

CLARITY GLOBAL SHARES FUND

Monthly Commentary

The global shares portfolio is primarily invested in North America and enjoyed the surge in US indices. Europe ex the United Kingdom is the second largest geographic exposure and European markets lifted more than 3% in the month. Japan has been the other strongly performing market up 7.6% in local currency terms. The fund has a slightly below index weighting to Japan at 4.2%. Beverage company Kirin Holdings is the Fund's largest Japanese holding.

The Global Shares Fund has been overweight Communication Services and Healthcare. As communications includes technology companies such as Meta +6% the fund has been able to exceed benchmark. Traffic has not been all one way however with Communications sector company Alphabet falling modestly in June. Healthcare company McKesson (+7%) reached a 52-week high in June. The largest absolute return in the month came from US chemical company Chemours up +36%.

The fund continues to be well represented in the information technology sector with Microsoft and Apple the largest holdings. Apple reached a market capitalisation of US\$3 trillion at month end.

Performance

As at 30 June 2023	1 Mth	3 Mth	1 Yr	3 Yrs p.a.	5 Yrs p.a.	Since Inception p.a.
Clarity Global Shares Fund*	5.0%	8.6%	19.6%	14.8%	9.8%	10.0%
Benchmark Index**	4.5%	7.6%	17.1%	11.9%	9.2%	9.9%

*These returns are after deductions for charges and before tax. **Benchmark returns reflects no deduction for charges and tax. The Fund inception on 26 April 2017. Past performance is not necessarily indicative of future performance. The Quarterly Fund Update is available at <https://clarityfunds.co.nz/quarterly-fund-updates-and-commentaries>.

About the Clarity Global Shares Fund

The objective of the Clarity Global Shares Fund is to provide actively managed exposure to international equities and generate a better return than the benchmark¹ over the medium to long term. The Fund is actively managed with a value bias which means its holdings may differ considerably from the benchmark index. Clarity has appointed global investment manager MFS as the investment manager for the Fund. MFS has constructed the portfolio in consultation with Clarity and in accordance with the Fund's objectives. Boston-based MFS, which began in 1924 as Massachusetts Investment Trust, started America's first mutual fund. The strategy uses an actively managed approach and a consistent, disciplined, bottom-up stock selection and investment process that blends proprietary fundamental and quantitative research to build a well-diversified, large-cap core global portfolio.

¹the MSCI All Country World ex-Tobacco Index (net dividends reinvested), measured in NZ dollars, 50% hedged to NZ dollars.

If you have any questions, please contact us on +64 09 308 1450 or visit our website www.clarityfunds.co.nz

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