

## Fund Fact Sheet: Thematic Fund

### Quarterly as at 31 December 2024

Focusing on global themes has proven to be an effective way of identifying stocks that will beat future earnings expectations, a key driver of share price performance.

#### About the Fund

Timing is critical for performance – therefore our themes are significantly more targeted, focusing on specific trends that are relevant to the current trading environment. Investments may cover a wide range of geographies and industries, even within a single theme.

#### Portfolio Manager

The fund is managed by Nathan Field. Nathan is responsible for theme identification, portfolio construction, security selection and risk management in the Thematic portfolio. With more than 20 years' experience in the investment industry, Nathan has worked in New Zealand, Sydney and London, in roles including Senior Equity Analyst and Director at ABN Amro, Portfolio Manager at Kiwi Wealth and Asian Markets Adviser for Macquarie Bank. Nathan's Thematic strategy has a track record of outperformance, and during the period 2013 to 2023 the global equities funds under his management beat the market index by more than 4% p.a.



**Nathan Field**  
Portfolio Manager

#### Fund Commentary

The Generate Thematic fund returned 6.8% in the December quarter of 2024. Gains in the period were driven by modestly positive gains from the US equity market (S&P 500 +2.1%) and a surging US dollar that increased the value of our portfolio in NZD terms.

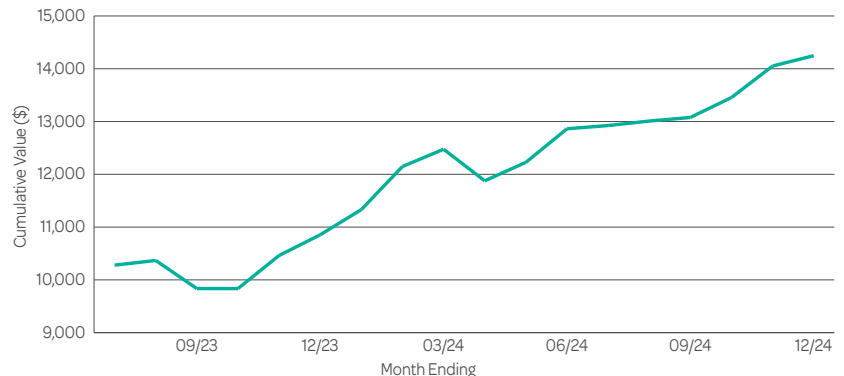
The most newsworthy event in the period was the US election, with Donald Trump comfortably winning the Presidency and Republicans taking control of Congress. The initial impact on the market was positive, with investors focusing on the coming administration's pro-business, low tax agenda. But these gains waned by the end of the quarter as inflation expectations crept higher and the market began to question how Trump's policies can lead to lower interest rates.

In terms of our portfolio winners and losers, earnings mattered more than politics. AI-exposed stocks such as Broadcom and Taiwan Semiconductor spiked higher following glowing earnings reports and robust AI chip demand. Cloud platform plays that dominate their respective markets, such as Netflix and Spotify, also posted double digit gains post earnings.

While we have made some adjustments to the portfolio to reflect Trump's likely plans, such as increasing our exposure to US banks in anticipation of industry de-regulation, our focus remains on themes and companies that will thrive regardless of government policy.

#### Thematic Fund Performance

(After fees and before tax)



Assumes the growth of \$10,000 investment at inception

#### Key Fund Facts

##### Risk indicator:



For more information on risks and risk indicators refer to section 4 of the Managed Funds Product Disclosure Statement.

|                              |  |
|------------------------------|--|
| Objective                    | The Thematic Managed Fund aims to provide a higher return over the long term. It invests in an actively managed portfolio of growth assets predominately made up of mid-large cap international equities with a very minor allocation of income assets. Volatility is likely to be very high. Returns will vary and may be low or negative at times. |
| Minimum Investment Timeframe | 10 Years   |
| Target Allocation            | 2% Income assets / 98% Growth Assets   |
| Total Value of Fund          | \$5,290,766  |
| Date fund started            | 03 July 2023   |
| Benchmark                    | Please refer to SIPO   |
| Fund Management Fee          | 1.29%  |
| Performance Fee              | 0.00%  |
| Total fund fees              | 1.29%  |

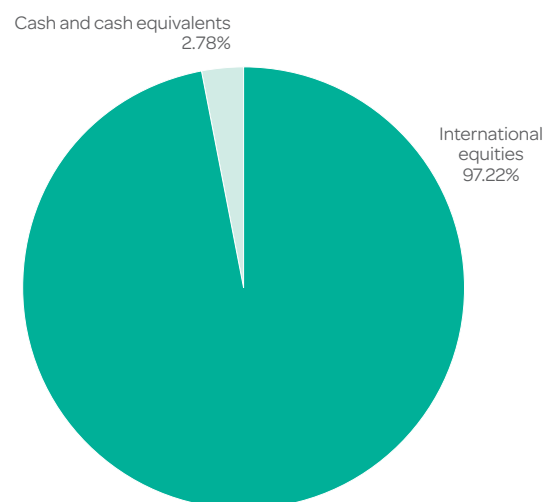
# Generate Managed Funds

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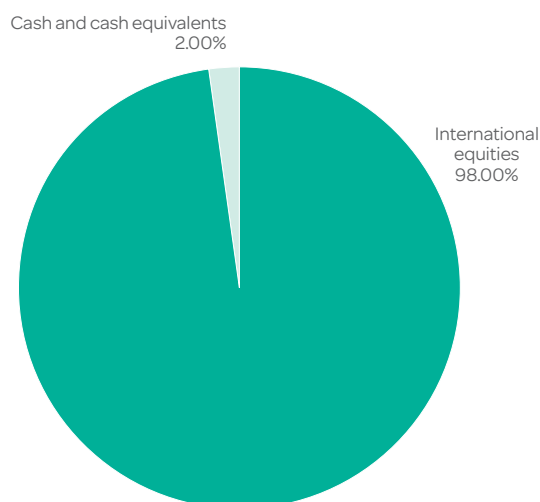
### Current Asset allocation

|                              | Actual Investment Mix | Target Investment Mix |
|------------------------------|-----------------------|-----------------------|
| Cash                         | 2.78%                 | 2.00%                 |
| New Zealand Fixed Interest   | 0.00%                 | 0.00%                 |
| International Fixed Interest | 0.00%                 | 0.00%                 |
| Australasian Equities        | 0.00%                 | 0.00%                 |
| International Equities       | 97.22%                | 98.00%                |
| Listed Property              | 0.00%                 | 0.00%                 |
| Unlisted Property            | 0.00%                 | 0.00%                 |

### Actual investment mix



### Target investment mix



### Top 10 investments

| Name                       | Percentage of fund net assets | Type                      | Country     | Credit rating (if applicable) |
|----------------------------|-------------------------------|---------------------------|-------------|-------------------------------|
| Apple Computer             | 5.48%                         | International equities    | U.S.A.      |                               |
| Microsoft                  | 5.10%                         | International equities    | U.S.A.      |                               |
| Nvidia                     | 4.33%                         | International equities    | U.S.A.      |                               |
| BNP US Dollar Cash Account | 3.78%                         | Cash and cash equivalents | U.S.A.      | A1                            |
| Bank of America            | 3.53%                         | International equities    | U.S.A.      |                               |
| Broadcom                   | 3.08%                         | International equities    | U.S.A.      |                               |
| ASB NZ Dollar Cash Account | 2.86%                         | Cash and cash equivalents | New Zealand | A1                            |
| Netflix                    | 2.62%                         | International equities    | U.S.A.      |                               |
| Taiwan Semiconductor       | 2.36%                         | International equities    | Taiwan      |                               |
| Home Depot                 | 2.34%                         | International equities    | U.S.A.      |                               |

The top 10 investments make up 35.48% of the fund.

The fund's net foreign currency exposure was 51.99% of net asset value on the 31 December 2024. At target the fund's net foreign currency exposure is 49.00% of net asset value. More details on the approach to currency hedging is available in the SIPO on the register at [business.govt.nz/disclose](https://business.govt.nz/disclose).

The issuer is **Generate Investment Management Ltd**. PDS is available at [generatewealth.co.nz/disclosures](https://generatewealth.co.nz/disclosures).

No part of this is intended as financial advice; it is intended as general information only.