maintaining near-zero interest rates for 15 years, the Bank of Japan (BOJ) finally raised rates on August 1 by a mere 0.15-0.25%. This action led to an unwinding of the "carry trade," where investors borrow in JPY to invest in Japanese stocks. On August 5, the Nikkei experienced its worst day since 1987, dropping close to 25% from the July highs. The volatility index (VIX) spiked to 67, indicating panic, a level only seen during the Global Financial Crisis (GFC), the COVID-19 crash, and now.
- 2. US Growth:** A weak jobs report in the US last week raised concerns about a potential recession in 2025 if the Federal Reserve (FED) does not cut rates quickly enough to prevent a slowdown. Consequently, the Nasdaq was down over 12% from its highs on July 11.
- 3. AI Stocks:** After stellar performance in 2024, AI stocks have retreated due to valuation concerns and fears that AI spending may slow. NVIDIA (NVDA) had fallen 26% from its highs on July 11, while the SOX (semiconductor index) was off over 25%, though many names rallied off their lows.
- 4. Middle East Unrest:** Concerns over a wider conflict in the Middle East are negatively impacting risk sentiment.

## What Actions Are We Taking?

### 1. Pre sell-off:

- International funds have been reducing exposure to AI names and Japanese stocks.
- Regular discussions about valuation concerns have led to a smaller weight in NVDA.
- We increased weight in interest rate-sensitive names and reduced weight in larger caps within diversified funds.
- We didn't deploy the strategic reserve of cash.

### 2. Post sell-off actions:

- The recent market move is believed to be primarily due to the unwinding of the carry trade, and the major damage is likely over.
- Selective buying in Japanese stocks and oversold tech names with good earnings reports.

- Tactical deployment of cash in small-cap funds.

### 3. We continually monitor the data:

- US growth and interest rates are critical, with the Japan news expected to pass.
- Continuous monitoring of data to assess any further economic deterioration. So far, there is little evidence of severe issues.
- Anticipation that the FED will take action to stabilize the situation, with the Jackson Hole symposium scheduled for August 22-24.
- Current data and earnings reports suggest that while the economy is slowing, it is not facing a major crisis.
- No signs of a COVID shock, earnings shock, inflation shock, rates shock, banking crisis, or other major issues.
- Most markets are flat or down for the year, with valuations outside the major tech stocks returning to reasonable levels.

### 4. We're keeping a close eye on the Middle East:

- Monitoring oil prices closely. Unless there are significant movements, the impact outside the region is expected to be limited.

## In Summary My Thoughts On The Last Week Are:

### 1. Don't panic:

- Volatility is normal and is a regular part of the investment team's operations. Think of them like emergency doctors.
- We reduced exposure to Japan and tech stocks during July.
- We are taking advantage of oversold opportunities.
- The funds maintain a strategic reserve of cash for situations like this, which will be deployed tactically.
- Many funds were at 2024 highs or all-time highs just days ago, so there is no cause for alarm.
- Interest rate cuts are anticipated, with central banks having significant stimulus tools available if needed.
- This is not seen as the beginning of a new equity bear market like in 2022.

## 2. No change to our strategy:

- Valuations for small caps remain very cheap, with some markets still below their February 2020 levels.
- Lower interest rates are beneficial for small caps, property, infrastructure, and fixed income, and generally stimulate stocks and assets. A possible 200bp of cuts in the next 12 months could be seen.
- Large-cap funds remain underweight in the most expensive parts of the market, particularly megacap tech. However, despite these headwinds, there are several bright spots at Pie. We've consistently emphasised that as inflation falls and interest rates decline, certain parts of the market can thrive. This insight prompted us to launch our Fixed Income Fund and Property & Infrastructure Fund at the end of last year, anticipating the opportunity presented by falling rates.

For those unfamiliar with why these products perform well during a declining interest rate environment, let's dive in:

### Fixed Income Fund:

- Imagine a bond as a term deposit that pays a fixed interest rate over a specific period.
- Suppose you purchase a 5-year New Zealand Government bond for \$100, which pays \$5 annually (5% interest).
- If interest rates suddenly drop after your purchase, the bond's value may rise to, say, \$105 because 5% becomes attractive compared to the new 4% rate.
- Consequently, you not only collect the \$5 yield but also benefit from the \$5 capital gain, resulting in a 10% return in the first year.
- Currently, with falling interest rates, our Fixed Income Bond fund captures both yield and capital gains from rising bond values.

### Property & Infrastructure:

When it comes to Property & Infrastructure, there are three reasons why they do well when rates fall.

1. These companies often pay dividend yields, which become more appealing when interest rates decline.
2. Additionally, they rely heavily on debt for construction. As debt costs decrease, their profits rise.

3. Lower interest rates stimulate the market, leading to increased activity and higher property and infrastructure asset values.

Oh, and I nearly forgot to mention that small caps do well in a falling rate environment. Our Australasian Emerging Companies Fund was up 6.5% in July, taking that fund to an all-time high.

Coming back to that economic slowdown, this is not due to COVID, the GFC, or an inflation scare. Instead, it's a market adjusting to slower growth and lower interest rates – a normal and healthy correction.

Remember, if you have further questions or need clarification, feel free to reach out via email or give our team a call. There's no such thing as a silly question—finance can be complex!

### Annual Report

The Pie Funds Management Scheme Annual Report is now available. This document outlines important information about our funds for the year to 31 March 2024. The Annual report is available on the Pie Funds website, under Investor Documents then Scheme Documents. You can request a copy free of charge, which you will receive within 15 working days, by emailing [clients@piefunds.co.nz](mailto:clients@piefunds.co.nz).

Thank you again for your support. If you have any questions, please don't hesitate to email me on [mike@piefunds.co.nz](mailto:mike@piefunds.co.nz)

Warm regards,



Mike Taylor  
Founder & Chief  
Investment Officer

*Information is current as at 31 July 2024. Pie Funds Management Limited is the manager and issuer of the funds in the Pie Funds Management Scheme and Pie KiwiSaver Scheme (the Schemes). Any advice is given by Pie Funds Management Limited and 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 Schemes' 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 guarantee of future returns. Returns can be negative as well as positive and returns over different periods may vary.*

# Market Watch

THE KAMALA EFFECT AND WHAT  
INVESTORS SHOULD EXPECT  
FROM THE NEXT US PRESIDENT

Founder & Chief Investment Officer Mike Taylor and the  
NZ Herald's Liam Dann discuss the latest in markets.



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# Monthly Updates

Keeping you up to date with Pie Funds  
and the markets





# Funds Snapshot

Monthly Update as at 31 July 2024



KIWISAVER



AUSTRALASIAN GROWTH



GLOBAL GROWTH



DIVERSIFIED

## FUND DETAILS

	Inception Date	Unit Price	Standard Withdrawal Period (working days)	Lead Portfolio Manager(s)	Co-Portfolio Manager
Pie KiwiSaver Conservative	Aug-18	\$1.24		M. Taylor, T. Murdoch	
Pie KiwiSaver Balanced	Aug-18	\$1.42		M. Taylor, T. Murdoch	
Pie KiwiSaver Growth	Aug-18	\$1.65		M. Taylor, T. Murdoch	
Australasian Growth	Dec-07	\$7.72	15	M. Goltsman	M. Ross
Australasian Growth 2	Aug-15	\$2.75	10	M. Lopez	K. Williams
Australasian Dividend Growth	Sep-11	\$4.71	10	M. Ross	M. Goltsman
Australasian Emerging	Apr-13	\$6.96	15	K. Williams	M. Lopez
Global Growth	Sep-13	\$2.58	10	G. Thornewill, T. Woods* & M. Taylor	
Global Growth 2	May-18	\$1.38	5	G. Thornewill, T. Woods* & M. Taylor	
Growth UK & Europe	Nov-16	\$1.93	10	G. Thornewill, T. Woods* & M. Taylor	
Conservative	Apr-15	\$1.21	5	T. Murdoch, M. Taylor	
Chairman's***	Sep-14	\$2.58	15	M. Taylor	M. Lopez
Fixed Income	Dec-23	\$1.05	5	T. Murdoch, M. Taylor	
Property & Infrastructure	Dec-23	\$1.07	5	M. Taylor, T. Woods & M. Young**	

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

\*\*Toby Woods and Matt Young are responsible for research and analysis

\*\*\*Minimum investment is \$500,000



Closed

## PERFORMANCE

	1 month	3 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	Since inception (p.a.)	Total since inception
Pie KiwiSaver Conservative	1.8%	4.7%	10.0%	1.3%	3.7%	3.7%	24.0%
Pie KiwiSaver Balanced	1.6%	5.8%	14.0%	0.6%	6.1%	6.2%	42.8%
Pie KiwiSaver Growth	1.4%	6.0%	15.2%	-1.2%	8.0%	8.9%	66.0%
Australasian Growth	2.6%	3.2%	17.5%	-2.4%	5.4%	13.2%	684.6%
Australasian Growth 2	3.9%	7.1%	23.9%	-2.2%	8.6%	12.0%	177.2%
Australasian Dividend Growth	3.4%	4.5%	23.0%	7.0%	13.2%	16.1%	581.0%
Australasian Emerging	6.6%	5.5%	24.2%	6.7%	13.8%	18.8%	601.5%
Global Growth	3.7%	4.9%	3.3%	0.1%	9.9%	9.2%	160.6%
Global Growth 2	-0.5%	5.6%	13.2%	2.7%	7.4%	5.5%	39.3%
Growth UK & Europe	4.6%	8.5%	13.6%	-0.8%	9.5%	9.0%	94.3%
Conservative	1.7%	3.9%	7.7%	2.8%	3.4%	4.0%	43.9%
Chairman's	3.3%	5.6%	14.7%	1.7%	9.8%	10.2%	160.7%
Fixed Income	2.4%	4.7%					5.5%
Property & Infrastructure	3.8%	4.5%					7.5%

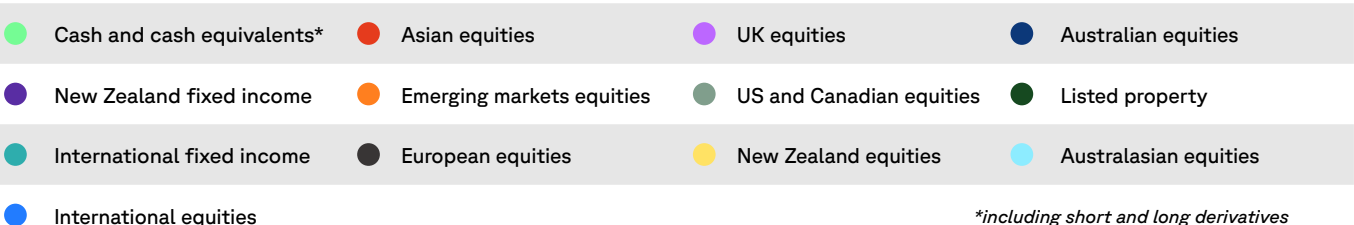
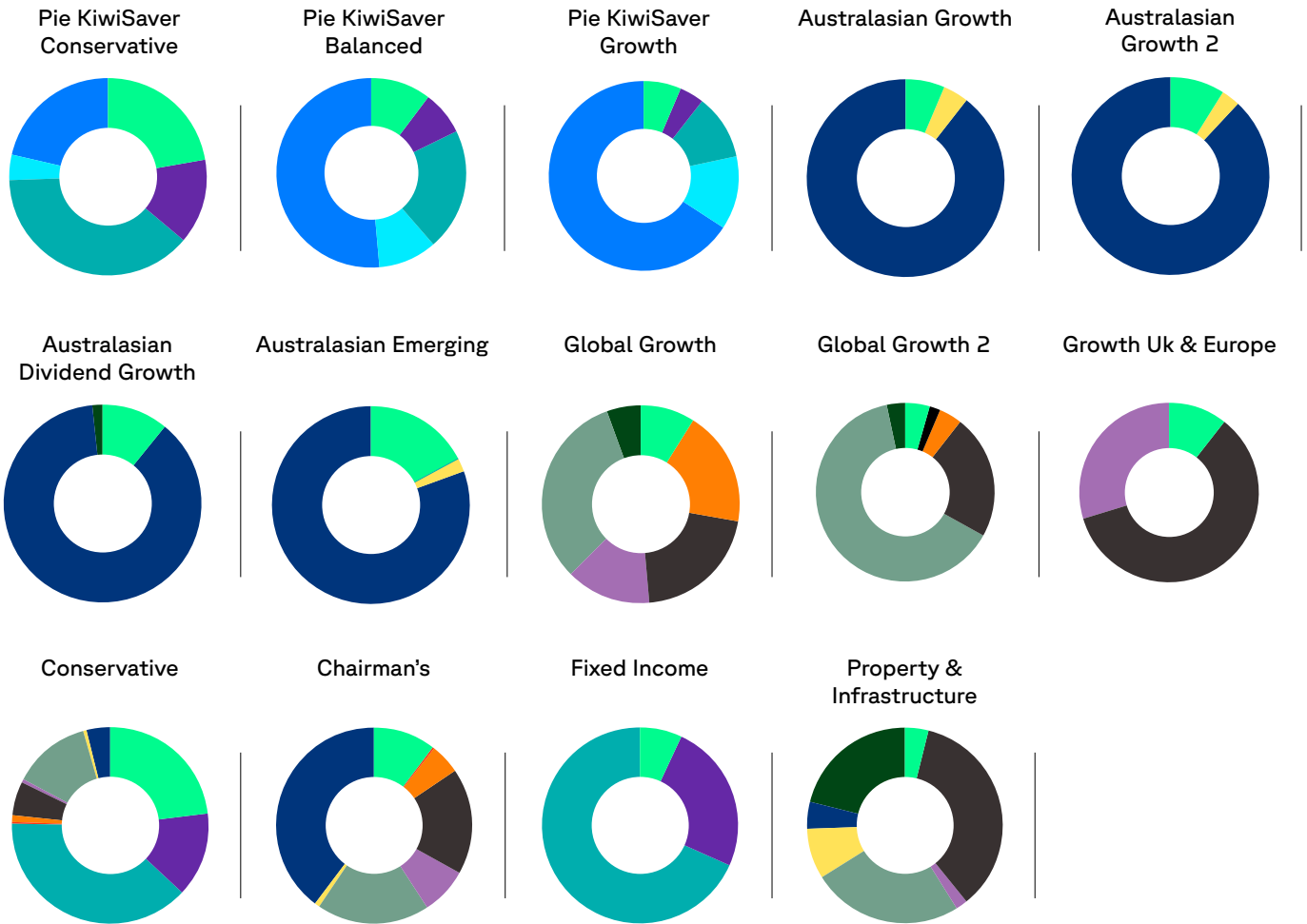
Figures are after fees and before any individual tax except for the KiwiSaver returns which are before fees and any individual tax

# Funds Snapshot

Monthly Update as at 31 July 2024

Total Funds Under Management: \$2b

## INVESTMENT MIX



Information is current as at 31 July 2024. Pie Funds Management Limited is the manager and issuer of the funds in the Pie Funds Management Scheme and the Pie KiwiSaver Scheme (the Schemes). Any advice is given by Pie Funds Management Limited and 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 Schemes' 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 for the Schemes, 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.



# Pie KiwiSaver Conservative Fund

Monthly Update as at 31 July 2024

## PORTFOLIO MANAGER(S)



**MIKE TAYLOR**  
Founder and Chief  
Investment Officer



**TRAVIS MURDOCH**  
Head of Fixed Income and  
Portfolio Manager

## FUND COMMENTARY

The Pie KiwiSaver Conservative Fund returned 1.8% during the month, bringing it to a 12-month return of 10.0%.

Remarkably, this made it the top-performing KiwiSaver Fund in July, marking one of its best months since inception. The main drivers of returns were:

### 1. Bond Market Dynamics:

- Government bond yields fell across the board in July, resulting in strong price gains for bonds.
- Moderating inflation data and slowing economic growth bolstered the bond market, increasing expectations for central bank rate cuts.

### 2. US CPI Report Impact:

- The latest US CPI report showed a more significant drop in inflation than anticipated.
- With signs of a slowdown in the US economy and a moderating labour market, the Federal Reserve is expected to cut interest rates at its September meeting.

### 3. Global Central Bank Actions:

- The Bank of Canada cut rates for the second consecutive meeting, and the Bank of England began a rate-cutting cycle.
- Central banks worldwide are adjusting their policies in response to economic conditions.

### 4. New Zealand and Future Expectations:

- In New Zealand, rates fell sharply, boosting bond prices, as the RBNZ's post-meeting statement hinted at potential rate cuts.
- Looking ahead, continued moderation in inflation and economic growth is favourable for bond markets.
- The Fund maintains an overweight position in NZ bonds compared to its benchmark and expects interest rate curves to steepen as central bank cuts occur. European government bonds are also anticipated to outperform in the coming months.

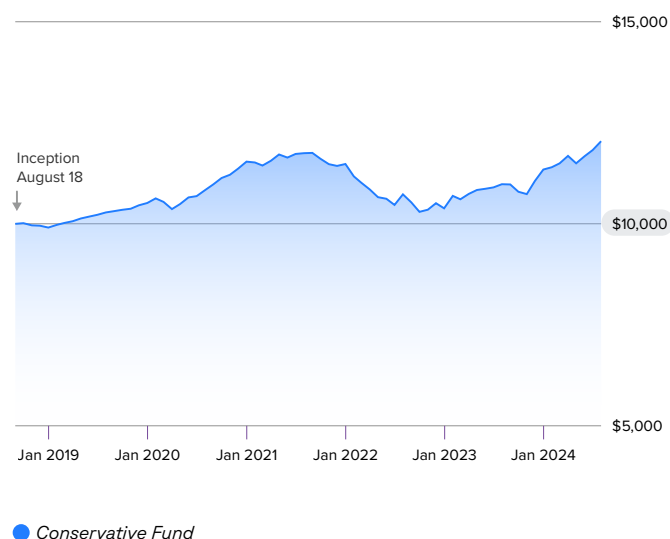
Equity markets continued their upward trend from June, reaching new record highs, with the mega-cap tech sector leading. However, by mid-month, the US CPI report caused significant drops in market interest rates, leading to a sharp rotation in equity markets. US small-cap equities rallied, while the tech-heavy NASDAQ index closed lower.

Staying informed about market trends and fund performance is essential. If you have any specific questions or need further details, feel free to ask!

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

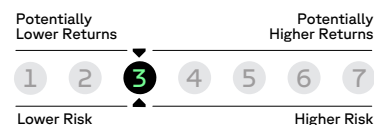
## CUMULATIVE FUND PERFORMANCE

If you had invested \$10,000 at inception, the graph below shows what it would be worth today, before tax.



## FUND DETAILS

Recommended minimum investment period	3 years
Objective	Seeks to preserve members' capital with modest growth over a period exceeding 3 years.
Description	Invests primarily in fixed interest and cash, with an allocation to equities, directly and/or through investment in the Pie KiwiSaver Balanced Fund and/or through other funds also managed by Pie Funds.
Inception date	August 2018
Risk indicator	







# Pie KiwiSaver Conservative Fund

Monthly Update as at 31 July 2024

## PERFORMANCE

	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	Annualised since inception
Conservative Fund	1.8%	10.0%	1.3%	3.7%	3.7%
MARKET INDEX <sup>1</sup>	1.8%	9.8%	3.4%	3.9%	4.5%

We report fund performance before fees and before individual PIR tax applied.

1. The market index is a composite index (25% NZBond Bank Bill Index (NZD), 15% Bloomberg NZBond Credit 0+ Yr Index (NZD), 35% Bloomberg Global Aggregate Corporate Total Return Index (100% hedged to NZD), 6% S&P/ASX All Ordinaries Total Return Index (75% hedged to NZD), 19% S&P Global Broad Market (BMI) Total Return Index (75% hedged to NZD)).

## INVESTMENT MIX

Cash and cash equivalents	22.4%
New Zealand Fixed Income	13.9%
International Fixed Income	38.3%
Australasian Equities	4.1%
International Equities	21.3%



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

## TOP FIVE HOLDINGS (EXCLUDING CASH)

Contact Energy Ltd	6.398%	21/11/2030
JPMorgan Chase & Co	5.336%	23/01/2035
Morrison & Co High Conviction Infrastructure Fund		
New Zealand Local Government	1.5%	20/04/2029
Transpower NZ Ltd	4.977%	29/11/2028

Holdings are listed in alphabetical order and exclude cash.

### UNIT PRICE

# \$1.24

### ANNUALISED RETURN SINCE INCEPTION

# 3.7% p.a.

before fees and before tax



Information correct as at 31 July 2024. Pie Funds Management Limited is the manager and issuer of the Pie KiwiSaver Scheme. View our Product Disclosure Statement at [www.piefunds.co.nz](http://www.piefunds.co.nz). Any advice is given by Pie Funds Management Limited, and is general only. It 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 if you act on any advice. As manager of the Scheme we receive monthly fees that are determined by your balance and whether you are 13 years or over. We will benefit financially if you invest in our products. We manage any conflicts of interest via an internal compliance framework designed to ensure we meet our duties to you. For information about the advice we can provide, our duties and complaint process and how disputes can be resolved, visit [www.piefunds.co.nz](http://www.piefunds.co.nz). All content is correct at time of publication date, unless otherwise indicated. 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. Please let us know if you would like a hard copy of this disclosure information. This information is given in good faith and has been derived from sources believed to be reliable and accurate. However, neither Pie Funds nor any of its employees or directors give any warranty of reliability or accuracy.



# Pie KiwiSaver Balanced Fund

Monthly Update as at 31 July 2024

## PORTFOLIO MANAGER(S)



**MIKE TAYLOR**  
Founder and Chief  
Investment Officer



**TRAVIS MURDOCH**  
Head of Fixed Income and  
Portfolio Manager

## FUND COMMENTARY

The Pie KiwiSaver Balanced Fund returned 1.6% during the month, bringing it to a 12-month return of 14.0%.

Additionally, in the 12 months to June 2024, the fund achieved a return of 13.8% before fees. The fund ranked **number 1 out of 33 funds** with similar investment objectives over that period.

The Balanced Fund outperformed the Growth Fund in July due to its larger exposure to Bonds.

**1. Market Dynamics in July:** Equity markets continued their momentum from June, reaching new record highs. The mega-cap tech sector led the way. However, mid-month, the US CPI report revealed a larger-than-expected fall in inflation, causing significant drops in market interest rates. This led to a sharp equity market rotation.

**2. US Small Cap Equities vs. NASDAQ:** US small cap equities rallied due to expectations of rate cuts benefiting smaller companies. The tech-heavy NASDAQ index closed lower, resulting in one of the largest one-month underperformances against small caps in over 20 years.

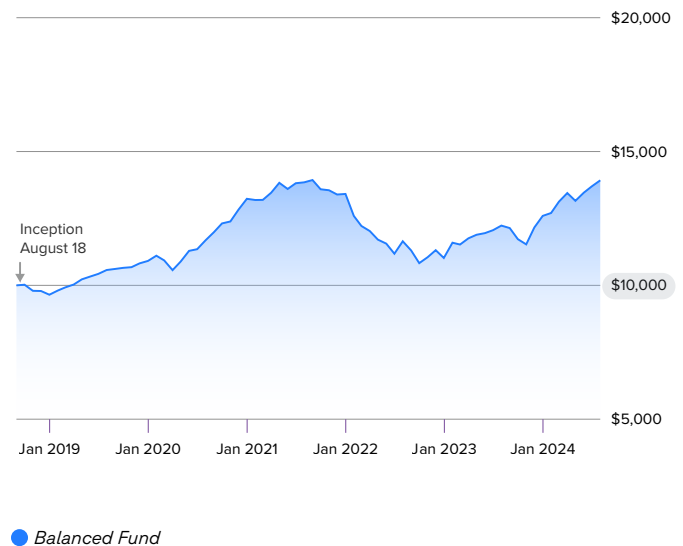
**3. Investments Down-Under:** Overall, it was a strong month for investments in Australia and New Zealand. Lower inflation in Australia and hopes of an NZ rate cut boosted local stocks.

**4. Bond Markets:** Bond markets performed well as US interest rates declined. In New Zealand, rates fell significantly, pushing bond prices higher. The RBNZ's post-meeting statement hinted at potential rate cuts.

Staying informed about market trends and fund performance is essential. If you have any specific questions or need further details, feel free to ask!

## CUMULATIVE FUND PERFORMANCE

If you had invested \$10,000 at inception, the graph below shows what it would be worth today, before tax.

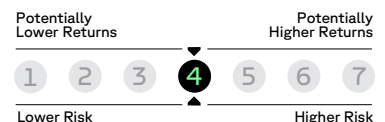


## FUND DETAILS

Recommended minimum investment period	5 years
Objective	Seeks to provide members with steady capital growth over a period exceeding 5 years.
Description	Invests in equities, with a reasonable allocation towards fixed interest, directly and/or through investment in the Pie KiwiSaver Growth Fund and/or through other funds also managed by Pie Funds.

Inception date August 2018

Risk indicator



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



# Pie KiwiSaver Balanced Fund

Monthly Update as at 31 July 2024

## PERFORMANCE

	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	Annualised since inception
Balanced Fund	1.6%	14.0%	0.6%	6.1%	6.2%
MARKET INDEX <sup>1</sup>	2.2%	14.0%	6.5%	7.8%	7.6%

We report fund performance before fees and before individual PIR tax applied.

1. The market index is a composite index (10% NZBond Bank Bill Index (NZD), 10% Bloomberg NZBond Credit 0+ Yr Index (NZD), 20% Bloomberg Global Aggregate Corporate Total Return Index (100% hedged to NZD), 10% S&P/ASX All Ordinaries Total Return Index (75% hedged to NZD), 50% S&P Global Broad Market (BMI) Total Return Index (75% hedged to NZD)).

## INVESTMENT MIX

Cash and cash equivalents	10.4%
New Zealand Fixed Income	7.5%
International Fixed Income	20.8%
Australasian Equities	9.9%
International Equities	51.3%



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
Microsoft Corporation
Morrison & Co High Conviction Infrastructure Fund
Prologis Inc
Transpower NZ Ltd 4.977% 29/11/2028

Holdings are listed in alphabetical order and exclude cash.

### UNIT PRICE

# \$1.42

### ANNUALISED RETURN SINCE INCEPTION

# 6.2% p.a.

before fees and before tax



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# Pie KiwiSaver Growth Fund

Monthly Update as at 31 July 2024

## PORTFOLIO MANAGER(S)



**MIKE TAYLOR**  
Founder and Chief  
Investment Officer



**TRAVIS MURDOCH**  
Head of Fixed Income and  
Portfolio Manager

## FUND COMMENTARY

The Pie KiwiSaver Growth Fund returned 1.4% during the month, bringing it to a 12-month return of 15.2%.

Additionally, in the 12 months to June 2024, the fund achieved a return of 15.6% before fees. The fund ranked **number 1 out of 25 funds** with similar investment objectives over that period.

**1. Market Dynamics in July:** Equity markets continued their momentum from June, reaching new record highs. The mega-cap tech sector led the way. However, mid-month, the US CPI report revealed a larger-than-expected fall in inflation, causing significant drops in market interest rates. This led to a sharp equity market rotation.

**2. US Small Cap Equities vs. NASDAQ:** US small cap equities rallied due to expectations of rate cuts benefiting smaller companies. The tech-heavy NASDAQ index closed lower, resulting in one of the largest one-month underperformances against small caps in over 20 years.

**3. Investments Down-Under:** Overall, it was a strong month for investments in Australia and New Zealand. Lower inflation in Australia and hopes of an NZ rate cut boosted local stocks.

**4. Bond Markets:** Bond markets performed well as US interest rates declined. In New Zealand, rates fell significantly, pushing bond prices higher. The RBNZ's post-meeting statement hinted at potential rate cuts.

Staying informed about market trends and fund performance is essential. If you have any specific questions or need further details, feel free to ask!

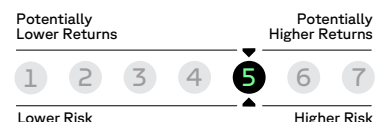
## CUMULATIVE FUND PERFORMANCE

If you had invested \$10,000 at inception, the graph below shows what it would be worth today, before tax.



## FUND DETAILS

Recommended minimum investment period	7 years
Objective	Seeks to maximise capital growth for members over a period exceeding 7 years.
Description	Invests primarily in International and Australasian equities with a focus on globally-known brands, along with a cash and fixed interest exposure, directly and/or through investment in other funds also managed by Pie Funds.
Inception date	August 2018
Risk indicator	



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



# Pie KiwiSaver Growth Fund

Monthly Update as at 31 July 2024

## PERFORMANCE

	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	Annualised since inception
Growth Fund	1.4%	15.2%	-1.2%	8.0%	8.9%
MARKET INDEX <sup>1</sup>	2.5%	16.2%	8.2%	9.9%	9.3%

We report fund performance before fees and before individual PIR tax applied.

1. The market index is a composite index (5% NZBond Bank Bill Index (NZD), 5% Bloomberg NZBond Credit 0+ Yr Index (NZD), 10% Bloomberg Global Aggregate Corporate Total Return Index (100% hedged to NZD), 15% S&P/ASX All Ordinaries Total Return Index (75% hedged to NZD), 65% S&P Global Broad Market (BMI) Total Return Index (75% hedged to NZD)).

## INVESTMENT MIX

Cash and cash equivalents	6.6%
New Zealand Fixed Income	4.0%
International Fixed Income	11.1%
Australasian Equities	12.7%
International Equities	65.6%



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
Microsoft Corporation
Morrison & Co High Conviction Infrastructure Fund
Prologis Inc
TotalEnergies SE

Holdings are listed in alphabetical order and exclude cash.

### UNIT PRICE

# \$1.65

### ANNUALISED RETURN SINCE INCEPTION

# 8.9% p.a.

before fees and before tax



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# Australasian Growth Fund

Monthly Update as at 31 July 2024

## PORTFOLIO MANAGER(S)



**MICHAEL GOLTSMAN**  
Lead Portfolio Manager



**MIKE ROSS**  
Co-Portfolio Manager

## FUND COMMENTARY

The Australasian Growth Fund returned 2.6% during the month, bringing it to a 12-month return of 17.5%.

July was a robust month for Australian equities, with the Small Ordinaries index climbing by 3.4%. Materials and Energy were the only sectors to post negative returns, while Industrials shone with an aggregate increase of 5%. The resilience of the Australian economy was evident as June retail sales rose by 0.5%, and inflation moved in the right direction. The headline monthly CPI fell from 4% to 3.8%, though it remains above the Reserve Bank's 2-3% target range.

Wagners, a Queensland-based concrete and cement manufacturer, soared by 24% over the month thanks to a positive update. Strong trading conditions in May and June bolstered a solid operating profit of \$40 million, significantly surpassing the previous guidance of \$31 to \$34 million. Rational market dynamics are allowing for price rises to stick, leading to improved margins for the Construction Materials & Services division.

In contrast, Plenti Group, an alternate lender, saw its shares trade 11% lower after releasing a relatively in-line 1Q 2025 result. Plenti's loan portfolio grew to \$2.2 billion, a 3% increase from the previous quarter. However, auto and personal loan originations slowed due to weaker commercial auto demand and tighter credit criteria. On a positive note, phase 1 of the NAB partnership launched in June 2024, marking a crucial milestone ahead of the broader phase 2 launch to existing NAB customers, expected to be a significant source of future earnings growth.

During the month, the number of positions in the fund decreased from 28 to 27, and cash & cash equivalents decreased to 6.6%.

## CUMULATIVE FUND PERFORMANCE

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



● Australasian Growth Fund

## FUND DETAILS

Recommended minimum investment period	5 years
Objective	Capital growth over a period exceeding five years.
Description	Invests predominantly in listed Australasian smaller companies.
Inception date	December 2007
Standard withdrawal period	15 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)



# Australasian Growth Fund

Monthly Update as at 31 July 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 Growth Fund</b>	2.6%	17.5%	-2.4%	5.4%	8.3%	8.7%	13.2%
<b>MARKET INDEX<sup>1</sup></b>	3.9%	9.9%	0.4%	4.3%	6.9%	6.2%	1.2%

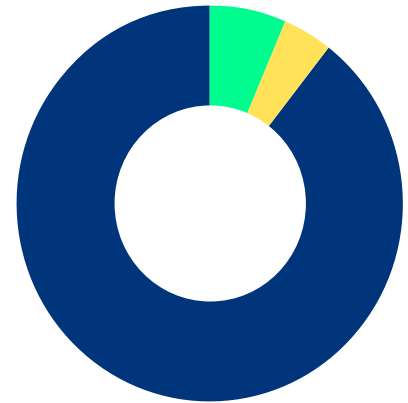
Returns after fees but before individual PIR tax applied

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

## INVESTMENT MIX

<span style="color: green;">●</span> Cash (including Derivatives)	6.6%
<span style="color: yellow;">●</span> New Zealand Equities	4.0%
<span style="color: blue;">●</span> Australian Equities	89.4%

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



## TOP FIVE EQUITY HOLDINGS

Clearview Wealth Ltd
Generation Development Group Ltd
IPD Group Ltd
Life360 Inc
Reject Shop Ltd/The

Holdings are listed in alphabetical order.

### UNIT PRICE

# \$7.72

### ANNUALISED RETURN SINCE INCEPTION

# 13.2% p.a.

after fees and before tax

### FUND STATUS

CLOSED

OPEN



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# Australasian Growth 2 Fund

Monthly Update as at 31 July 2024

## PORTFOLIO MANAGER(S)



**MICHELLE LOPEZ**

Head of Australasian Equities and  
Lead Portfolio Manager



**KENT WILLIAMS**

Co-Portfolio Manager

## FUND COMMENTARY

The Australasian Growth 2 Fund returned 3.9% during the month, bringing it to a 12-month return of 23.9%.

July was a strong month for Australian equities, with the Small Ordinaries index rising by 3.4%. The only two sectors that posted negative returns were Materials and Energy, while Industrials saw an aggregate increase of 5%. The Australian economy continued to show resilience: June retail sales were up by 0.5%, and inflation trended in the right direction, with headline monthly CPI falling from 4% to 3.8%, although it remains well above the Reserve Bank's 2-3% target range.

Key contributors to the Fund's returns were Pinnacle Investment Management Group (+16%) and ResMed (+12%). For Pinnacle, the market has begun to account for the operating leverage the business is likely to experience following a period of investment. Pinnacle is leveraged to flow into both listed and unlisted asset classes, particularly through its private credit affiliate, Metrics. Additionally, the establishment of a new London-based affiliate, led by former members of the Royal London global equities team, will provide a strong endorsement of Pinnacle's model and international opportunities.

ResMed recovered strongly from its prior month's sell-off as real-world data showed that GLP-1 medications positively impacted the number of new patients seeking ResMed's products and improved adherence to their treatment. The sample size was large, with over 800,000 patients tracked using ResMed devices alongside GLP-1 medications over 12 and 24 months. This data supports our positive outlook on the company's medium-term prospects.

Partially offsetting these gains was weaker share price performance in data centre owners and operators, such as NextDC (-4.7%). The company was affected by the broader AI sell-off, which is predominantly seen in the US, rather than any stock-specific issues. However, results from their major hyperscale customers (Alphabet/Google Cloud, Amazon AWS, and Microsoft Azure) showed accelerated growth in their Cloud segments, which is a positive leading indicator for NextDC as they continue to build out capacity. We believe their solid fundamentals and structural tailwinds will support compounding EBITDA growth over the medium and long term.

We remain constructive on equity markets over the medium term, supported by fiscal stimulus (public spending and tax cuts), a strong labour market, and robust corporate balance sheets. However, we expect market volatility in the coming months as the market adjusts to a slowdown in consumer consumption and demand.

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.



● Australasian Growth 2 Fund

## FUND DETAILS

Recommended minimum investment period	5 years
Objective	Capital growth over a period exceeding five years.
Description	Invests predominantly in listed Australasian smaller and medium companies.
Inception date	August 2015
Standard withdrawal period	10 working days
Risk indicator	<p>Potentially Lower Returns</p> <p>Potentially Higher Returns</p> <p>1 2 3 4 5 6 7</p> <p>Lower Risk Higher Risk</p>





# Australasian Growth 2 Fund

Monthly Update as at 31 July 2024

## PERFORMANCE

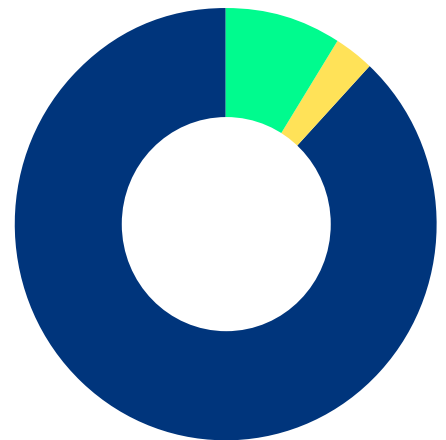
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	Annualised since inception
<b>Australasian Growth 2 Fund</b>	3.9%	23.9%	-2.2%	8.6%	10.6%	12.0%
<b>MARKET INDEX<sup>1</sup></b>	4.1%	8.4%	0.0%	4.0%	6.7%	7.4%

Returns after fees but before individual PIR tax applied

1. S&P/ASX Mid Cap 50 & Small Ordinaries Daily 50/50 Blend Total Return Index (75% hedged to NZD).

## INVESTMENT MIX

Cash (including Derivatives)	8.9%
New Zealand Equities	3.1%
Australian Equities	87.9%



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

## TOP FIVE EQUITY HOLDINGS

HUB24 Limited
Life360 Inc
Pinnacle Investment Management Group Ltd
Resmed Inc
Seven Group Holdings Ltd

Holdings are listed in alphabetical order.

### UNIT PRICE

# \$2.75

### ANNUALISED RETURN SINCE INCEPTION

# 12.0% p.a.

after fees and before tax

### FUND STATUS

CLOSED

OPEN



Information is current as at 31 July 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.



# Australasian Dividend Growth Fund

Monthly Update as at 31 July 2024

## PORTFOLIO MANAGER(S)



**MIKE ROSS**  
Lead Portfolio Manager



**MICHAEL GOLTSMAN**  
Co-Portfolio Manager



## FUND COMMENTARY

The Dividend Growth Fund returned 3.4% in July, bringing its 12-month return to 23.0%.

July was a strong month for Australian equities, with the Small Ordinaries index rising by 3.4%. The only two sectors that posted negative returns were Materials and Energy, while Industrials saw an aggregate increase of 5%. The Australian economy continued to show resilience: June retail sales were up by 0.5%, and inflation trended in the right direction, with headline monthly CPI falling from 4% to 3.8%, although it remains well above the Reserve Bank's 2-3% target range.

Zip Co's share price increased by 31% in July. The company announced a strong quarterly update in conjunction with a \$217m placement, which the fund participated in. Raising equity to retire debt is not generally attractive, but the punitive terms attached to Zip's corporate debt facility made sense of the timing. Zip's balance sheet has been reset, its US business is growing rapidly (~45% in the fourth quarter), and net transaction margins have expanded, driving strong growth in cash earnings. Going forward, we will be closely watching bad debts and customer trends in Australia and the US.

Aussie Broadband dropped by 8% in July after providing guidance for FY24 and FY25. The latter disappointed the market, as Aussie guided to \$125-135m EBITDA, well below expectations. The primary reasons for the downgrade included a higher than anticipated impact from the loss of the Origin white-label contract announced in March and costs associated with Buddy, the company's new value brand. We had reduced our position size ahead of this update on concerns around stranded costs associated with servicing Origin, but the guidance range was still below our forecasts. Despite the disappointment, Aussie is now trading at an attractive valuation with several growth opportunities ahead.

## CUMULATIVE FUND PERFORMANCE

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



● Australasian Dividend Growth Fund

## FUND DETAILS

Recommended minimum investment period	5 years
Objective	Generate income and capital growth over a period exceeding 5 years.
Description	Invests predominantly in listed Australasian smaller and medium growth companies paying dividends or that will produce cash-flow for future distributions.
Inception date	September 2011
Standard withdrawal period	10 working days
Risk indicator	<div style="display: flex; justify-content: space-between; align-items: center;"> <span>Potentially Lower Returns</span> <span>Potentially Higher Returns</span> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> <span>1</span> <span>2</span> <span>3</span> <span>4</span> <span>5</span> <span style="border: 2px solid green; border-radius: 50%; padding: 2px 5px;">6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 5px;"> <span>Lower Risk</span> <span>Higher Risk</span> </div>

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



# Australasian Dividend Growth Fund

Monthly Update as at 31 July 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 Dividend Growth Fund</b>	3.4%	23.0%	7.0%	13.2%	13.7%	13.1%	16.1%
<b>MARKET INDEX<sup>1</sup></b>	3.9%	9.9%	0.4%	4.3%	6.9%	6.2%	3.7%

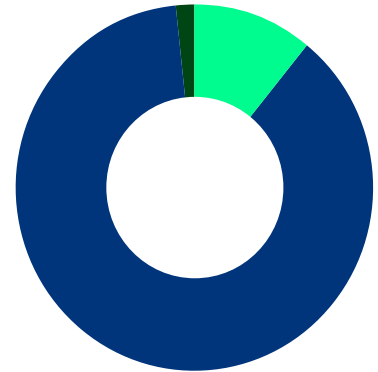
Returns after fees but before individual PIR tax applied

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

## INVESTMENT MIX

<span style="color: green;">●</span> Cash (including Derivatives)	11.0%
<span style="color: blue;">●</span> Australian equities	87.6%
<span style="color: green;">●</span> Listed Property	1.4%

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



## TOP FIVE EQUITY HOLDINGS

AUB Group Limited
Flight Centre Travel Group Ltd
GQG Partners Inc
Johns Lyng Group LTD
Karoon Gas Australia Ltd

Holdings are listed in alphabetical order.

### UNIT PRICE

# \$4.71

### ANNUALISED RETURN SINCE INCEPTION

# 16.1% p.a.

after fees and before tax

### FUND STATUS

CLOSED

OPEN



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# Australasian Emerging Companies Fund

Monthly Update as at 31 July 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 6.6% during the month, bringing it to a 12-month return of 24.2%.

July was a strong month for Australian equities, with the Small Ordinaries index rising by 3.4%. The only two sectors that posted negative returns were Materials and Energy, while Industrials saw an aggregate increase of 5%. The Australian economy continued to show resilience: June retail sales were up by 0.5%, and inflation trended in the right direction, with headline monthly CPI falling from 4% to 3.8%, although it remains well above the Reserve Bank's 2-3% target range.

The key contributors to performance were Spartan Resources and Dropsuite. Our broad underweight exposure to materials, excluding gold, also contributed to relative performance, as this sector sold off significantly during the month. Jupiter Mines detracted from performance during the month.

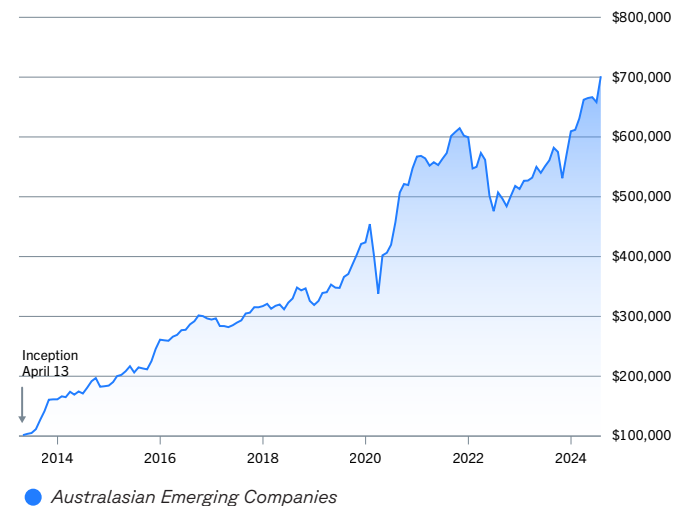
Spartan Resources had another strong month, with the share price up 30%. This was due to the release of their updated Mineral Resource Estimate (MRE), which came in much stronger than expectations. Over the next 12 months, the focus will be on drilling out the underground resource, particularly the shallow depth resource. We believe this strategy is the most effective for shareholder returns and continue to support the company.

Dropsuite released their quarterly results during the month, showing very positive incremental Annualised Recurring Revenue (ARR). Additionally, churn levels have reverted to their historical average, addressing a key investor concern from the previous update. The reduction in churn has provided comfort to the market. The quarterly revenue trajectory positions the company for another successful 12 months, with the share price still trading at very attractive valuations.

Jupiter Mines detracted from performance due to a pullback in manganese prices. This decline followed a recent strong run-up, driven by approximately 15% of global production going offline when South32's GEMCO mine shut down due to an adverse weather event. Industry feedback suggests that manganese prices should stabilize at these levels, a development we are closely monitoring.

## 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 31 July 2024

## PERFORMANCE

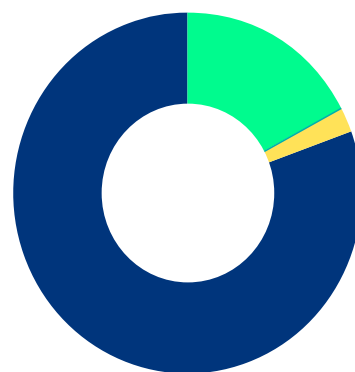
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)	Annualised since inception
<b>Australasian Emerging Companies Fund</b>	6.6%	24.2%	6.7%	13.8%	13.2%	14.5%	18.8%
<b>MARKET INDEX<sup>1</sup></b>	1.4%	2.0%	1.8%	9.5%	10.0%	8.1%	6.0%

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)	17.3%
International Fixed Interest	0.1%
New Zealand Equities	2.1%
Australian Equities	80.5%



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

## TOP FIVE EQUITY HOLDINGS

Austin Engineering Ltd
Dropsuite Ltd
Generation Development Group Ltd
IPD Group Ltd
Spartan Resources Ltd

Holdings are listed in alphabetical order.

### UNIT PRICE

# \$6.96

### ANNUALISED RETURN SINCE INCEPTION

# 18.8% p.a.

after fees and before tax

### FUND STATUS

CLOSED

OPEN



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# Global Growth Fund

Monthly Update as at 31 July 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 3.7% during the month, bringing it to a 12-month return of 3.3%.

While global equity markets seemed to stagnate on the surface during the month, a swift market rotation was taking place beneath. Large-cap technology and AI-related stocks faced significant selling pressure, with profits being redirected into smaller companies and rate-sensitive stocks. This shift was triggered by more optimistic news on inflation, particularly from the US. Although we anticipated this transition into smaller companies, the initial upswing's velocity was unexpectedly rapid. Interest rate cuts now appear highly probable for numerous central banks worldwide in the second half of 2024, which should benefit smaller company stocks. However, it's worth noting that consumer spending has noticeably decelerated, and industrial orders are only gradually increasing.

The fund's performance in the month was bolstered by some of its more rate-sensitive holdings. Colliers International, a global real estate service company, saw a 21% increase and is now the fund's largest equity holding. NVE Corp, a niche semiconductor company with exceptionally high margins, defied the month's weaker semiconductor stock trend by also rising 21%. Dunelm, a UK home furnishings retailer, performed well following a solid trading update.

On the downside, Traxion, our Mexican logistics holding, continued to decline despite strong results as investors expressed concerns about the new Mexican government. Additionally, our holding in CBIZ, an accounting services provider, plummeted on the month's last day. The company announced slightly soft results and a substantial acquisition partially funded with new equity. While the deal should boost earnings, some investors chose to sell. Over the month, the shares fell by only 6%.

In July, the fund exited Intecos and Nexus to finance the acquisition of a new position. We purchased shares in Kinaxis, a Canadian provider of Supply Chain Planning software. The company exhibits strong growth, good margins, and net cash on the balance sheet – all the attributes we seek.

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.



## 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;"> <span>Potentially Lower Returns</span> <span>Potentially Higher Returns</span> </div> <div style="display: flex; justify-content: space-around; align-items: center;"> <span>1</span> <span>2</span> <span>3</span> <span>4</span> <span style="border: 2px solid black; border-radius: 50%; padding: 2px;">5</span> <span>6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between; font-size: small;"> <span>Lower Risk</span> <span>Higher Risk</span> </div>



# Global Growth Fund

Monthly Update as at 31 July 2024

## PERFORMANCE

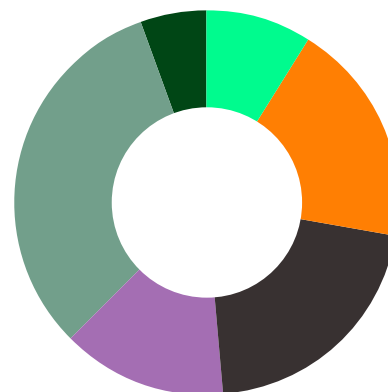
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)	Annualised since inception
Global Growth Fund	3.7%	3.3%	0.1%	9.9%	9.5%	9.2%	9.2%
MARKET INDEX <sup>1</sup>	6.0%	13.0%	5.8%	9.9%	10.3%	10.8%	10.6%

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)	9.1%
Emerging Market Equities	18.7%
European Equities	20.9%
UK Equities	13.8%
US and Canadian Equities	32.2%
Listed Property	5.3%



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

## TOP FIVE EQUITY HOLDINGS

Blackbaud Inc

CBIZ Inc

Colliers International Group Inc

Merit Medical Systems Inc

William Blair SICAV

Holdings are listed in alphabetical order.

### UNIT PRICE

**\$2.58**

### ANNUALISED RETURN SINCE INCEPTION

**9.2% p.a.**

after fees and before tax

### FUND STATUS

CLOSED

OPEN



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# Global Growth 2 Fund

Monthly Update as at 31 July 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 2 Fund returned -0.5% during the month, bringing it to a 12-month return of 13.2%.

While global equity markets appeared to be relatively stable throughout the month, there was a notable shift beneath the surface. Large-cap technology and AI-related stocks faced significant selling pressure, with profits moving into smaller companies and rate-sensitive stocks. This shift was largely triggered by positive inflation news, particularly from the US. Interest rate cuts in the latter half of 2024 now seem likely for many central banks worldwide.

In July, our recent purchase of Roche, the Swiss pharmaceutical company, saw a 15% increase following strong results and promising early data on its obesity drug candidate. Newmont Mining benefited from a strong gold price, and UnitedHealth performed well after reporting solid results. Despite these gains, the positive performance of several holdings was tempered by weaknesses in large-cap technology and AI stocks. We believe the fundamentals for our holdings in these areas remain solid.

However, the fund faced a significant setback with Dexcom, whose shares fell sharply after missing estimates and lowering its annual profit guidance. Despite strong structural tailwinds and competitive products in the glucose monitoring market, Dexcom has struggled with a poorly executed salesforce reorganization and is losing market share to its closest competitor. Consequently, we exited this position. We also sold our holdings in Metso and Duolingo due to concerns about their future earnings potential.

The fund added a new position in Manhattan Associates, a leading provider of warehouse management software in the US. With a strong market position, advanced technology, and significant growth potential, the shares have performed exceptionally well since our purchase.

## CUMULATIVE FUND PERFORMANCE

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



● Global Growth 2 Fund

## 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	Up to 5 working days
Risk indicator	<div style="display: flex; justify-content: space-between; align-items: center;"> <span>Potentially Lower Returns</span> <span>Potentially Higher Returns</span> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> <span>1</span> <span>2</span> <span>3</span> <span>4</span> <span style="border: 2px solid black; border-radius: 50%; padding: 2px 5px;">5</span> <span>6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 5px;"> <span>Lower Risk</span> <span>Higher Risk</span> </div>

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





# Global Growth 2 Fund

Monthly Update as at 31 July 2024

## PERFORMANCE

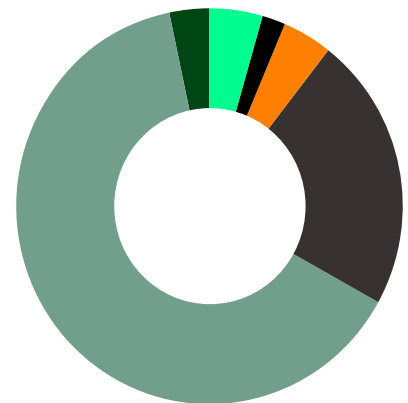
	1 month	1 yr	3 yrs (p.a.)	5yrs (p.a.)	Annualised since inception
Global Growth 2 Fund	-0.5%	13.2%	2.7%	7.4%	5.5%
MARKET INDEX <sup>1</sup>	2.4%	19.2%	9.3%	11.2%	10.5%

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)	4.5%
Asian Equities	2.1%
Emerging Market Equities	4.2%
European Equities	22.4%
US and Canadian Equities	63.7%
Listed Property	3.1%



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

## TOP FIVE EQUITY HOLDINGS

Amazon.Com Inc
Apple Inc
Microsoft Corporation
Prologis Inc
Roche Holding Ag-Genusschein

Holdings are listed in alphabetical order.

### UNIT PRICE

# \$1.38

### ANNUALISED RETURN SINCE INCEPTION

# 5.5% p.a.

after fees and before tax

### FUND STATUS

CLOSED

OPEN



Information is current as at 31 July 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.



# Growth UK & Europe Fund

Monthly Update as at 31 July 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 Growth UK & Europe Fund returned 4.6% during the month, bringing it to a 12-month return of 13.6%.

Global equities experienced a significant rotation in July, with smaller companies and rate-sensitive stocks outperforming large-cap technology stocks. While this rotation was particularly pronounced in the US, a similar trend was observed in Europe. We anticipated this shift, so the fund was well-positioned to capitalize on the change.

Several stocks performed exceptionally well during the month, with some rising over 20%. MIPS, a supplier of safety features for helmets, saw strong gains after reporting increased order momentum following a significant destocking period. Redcare Pharmacy benefited from positive demand for electronic prescription orders, driven by anticipated changes in German law. Volution responded favourably to the new Labour government's more aggressive house-building policies in the UK, as well as a better-than-expected trading update.

While no stock experienced sharp declines, momentum reversed for Do&Co and Boku, two long-term holdings that had performed well in the first half of the year but saw negative returns in July. Lectra's muted results led to a minor sell-off, and Bytes declined in line with the broader tech sector downturn.

In July, we added a new position in GlobalData, a UK company specializing in business information and analytics. GlobalData offers a subscription model that generates high recurring revenue, has a well-diversified client base to mitigate risk, and is founder-led, aligning management interests with shareholders. The company recently sold a minority stake in its mature Healthcare division, providing it with cash for potential acquisitions that could serve as a catalyst for the stock.

Overall, we are pleased with the fund's recent performance and remain cautiously optimistic about the outlook for the remainder of the year.

## CUMULATIVE FUND PERFORMANCE

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



● Growth UK & Europe Fund

## FUND DETAILS

Recommended minimum investment period	5 years
Objective	Capital growth over a period exceeding five years.
Description	Invests predominantly in listed UK & European smaller companies.
Inception date	November 2016
Standard withdrawal period	10 working days
Risk indicator	<div style="display: flex; justify-content: space-between; align-items: center;"> <span>Potentially Lower Returns</span> <span>Potentially Higher Returns</span> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> <span>1</span> <span>2</span> <span>3</span> <span>4</span> <span style="border: 2px solid black; border-radius: 50%; padding: 2px 5px;">5</span> <span>6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 5px;"> <span>Lower Risk</span> <span>Higher Risk</span> </div>

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



# Growth UK & Europe Fund

Monthly Update as at 31 July 2024

## PERFORMANCE

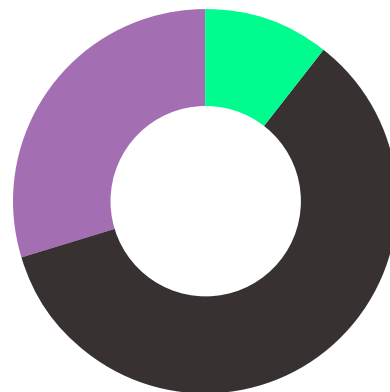
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	Annualised since inception
Growth UK & Europe Fund	4.6%	13.6%	-0.8%	9.5%	7.9%	9.0%
MARKET INDEX <sup>1</sup>	4.3%	12.3%	0.8%	8.0%	7.2%	9.3%

Returns after fees but before individual PIR tax applied

1. S&P Europe Small Cap Gross Total Return Index (75% hedged to NZD).

## INVESTMENT MIX

Cash (including Derivatives)	10.7%
European Equities	59.9%
UK Equities	29.5%



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

## TOP FIVE EQUITY HOLDINGS

Discoverie Group PLC

Do & Co AG

Frp Advisory Group PLC

Invisio Communications AB

Sdiptech AB (publ)

Holdings are listed in alphabetical order.

### UNIT PRICE

**\$1.93**

### ANNUALISED RETURN SINCE INCEPTION

**9.0% p.a.**

after fees and before tax

### FUND STATUS

CLOSED

OPEN



Information is current as at 31 July 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.



# Conservative Fund

Monthly Update as at 31 July 2024

## PORTFOLIO MANAGER(S)



**MIKE TAYLOR**  
Founder and Chief  
Investment Officer



**TRAVIS MURDOCH**  
Head of Fixed Income and  
Portfolio Manager

## FUND COMMENTARY

The Conservative Fund returned 1.7% during the month, bringing it to a 12-month return of 7.7%.

Government bond yields fell across the board in July, resulting in strong price gains for bonds. Moderating inflation data and slowing economic growth bolstered the bond market, increasing expectations for central bank rate cuts. The latest US CPI report showed a more significant drop in inflation than anticipated. With signs of a slowdown in the US economy and a moderating labour market, the Federal Reserve is expected to cut interest rates at its September meeting.

The Bank of Canada cut rates for the second consecutive meeting, and the Bank of England began a rate-cutting cycle. Central banks worldwide are adjusting their policies in response to economic conditions. In New Zealand, rates fell sharply, boosting bond prices, as the RBNZ's post-meeting statement hinted at potential rate cuts. Looking ahead, continued moderation in inflation and economic growth is favourable for bond markets. The Fund maintains an overweight position in NZ bonds compared to its benchmark and expects interest rate curves to steepen as central bank cuts occur. European government bonds are also anticipated to outperform in the coming months.

Equity markets continued their upward trend from June, reaching new record highs, with the mega-cap tech sector leading. However, by mid-month, the US CPI report caused significant drops in market interest rates, leading to a sharp rotation in equity markets. US small-cap equities rallied, while the tech-heavy NASDAQ index closed lower.

This all culminated in a strong monthly performance for a Conservative Fund, which doesn't usually move by this magnitude.

## 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	3 years
Objective	Capital preservation (with some growth) which outperforms the market index over a period exceeding three years.
Description	Invests predominantly in fixed-interest securities and some cash, with an allocation to equities (directly or through other products issued by Pie Funds). It may also invest in other products such as term deposits and bonds.
Inception date	April 2015
Standard withdrawal period	5 working days
Risk indicator	<div style="display: flex; justify-content: space-between; align-items: center;"> <span>Potentially Lower Returns</span> <span>Potentially Higher Returns</span> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> <span>1</span> <span>2</span> <span style="border: 2px solid black; border-radius: 50%; padding: 2px;">3</span> <span>4</span> <span>5</span> <span>6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 5px;"> <span>Lower Risk</span> <span>Higher Risk</span> </div>

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



# Conservative Fund

Monthly Update as at 31 July 2024

## PERFORMANCE

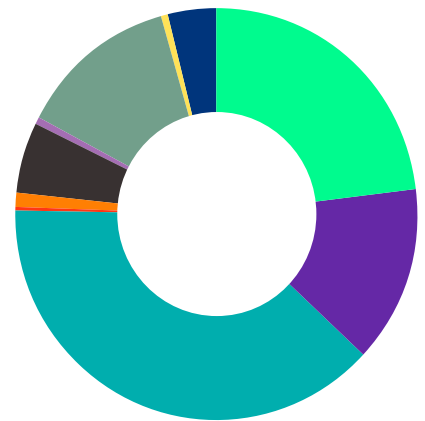
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	Annualised since inception
Conservative Fund	1.7%	7.7%	2.8%	3.4%	3.7%	4.0%
MARKET INDEX <sup>1</sup>	1.8%	9.8%	3.2%	3.9%	4.6%	4.6%

Returns after fees but before individual PIR tax applied

1. The market index is a composite index (25% NZBond Bank Bill Index (NZD), 15% Bloomberg NZBond Credit 0+ Yr Index (NZD), 35% Bloomberg Global Aggregate Corporate Total Return Index (100% hedged to NZD), 6% S&P/ASX All Ordinaries Total Return Index (75% hedged to NZD), 19% S&P Global Broad Market (BMI) Total Return Index (75% hedged to NZD)).

## INVESTMENT MIX

Cash (including Derivatives)	23.3%
New Zealand Fixed Interest	13.9%
International Fixed Interest	38.1%
Asian Equities	0.3%
Emerging Market Equities	1.1%
European Equities	5.7%
UK Equities	0.4%
US and Canadian Equities	13.0%
New Zealand Equities	0.5%
Australian Equities	3.7%



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

## TOP FIVE HOLDINGS (EXCLUDING CASH)

Contact Energy Ltd	6.398%	21/11/2030
JPMorgan Chase & Co	5.336%	23/01/2035
Morrison & Co High Conviction Infrastructure Fund		
New Zealand Local Government	1.5%	20/04/2029
Transpower NZ Ltd	4.977%	29/11/2028

Holdings are listed in alphabetical order and exclude cash.

## UNIT PRICE

# \$1.21

## ANNUALISED RETURN SINCE INCEPTION

# 4.0% p.a.

after fees and before tax

## FUND STATUS

CLOSED

OPEN



Information is current as at 31 July 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.



# Chairman's Fund

Monthly Update as at 31 July 2024

## PORTFOLIO MANAGER(S)



**MIKE TAYLOR**  
Founder and Chief  
Investment Officer



**MICHELLE LOPEZ**  
Head of Australasian Equities  
and Co-Portfolio Manager

## FUND COMMENTARY

The Chairman's Fund returned 3.3% during the month, bringing it to a 12-month return of 14.7%.

Market Dynamics during the month left us with plenty of topics for discussion. July was an exciting month for equity markets, which carried forward their strong momentum from June to reach new record highs. Leading the charge was the mega-cap tech sector. However, the market landscape shifted mid-month when the US CPI report surprised everyone with a larger-than-expected drop in inflation. This unexpected twist led to a sharp drop in market interest rates, sparking a significant equity market rotation.

US Small Cap Equities vs NASDAQ: It was a standout month for US small cap equities, which surged on the back of expectations for rate cuts that would favour smaller companies. In contrast, the tech-heavy NASDAQ index stumbled, closing lower and marking one of its largest one-month underperformances against small caps in over two decades.

Closer to home, investors had plenty to cheer about. Australia and New Zealand saw strong performances, driven by lower inflation in Australia and optimistic hopes for a rate cut in New Zealand. As New Zealand's rates fell significantly, bond prices climbed higher. Adding to the positive sentiment, the RBNZ's post-meeting statement hinted at potential future rate cuts.

This dynamic environment created a fertile ground for strong returns in the fund, particularly shining a spotlight on our closed strategy, the Australasian Emerging Companies Fund which shot up by 6.5%, now exclusively available to investors through the Chairman's Fund.

## 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	<div style="display: flex; justify-content: space-between; align-items: center;"> <span>Potentially Lower Returns</span> <span>Potentially Higher Returns</span> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> <span>1</span> <span>2</span> <span>3</span> <span>4</span> <span style="border: 2px solid black; border-radius: 50%; padding: 2px 5px;">5</span> <span>6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between; align-items: center; font-size: small;"> <span>Lower Risk</span> <span>Higher Risk</span> </div>

## TOP FIVE EQUITY HOLDINGS

Discoverie Group PLC

Frp Advisory Group PLC

Invisio Communications AB

Life360 Inc

William Blair SICAV

Holdings are listed in alphabetical order and exclude Cash and Cash Equivalents

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



# Chairman's Fund

Monthly Update as at 31 July 2024

## PERFORMANCE

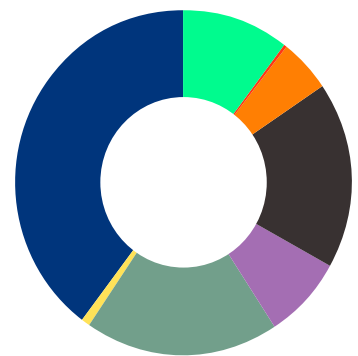
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	Annualised since inception
<b>Chairman's Fund</b>	3.3%	14.7%	1.7%	9.8%	10.0%	10.2%
<b>MARKET INDEX: COMPOSITE<sup>1</sup></b>	4.9%	11.5%	3.2%	7.2%	8.7%	8.3%

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)).

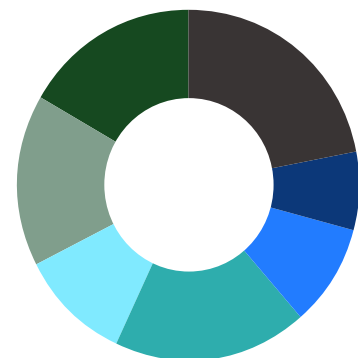
## INVESTMENT MIX

Cash (including Derivatives)	10.5%
Asian Equities	0.3%
Emerging Market Equities	4.8%
European Equities	17.6%
UK Equities	7.7%
US and Canadian Equities	18.7%
New Zealand Equities	0.8%
Australian Equities	39.6%



## HOLDINGS

Global Growth	22.1%
Australasian Growth	7.2%
Australasian Growth 2	9.5%
Australasian Dividend Growth	18.4%
Australasian Emerging Companies	10.9%
Growth UK & Europe	16.1%
Global Growth 2	15.8%



Net of Chairman's cash holdings

### UNIT PRICE

# \$2.58

### ANNUALISED RETURN SINCE INCEPTION

# 10.2% p.a.

after fees and before tax

### FUND STATUS

CLOSED

OPEN



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# Pie Fixed Income Fund

Monthly Update as at 31 July 2024

## PORTFOLIO MANAGER(S)



### TRAVIS MURDOCH

Head of Fixed Income and Portfolio Manager



### MIKE TAYLOR

Founder and Chief Investment Officer

## FUND COMMENTARY

The Fixed Income Fund returned 2.4% during the month, bringing the return since its inception in December 2023 to 5.5%.

Government bond yields declined across the board in July, resulting in substantial price gains for bonds. This shift was driven by moderating inflation data and slowing economic growth, which prompted bond markets to increase expectations for central bank rate cuts in the near future.

These expectations were further reinforced by the latest US CPI report, which revealed a larger-than-anticipated drop in inflation. With economic data pointing to a slowdown in the US economy and ongoing moderation in the labour market, the Federal Reserve is now almost certain to lower interest rates at its next meeting in September.

The dovish trend was not limited to the US. The Bank of Canada reduced rates for the second consecutive meeting, and the Bank of England began its rate-cutting cycle.

Closer to home, Australian bond markets received some relief as the latest CPI inflation report came in better than expected. Although markets had been anticipating another rate hike, they are now pricing in rate cuts by the end of the year.

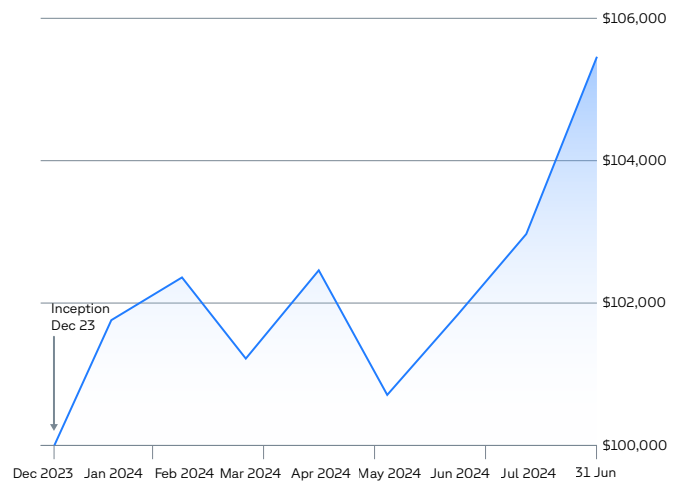
In New Zealand, rates fell significantly (pushing bond prices higher) after the RBNZ's post-meeting statement hinted at potential rate cuts in the coming months. Given the substantial weakness in the domestic economy, we believe the RBNZ should cut rates as soon as possible. The Fund maintains an overweight position in NZ bonds relative to its benchmark.

Looking ahead, we anticipate continued moderation in inflation and economic growth, which should benefit bond markets. The Fund remains overweight in interest rate duration relative to its benchmark, although we have taken some profits following recent price movements. The Fund maintains a strong bias for a steeper interest rate curve as central bank cuts materialize and holds an overweight position in European government bonds, which we expect to outperform in the coming months.

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.



● Fixed Income Fund

## FUND DETAILS

Recommended minimum investment period	3 years
Objective	Capital preservation (with some growth) which outperforms the market index over a period exceeding three years.
Description	Invests predominantly in New Zealand and international fixed interest securities, and may also invest in cash.
Inception date	5 December 2023
Standard withdrawal period	Up to 5 working days
Risk indicator	<div style="display: flex; justify-content: space-between; align-items: center;"> <span>Potentially Lower Returns</span> <span>Potentially Higher Returns</span> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> <span>1</span> <span>2</span> <span>3</span> <span style="border: 2px solid black; border-radius: 50%; padding: 2px 5px;">4</span> <span>5</span> <span>6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 5px;"> <span>Lower Risk</span> <span>Higher Risk</span> </div>





# Pie Fixed Income Fund

Monthly Update as at 31 July 2024

## PERFORMANCE

	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	Since inception
Fixed Income Fund	2.4%					5.5%
MARKET INDEX <sup>1</sup>	2.0%					6.0%

Returns after fees but before individual PIR tax applied

\* The market index is a composite index (70% Bloomberg Global Aggregate Corporate Total Return Index (100% Hedged to NZD), 5% Bloomberg Global High Yield Index (100% Hedged to NZD), 25% Bloomberg NZBond Credit 0+ Yr Index (NZD))

## INVESTMENT MIX

Cash (including Derivatives)	7.1%
New Zealand Fixed Interest	24.8%
International Fixed Interest	68.1%

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



## TOP FIVE HOLDINGS (EXCLUDING CASH)

Contact Energy Ltd	6.398%	21/11/2030
JPMorgan Chase & Co	5.336%	23/01/2035
LVMH Moet Hennessy Louis Vuitton	3.5%	07/09/2033
New Zealand Local Government	1.5%	20/04/2029
Transpower NZ Ltd	4.977%	29/11/2028

Holdings are listed in alphabetical order and exclude cash.

### UNIT PRICE

# \$1.05

### RETURN SINCE INCEPTION

# 5.5%

after fees and before tax

### FUND STATUS

CLOSED

OPEN



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# Pie Property & Infrastructure Fund

Monthly Update as at 31 July 2024

## PORTFOLIO MANAGER(S)



**MIKE TAYLOR**

Founder and Chief Investment Officer



**TOBY WOODS\***

Senior Investment Analyst for Global and UK & Europe Funds



**MATT YOUNG\***

Investment Analyst - Global

\*Toby Woods and Matt Young are responsible for research and analysis.

## FUND COMMENTARY

The Property & Infrastructure Fund returned 3.8% during the month, bringing the return since its inception in December 2023 to 7.5%.

We've consistently emphasised that as inflation falls and interest rates decline, certain parts of the market can thrive. This insight prompted us to launch our Fixed Income Fund and Property & Infrastructure (P&I) Fund at the end of last year, anticipating the opportunity presented by falling rates. For those unfamiliar with why the P&I Fund would perform well during a declining interest rate environment, here's a quick recap:

Property and infrastructure companies often pay dividend yields, which become more appealing when interest rates decline. Additionally, they rely heavily on debt for construction, so as debt costs decrease, their profits rise. Lower interest rates also stimulate the market, leading to increased activity and higher property and infrastructure asset values.

Turning to the fund's positions, 10 holdings reported earnings in late July, with the standouts being American Tower, whose shares increased 13.5% for the month; Prologis, up 12.6%; and WEC Energy, which increased 10.8%. Summerset rose 15.8% for the month due to the halo effect of Arvida Group receiving a takeover offer at a 65% premium to the prior close.

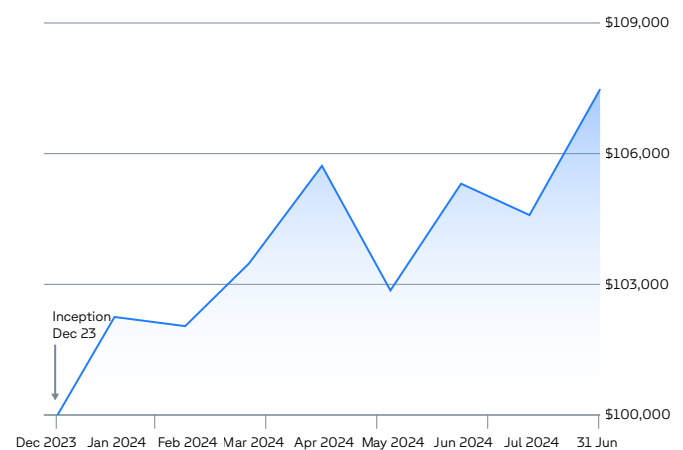
The fund recently initiated a position in Talen Energy, whose crown jewel is a 2.5GW nuclear power plant in the United States that sells electricity into the grid. Nuclear power is experiencing a renaissance as the world grapples with sourcing low-carbon baseload energy while fossil-fuel plants are retired and intermittent renewables expand. This is a perfect storm in the United States, occurring alongside growing demand due to AI (data centres), electric vehicles, and manufacturing reshoring. The grid that Talen Energy sells into recently held an auction for power to be delivered in 2025-2026, which saw prices jump from \$50/MW per day to \$270/MW per day. This significant increase validates our thesis of tight electricity supply in the United States due to coal plant retirements, higher demand, and limited new builds.

We believe we now have the wind firmly at our backs for the Property & Infrastructure Fund and look forward to taking advantage of the favourable conditions in the coming months.

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.



● Property & Infrastructure Fund

## FUND DETAILS

Recommended minimum investment period	7 years
Objective	Capital growth over a period exceeding seven years.
Description	Invests predominantly in listed property and infrastructure securities, directly and/or through externally managed funds.
Inception date	5 December 2023
Standard withdrawal period	5 working days
Risk indicator	<div style="display: flex; justify-content: space-between; align-items: center;"> <span>Potentially Lower Returns</span> <span>Potentially Higher Returns</span> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> <span>1</span> <span>2</span> <span>3</span> <span>4</span> <span>5</span> <span style="border: 2px solid black; border-radius: 50%; padding: 2px 5px;">6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between; align-items: center; font-size: small;"> <span>Lower Risk</span> <span>Higher Risk</span> </div>



# Pie Property & Infrastructure Fund

Monthly Update as at 31 July 2024

## PERFORMANCE

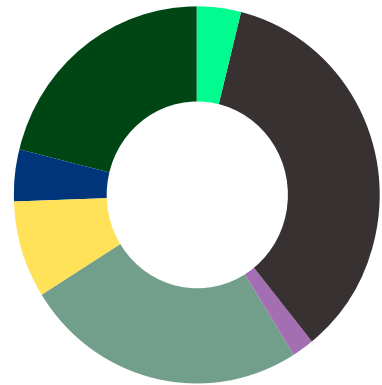
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	Since inception
Property & Infrastructure Fund	3.8%					7.5%
MARKET INDEX*	5.1%					12.8%

Returns after fees but before individual PIR tax applied

\*The market index is a composite index (70% S&P Global Infrastructure Fund Net Total Return Index (100% Hedged to NZD), 30% S&P Global REIT Total Return Index (100% Hedged to NZD))

## INVESTMENT MIX

Cash (including Derivatives)	4.1%
European Equities	35.3%
UK Equities	1.8%
US and Canadian Equities	25.2%
New Zealand Equities	8.3%
Australian Equities	4.5%
Listed Property	20.9%



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

## TOP FIVE HOLDINGS (EXCLUDING CASH)

- E.ON SE
- Infratil Ltd
- Morrison & Co High Conviction Infrastructure Fund
- Talen Energy Corp
- Vonovia Se

Holdings are listed in alphabetical order and exclude cash.

### UNIT PRICE

# \$1.07

### RETURN SINCE INCEPTION

# 7.5%

after fees and before tax

### FUND STATUS

CLOSED

OPEN



Information is current as at 31 July 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.



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▶ KiwiSaver    ▶ Investment Funds    ▶ Wealth

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Information is current as at 31 July 2024. Pie Funds Management Limited is the manager and issuer of the funds in the Pie Funds Management Scheme and Pie KiwiSaver Scheme (the Schemes). Any advice is given by Pie Funds Management Limited and 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 Schemes' 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 for the Schemes, please visit [www.piefunds.co.nz](http://www.piefunds.co.nz).

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