



## INVESTMENT OBJECTIVE

To provide investors with capital growth over the long-term through exposure to companies that will benefit from disruptive innovation.

## PORTFOLIO UPDATE

The Orca Global Disruption Fund (Fund) returned -1.4%, underperforming the broader MSCI ACWI Index (+4.1%). Since inception, the Fund is up 23.2% p.a. outperforming the broader market by 10.1% p.a.

Since the beginning of February, US Treasury 10-year yields have risen 67bps from 1.07% to 1.74% sparked by a combination of optimism around economic growth, successful vaccination rollouts, further fiscal stimulus along with fears of inflation. In March, this continued to drive a sharp rotation in equities away from growth sectors (MSCI World Growth Index +2.2%) towards cyclical and value orientated sectors (MSCI World Value Index +7.2%). Sectors including Financials, Industrials and Energy rose strongly during the month.

While the sharp rotation has impacted the Fund's near-term relative performance, we are more positive than ever on the outlook for companies driving growth through disruption and innovation. COVID-19 significantly accelerated disruption (e.g. within ecommerce, digital payments, and cloud computing) and we believe this has spread to many other sectors that are now ripe for disruption including healthcare, finance and banking and education. Overall, the recent reporting season highlighted that underlying fundamentals have improved across Fund holdings and the outlook for strong and sustainable growth is positive.

During the month, strongest contributors were Facebook (+15.9%), ASML (+10.4%) and Alphabet (+3.5%). Weaker contributors included TSMC (-4.4%), Teladoc (-16.7%), and PayPal (-5.3%).

Facebook rose as CEO Mark Zuckerberg indicated that the company is well placed to navigate through Apple's upcoming privacy changes in iOS14. Zuckerberg believes Facebook could actually emerge with a stronger position if Apple's changes encourage a greater number of businesses to conduct more commerce over Facebook's own platforms.

ASML gained following news that Intel, under its new CEO Pat Gelsinger, would invest significantly in an attempt to regain the technological lead from competitors, including TSMC. Intel indicated it would fully embrace ASML's EUV technology which is essential for the manufacture of next generation semiconductor chips.

During the month, Tencent and Adobe both reported good results which completed a strong reporting season for Fund holdings.

## PORTFOLIO MANAGER



**Raymond Tong**  
Portfolio Manager

Unit price (exit)	Fund size	12-month distribution yield	Annualised performance since inception (25 July 2017) <sup>1</sup>
<b>\$3.1096</b>	<b>\$287.9 million</b>	<b>4.8%</b>	<b>23.2%</b>

## FUND PERFORMANCE<sup>1</sup>

	1 Month	3 Months	6 Months	1 Year	2 Years (p.a.)	3 Years (p.a.)	Since Inception (p.a.)
Orca Global Disruption Fund	-1.4%	2.0%	5.6%	36.7%	25.7%	21.8%	23.2%
MSCI ACWI Index (Net, AUD)	4.1%	5.6%	12.9%	23.8%	13.1%	12.4%	13.1%
Excess Return	-5.5%	-3.7%	-7.3%	12.8%	12.7%	9.4%	10.1%

Note: Numbers may not sum due to rounding.

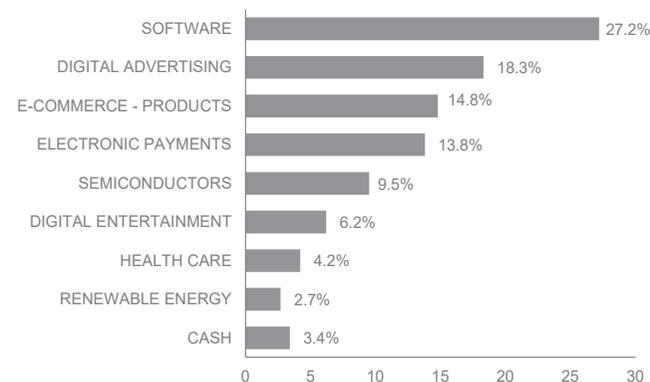
## TOP 10 PORTFOLIO HOLDINGS

Adobe	Mastercard Inc
Alibaba	Microsoft Corp
Alphabet Inc	PayPal Holdings Inc
Amazon.com Inc	Tencent Holdings Ltd
Facebook Inc	TSMC

## PERFORMANCE CHART<sup>1</sup>

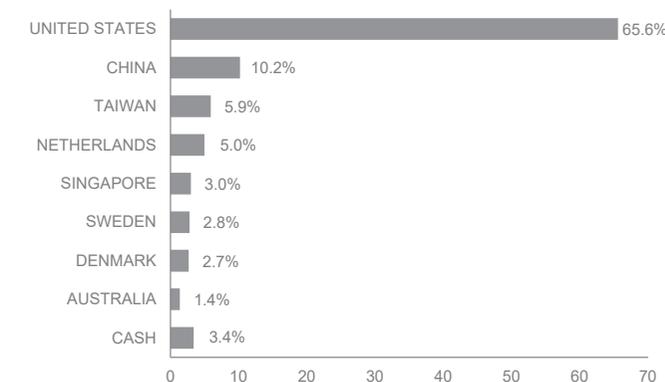


## SECTOR EXPOSURE



Source: Investment Manager, Bloomberg

## COUNTRY EXPOSURE



Source: Bloomberg, Country of Domicile

Notes: Data as at 31 March 2021 unless stated. Numbers may not sum due to rounding.

1. All returns are total returns, inclusive of reinvested distributions and net of fees and costs using net asset value per unit from inception to, and including, 31 January 2021 and exit unit price from this date. Past performance is not a reliable indicator of future performance. Inception 25 July 2017.

Chart data range: 25 July 2017 to 31 March 2021. Initial index value 1,000. Index Source: Bloomberg.

# ABOUT ORCA FUNDS MANAGEMENT

Orca Funds Management is the investment manager for the Orca Global Disruption Fund, Orca Asia Fund and the Orca Global Fund. The Orca Funds Management Investment Team has more than two decades of experience in managing global equities and fixed income funds. Orca Funds Management has an investment team of seven investment professionals who, as at 31 December 2020, collectively manage over \$790 million of funds.

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## IMPORTANT INFORMATION

This report has been prepared by Orca Funds Management Pty Limited (**Investment Manager**) (ACN 619 080 045, CAR No. 1255264), as investment manager for the Orca Global Disruption Fund (**Fund**) (ARSN 619 350 042). The Trust Company (RE Services) Limited (ABN 45 003 278 831, AFSL 235150) is the Responsible Entity of the Fund. For further information on the Fund please refer to the PDS which is available at [orcafunds.com.au](http://orcafunds.com.au).

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