BARROW HANLEY GLOBAL SHARE FUND (MANAGED FUND)

ASX code: GLOB

October 2024

FUND FACTS

Investment objective: Aims to provide investors with long-term capital growth throughinvestment in quality global shares.

FUND BENEFITS

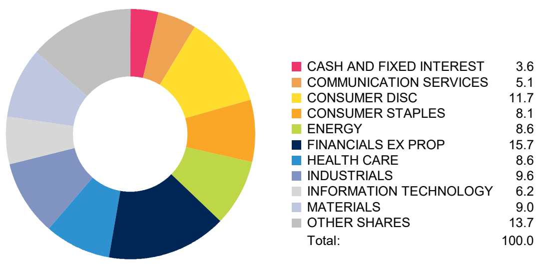
Provides investors with the potential for capital growth through a portfolio of global companies using Barrow Hanley's experienced investment team and disciplined investment process.

FUND RISKS

All investments carry risk and different strategies may carry different levels of risk. The relevant product disclosure statement or offer document for a fund should be considered before deciding whether to acquire or hold units in that fund. Your financial adviser can assist you in determining whether a fund is suited to your financial needs.

Benchmark:	MSCI World Net Total Return Index ($A)
Inception date of strategy:	August 2014
ASX commencement date:	06 June 2022
Distribution Frequency:	Half-Yearly
Management Fee:	0.99%*
Investment style:	Active, fundamental, bottom-up, value
Suggested minimum investment period:	Seven years or longer

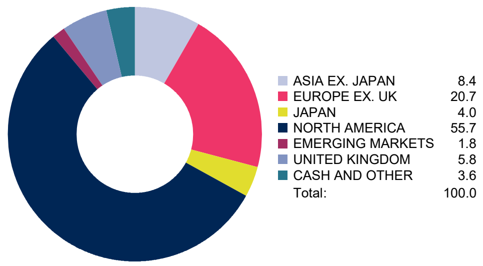
PORTFOLIO SECTORS



TOP 5 STOCK HOLDINGS

	% of Portfolio
Entergy Corporation	3.2%
Enbridge Inc.	3.1%
Bank of Nova Scotia	3.1%
Comcast Corporation Class A	3.1%
Sanofi	2.9%

PORTFOLIO REGIONS



NET PERFORMANCE - periods ending 31 October 2024

	Fund	Benchmark	Excess
1 month	2.52	3.81	-1.29
3 months	4.13	2.14	+1.99
1 year	18.78	29.22	-10.43
2 year p.a.	15.45	20.08	-4.62
3 year p.a.	-	-	-
Since incep.	13.96	18.22	-4.26

Past performance is not indicative of future performance. Returns may differ due to different tax treatments.

*Information on management costs is set out in the relevant PDS

MARKET COMMENTARY

October was marked by significant activity as the U.S. electionseason concluded, while geopolitical concerns persisted. Early inthe month, U.S. job openings declined to three-year lows, and jobadditions were minimal at 12,000, impacted by weather and strikes.Following the Federal Reserve's 50-basis-point rate cut inSeptember, U.S. yields rose over inflation and deficit concerns.Globally, western central banks continued rate cuts, except forJapan, which raised rates. The U.S. economy demonstrated resiliencewith 2.8% growth in Q3, while Europe saw 0.4% growth but stillfaces demand challenges, prompting the European Central Bank toadopt a more accommodative stance. In Asia, China issued additionalbonds to address local debt, though markets anticipate morestimulus for sustained recovery. Geopolitics intensified asIsrael's potential response against Iran initially raised oilprices, though they later stabilized as fears eased. TheRussia-Ukraine conflict remains an ongoing flashpoint for markets.While October concluded with a negative global equity performance,November's U.S. election results spurred some optimism. DonaldTrump's victory, alongside a unified government, suggests possiblelarge-scale policy shifts. Uncertainty looms over trade,particularly with China and Mexico, with potential tariffs on thehorizon.

PORTFOLIO COMMENTARY

The Barrow Hanley Global Value strategy posted muted results in themonth of October, underperforming the MSCI World Index. Allocationimpacts by sector were the primary driver of underperformance. Anunderweight to the Information Technology sector, mixed with anoverweight to the Materials sector, explains most of theunderperformance. Stock selection within the Utilities, Materials,and Industrials sectors positively contributed to relative returns.However, this was offset by stock selection within the Health Caresector, which saw continued struggles from U.S. Managed CareOrganizations (MCOs).

Entergy Corporation positively contributed to relative performanceafter reporting strong earnings and revised growth estimates. Thecompany raised its growth targets from a 6-8% to 8-10% CAGR basedon data center growth mixed with positives form industrial andchemical growth. They signed a large deal with hyperscaler Amazonin Mississippi, in addition to another deal with an unnamed partnerin Louisiana. Data center demand is extremely strong in Louisianadue to cheap gas, a positive regulatory environment forelectricity, and a lot of excess fiber capacity (which data centersneed).
Carnival Corporation positively contributed to relative performanceafter the cruise line reported strong earnings. The industry as awhole is thriving as it still serves as the value vacation aspricing remains a constraint for many consumers. When paired withpositive currency trends, lower fuel prices, and continued strongdemand, the setup for the company going forward remains strong.

Humana Inc. detracted from relative performance in October as thehealth insurance company on fears that its star rating would fallfor its Medicare Advantage plans. Those fears materialized onOctober 2nd as the company announced that only 25% of participantswere in plans rated 4 stars, which is down significantly. The starrating impacts reimbursement rates from Medicare, which willdepress Humana's margins going forward and push out the earningsrecovery further in the future. Given what we believe arelonger-term challenges facing the company, we sold the position inthe month in favor of higher risk/reward opportunities.
Aptiv PLC detracted from relative performance during the month ofOctober. The company fell on another tough earnings report wherethe company missed market expectations. In particular, Aptiv isstruggling from the slowdown in EV sales, and new cars generally,as it has curbed demand for its integrated power and safety systemsas some OEMs found themselves with too much inventory. While GDPand geopolitics remain risks for the company, the market isnormalizing while the company is still likely to grow above marketrates.

OUTLOOK

Given the muted market returns and increased volatility thatcontinued in October, a sentiment shift may be afoot, as we haveseen material rotations over the past couple of months withelections playing out. Surprisingly resilient economic numbers andstagnant inflation over the last few months will be an interestingcombination for the Fed. The expectation is for a rate cut inNovember, but the pace and magnitude of cuts going forward remainsa question – especially given the political context. While themarket continues to look for more cuts, expansionary fiscal policycould force the Fed to slow down if inflation remains above itstarget and the economy remains healthy. A few areas to watch goingforward in the U.S. are policy initiatives, who is part of the newadministration, and whether or not the next jobs report confirmsthat October's weakness was an aberration.

MORE INFORMATION

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