



Global Positive Peace™ Growth Fund

SEPTEMBER 2021

PORTFOLIO NAV UNIT PRICE

30 September 2021	\$1.2865
30 June 2021	\$1.2118

PORTFOLIO PERFORMANCE

	3 m	6 m	1 Y	5 Y	INCEPTION
GPPGF Portfolio [^]	6.5%	20.7%	29.7%	-	29.3%
MSCI World Index in AUD	3.4%	12.7%	25.9%	-	24.7%

[^] Source: ECP Asset Management.

Gross performance before impact of fees, taxes and charges. Past performance no predictor of future returns.

OBJECTIVE

To outperform the MSCI World Index in AUD by 2-4% over a rolling 5-year time frame.

STRATEGY

High-conviction portfolio of quality growth companies sourced globally where peaceful microeconomic foundations provide the optimal conditions for the economics of business to drive superior, long-term investment returns.

BENCHMARK

MSCI World Index in AUD

MANAGER

ECP Asset Management Ltd

INCEPTION DATE

3 September 2020

MANAGEMENT FEE

1.0% p.a.

PERFORMANCE FEE

20.0% of the Outperformance of the benchmark.

INVESTOR ENQUIRIES

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INSIGHTS AND RESEARCH PARTNER

**INSTITUTE FOR
ECONOMICS
& PEACE**

MARKET COMMENTARY

This quarter's performance differed between markets, with the US seeing record highs, while China was hit with sweeping regulatory action and concerns relating to their property market. Globally, many economies shifted from recovery to steady expansion, with positive corporate commentary, solid economic activity, and continued supportive fiscal policy. Governments appear to be shifting from damage control procedures toward the endgame of a post-Covid world, which is aimed at vaccination programs and removing social distancing practices – an approach led by the US and the UK, with early indications of an acceleration of growth and economic outperformance.

The US economy appears to be entering an expansionary phase, after a year of recovery from the pandemic. Consumer spending, housing and developments, and labour markets have been particularly strong, with early signs this growth is slowing to a steadier and more reasonable pace. In the US, equities were muted over the quarter with strong corporate earnings driving performance in August, while inflationary and economic growth concerns placing pressure on markets by quarter-end. The S&P500 posted +0.2% while the Nasdaq posted -0.4%, by quarter-end.

In Europe, the recent Delta variant seemed to have less of an impact since many of the larger eurozone countries are over 75% fully vaccinated – many travel restrictions and other measures are largely lifted. Similarly, inflationary issues driven by rising energy prices and supply chain bottlenecks were the key issues plaguing markets. In the UK, the Bank of England (BoE) took a more hawkish tone as inflationary pressures continued to surpass expectations. Across Europe natural gas shortages, lack of wind, and fuel shortages presented key issues for investors. The FTSE posted +0.7%, the CAC +0.2%, the DAX was -1.7% and the Euro Stoxx was -0.4%.

In Australia, the housing market has proven to be remarkably resilient in spite of Covid restrictions limiting activity. Residential building approvals posted +6.8% in August, while price gains have been +18.3% over the year. Labour markets remained strong despite the severe restrictions in place across the country with unemployment steady at 4.5%. The ASX All Ordinaries posted +0.6% for the quarter and the ASX 200 +0.3%. The AUD depreciated during the quarter, posting -3.6% against the US Dollar (72.3 US cents), -1.0% against the Pound (53.7 pence), and -1.3% against the Euro (62.4 cents).

PORTFOLIO BREAKDOWN

SECTOR ALLOCATION	
Information Technology	39.4%
Telecommunications	18.7%
Health Care	12.7%
Consumer Staples	8.7%
Consumer Discretionary	9.6%
Cash	3.7%
Industrials	3.7%
Material	2.5%
Financials	1.0%

TOP HOLDINGS	
Alphabet Inc	5.7%
Apple Inc	5.7%
Facebook Inc	4.9%
Microsoft Corporation	4.5%
Taiwan Semiconductor Manufacturing Co Ltd	3.9%
Genovis AB	3.7%
Adobe Inc	3.7%
Costco Wholesale Corporation	3.1%
WD-40 Company	3.1%