

ACI Healthcare Impact Fund

Fund Focus - March 2024



Investment Strategy

The Fund invests in healthcare securities with high growth potential that are primarily listed on international stock exchanges. The Fund will be fully unhedged at all times, providing investors with exposure to foreign exchange fluctuations as well as underlying share price movements.

Portfolio Characteristics

Funds Under Managemen..	\$29.49m
Number of Holdings	47
Turnover Ratio %	9.360
Latest Distribution Date	30 June 2023
Latest Distribution Amount	0.0012
Benchmark	MSCI Health Care (Net Dividends Reinvested) Accumulation Index in \$A

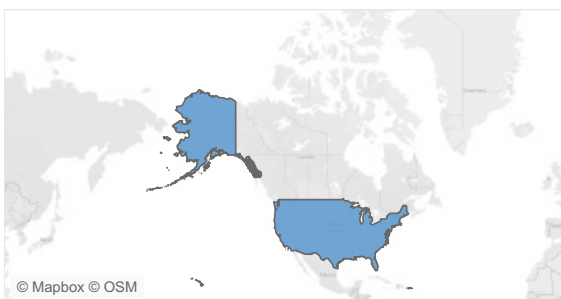
Fund Facts

APIR Code	ZUR4499AU
Inception Date	13 March 2020
Total Est. Management Cost %	1.10
Est. Transactional Op. Cost %	0
Buy/Sell Spread %	0.03
Distribution Frequency	Semi Annually
Underlying Fund Manager	American Century Investments

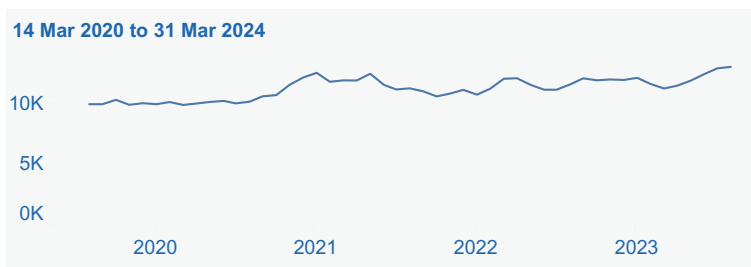
Fund Performance After Fees*

	1 Month	3 Months	1 Year	3 Years	Since Inception
Distribution	0.00	0.00	0.10	0.30	0.38
Growth	0.96	9.48	12.37	8.33	7.71
Total	0.96	9.48	12.47	8.63	8.09
Benchmark	2.16	12.40	16.34	13.55	11.03

Market Exposure

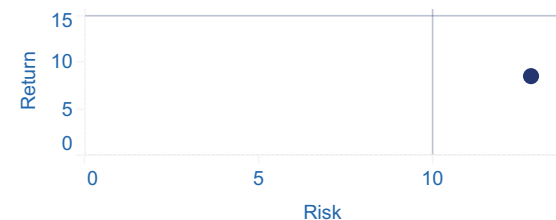


Investment Growth (\$10,000)



Risk Reward

1 Apr 2021 to 31 Mar 2024



Portfolio Equity Sectors (%)



Pharmaceuticals	30.78
Health Care Equipment	24.28
Biotechnology	22.12
Managed Health Care	9.13
Life Sciences Tools & Se..	6.69
Health Care Services	2.86
Health Care Technology	2.65
Health Care Supplies	0.45

Top 10 Holdings (%)

	Weight	Benchmark
Unitedhealth Group I	9.13	5.87
Novo Nordisk A/s Adr	8.56	0.00
Eli Lilly & Co Commo	6.43	8.06
Regeneron Pharmaceut	6.12	1.32
Intuitive Surgical I	5.65	1.80
Danaher Corp Common	3.78	2.25
Abbott Laboratories	3.51	2.53
Bristol-myers Squibb	3.24	1.42
Roche Holding Ag Com	3.09	2.30
Boston Scientific Co	2.95	1.29

Risk Statistics

1 Apr 2021 to 31 Mar 2024

Std Dev	12.77
Alpha	-4.70
Beta	1.04
Sharpe Ratio (arith)	0.68
Up Capture Ratio	0.96
Down Capture Ratio	1.32
Currency Management %	0

Market Commentary

US stocks registered a strong start to the year that saw some broad indices record their best first quarter since 2019. Markets were buoyed by optimism that a recession had been avoided and that the US Federal Reserve would cut short-term interest rates as expected this year despite lingering inflation.

Health stocks posted strong gains but modestly underperformed the broader market. Within the MSCI World Healthcare Index, all industries registered double-digit gains except healthcare providers and services and biotechnology. Pharmaceuticals benefited from obesity drugmakers. Healthcare providers and services stocks were under pressure because of worries about Medicare reimbursement rates, regulatory oversight and business disruption resulting from a cyberattack.

Fund Commentary

The Fund produced a strong absolute return in the March quarter but was unable to keep pace with the impressive index return.

Their key contributors to performance included Novo Nordisk, Intuitive Surgical and Edwards Lifesciences.

Novo Nordisk – The obesity drugmaker continues to produce very strong revenue and earnings growth. Early trial results for an oral version of the Denmark-based company's weight-loss drugs, Ozempic and Wegovy, may be even more effective. Novo Nordisk's approved drugs must be injected.

Intuitive Surgical - The maker of robotic surgery systems outperformed after reporting revenue, earnings and procedure volume growth above expectations. In addition, the company announced that its next-generation surgical system will be launched this year pending FDA approval.

Edwards Lifesciences - This company is the leader in heart valve replacement therapies, and in February, the FDA approved its Evoque transcatheter tricuspid valve replacement, the first such device to receive approval in the US.

The key detractors from performance included Alnylam Pharmaceuticals and UnitedHealth Group.

Alnylam Pharmaceuticals – This pharmaceutical company reported mixed quarterly results and also announced that it was changing its analysis plan for a drug in trials. Despite the results, the risk/reward trade-off for Alnylam remains attractive, and the changes ultimately increase the trial's likelihood of success.

UnitedHealth Group - The health insurer's stock was hurt by two incidents. A cyberattack on one of its subsidiaries disrupted prescription deliveries and insurance claims for some providers. Additionally, the Department of Justice said it was investigating the relationship between its insurance division and its Optum unit.

A notable purchase in the quarter included Mettler-Toledo International and a notable sale included Cerevel Therapeutics Holdings.

Mettler-Toledo International - Mettler-Toledo is a life sciences tools company that we believe is well positioned for future growth after industry-wide challenges in the wake of the COVID-19 pandemic. The business mix has shifted toward high-quality, less-cyclical higher-margin products offering durable earnings growth.

Cerevel Therapeutics Holdings - Cerevel is a clinical-stage biotechnology company focused on neurological and psychiatric conditions. The stock was acquired at a significant premium by AbbVie in a deal announced in December 2023. The position was eliminated in early 2024.

* Performance returns quoted are compound rates of return calculated on exit prices and assume reinvestment of distributions. Returns are calculated net of all ongoing fees and any taxes payable by the fund. Total return includes both growth and distribution returns. Growth return is the change in exit price over the relevant period. The benchmark return shown is a gross return. Please note that figures shown are rounded to one decimal place, therefore some rounding errors may occur.

^ The Estimated Total Management Cost of 1.1% includes an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.00%.

Past performance is not a reliable indicator of future performance.

This report is issued by Zurich Investment Management Limited ABN: 56 063 278 400, AFSL: 232511, GIIN: FVHHKJ.00012.ME.036 : . The information in the report has been derived from sources reasonably believed to be reliable and accurate and is to be used for research purposes only. Subject to law, none of the companies of the Zurich Financial Services Australia Limited Group, nor their directors or employees, gives any representation or warranty as to the reliability, accuracy or completeness of the information, nor accepts any responsibility arising in any way (including by reason of negligence) from errors in or omissions from, the information provided. A Product Disclosure Statement (PDS) for the Fund is available and can be obtained by calling Zurich Investments on 131 551. The PDS should be considered in deciding whether to acquire, or to continue to hold, an investment in the fund. This information is of a general nature only and does not take into account the investment objectives, financial situation or particular needs of any investor and should not be taken as a securities or stock recommendation. These factors should be considered before any investment decision is made in relation to the fund. Furthermore, this product has been designed to meet certain objectives, financial situations and needs, which are described in our Target Market Determination available at zurich.com.au/tmd PIRD-021917-2024