BARROW HANLEY GLOBAL SHARE FUND (MANAGED FUND)

ASX code: GLOB

April 2023

FUND FACTS

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

FUND BENEFITS

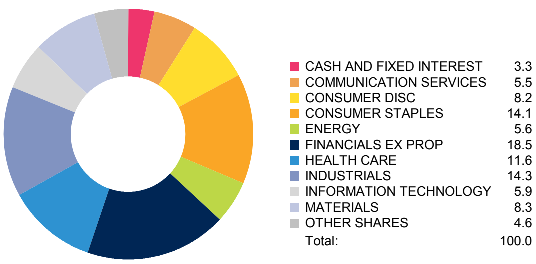
Provides investors with the potential for capital growth and income through a portfolio of global companies using Barrow Hanley's experienced investment team and disciplined investment process.

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

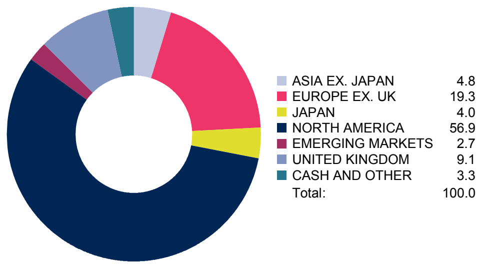
PORTFOLIO SECTORS



TOP 5 STOCK HOLDINGS

	% of Portfolio
Merck & Co., Inc.	4.1%
Oracle Corporation	3.5%
Air Products and Chemicals, Inc.	3.0%
National Grid PLC	2.9%
Seven & I Holdings Co., Ltd.	2.9%

PORTFOLIO REGIONS



NET PERFORMANCE - periods ending 30 April 2023

	Fund	Benchmark	Excess
1 month	3.56	3.12	+0.44
3 months	5.31	9.16	-3.85
FYTD	15.54	17.46	-1.92
1 year	-	-	-
2 year p.a.	-	-	-
3 year p.a.	-	-	-
Since incep.	13.46	12.66	0.80

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

PORTFOLIO FUNDAMENTALS^

	Portfolio	Benchmark
Price / Earnings*	13.0	16.5
Dividend Yield*	3.0%	2.6%
Price / Book	1.9	2.6
Debt / Equity	65.1%	49.6%
Return on Equity*	14.6%	16.4%

^ Portfolio Fundamentals are compiled using our methodology and provided only for the purpose of illustrating the Fund's investment style in action. These figures are forecast estimates, calculated based on consensus broker estimates where available, and should not be relied upon. Dividend Yield is a dividend forecast of underlying securities for the portfolio and does not reflect the distributions to be determined for the fund.
* Forward looking 12-month estimate.

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

MARKET COMMENTARY

Markets in April continued to push higher with the MSCI World and MSCI All Country World Indexes finishing higher, adding nicely to year-to-date gains. Markets appeared to have shaken off the concerns over the prior month's banking fears as bank stocks, along with the broader Financials sector, outpaced the overall market. Markets appear to continue to shrug off concerns over sticky inflation and the fact that central banks continue to signal higher rates in the coming months, with the U.S. Federal Reserve (the Fed) raising rates another 25 basis points (bps) at the time of this writing.

Although broader inflation continues to fall, core inflation is not and has inched higher in the U.S. and the Eurozone, while remaining flat in the UK. Falling energy prices appear to be helping, though OPEC seems to be taking countermeasures in an attempt to keep oil prices around $80 per barrel. Despite the higher inflation in Europe, both the UK and continental Europe were the best performing regions, aided to some degree by a weakening U.S. dollar versus the Euro and the Pound. Better than expected economic data helped, and strong labour markets continue to support company sales. However, there is a disconnect between services and manufacturing, with the latter in contractionary territory and the former solidly in expansion territory.

Emerging markets was the only region to post negative returns in the month as China's decline of more than 5% in the month, making it the worst performing country, not only pressured the emerging market index but broader Asia ex-Japan countries. This decline, despite the positive GDP print, can likely be attributed to continued geo-political tensions and is something worth continuing to monitor.

PORTFOLIO COMMENTARY

The Barrow Hanley Global Value Equity strategy outperformed the MSCI World Index in April. The portfolio's underweight to the Information Technology sector combined with an overweight to the Consumer Staples sector added to relative returns. Additionally, effective selection in the Health Care, Industrials, and Materials sectors added further to the strong returns. Challenging selection in the Consumer Discretionary and Communication Services sectors detracted from relative returns.

In the Health Care sector Merck & Co. Inc and Medtronic Plc were top contributors in the month of April, though for different reasons. Merck reported results roughly in line with expectations toward the end of the month but throughout the last several months the market sentiment has continued to improve for the potential of some of Merck's cardiovascular pipeline assets. Though early, the market appears to appreciate Merck's ability to create value with this acquisition. Medtronic announced the FDA approval of its MiniMed 780g System, which was sooner than expected and should go a long way to help stem share losses in its diabetes business.
South African gold miner Gold Fields Limited was also a top contributor in April, largely driven by gold prices increasing above $2,000 per ounce. Further, the company reported in line fiscal year 2022 results in the month with management highlighting that it will focus more on incremental growth versus large scale M&A which was welcome news post the failed Yamana Gold acquisition. Gold Fields' balance sheet continues to strengthen, and the dividend was higher than expected. Despite the Salares Norte mine opening being delayed and projected cost increases, we believe the company continues to offer a compelling risk/reward opportunity.

Given the challenging performance in Chinese equities, Baidu, Inc. Class A was a detractor in the month, retracing part of its strong performance from the first quarter. As with other Chinese names, geopolitical tensions and a slower than desired post COVID recovery pace in China also weighed on the stock. Baidu's first-to-market AI chatbot application was initially welcomed by investors, but concerns about AI regulations in China and a potential increase in investment required in the platform have also dampened enthusiasm. Trading at a very attractive valuation with a positive ad recovery outlook, Baidu's leadership role in AI and autonomous drive provides us with confidence in the company as economic growth in China accelerates into 2H and the company progresses further along the path to monetise the potential of its AI technology.
Northern Trust Corporation detracted from relative returns in the month with what appears a holdover of concerns from March. The company reported deposits in line with expectations, but guidance was a bit weak. We view Northern Trust as one of the stronger banking plays and continue to see a compelling risk/reward opportunity in the name.

OUTLOOK

It is apparent that central banks are staying the course with their mandate to lower inflation as central banks continue to raise rates even given concerns about slowing economic growth and the potential it could push their economies into a recession. Thus far, the most called for recession has failed to materialise as strong labour markets have continued to prop up spending. Another offset to the challenges posed from rising rates, has been Europe's ability to avoid major issues with gas supplies, and thus higher prices over the last six to eight months, and Japan's lack of meaningfully higher inflation, thus allowing for lower rates. As we noted last month, there have been a few cracks in the strong labour markets but not enough to give central bankers reason to pause; nor has the recent bank scare caused them to pause.

MORE INFORMATION
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