

FUND FACTSHEET

Rest of World Equities Fund

31st January 2022

Investment Strategy: This Fund provides exposure to the share markets of Europe, Australasia, Singapore, Hong Kong, Japan and Israel. Kōura invests into an ETF listed in the USA to achieve this exposure. The fund is hedged 70% to the New Zealand dollar, this means that investors are protected from 70% of the exchange rate movement.

Underlying asset: iShares ESG Advanced MSCI EAFE ETF (\$306.3 m fund size)

<https://www.ishares.com/us/products/314362/>.

Fund inception: 23rd October 2019

	Fund performance			
	1 mth %	6 mth %	12 mth %	24 mth (% p.a)
Koura ROW Equities Fund	(6.0)	(2.4)	10.2	4.9

These performance numbers are calculated by kōura Wealth and are net of fees and gross of tax.

Monthly Commentary:

The Koura Rest of World Fund has returned 10.2% in the past year, but fell (-6.0%) in January.

A key driver of this fall was the Japanese market, being an export dependant market and our largest country weighting in this fund. As Japan Factory activity grew at the fastest pace in four years, pressure from persistent chip shortages, rising input prices, and the Covid pandemic clouded the outlook. The reintroduction of Covid 19 restrictions in parts of the country, firms passing on higher input costs to consumers and disruption in the labour market negatively impacted the services sector.

The UK FTSE 100 was the standout positive closing up 1.1% in January, even after having its biggest one day fall in eight weeks on the 21st January. Investors were concerned the US Federal Reserve could increase interest rates several times in 2022 to bring inflation under control, and retail sales fall sharply as consumer confidence fell to its lowest level in a year. However, on the 24th January the UK government announced the UK is to become open for travel with restrictions removed for eligible travellers. Travel and Leisure stocks gained the most ground to push the market back into positive territory at the end of the month.

All markets in this fund have returned a 12 month positive return, with the exception of Japan.

Top Ten holdings:

Company	Sector	Weight %
ASML Holding NV	Information Technology	3.07
Novo Nordisk Class B	Health Care	1.86
HSBC Holdings Plc	Financials	1.61
Sony Group Corp	Consumer Discretionary	1.56
AIA Group Ltd	Financials	1.39
Loreal SA	Consumer Staples	1.19
Allianz	Financials	1.17
Keyence Corp	Information Technology	1.07
Schneider Electric	Industrials	1.02
CSL Ltd	Health Care	0.97

Top Country weightings market performance:

Market	Portfolio weight	Performance %			
		1 mth %	6 mth %	12 mth %	24 mth (%p.a.)
Japan	27.7%	(6.2)	(0.2)	(0.8)	9.80
UK	11.0%	1.1	7.9	20.7	4.69
France	10.3%	(2.0)	6.4	32.6	12.33
Germany	8.0%	(2.6)	(0.5)	15.2	9.15
Netherlands	7.4%	(5.4)	1.1	21.1	15.72
Switzerland	6.5%	(5.0)	1.0	18.8	10.66
Australia	5.1%	(6.6)	(3.3)	9.7	4.35

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