

# Fund Summary

## Perpetual International Shares

### Integra Super

31 May 2022

## Fund details

Investment manager	Perpetual Asset Management Australia
Fund code	MMF0170AU
Asset type	Equity / Large Cap
Region	Global
Fund size	\$6.33 million as at 29 Apr 2022
Commencement date	01 Sep 1999
Distributions	Retained

## Investment objective

The primary objectives of the fund are to achieve attractive risk adjusted returns over the medium to long-term, while reducing the risk of permanent capital loss. The fund seeks to invest in outstanding companies at attractive prices, while exercising a deep understanding of the macroeconomic environment to manage investment risk.

## Investment strategy

The fund seeks to invest in outstanding companies at attractive prices, while exercising a deep understanding of the macroeconomic environment to manage investment risk. Magellan perceives outstanding companies to be those that are able to sustainably exploit competitive advantages in order to continually earn returns on capital that are materially in excess of their cost of capital. Magellan focusses on risk adjusted returns rather than benchmark relative returns; as a result, the fund's investment process is designed to generate an unconstrained, concentrated portfolio of high quality companies. Magellan believes that an appropriately structured portfolio of 20 to 40 investments can provide sufficient diversification to ensure that investors are not overly correlated to any single company, industry-specific or macroeconomic risk.

## Minimum time horizon

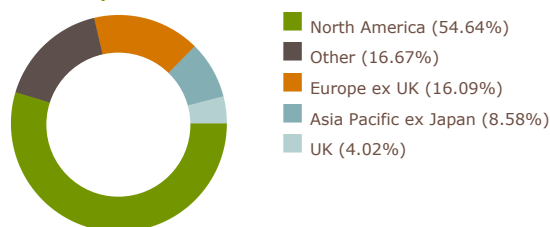
7+ years

## Standard Risk Measure\*

The Standard Risk Measure (SRM) is based on industry guidance to allow investors to compare funds that are expected to deliver a similar number of negative annual returns over any 20 year period. The SRM for this fund is shown below:



## Country allocation



## Fund performance

### As at 31 May 2022

	1 mth %	3 mth %	1 yr %	3 yr % pa	5 yr % pa	7 yr % pa	10 yr % pa
Total Return †	1.00	1.69	3.06	10.56	9.16	8.00	11.82
Benchmark ‡	-0.48	-5.32	-3.77	9.69	7.33	6.73	10.59
Excess Return	1.47	7.02	6.83	0.87	1.82	1.27	1.24
Risk (1 Std Dev)	-	-	4.48	13.37	12.00	11.63	10.91
Tracking Error	-	-	12.40	12.10	10.12	9.74	9.66
Info. Ratio	-	-	0.6	0.1	0.2	0.1	0.1

Calendar year returns	YTD	2021	2020	2019	2018
Total Return †	-1.00	19.31	4.50	22.03	-3.63
Benchmark ‡	-12.67	22.01	8.58	24.26	-9.21
Excess Return	11.66	-2.70	-4.08	-2.24	5.58

## Growth of \$50,000 invested since fund inception



## Top 10 holdings

Security	% of fund
COMCAST CORPORATION CLASS A	3.46%
AIR PRODUCTS AND CHEMICALS, INC.	2.68%
DANONE SA	2.66%
ARAMARK	2.58%
MERCK & CO., INC.	2.57%
NATIONAL GRID PLC	2.54%
ELEVANCE HEALTH, INC.	2.53%
ENTERGY CORPORATION	2.43%
SEVEN & I HOLDINGS CO., LTD.	2.30%
QUALCOMM INCORPORATED	2.29%
<b>Total Top 10</b>	<b>26.06%</b>

\* For further information on Standard Risk Measures and the calculation methodology used, go to [onepath.com.au/personal/performance/product-updates.aspx](https://onepath.com.au/personal/performance/product-updates.aspx)

† Returns quoted use the unit price which is calculated using the net asset values for the relevant month end. The prices shown may differ from the actual unit price if an investor is applying for or redeeming an investment. Actual unit prices will be confirmed following any transaction on an investor's investment. Please note that all returns are after the deduction of management fees and expenses and assumes all distributions are re-invested. Where applicable, management fees have been deducted at the highest entry fee option rate. No allowance has been made for entry or exit fees.

‡ Benchmark returns should be used for indicative purposes only. These returns may not be a true indication of this Fund's performance against its investment objective.

# Fund Summary

## Perpetual International Shares

### Integra Super

31 May 2022

#### Market and portfolio review

Markets rebounded strongly in November after two down months, with the MSCI World and MSCI All Country World indexes both up more than 9%. The sharp upward reversal was relatively broad based. However, growth stocks rebounded more than value stocks, with growth leading the way in the U.S., developed, and emerging markets. In the MSCI World Index, most sectors were up more than 5%, with Financials, Technology, Consumer Discretionary, Real Estate, and Industrials all returning more than 10%. However, Energy was flat for the quarter on weak oil prices, leading OPEC+ to announce more production cuts at the end of the month to try and prop up the price.

In a month wherein markets favoured growth stocks, the strategy underperformed the MSCI World Index in November. From a sector perspective, allocation impacts explained roughly half of the underperformance, as did stock selection. Effective selection in the Consumer Staples, Information Technology, and Utilities sectors were slightly positive. However, unfavourable stock selection in Industrials, Materials, and Consumer Discretionary outweighed the positives to detract from relative performance. An underweight to the Information Technology sector was the largest detractor for the quarter, along with an overweight to Energy. Regionally, selection in the U.S. explains most of the relative underperformance, while stock selection in the UK was modestly positive and contributed to relative returns.

#### Future investment strategy

In the Global Financial Crisis recession, the percentage of unprofitable companies increased to approximately 40% before falling to a higher 20%+ in 2012 then steadily increased to approximately 45% post the COVID recession. However, nearly two years later, unprofitable companies constitute roughly 40% of the total index. What might be the ramifications of this returning to a more normal level of less than 20%? As macro issues tend to swing markets up and down, it is important to remember that the best time to find value is when markets are fearful or exuberant about a small opportunity set and are ultimately overlooking good companies with solid operating fundamentals. The strength of our investment proposition is our ability to identify dislocations within the market and find those specific securities that have been dislocated for reasons that do not impair their long-term fundamental strength. As we have continued to apply our investment process, we believe our current portfolio is well positioned to provide strong investment results going forward.

OnePath Funds Management Limited (ABN 21 003 002 800 AFSL 23 8342) and OnePath Custodians Pty Limited (ABN 12 008 508 496 AFSL 238346 RSE L0000673) are the issuers of this material. Except as described in the relevant Product Disclosure Statement (PDS), the issuers do not stand behind or guarantee the capital or performance of your investment. Your investment is subject to investment risk, including possible repayment delays and loss of income and principal invested.

This information is current as at 30 Nov 2023 with the commentary current for the most recent quarter end (eg. March, June, Sept or Dec) however in some cases may be applicable for the preceding month or quarter end. Updated information will be available free of charge by contact Client Services on 133 665. The information is of a general nature and does not take into account your personal needs, financial circumstances or objectives. Before acting on this information, you should consider the appropriateness of the information, having regard to your needs, financial circumstances and objectives. Past performance is not indicative of future performance. The future value of investments may rise and fall with changes in the market. You should read the relevant PDS available at [onepath.com.au](http://onepath.com.au) and consider whether that particular product is right for you before making a decision to acquire or continue to hold the product.