

Centuria LifeGoals

Magellan Global Fund

Centuria

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

Australian equities 80-100%
Cash 0-20%

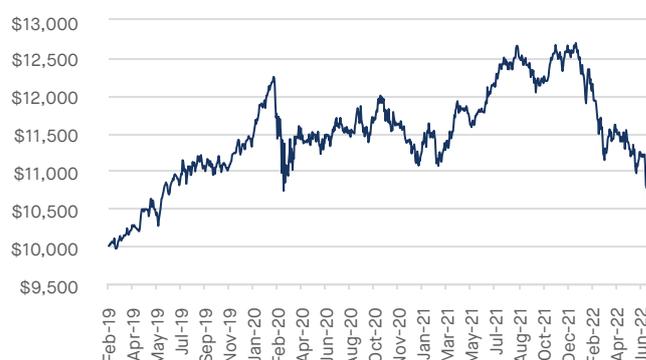
Performance returns

RETURNS TO 30/06/2022	1 MTH	3 MTH	6 MTH	1 YR	2YR ¹
Net returns (%) ²	-2.03%	-5.08%	-13.09%	-9.26%	-1.90%

1. Periods greater than 1 year are expressed in annualised terms.

2. 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 \$11,021 as of 30 June 2022 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 fee¹	1.25%
Performance fee²	0.24%
Suggested timeframe	5 years

1. Refer to PDS for fee breakdown.

2. 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).

Fund commentary

The portfolio posted a negative return for the quarter. Among the biggest detractors were the investments in Alphabet, Microsoft and Intercontinental Exchange. Alphabet, the parent of Google, dropped after first-quarter revenue growth of 20% disappointed high expectations due to poorer-than-expected ad sales in Europe and on YouTube. Microsoft slid on news the EU is probing allegations the software giant has too much market power in the cloud-computing-services market. Intercontinental Exchange fell after it announced it agreed to acquire Black Knight, a software, data and analytics company that serves the mortgage industry, for US\$13.1 billion in cash and stock. While the deal will likely take over a year to receive regulatory approval, in our view, it will be a positive transaction for the group as it digitalises the mortgage market.

The biggest contributors were our investments in Reckitt Benckiser, McDonald's and WEC Energy. The three are defensive and resilient businesses in the deteriorating economic outlook we face. All reported excellent results for the first quarter, beating market expectations and benefiting from strong pricing power and thus pass-through of cost inflation. McDonald's is also benefiting from the reopening of economies post the peak of covid-19 as patronage returns to its restaurants. WEC Energy, a US utility that supplies electricity and gas to Midwestern states, operates in a supportive regulatory environment and benefited from strong demand for gas during the US winter and growth in its 'rate base'.

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

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