



# INTERNATIONAL GROWTH FUND FACT SHEET

as at 31 March 2021

**Performance:**  
Since inception  
(annualised)

**9.7%**

as at 31/03/2021  
after fees and before tax

**Performance:**  
1 year

**51.7%**

as at 31/03/2021  
after fees and before tax

**If you had invested  
\$10,000 at inception,  
today it would be worth ...**

**\$34,433**

inception date 7/11/2007

**Unit price**

**\$3.3960**

as at 31/03/21

**Minimum  
investment**

**\$100** per month

## ABOUT THE FUND

The Fisher Funds International Growth Fund is a handpicked portfolio of 20-40 growth companies located predominantly in the US, Europe and Asia. We provide New Zealand investors access to a portfolio of high-quality growth companies through a single tax efficient investment.

Our investment team travels around the world to identify businesses that have durable competitive advantages and significant growth opportunities. The portfolio includes both large well-recognised businesses (many of which are household names), and smaller companies with long growth runways. Regardless of the size of these businesses they are typically leaders in their markets. We employ a research heavy investment process, and invest only when we believe the market does not fully appreciate the long-term potential of these businesses.

## WHY INTERNATIONAL SHARES

- » **World of opportunity** – the global investment opportunity set is vast and can provide New Zealand investors access to a range of businesses in industries not available on the local stock market. We invest in a range of industries including digital payments, online advertising, ecommerce and medical devices, which not only have attractive industry outlooks, but also provide valuable diversification for New Zealand investors.
- » **Flexibility** to invest wherever we find the best opportunities – there are always attractive growth companies somewhere in the world, it is our job to find them.
- » **Diversification** – in addition to broad industry diversification, we invest in a wide range of countries globally, in both developed and emerging markets.
- » **We look for quality** – we do not buy shares in new or unproven companies, but focus on companies with proven track records and sustainable advantages that help them outstrip competition.

## HIGHLIGHTS AND LOWLIGHTS

### March 2021

The International Growth Fund ended the month up 3.5% versus the benchmark up 5.1%.

March, and the first quarter of 2021 were dominated by rising bond yields and a value-led equity market rally. The S&P 500 index was up 4.2% for March, with value up 6% and growth underperforming, up 2.6%. It is now just over a year since equity markets bottomed. The S&P 500 has rallied 78% since then and is 17% above its pre-Covid high. The 10-year US Treasury bond yield now stands at 1.74%, vs. 0.5% at the low in August and 0.9% at the start of the year.

Dollar Tree (+17%) company's initiatives continue to perform well. The discount store operates two banners, Family Dollar, which sells everyday items, and Dollar Tree, which sells more discretionary items for special occasions. Family Dollar has been a covid beneficiary and sales momentum remains strong. Dollar Tree will benefit from the US re-opening as people start getting together once again to celebrate birthdays and the like.

Facebook (+14%) share price has been supported by growing consensus and commentary from CEO Mark Zuckerberg that changes Apple has made around advertisers ability to track users on Apple devices will have limited effect on Facebook and may even be positive for Facebook's shopping product.

Adidas (-7%) was lower after Chinese consumers retaliated against the EU, the UK and Canada's decision to impose sanctions on Chinese officials due to ongoing reports about forced work on the Uighur ethnic minority in Xinjiang's cotton industry. Adidas had already decided not to source cotton from Xinjiang in 2019. Swedish retailer H&M has been one of the hardest-hit brands with Nike and Adidas still selling well on the few data point we have.

StoneCo (-28%) is a payments provider in Brazil. While shares were lower in March, they are still up 200%+ over the last year. Recently, there has been weakness in the share price as investors rotate out of 'growth' companies in favour of 'value'. At the same time Brazil's poor handling of covid-19 is likely to impact the country's economic fortunes.

## FUND PERFORMANCE

after fees and before tax for the period ending 31/03/2021

	1 Year	3 Years*	5 Years*	7 Years*	Since Launch*
International Growth Fund	51.7%	19.0%	17.9%	14.0%	9.7%
S&P Global LargeMidCap Index (NZD 50% hedged)	42.7%	9.8%	11.9%	11.4%	

\* Fund performance figures have been annualised where the performance period is more than one year.

### Growth of \$10,000 invested in the Fund since inception



### BIGGEST CONTRIBUTORS/DETRACTORS

for the month of March 2021

Facebook, Inc. Class A

14%

Share Price Change

1.5%

Contribution to Return

Dollar Tree, Inc.

17%

Share Price Change

0.9%

Contribution to Return

Signature Bank

4%

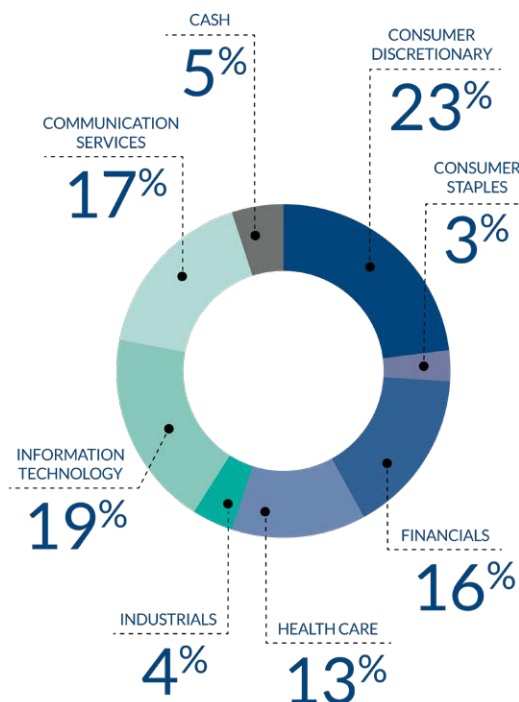
Share Price Change

0.6%

Contribution to Return

### SECTOR SPLIT

as at 31 March 2021



### SIGNIFICANT HOLDINGS

as at 31 March 2021

Facebook, Inc. Class A	10.4%
Signature Bank	8.2%
Alphabet Inc. Class A	6.9%
Cash	5.0%

## FUND DETAILS

Fund inception	November 2007
PIE registered	Yes
Annual fund charge*	1.43% p.a.
Performance fee	10% of returns in excess off the Official Cash Rate + 5% (subject to a high water mark)
Entry fee – direct	Nil
Entry fee – adviser	0-4%
Exit fee	Nil
Minimum investment	\$2,000
Minimum withdrawal	\$100
Regular savings plan	Yes – min \$100 per month
Manager	Fisher Funds Management Ltd
Supervisor/custodian	Trustees Executors Ltd

\* See the Fisher Funds Managed Funds 'Other Material Information' document at [fisherfunds.co.nz/resources](http://fisherfunds.co.nz/resources) for more information on how the annual fund charge has been calculated.

## UP CLOSE & PERSONAL

### Ashley looks at Alphabet, the parent company of tech giant Google

#### What does it do?

Alphabet is the holding company that owns Google, the world's leading internet search provider and the largest global advertising platform.

As consumers spend more time viewing media on their mobile devices and less on traditional formats (TV, radio, newspaper), advertisers are increasingly moving ad budgets to these new forums.

#### Why do we own it?

We believe they are still in the early stages of monetising their dominance in search. They still have room to improve the monetisation of Google Maps and mobile search.

Furthermore, YouTube is going from strength to strength as faster broadband speeds have resulted in a boom in mobile video consumption. We believe Alphabet provides a very compelling investment candidate and we expect the company to grow its earnings significantly faster than the market over the next 3-5 years.



## YOUR INTERNATIONAL PORTFOLIO TEAM

Biographies can be found on our website – [fisherfunds.co.nz](http://fisherfunds.co.nz)



**Frank Jasper**  
Chief Investment Officer



**Ashley Gardyne**  
Senior Portfolio Manager



**Chris Waters**  
Senior Investment Analyst



**Harry Smith**  
Senior Investment Analyst

For a copy of our product disclosure statement, visit our website [fisherfunds.co.nz](http://fisherfunds.co.nz) or phone 0508 FISHER (0508 347 437)

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