

Global Sustainable Growth Fund

Fund Factsheet | 31st December 2022



Fund Objective

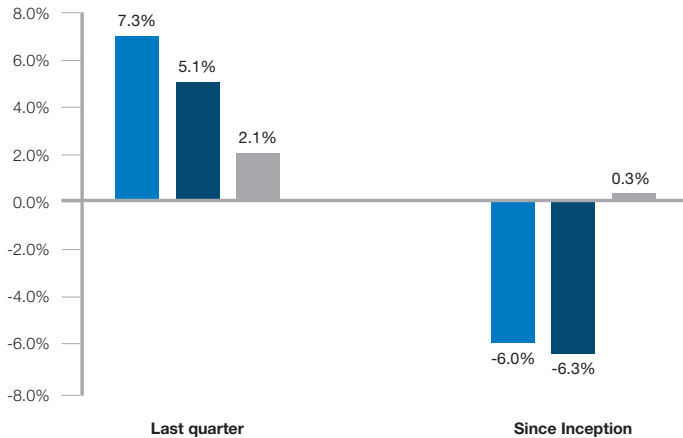
The fund aims to provide capital growth by investing in equities of companies worldwide which meet the investment manager's sustainability criteria.

Why Choose This Fund?

This fund is suitable for the investor who wishes to achieve long-term capital growth and has a high-risk appetite.

Performance

Fund | Benchmark | Difference



The Bifm Global Sustainable Growth Fund returned 7.25% (in BWP) over the quarter, outperforming the benchmark MSCI All Country World Index (ACWI) which returned 5.15% by 2.11%.

The Fund's overweight allocation to the stocks within the consumer discretionary, information technology and industrials sectors aided the performance of the Fund over the quarter.

Over the 12-month period ending December 2022, the Fund returned -9.88%, outperforming the benchmark by 1.66%.

Performance Commentary

Global equity markets ended the year with a strong performance over the fourth quarter. Investor sentiment turned positive over the quarter with increasing signals that global inflation had peaked and that the pace of interest rate hikes would ease. As a result, most sectors posted gains during the quarter.

The fund's lack of exposure to the energy sector detracted from fund relative performance as energy sector stocks posted strong gains over the quarter.

Regionally, the fund's allocations in North America, Pacific ex Japan, Europe and the UK contributed to fund relative performance. Conversely, allocations to emerging markets and Japan detracted from fund relative performance over the quarter. Both developed and emerging markets posted gains in the fourth quarter. US shares rallied in the fourth quarter as the Federal reserve slowed the pace of interest rate hikes. Following four successive 75 bps hikes, the Fed's last interest rate hike of the year was reduced to 50 bps. In the UK, shares rallied over the quarter as markets reacted positively to Rishi Sunak being appointed Prime Minister following Liz Truss's brief tenure. Within emerging markets, the relaxation of the strict zero Covid policy and the stabilisation of the Chinese property market helped boost investor optimism over the quarter.

From a style perspective, value stocks outperformed growth stocks over the quarter.

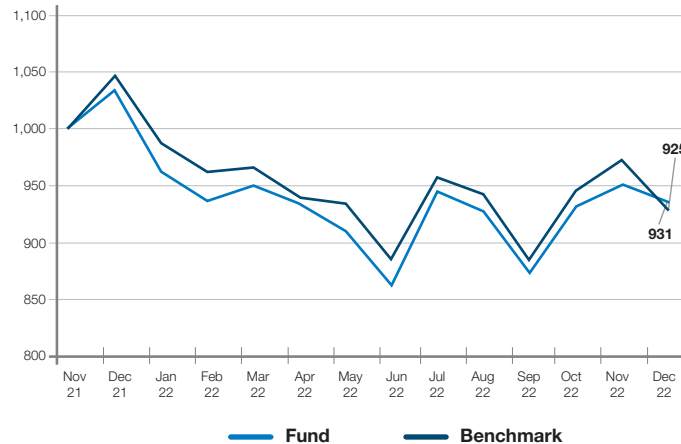
Market Outlook

Global equities remain under pressure entering 2023 amidst geopolitical tensions, high inflation, tightening monetary policy, and expectation of lower earnings as global economic growth slows. The impact of higher interest rates will continue to impact global growth negatively and in turn, put earnings growth under further pressure in 2023. While broadly corporate balance sheets remain healthy, tighter credit conditions may begin to reveal cracks in companies that are unprepared to weather the more challenging environment.

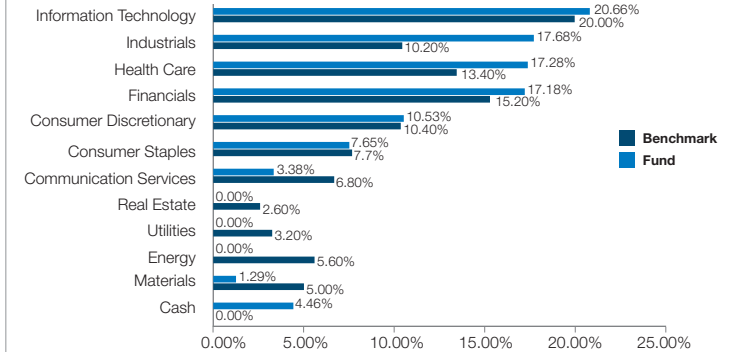
The geopolitical backdrop remains challenging. Russia's invasion of Ukraine remains a significant source of volatility and uncertainty to global markets. Putin's endgame remains unknown, and the conflict in Ukraine will continue to have important implications for cost inflation, interest rates, and supply chain disruption going forward. The outlook remains mixed, with fiscal and monetary tightening likely to dampen the ongoing recovery. We remain conscious of inflation and interest rate risk in the portfolio and are managing our positions accordingly.

Total Expenditure Ratio (T.E.R.): 3.34%

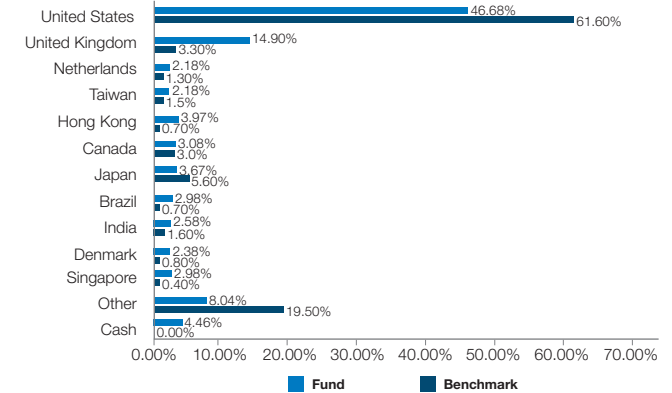
Cumulative Returns (BWP)



Sector Allocation



Geographical Allocation



Quick Facts

Fund Information

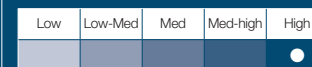
Fund Manager
The fund invests up to 100% of its assets in a strategy managed by Bifm's offshore investment partner - Schroders Asset Management.

Benchmark: MSCI ACWI
Launch Date: Nov 2021
Minimum Investment: P5000 lump sum
P1000 debit order
Fund Size: BWP24,341,457.29

Fees

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

Risk Profile



Fund feature

1 year lock-in period

Contact Details

Trustees and Custodians
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Gaborone

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The views in this report are those of offshore managers appointed by Bifm.



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