



## 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

Global markets performed strongly in October, however returns to Australian investors were dampened by a strong Australian dollar (AUD). The MSCI World Index (Index) was up 1.5% in AUD terms, with the rise skewed to the second half of the month on back of strong earnings updates from larger companies including Caterpillar, Microsoft and Alphabet. Key thematic notes in the results of many businesses were rising input costs, supply chain disruption and labour shortages. US economic growth moderated during the period and consumer spending softened relative to the prior month.

The Orca Global Fund (Fund) returned 0.6%<sup>1</sup> in October (net of fees), underperforming the Index by 0.9%, with underperformance impacted by more defensive sector positioning and a strengthening AUD. Whilst the Healthcare sector underperformed the market, stock selection in the Fund was strong, with **United Health** (+13.2%) and **Merck** (+12.6%) up on the back of earnings results that were ahead of expectations and included raised guidance. Merck has narrowed the valuation gap to peers as the market starts to appreciate the potential of its COVID drug in development. **Microsoft** (+13.0%) outperformed on strong 1Q22 results, providing guidance above market expectations and an outlook that remains very positive driven by increasing technology spend. Stock specific issues hampered the performance of **Intel** (-11.7%) with the market negatively reacting to announced plans to increase capex by US\$10 billion. **Meta Platforms** (-8.4%, formerly Facebook) was weak due to a challenging digital advertising backdrop. In line with wider Consumer Staples weakness, **Danone** (-8.6%) highlighted that it was facing input cost inflation challenges, with guidance that these pressures will persist into 2022.

The Fund remains cautiously positioned although portfolio cash levels remain well below 10%.

## PORTFOLIO MANAGERS



**Ted Alexander**  
Portfolio Manager



**Kunal Valia**  
Portfolio Manager



**Jumana Nahhas**  
Assistant  
Portfolio Manager

Unit price (Exit)	Fund size	12-month distribution yield (target: 4%) <sup>2</sup>	Performance since inception (6 July 2018) <sup>1</sup>
<b>\$1.8450</b>	<b>\$97.9 million</b>	<b>3.4%</b>	<b>12.9%</b>

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

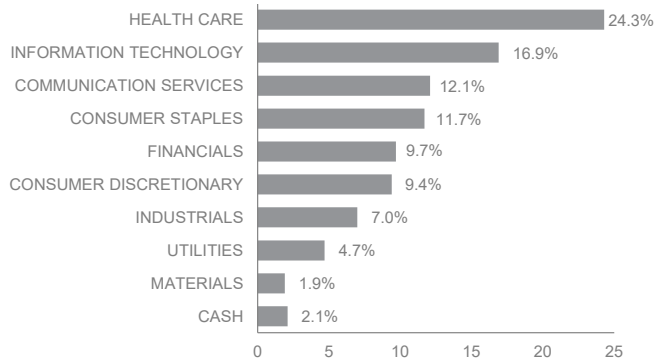
	1 Month	3 Months	6 Months	1 Year	2 Years (p.a.)	3 Years (p.a.)	Since Inception (p.a.)
Orca Global Fund	0.6%	-1.6%	10.8%	24.2%	10.7%	13.4%	12.9%
MSCI World Index (Net, AUD (%))	1.5%	1.5%	11.7%	31.2%	15.9%	15.9%	14.5%
Excess Return	-0.9%	-3.1%	-0.9%	-7.0%	-5.2%	-2.4%	-1.6%

Note: Numbers may not sum due to rounding.

## TOP 10 PORTFOLIO HOLDINGS

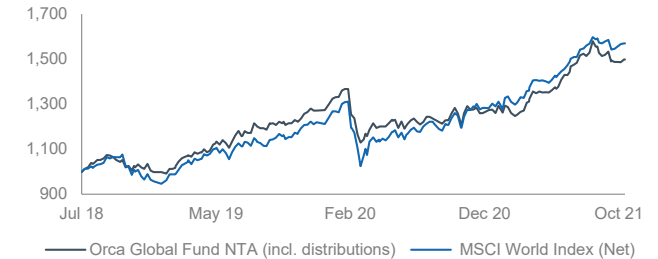
Alphabet Inc	Microsoft Corp
Amazon.com Inc	Novartis AG
AstraZeneca PLC	Orsted AS
Dollar General Corp	Royal Bank of Canada
Merck & Co Inc	Unilever PLC

## SECTOR EXPOSURE

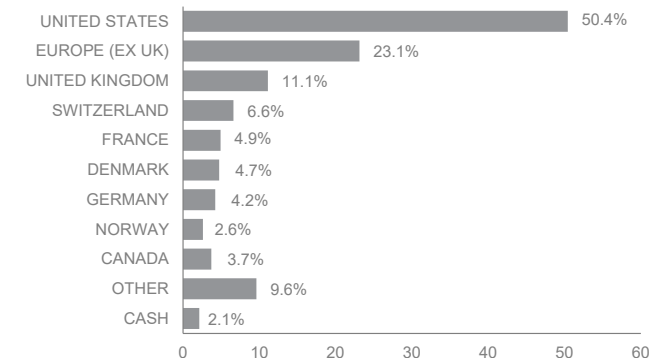


Source: Investment Manager, Bloomberg

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



## COUNTRY EXPOSURE



Source: Bloomberg, Country of Domicile

Notes: Data as at 31 October 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 31 October 2021. 2. Distribution yield is a historical measure. The Fund has a target distribution yield of 4%. There is no guarantee the Fund will meet its investment objective. The payment of a semi-annual distribution is a goal of the Fund only and neither the Manager or the Responsible Entity provide any representations or warranty in relation to the payment of any semi-annual cash income. The Fund reserves the discretion to amend its distribution policy. 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 30 September 2021, collectively manage over \$776 million of funds.

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## IMPORTANT INFORMATION

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