

# Centuria LifeGoals

## Magellan Global Fund

**The Fund seeks to achieve attractive risk-adjusted returns over the medium to long-term while reducing the risk of permanent capital loss.**

### Investment Manager

Magellan Asset Management Limited

### Investment Strategy

This Fund aims to find companies at attractive prices that have sustainable competitive advantages that translate into returns on capital in excess of their cost of capital for a sustained period of time. The Fund will endeavour to acquire these companies at a discount to its assessment of the intrinsic value of the companies. The portfolio will consist of 20-40 investments.

### Target Allocation

|                        |         |
|------------------------|---------|
| International Equities | 80-100% |
| Cash                   | 0-20%   |

### Performance Returns

| Returns to 30/6/2021 | 1 mth | 3 mth | 6 mth | 1 yr | 2 yr |
|----------------------|-------|-------|-------|------|------|
| Net Return (%)       | 2.68  | 5.28  | 7.44  | 6.05 | 6.42 |

Past performance is not a reliable indicator of future performance.

### Performance Graph



A \$10,000 investment in Centuria Magellan Global Fund made at inception is worth \$12,128 as of 30 June 2021 after all fees and taxes paid within the Investment Option.

### Key Features

|                                    |                 |
|------------------------------------|-----------------|
| APIR Code                          | OVS5674AU       |
| Minimum Initial Investment         | \$500           |
| Minimum Additional Investment Plan | \$100           |
| Minimum Switching Amount           | \$500           |
| Minimum Balance                    | \$500           |
| Contribution Fee                   | Nil             |
| Annual Management Fee*             | 1.25%           |
| Performance Fee**                  | 0.24%           |
| Suggested Timeframe                | Minimum 5 years |

\* Refer to PDS for fee breakdown.

\*\* 10% of the excess return above the higher of the 'Index Relative Hurdle' (the MSCI World Net Total Return Index (AUD)) and the 'Absolute Return Hurdle' (the yield of 10-year Australian Government Bonds).

For more information contact Centuria on **1300 50 50 50** or visit [lifegoals.centuria.com.au](http://lifegoals.centuria.com.au) to download the PDS. **Simple Flexible Versatile.**

---

## Fund Commentary

The portfolio recorded a positive return for the quarter. The biggest contributors were the investments in Alphabet, Microsoft and Facebook. Alphabet rallied after the parent of Google reported that rising spending on digital ads boosted first-quarter sales to US\$55.3 billion, a higher-than-expected rise of 34% from a year earlier. Microsoft rose as rising demand for PCs, gaming consoles, and digital services delivered over the cloud boosted the software giant's first-quarter sales by a higher-than-expected 19% to US\$41.7 billion. As well, in April, Microsoft agreed to buy speechrecognition firm Nuance Communications for US\$19.7 billion, to expand the services it can offer business customers. Facebook surged after first-quarter sales smashed expectations to rise 48% to US\$26.2 billion as advertisers sought access to the social media platform's 2.9 billion users and a US judge unexpectedly dismissed two complaints against the social-media giant from the US regulator because the judge said the Federal Trade Commission failed to prove the company was a monopoly. The biggest detractors were the investments in Eversource Energy of the US, Tencent of China and WEC Energy of the US. Eversource Energy fell after the Connecticut Public Utility Regulatory Authority slammed the utility that through subsidiaries offers electricity, natural gas and water services for its preparation for and response to Tropical Storm Isaias that hit in 2020. In a politically charged decision, the authority

found that Eversource did not satisfy relevant performance standards, ordered an indefinite reduction of 90 basis points to subsidiary Connecticut Light & Power's authorised return on equity, ordered the opening of a regulatory docket to consider issuing civil penalties against the subsidiary and foreshadowed the disallowance of certain costs that the authority asserts were imprudently incurred were Eversource to seek recovery. Eversource has indicated it will appeal these findings. Tencent fell as the Chinese government stepped up regulatory scrutiny of the country's largest technology stocks. WEC Energy, which provides electricity and gas across four Midwest states, slid on concerns that utilities were most vulnerable to any rise in interest rates. In relative terms, the portfolio underperformed the benchmark over the quarter. This reflected a modest outperformance of cyclical stocks over defensive stocks, on average, within the index. Uncertainty around the Chinese regulatory outlook weighed on Chinese technology platforms, while the portfolio's utility holdings were hampered by a company-specific regulatory decree and the threat of higher interest rates in the medium term.

Disclaimer: this commentary has been directly sourced from the Magellan Global Fund's quarterly factsheet available on their website.

---

## Contact our Distribution team

### Ashton Maggs

Relationship Manager, NSW & QLD

**Phone:** +61 431 433 511

**Email:** ashton.maggs@centuriaadviser.com

### Thomas Nielsen

Relationship Manager, ACT, SA & WA

**Phone:** +61 401 727 830

**Email:** thomas.nielsen@centuriaadviser.com

### Sean Cole

Relationship Manager, VIC & TAS

**Phone:** +61 428 893 007

**Email:** sean.cole@centuriaadviser.com

### Jack Coleman

Relationship Manager, NSW

**Phone:** +61 407 256 305

**Email:** jack.coleman@centuriaadviser.com

---

**Centuria Investor Services** |

1300 50 50 50 |

enquiries@centuria.com.au |

**centuria.com.au**

This fact sheet provides general information only, and does not take account of any person's individual objectives, financial situation or needs. You should consider the product disclosure statement before any investment decision is made. We recommend that you speak with a licensed financial adviser. Issued by Centuria Life Limited (CLL) AFSL 230867 ABN 79 087 649 054. CLL believes that the information contained in this fact sheet is accurate, but makes no representation as to its accuracy or completeness. To the maximum extent permitted by law CLL excludes liability for any loss or damage arising from use of the information contained in this fact sheet.