

# Global Sustainable Growth Fund

Fund Factsheet | 30<sup>th</sup> June 2025



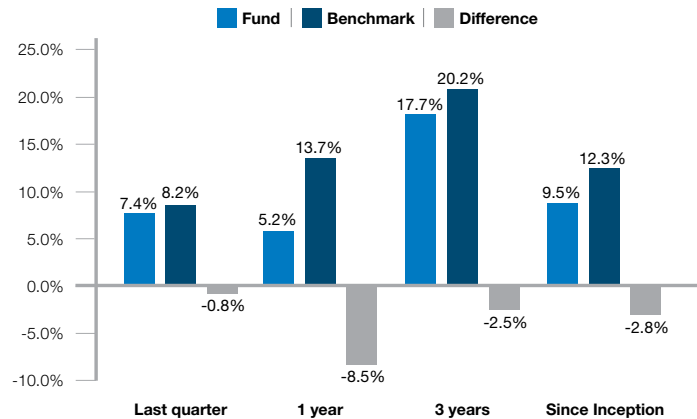
## Fund Objective

The fund aims to provide capital growth by investing in equities of companies worldwide which meet the investment manager's sustainability criteria.

## Why Choose This Fund?

The Global Sustainable Growth Fund is suitable for the investor who wishes to achieve long-term capital growth and has a high-risk appetite.

## Performance



The Bifm Global Sustainable Growth Fund returned -7.41% over the quarter, underperforming the benchmark MSCI All Country World Index (ACWI), which returned -8.18% by 0.78%. Stock selection in healthcare, communication services and financials were the main detractors over the quarter. Conversely, allocations to consumer discretionary, information technology and industrials contributed positively to relative returns. Over the 12-month period ending, the Fund returned 5.20%, underperforming the benchmark by 8.49%.

## Performance Commentary

Following the turmoil experienced in Q1 of 2025, equity markets sold off sharply at the start of Q2 following the "Liberation Day" announcement of the imposition of far-reaching tariffs by the US on its trading partners. Later in the quarter, tensions in the geopolitical landscape escalated as hostilities between Israel and Iran came to the fore with attacks and counter reactions, leading to concerns about the risk of a broader Middle East conflict. Toward the end of the quarter, the debt sustainability of the US came into focus as the Reconciliation Bill ("Big Beautiful Bill") was approved by the House of Representatives. This concern was shared by ratings agencies, with Moody's cutting the sovereign rating to Aa1. The Federal Reserve kept rates on hold as the Chair adopted a wait and see approach to the potentially inflationary effect of tariffs. Despite this, the market still anticipated rate cuts to recommence before year end. Both the Bank of England and the ECB cut rates during the quarter. The USD, weighed down by concerns around trade policy and debt sustainability, weakened to its lowest level in three years.

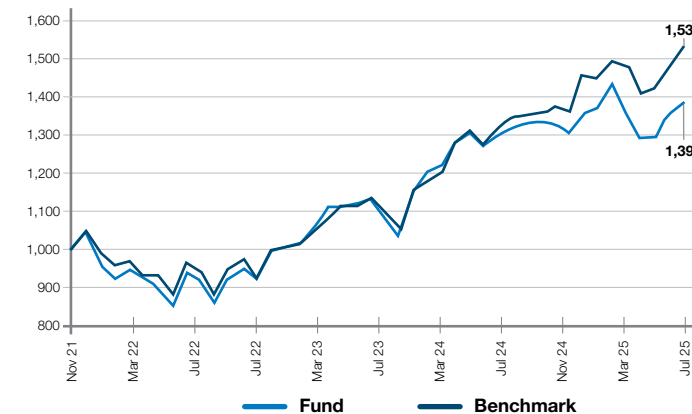
Despite this uncertainty, equity markets rebounded strongly during the quarter, with the MSCI World Index returning 11.5% for the quarter. In the US, technology dominated again as some of the Magnificent 7 stocks regained their allure, particularly those associated with the artificial intelligence theme. Robust earnings for Q1, particularly from Alphabet and Meta, further supported the rally. The S&P 500 Index returned 10.9% for the quarter, while the Nasdaq advanced 17.9%. The Information Technology and Communications Services sectors rose the most while the Energy and Health Care sectors showed negative returns. Europe equities rose again in Q2, as sentiment was boosted by a further rate cut from the ECB as well as a stronger currency against the USD. Industrial and real estate stocks led the market, industrials driven by defence counters which continue to perform well given the NATO agreement to substantially increase defence spending. Emerging markets, too, performed encouragingly, the MSCI Emerging Markets Index returning 12.0% for the quarter. China benefitted from optimism over trade negotiation with the US while South Korea performed well on the back of a more stable political environment as well as a strong recovery in the semiconductor market.

## Market Outlook

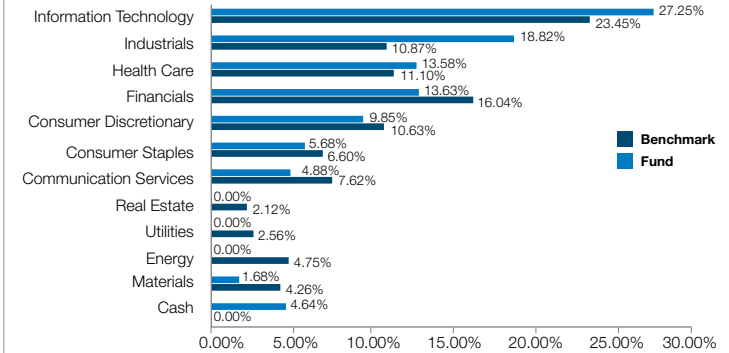
Economic growth and corporate profitability have remained remarkably resilient thus far and while recession risks have become seemingly less pronounced. Tariffs are now upon us although further negotiation are likely to continue for some time yet. A de-escalation in the Middle East conflicts would certainly be taken positively but the risk of a further deterioration could have significant implications on energy markets with roughly one fifth global oil consumption and LNG trade flowing through the Strait of Hormuz. Respite for the US economy – and indeed market sentiment – could come in the form of more consumer and business-friendly policies given tax reform and deregulation remain on the agenda for the current administration. The longer term focus for the administration remains on reshoring production, particularly in strategically important industries such as technology, pharmaceuticals, materials and energy. The rhetoric of the Trump administration has fuelled a shift in priorities within Europe, where many policy makers were already focused on bolstering competitiveness within the region by looking to reduce much of the perceived excessive bureaucracy and regulation that have potentially limited growth potential in the past. Germany is also leading the way on fiscal expansion through an aggressive spending package focused on infrastructure and defence initiatives and we are likely to see other countries follow suit. Higher savings rates as well as looser fiscal and monetary policy in other regions may provide some relative resilience, particularly in Europe where many countries are enjoying a far healthier macro backdrop.

Total Expenditure Ratio (T.E.R.): 3.24%

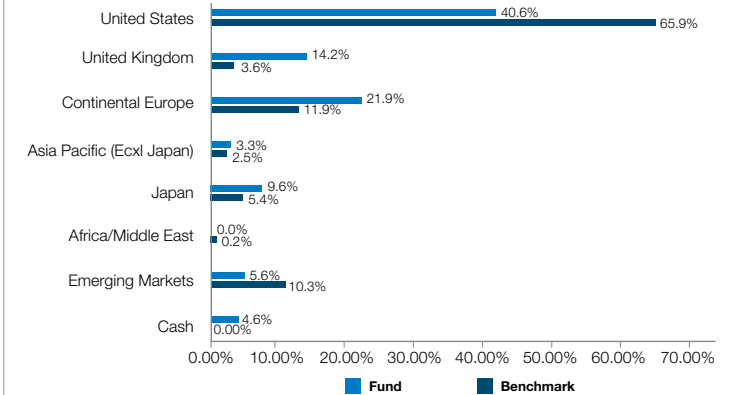
## Cumulative Returns (BWP)



## Sector Allocation



## Geographical Allocation



## Quick Facts

### Fund Information

Fund Manager

The fund invests up to 100% of its assets in a strategy managed by Bifm's offshore investment partner - Schrodgers Asset Management.

Benchmark: MSCI ACWI  
Launch Date: Nov 2021  
Minimum Investment: P5000 lump sum  
P1000 debit order  
Fund Size: BWP65,468,631.55

### Fees

Initial Fund Fee: 0%  
Annual Management Fee: 2%  
Fees are shown excluding VAT

### Risk Profile

Low	Low-Med	Med	Med-high	High
				●

### Fund feature

1 year lock-in period

### Contact Details

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