

FUND FACTSHEET

US Equities Fund

31st October 2021

Investment Strategy: The Fund aims to replicate the performance of the US share market. kōura achieves this by investing in a single ETF listed in the USA. The US market is by far and away the largest market in the world and therefore is an important component of any balanced portfolio. The fund is hedged 70% to the New Zealand dollar, this means that investors are protected from 70% of the exchange rate movement.

Underlying ETF: iShares ESG Advanced MSCI USA ETF (\$486.8m fund size).

<https://www.ishares.com/us/products/314365/ishares-esg-advanced-msci-usa-etf>

Fund inception: 23rd October 2019

	Fund performance			
	1 mth %	6 mth %	12 mth %	24 mth % (p.a.)
Koura US Equities Fund	5.1%	9.7%	37.8%	20.0%

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

Monthly Commentary:

After a punishing September where the US markets all closed lower, October saw a recovery and new records reached. The Koura US Equity Fund was up 5.1% in the month and has annualized return over two years of 20%. October's optimism was driven by:

- Strong corporate earnings ahead of already high estimates, this is despite the Covid induced summer slow down and weaker than expected economic data;
- During the month of October 80% of companies reported earnings higher than expected and operating margins came in at a massive 13% vs an estimate of 8%;
- Quarterly wage growth of 5% YOY was the strongest it has been for over 20 years; and
- Consumer confidence reports higher than forecast.

On the negative side, jobless claims remain persistently high and fewer jobs are being created than economists had forecast or expected, though consumer confidence remains high and GDP growth, whilst slowing has not slowed as much as potentially feared.

Economists are confident that the worst of the pandemic is over and the dampened economic activity seen over the summer as a result of the surging virus is now behind us.

Top Ten Securities		
Nvidia Corp	Information Technology	4.0%
Home Depot Inc	Consumer Discretionary	2.5%
Visa Inc Class A	Information Technology	2.3%
Adobe Inc	Information Technology	2.0%
Mastercard Inc Class A	Information Technology	1.9%
Salesforce.Com Inc	Information Technology	1.8%
Paypal Holdings Inc	Information Technology	1.6%
Thermo Fisher Scientific Inc	Healthcare	1.6%
Cisco Systems Inc	Information Technology	1.5%
Coca Cola	Consumer Staples	1.5%

This Fund Factsheet has been prepared by kōura Wealth Limited. It is based on information believed to be accurate and reliable although no guarantee can be given that this is the case. No reproduction of any material either in part or in full is permitted without prior permission. For more information about the Fund, please refer to the Production Disclosure Statement or the latest Quarterly Fund Update both of which are available at www.kourawealth.co.nz/documents