



# Global Growth Fund

Monthly Update as at 30 April 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, taking its 12-month return to 0.4%.

April was a more difficult month for global equities, especially for small caps. In the US, the Russell 2000 smaller company index fell 7%, as bond yields moved higher following recent data showing that the steep declines in inflation have slowed. We still expect inflation to fall further during 2024, but interest rate cuts in the US have now been pushed out to later in the year or even 2025, except in Europe, where the ECB is expected to cut rates in June. This data has been unhelpful for smaller company equity valuations in the short term, but we remain convinced that this asset class remains very undervalued at current levels.

Companies are now reporting first-quarter results, which have been mostly positive for the fund so far. Sdipotech showed resilient organic growth that was higher than expected, driving the shares up 11% on the day of release. Other notable performers included Vusion Group, which announced impressive orders, including an additional €1bn order from Walmart for its electronic shelf label solutions, and our recent purchase of Blackbaud, which rose after receiving a bid from private equity firm Clearlake Capital. We believe the low bid significantly undervalues the company. Blackbaud is a cloud computing provider that serves the social good community—nonprofits, foundations, education institutions and healthcare.

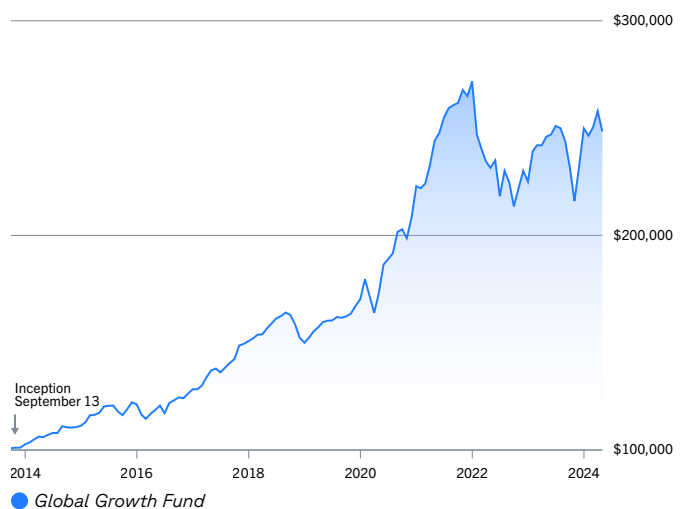
On the negative side, Bufab missed revenue numbers, indicating a slowdown for its industrial clients, which triggered the stock to fall 13% on the day. We expect demand to rebound later in the year. Colliers International, the real estate business, was weak ahead of results, but mainly because of the change in interest rate expectations, so we added to our holding.

We added one new position during April. We participated in an IPO for the first time in more than two years, which was well judged, as French software company Planisware advanced 25% on its first trading day. We exited CIE Automotive as the end market for autos is slowing faster than we had expected, and we also sold Rational as the shares had reached our valuation after a strong performance.

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.



## 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; 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>



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## PERFORMANCE

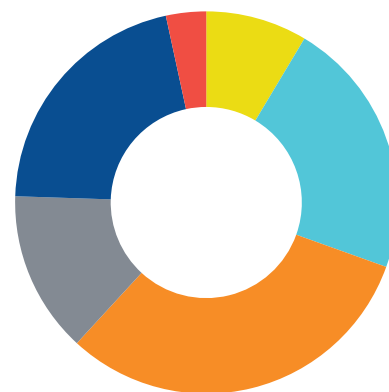
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)	Annualised since inception
Global Growth Fund	-3.7%	0.4%	0.5%	9.2%	8.9%	8.9%	8.9%
MARKET INDEX <sup>1</sup>	-3.8%	13.5%	4.7%	8.5%	8.6%	10.4%	10.1%

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)	8.6%
Emerging Market Equities	21.9%
European Equities	31.4%
UK Equities	13.7%
US and Canadian Equities	21.1%
Listed Property	3.4%



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

Discoverie Group PLC

Frp Advisory Group PLC

William Blair SICAV

Holdings are listed in alphabetical order.

### UNIT PRICE

# \$2.47

### ANNUALISED RETURN SINCE INCEPTION

# 8.9% p.a.

after fees and before tax

### FUND STATUS

CLOSED

OPEN



Information is current as at 30 April 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.