



## INVESTMENT OBJECTIVE

To provide investors with capital growth and attractive risk-adjusted returns over the long-term through exposure to a portfolio of global listed equities.

## PORTFOLIO UPDATE

The MSCI World Index rose by 1.5% in AUD terms in February as the economic outlook continues to improve amid positive vaccine roll-out news and continued progress on passage of a major stimulus package in the US. Major indices hit all time highs in the first half of February but there was strong rotation away from growth sectors, like Technology and into cyclical sectors like Energy, Financials and Industrials in the second half of the month. Markets pulled back on rising inflation concerns, driven by stimulus and improving economic activity, and a steepening yield curve. US 10-year bond yields rose to pre-pandemic levels and in response, the US Federal Reserve (Fed) Chairman Jerome Powell tried to hose down inflation concerns citing excess capacity in the economy and a desire to see sustained inflation before the Fed moves to increase rates.

The Orca Global Fund (Fund) underperformed the market by 2.8% on an exit price basis, due to the Fund's overweight position in defensive sectors like Consumer Staples and Healthcare that underperformed in February. Alphabet (+9.5%), Aon (+11.0%) and Mowi (+8.2%) were the best performing stocks for the month. The improving economic outlook is expected to lift advertising expenditure, which will be positive for Alphabet. Aon announced earnings ahead of expectations and Mowi's results, while mixed, were overlooked due to improved optimism around demand for salmon as lockdowns ease and restaurants reopen.

The main detractors from performance at a stock level included Apple (-8.9%), Unilever (-10.5%) and Orsted (-15.6%). Apple declined in-line with the broader tech stock sell off. Unilever's results missed estimates due to declining operating margins in several segments of the business however, positively, the company reiterated its multi-year sales growth forecast of 3-5%. Orsted continued to come under pressure this month due to concerns of increasing competition, with oil majors outbidding offshore windfarm incumbents at a recent UK auction. Despite this we remain confident in the longer-term strategy of the company and expect it to continue to be a leader in its field.

## PORTFOLIO MANAGERS



**Ted Alexander**  
Portfolio Manager



**Jumana Nahhas**  
Assistant  
Portfolio Manager



**Kunal Valia**  
Assistant  
Portfolio Manager

Unit price (exit)	Fund size	12-month distribution yield (target: 4%)	Annualised performance since inception (6 July 2018) <sup>1</sup>
<b>\$1.5634</b>	<b>\$131.8 million</b>	<b>10.0%</b>	<b>8.7%</b>

Units on issue: 84,125,725

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

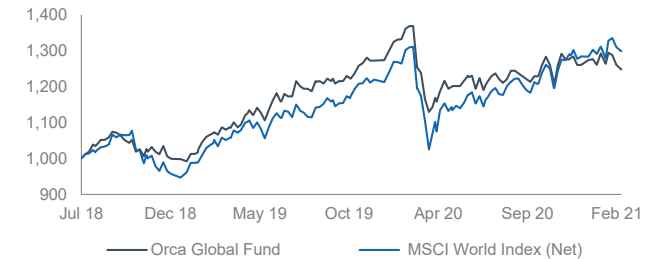
	1 Month	3 Months	6 Months	1 Year	2 Years (p.a.)	3 Years (p.a.)	Since Inception (p.a.)
Orca Global Fund	-1.3%	-2.6%	1.2%	-0.3%	7.9%	–	8.7%
MSCI World Index (Net, AUD)	1.5%	0.8%	6.9%	8.7%	11.5%	–	10.3%
Excess Return	-2.8%	-3.5%	-5.8%	-9.0%	-3.6%	–	-1.7%

Note: Numbers may not sum due to rounding.

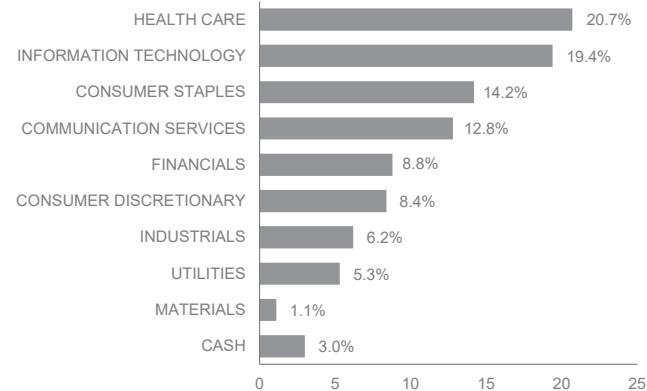
## TOP 10 PORTFOLIO HOLDINGS

Alphabet Inc	Microsoft Corp
Aon PLC	Novartis AG
Apple Inc	Orsted AS
Coca-Cola Co/The	RELX PLC
Dollar General Corp	Unilever PLC

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

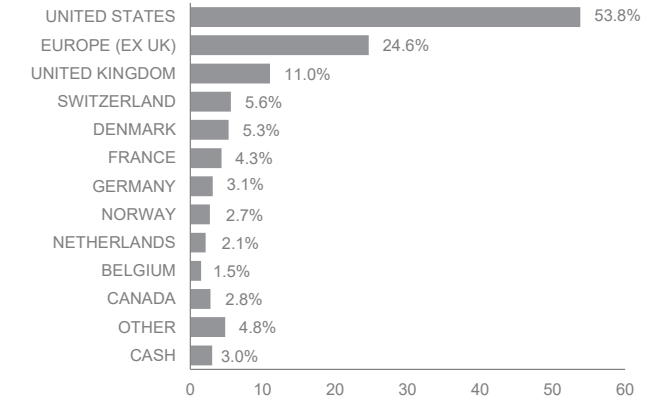


## SECTOR EXPOSURE



Source: Investment Manager, Bloomberg

## COUNTRY EXPOSURE



Source: Bloomberg, Country of Domicile

Notes: Data at 28 February 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 6 July 2018. Chart data range: 6 July 2018 to 28 February 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 Fund (**Fund**) (ARSN 158 717 072). 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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