BARROW HANLEY GLOBAL SHARE FUND (MANAGED FUND)

ASX code: GLOB

November 2023

FUND FACTS

Investment objective: Aims to provide investors with long-term capital growth through investment in quality global shares.

FUND BENEFITS

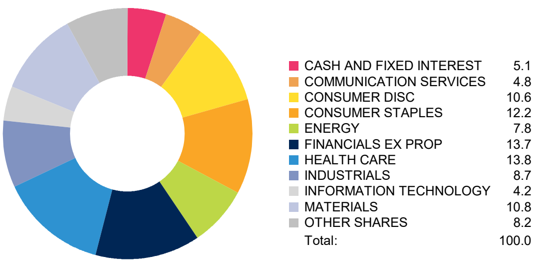
Provides investors with the potential for capital growth and income through a portfolio of global companies using Barrow Hanley's experienced investment team and disciplined investment process.

FUND RISKS

All investments carry risk and different strategies may carry different levels of risk. The relevant product disclosure statement or offer document for a fund should be considered before deciding whether to acquire or hold units in that fund. Your financial adviser can assist you in determining whether a fund is suited to your financial needs.

Benchmark:	MSCI World Net Total Return Index ($A)
Inception date of strategy:	August 2014
ASX commencement date:	06 June 2022
Distribution Frequency:	Half-Yearly
Management Fee:	0.99%*
Investment style:	Active, fundamental, bottom-up, value
Suggested minimum investment period:	Seven years or longer

PORTFOLIO SECTORS

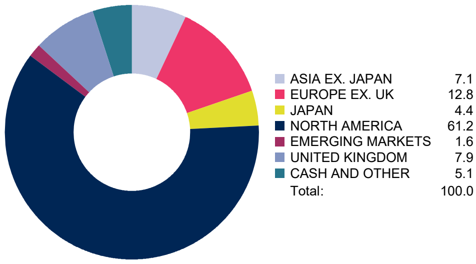


TOP 5 STOCK HOLDINGS

	% of Portfolio
Comcast Corporation Class A	3.5%
Air Products and Chemicals, Inc.	2.7%
Danone SA	2.7%
Aramark	2.6%
Merck & Co., Inc.	2.6%

*Information on management costs is set out in the relevant PDS

PORTFOLIO REGIONS



NET PERFORMANCE - periods ending 30 November 2023

	Fund	Benchmark	Excess
1 month	0.87	4.44	-3.57
3 months	-2.21	-0.74	-1.47
FYTD	0.53	2.93	-2.40
1 year	9.07	14.12	-5.04
2 year p.a.	-	-	-
3 year p.a.	-	-	-
Since incep.	10.69	13.62	-2.94

Past performance is not indicative of future performance. Returns may differ due to different tax treatments.

PORTFOLIO FUNDAMENTALS^

	Portfolio	Benchmark
Price / Earnings*	12.5	16.8
Dividend Yield*	3.3%	2.6%
Price / Book	1.7	2.7
Debt / Equity	62.5%	51.3%
Return on Equity*	14.4%	17.2%

^ Portfolio Fundamentals are compiled using our methodology and provided only for the purpose of illustrating the Fund's investment style in action. These figures are forecast estimates, calculated based on consensus broker estimates where available, and should not be relied upon. Dividend Yield is a dividend forecast of underlying securities for the portfolio and does not reflect the distributions to be determined for the fund.

* Forward looking 12-month estimate.

MARKET COMMENTARY

Markets rebounded strongly in November after two down months, with the MSCI World and MSCI All Country World indexes both up more than 9%. The sharp upward reversal was relatively broad based. However, growth stocks rebounded more than value stocks, with growth leading the way in the U.S., developed, and emerging markets. In the MSCI World Index, most sectors were up more than 5%, with Financials, Technology, Consumer Discretionary, Real Estate, and Industrials all returning more than 10%. However, Energy was flat for the quarter on weak oil prices, leading OPEC+ to announce more production cuts at the end of the month to try and prop up the price.

PORTFOLIO COMMENTARY

In a month wherein markets favoured growth stocks, the strategy underperformed the MSCI World Index in November. From a sector perspective, allocation impacts explained roughly half of the underperformance, as did stock selection. Effective selection in the Consumer Staples, Information Technology, and Utilities sectors were slightly positive. However, unfavourable stock selection in Industrials, Materials, and Consumer Discretionary outweighed the positives to detract from relative performance. An underweight to the Information Technology sector was the largest detractor for the quarter, along with an overweight to Energy. Regionally, selection in the U.S. explains most of the relative underperformance, while stock selection in the UK was modestly positive and contributed to relative returns.

Avantor, Inc. recovered sharply in the month of November after underperforming the month prior on continued industry destocking. The company reported results largely in line with consensus and noted that inventory correction is approaching the end, which was better than anticipated.

Qualcomm Incorporated performed strongly in November after the company reported in line results for the quarter but gave a positive outlook in an environment in which company outlooks are becoming more pessimistic. Earnings have stabilized as we are early in the handset cycle and the company noted that the end market has stabilized. Earnings should improve when the handset market recovers, and the company continues to generate positive free cash flow.

Cigna Group underperformed in November. The main driver of the underperformance during the month was a report that Cigna and Humana were in talks to combine, with the scenario being Cigna buying Humana in a cash and stock deal. The market was concerned about the price and regulatory uncertainty of the acquisition. In December, Cigna announced it was abandoning those talks and announced a buyback.

Air Products & Chemicals, Inc. underperformed in November after reporting continued double-digit EPS growth. The main issue driving the company lower was commentary surrounding a new blue-hydrogen project experiencing cost inflation. This is the second project this year that has been reported to be more expensive than initial estimates, which led to the selloff. We are still constructive on Air Products and Chemicals, as the company still has a large backlog to fuel future growth.

OUTLOOK

In the Global Financial Crisis recession, the percentage of unprofitable companies increased to approximately 40% before falling to a higher 20%+ in 2012 then steadily increased to approximately 45% post the COVID recession. However, nearly two years later, unprofitable companies constitute roughly 40% of the total index. What might be the ramifications of this returning to a more normal level of less than 20%? As macro issues tend to swing markets up and down, it is important to remember that the best time to find value is when markets are fearful or exuberant about a small opportunity set and are ultimately overlooking good companies with solid operating fundamentals.

The strength of our investment proposition is our ability to identify dislocations within the market and find those specific securities that have been dislocated for reasons that do not impair their long-term fundamental strength. As we have continued to apply our investment process, we believe our current portfolio is well positioned to provide strong investment results going forward.

MORE INFORMATION

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