

# Australian Ethical International Shares Fund



FUND PROFILE - 30 JUNE 2019

Australian Ethical is one of Australia's leading ethical fund managers. By investing responsibly in well-managed ethical companies, we deliver competitive financial performance to our clients and positive change to society and the environment. Since our inception in 1986, our Ethical Charter has guided all investment decisions and underpinned our business practices. Every year 10 per cent of our profits\* are distributed to charitable organisations and social impact initiatives through The Australian Ethical Foundation.

## Investment objective

To provide long-term growth through investment in international companies which meet the Australian Ethical Charter.

## Price information

Pricing frequency: Daily

Buy/Sell spread: 0.10%/0.10%

## Fund facts

Fund size: \$3.51m

Benchmark: Australian Ethical International Shares Composite

Asset class: Equity

Inception date: 13/06/2007

Minimum investment timeframe: 7 Years

Risk level: High

## Identifiers

ISIN code: AU60AUG00069

APIR code: AUG0006AU

## Distributions

Frequency: 2

Dates: 30/06, 31/12

## Fees

Management costs - PDS: 1.85%

Minimum initial investment: \$1,000  
\$500 with a Regular investor plan

Additional transactional and operational costs: 0.00%

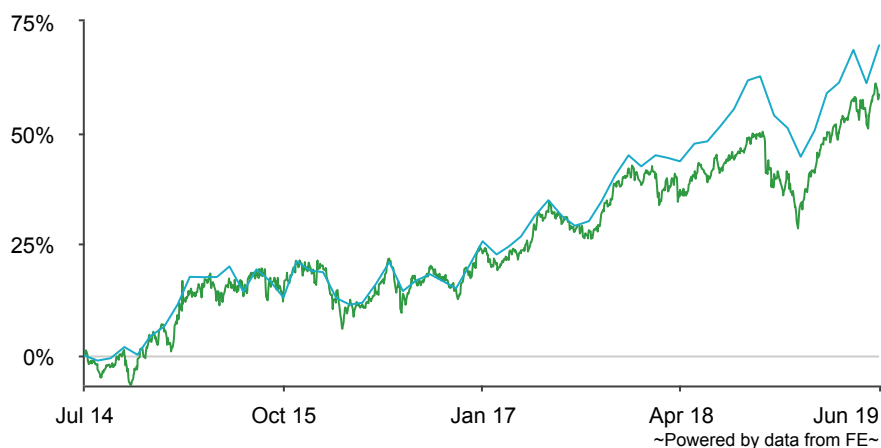
A full explanation of all the fees and costs that you may be charged for investing in the Fund is provided in the Fund's Product Disclosure Statements available from our website [australianethical.com.au](http://australianethical.com.au)

\*(after tax, before bonus expense)

## Investment strategy

The opportunity to invest in a diversified portfolio of companies listed on international stock exchanges, which meet the Australian Ethical Charter.

## Cumulative performance (as at 30/06/2019)



■ Australian Ethical International Shares  
■ Benchmark

## Performance (as at 30/06/2019)

	1m	3m	6m	1y	3y	5y	10y	Since inception
Fund	4.4%	5.5%	18.3%	12.1%	11.7%	9.7%	7.5%	2.9%
Benchmark	5.3%	5.2%	17.3%	11.9%	14.0%	11.2%	12.6%	6.6%

## Calendar Performance (as at end 2018)

	CY2018	CY2017	CY2016	CY2015	CY2014
Fund	-3.0%	12.5%	2.9%	13.3%	8.4%
Benchmark	1.5%	13.4%	5.9%	11.5%	9.5%

Source: FE.

Total returns are calculated using the sell (exit) price, net of management fees and gross of tax as if distributions of income have been reinvested at the actual distribution reinvestment price. The actual returns received by an investor will depend on the timing, buy and exit prices of individual transactions. Return of capital and the performance of your investment in the fund are not guaranteed. Past performance is not a reliable indicator of future performance. Figures showing a period of less than one year have not been adjusted to show an annual total return. Figures for periods of greater than one year are on a per annum compound basis. The current benchmark may not have been the benchmark over all periods shown in the above chart and tables. The calculation of the benchmark performance links the performance of previous benchmarks and the current benchmark over the relevant time periods.

## Top 10

Microsoft Corporation	3.5%
Alphabet Inc. Class A	2.2%
Prudential Financial, Inc.	1.6%
Allianz SE	1.6%
American Express Company	1.6%
Chubb Limited	1.4%
Accenture Plc Class A	1.4%
IQVIA Holdings Inc	1.4%
Amgen Inc.	1.4%
AXA SA	1.3%

## Ratings and awards

### RIAA rating:



### UNPRI signatory:



## Why invest ethically?

**Portfolio diversification:** Diversify your portfolio by investing in companies and sectors not well covered by other fund managers and brokers.

**Help build a better world:** Invest in the new, low-carbon economy, fund medical and technology breakthroughs, efficient transport and more.

**Promote human rights:** We strive to avoid any investment in companies involved in the poor treatment of asylum seekers or the exploitation of workers through poor working conditions.

## Need Help?

Contact us between 9:00am-5:00pm

AEST Monday-Friday on:

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Australian Ethical Investment Ltd

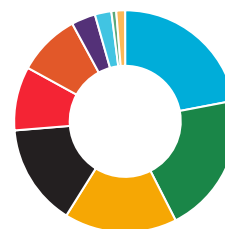
c/o Boardroom Pty Ltd

GPO Box 3993

Sydney NSW 2001

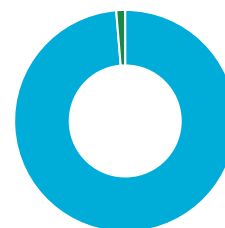
## Sector allocation

Financials	22.0%
Information Technology	20.5%
Industrials	16.4%
Communication Services	14.8%
Health Care	9.3%
Real Estate	9.1%
Consumer Discretionary	3.5%
Utilities	2.4%
Consumer Staples	0.7%
Other	1.3%



## Asset allocation

International Shares	98.7%
Cash	1.3%



## Commentary

The Australian Ethical International Shares Fund increased in the June quarter, up 5.5% (5.7% Wholesale Fund), outperforming the Fund's benchmark (MSCI World ex Australia index) of 5.2%. Most of the international market movement in this quarter was driven by political events rather than economic.

The Financial, Industrial and IT sectors were the top performers with the Fund overweight in these sectors which meant some of the financial stocks held by the Fund such as Prudential, Allianz and American Express were not as exposed to the effects of trade wars.

The detractors were Consumer Discretionary, Consumer Staples and Health Care. Due to our ethical screening process, we are underweight in these sectors which meant the fund did not benefit from increases in stocks such as Amazon and Coca-Cola.

In the middle of the quarter, the US markets declined nearly 6% due to the US-China trade wars. The UK fell 3% as ongoing Brexit pressures saw the resignation of Theresa May as a resolution looked impossible under her leadership.

The European and Asian markets similarly declined as trade tensions rippled through global markets. However, these same markets rallied in June with the US up nearly 7%, the UK +3.7% and Germany +5.7% due to expectations of a resolution to the trade wars at the G20 meeting.

Asian markets recovered as there was an announcement that Trump and Xi would meet for trade talks at the G20.

# Australian Ethical International Shares Fund (Wholesale)



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## Investment objective

To provide long-term growth through investment in international companies which meet the Australian Ethical Charter.

## Price information

Pricing frequency:	Daily
Buy/Sell spread:	0.10%/0.10%

## Fund facts

Fund size:	\$59.51m
Benchmark:	Australian Ethical International Shares Composite
Asset class:	Equity
Inception date:	30/06/2015
Minimum investment timeframe:	7 Years
Risk level:	High

## Identifiers

ISIN code:	AU60AUG00259
APIR code:	AUG0025AU

## Distributions

Frequency:	2
Dates:	30/06, 31/12

## Fees

Management costs - PDS:	0.85%
Minimum initial investment:	\$25,000
Additional transactional and operational costs:	0.00%

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■ Benchmark

## Performance (as at 30/06/2019)

	1m	3m	6m	1y	3y	5y	10y	Since inception
Fund	4.5%	5.7%	18.8%	13.3%	12.9%	-	-	9.9%
Benchmark	5.3%	5.2%	17.3%	11.9%	14.0%	-	-	10.4%

## Calendar Performance (as at end 2018)

	CY2018	CY2017	CY2016	CY2015	CY2014
Fund	-1.7%	13.6%	3.9%	-	-
Benchmark	1.5%	13.4%	5.9%	-	-

Source: FE.

Total returns are calculated using the sell (exit) price, net of management fees and gross of tax as if distributions of income have been reinvested at the actual distribution reinvestment price. The actual returns received by an investor will depend on the timing, buy and exit prices of individual transactions. Return of capital and the performance of your investment in the fund are not guaranteed. Past performance is not a reliable indicator of future performance. Figures showing a period of less than one year have not been adjusted to show an annual total return. Figures for periods of greater than one year are on a per annum compound basis. The current benchmark may not have been the benchmark over all periods shown in the above chart and tables. The calculation of the benchmark performance links the performance of previous benchmarks and the current benchmark over the relevant time periods.

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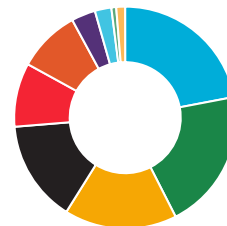
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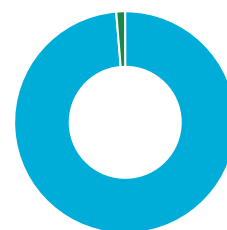
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