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# Nedgroup Investments Global Flexible Fund

Quarter Three, 2023



**Marketing Communication**



# Nedgroup Investments Global Flexible Fund

The following commentary was produced by the sub-investment manager, First Pacific Advisors, LP (“FPA”).

USD performance to 30 September 2023	Nedgroup Investments Global Flexible <sup>1</sup>	MSCI World	S&P 500
3 months	-0.9%	-3.5%	-3.3%
1 year (p.a.)	19.1%	22.0%	21.6%
5 years (p.a.)	5.8%	7.3%	9.9%

Past performance is not indicative of future performance and does not predict future returns.

## Overview

The Nedgroup Investments Global Flexible Fund (“the Fund”) declined 0.9% for the quarter but gained 19.1% for the trailing twelve months. The Fund captured 86.8% of the MSCI World’s gain in the trailing twelve months, outperforming its own 68.0% average net risk exposure.<sup>2</sup>

Below you can see the Fund’s performance along with various relevant indexes.

**Exhibit A: Net Performance versus Illustrative Indices<sup>3</sup>**

	Q3 2023	Trailing 12 months
Nedgroup Global Flexible Fund	-0.9%	19.1%
MSCI World	-3.5%	22.0%
MSCI ACWI	-3.4%	20.8%
S&P 500	-3.3%	21.6%
60% MSCI ACWI NR USD/ 40% Bloomberg US Agg	-3.3%	12.5%
60% S&P 500 / 40% Bloomberg US Agg	-3.2%	13.0%

<sup>1</sup> Source: Morningstar (monthly data series). Reflects the net USD return for the Nedgroup Investments Global Flexible Fund, C class. Source for MSCI and S&P 500 Morningstar

<sup>2</sup> Risk assets are any assets that are not risk free and generally refers to any financial security or instrument, such as equities, commodities, high-yield bonds, and other financial products that are likely to fluctuate in price. Risk exposure refers to the Fund’s exposure to risk assets as a percent of total assets. The Fund’s net risk exposure as of 30 September 2023 was 65.7%.

<sup>3</sup> Comparison to the indices is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives. An investor cannot invest directly in an index.





## Portfolio discussion

The Fund's top five performers contributed 7.7% to its return over the previous twelve months, while its bottom five detracted 0.7%.

**Exhibit B: Trailing Twelve-Month Contributors and Detractors as of 30 September 2023<sup>4</sup>**

Winners	Performance contribution	Ave. weight	Losers	Performance contribution	Ave. weight
Holcim	1.7%	3.2%	Intl Flavors & Fragrances	-0.4%	2.0%
Meta Platforms	1.7%	2.1%	Herbalife	-0.1%	0.3%
Alphabet	1.5%	4.9%	Signature Bank	-0.1%	0.1%
Comcast	1.4%	3.1%	Heineken	-0.1%	0.7%
Broadcom	1.3%	1.7%	McDermott Int'l (multiple securities)	-0.0%	0.5%

Of the contributors and detractors listed, we haven't recently addressed International Flavors & Fragrances (IFF). IFF missed financial targets and lowered guidance for 2023, which, along with the delays in the company's efforts to reduce its debt load, led to a significant decline in its stock price. We have added to our position, as we view much of the company's business as resilient and high quality, while the company's debt should prove manageable considering its low cost and long duration.

We have discussed most of the other positions in previous commentaries over the last year.

## Closing

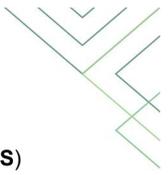
Geopolitical instability has the world wobbling on its axis. Our thoughts are with you and yours both here and abroad.

Respectfully submitted,

FPA Contrarian Value Portfolio Management Team

<sup>4</sup> Reflects the top five contributors and detractors to the Fund's performance based on contribution to return for the trailing twelve months through 30 September 2023. Contribution is presented net of investment management fees, transactions costs, and Fund operating expenses using the fees and expenses of the Fund's Class C shares. The information provided does not reflect all positions purchased, sold or recommended by FPA during the period. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities listed.  
**Past performance is no guarantee, nor is it indicative, of future results.**





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