

# Bell Global Equities Fund

Wholesale Class Fund Summary – Period Ending 31 July 2025

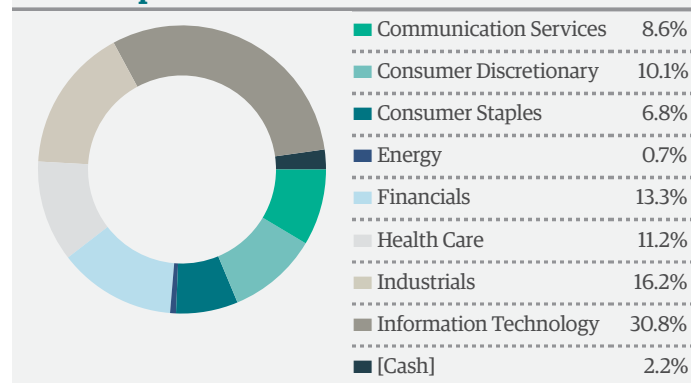
## Net Performance<sup>^</sup>

Returns in AUD	Fund	Index*
<b>1 Month</b>	2.3%	3.1%
<b>3 Months</b>	9.8%	11.3%
<b>6 Months</b>	0.4%	3.8%
<b>1 Year</b>	11.5%	17.5%
<b>3 Years (pa)</b>	11.7%	19.1%
<b>5 Years (pa)</b>	11.1%	16.3%
<b>10 Years (pa)</b>	9.9%	12.1%
<b>Inception (pa)<sup>^</sup></b>	8.0%	9.4%

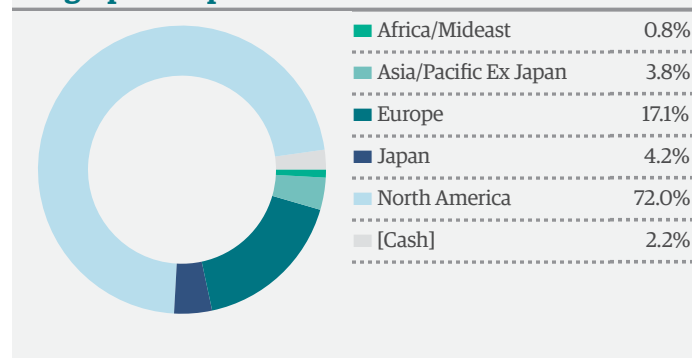
\* Index is the MSCI World ex Australia in \$A Unhedged with net dividends reinvested.

<sup>^</sup> Inception date of the Fund is 3 December 2007. Returns are based on the Wholesale redemption price and are net of fees. Past performance is not indicative of future performance.

## Sector Exposure



## Geographic Exposure



## Top 10 Holdings

Company	Sector	Geography	Weight
NVIDIA Corporation	Information Technology	US	5.6%
Apple Inc.	Information Technology	US	4.6%
Alphabet Inc.	Communication Services	US	4.3%
Microsoft Corporation	Information Technology	US	4.3%
Amazon.com, Inc.	Consumer Discretionary	US	3.7%
Meta Platforms, Inc.	Communication Services	US	2.1%
Broadcom Inc.	Information Technology	US	1.4%
Oracle Corporation	Information Technology	US	1.3%
PepsiCo, Inc.	Consumer Staples	US	1.3%
Aon plc	Financials	US	1.3%

## Best & Worst Performers - 1 Month

### Top 5 - Relative Contribution

Alphabet Inc. Class A	0.24%
Synopsys, Inc.	0.14%
Arista Networks, Inc.	0.14%
Oracle Corporation	0.11%
Tencent Holdings Ltd	0.10%

### Bottom 5 - Relative Contribution

Novo Nordisk A/S...	-0.36%
Fiserv, Inc.	-0.25%
Unitedhealth Grp	-0.20%
GMO Payment...	-0.13%
Check Point Software	-0.12%

## Investment Metrics<sup>#</sup>

	Portfolio	Index	Relative
<b>Risk</b>			
Total Risk	12.95	13.40	
Number of Stocks	100	1,274	
Active Share	66.1		
<b>Value</b>			
P/E (Fwd 12M)	21.6	19.8	109%
EV / EBITDA	18.0	16.4	110%
<b>Growth (%)</b>			
Sales Growth	15.0	14.4	104%
EPS Growth	19.2	21.3	90%
<b>Quality</b>			
Return on Equity	30.6	15.7	195%
Net Debt / EBITDA	0.6	0.8	71%
<b>ESG</b>			
MSCI ESG Overall Score	6.9	6.6	105%
Carbon Emissions*	23.5	94.4	25%

<sup>#</sup> Investment Metrics calculated using FactSet database

\* Scope 1+2 CO2 and equivalents per US\$ mil. of revenue

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## Performance

Strong performance through most of July saw global equities maintain positive territory despite cooling sentiment into the final week of the month. The MSCI World ex-Australia Index rose 3.1% during July, whilst the Bell Global Equities Fund (Wholesale Class) returned +2.3%, underperforming the MSCI World ex-Australia Index by 0.8%.

## Performance Attribution

The portfolio delivered another month of positive returns in July, supported primarily by strong performance within the Communication Services and Information Technology sectors. Consumer holdings also contributed, albeit to a lesser extent. Financials and Health Care were the most significant detractors from an absolute return perspective. Geographically, North American and Asian emerging market holdings outperformed, while European positions lagged. In relative terms, the portfolio benefited from an overweight allocation to Information Technology and positive stock selection within Communication Services and Consumer Staples. However, these gains were offset by headwinds from an overweight to Health Care and negative selection effects within Energy, Financials and Industrials. From a style perspective, the portfolio's bias to Quality continues to be a headwind. As noted earlier, the MSCI World Quality Index underperformed the MSCI World Index by 1.5% in July and has lagged by nearly 9% over the past 12 months. While this Index is not necessarily a perfect representation of the Quality factor, the divergence between the Quality and Growth Indices over the past 12 months has been quite notable.

From a stock-specific perspective, Synopsys was one of the greatest contributors to performance over the period. The leading electronic design automation company outperformed for

two key reasons. First, the U.S. government's decision to lift export restrictions on semiconductor design software to China provided a tailwind. This was a significant development for Synopsys, which generates a substantial portion of its sales from the Chinese market. The previous restrictions had created uncertainty and even forced the company to suspend its guidance earlier in 2025. Second, the company announced the completion of its acquisition of Ansys on July 17. This strategic move was highly anticipated and is expected to significantly expand Synopsys's total addressable market. The merger combines Synopsys's expertise in silicon design with Ansys's engineering simulation solutions, creating a more comprehensive offering for customers. The deal had previously faced regulatory hurdles, so its finalisation helped to alleviate a key area of concern for investors. We continue to see long-term upside for Synopsys, expecting the company to grow its sales in the mid-teen range over the medium term as semiconductor chip design continues to become more complex. The opening of the Chinese market (which accounted for approximately 15% of 2024 sales) and expected cost and revenue synergies from the now-completed Ansys acquisition are additional positives.

Oracle also continued to charge higher during the month as the rapid growth they are experiencing from AI-centred cloud infrastructure continued to resonate with investors. Other noteworthy contributors included Alphabet (Communication Services), Arista Networks (Information Technology) and our non-exposure to Netflix (Communication Services), which we exited in June.

On the detractor side, Novo Nordisk weighed on performance following an unexpected downgrade to its full-year guidance. The company attributed the downgrade mainly to competitive

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pressures, predominantly from Eli Lilly, and the ongoing prevalence of illegal compounding activity. This illegal activity involves compounding pharmacies selling non-FDA approved versions of semaglutide, the core molecule in Novo's GLP-1 drugs, Wegovy and Ozempic. While the practice was temporarily permitted during a period of supply shortages, it has since become illegal as of May of this year, except for specific patient needs. Investors, including us, had expected that the removal of these illegal compounded versions, estimated to serve over 1 million patients would lead to a meaningful pickup in prescriptions for branded players like Novo and Eli Lilly. However, this is yet to play out. Despite these headwinds, we continue to believe the long-term addressable market for GLP-1 therapies in diabetes and obesity remains underpenetrated, particularly outside the U.S. where uptake is still in its early stages. At ~11x P/E, the stock is pricing in a substantial amount of risk. We view the risk/reward as attractive, though a clearer path forward, especially around enforcement of compounding regulations and legal action, will likely be needed to reaccelerate script trends. Other noteworthy laggards for July included UnitedHealth Group (Health Care), GMO Payment Gateway (Financials) and Fiserv (Financials).

## Market Commentary

Risk-on sentiment continued to dominate at the start of the third quarter, driving global equity markets higher. The Magnificent Seven were the most prominent contributors, outperforming by approximately 4%, supported by stronger-than-expected AI capital expenditure forecasts from the hyperscalers. The Growth factor continued to dominate, while Value and Quality remained under pressure. Over the last 12 months, the MSCI World Quality Index has lagged the MSCI World Index and the MSCI World

Growth Index by approximately 9% and 13% respectively. Sector-wise, Information Technology, Energy, Utilities, Industrials, and Communication Services outperformed the broader market, while Consumer Staples and Health Care were notable underperformers. Geographically, US equities continued to lead, resulting in relative underperformance from European and Asia-Pacific markets. Despite strong gains among mega-cap technology names, SMID cap stocks only modestly underperformed their large-cap counterparts.

Global trade dynamics continued to remain top of mind for investors throughout July. The month saw a series of new agreements reached between the White House and key trading partners, including Vietnam, Japan, and the European Union. While the revised tariff schedules are notably higher than those in place pre-Trump, equity markets responded positively as the terms were generally more lenient than feared. Switzerland was a notable outlier, facing a sharply higher tariff of 39%, which exceeded the level initially announced on Liberation Day. While the probability of a full-scale trade war has moderated, the geopolitical environment remains volatile due to ongoing unpredictability in US policymaking. In the US, the passage of the One Big Beautiful Bill Act on July 2 provided further market support, with the final version proving more expansionary than the initial proposal.

The Q2 earnings season is well underway, with results broadly exceeding expectations. At the time of writing, over 80% of companies in the S&P 500 have beaten EPS expectations, a slightly higher-than-average level. Despite these strong results, investor reactions have been highly variable, with share price swings of +/-20% not uncommon.

In contrast, fixed income markets were

relatively quiet. Both the Federal Reserve and European Central Bank held policy rates steady, with the latter citing persistent inflationary pressures and broader market uncertainties. US Treasury yields ticked higher for most of July, creating headwinds for unhedged offshore equity investors amid a stronger US dollar. However, yields subsequently retreated in early August following the release of underwhelming US non-farm payrolls data.

In commodities, Gold's recent rally paused. Copper prices, meanwhile, experienced pronounced volatility following a surprise announcement of a 50% tariff on imports, which was later reversed by month-end via an exemption.

## Portfolio Activity

Our investment team continued to identify attractive opportunities for capital deployment during July, establishing several new positions. One addition was Teradyne, a leading designer and manufacturer of automated test equipment (ATE) and robotics products. The company's core business involves providing critical testing solutions for a wide range of electronic components, including semiconductors, where it forms part of a significant duopoly alongside Advantest. This market position is strengthened by the high cost and complexity of switching testing platforms, which fosters a "sticky" customer base and a strong competitive moat. We believe Teradyne presents an attractive investment opportunity due to several key factors. The ongoing demand for advanced semiconductors, particularly those used in artificial intelligence (AI) and high-performance computing, is driving a new cycle of growth in the testing market. Teradyne is strategically positioned to benefit from this trend, as the complexity of these new chips requires more rigorous and sophisticated testing. Furthermore, its

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robotics division, which includes collaborative robots (Cobots) from Universal Robots, is a key growth driver as industries increasingly automate manufacturing and logistics processes. These factors, combined with the company's strong financial health and strategic capital allocation, position Teradyne to capitalise on long-term technological trends. The company's valuation is also very attractive, both on a historical basis and relative to Advantest and the broader market.

Additionally, the portfolio initiated a position in Japan Exchange, the holding company encompassing the Osaka Securities Exchange, Tokyo Stock Exchange and Japan's central clearing house. Renewed interest in Japanese capital markets has been fuelled by the Tokyo Stock Exchange's initiatives to encourage more shareholder-friendly behaviour from listed companies. This shift is drawing capital back into the market and increasing activity through the clearing house, which is also benefiting from rising interest income on overnight margin funds. The stock is thinly covered by the sell-side and conservative management guidance has driven the price down to attractive levels when one considers that guidance was predicated on volume numbers, which they are clearly exceeding at present. Combined with the view that the company stands to prosper from an improved long-term outlook for Japanese capital markets and additional tailwinds from both stronger equity returns and the interest rates, we view the investment case as attractive.

Other portfolio activity during the month included investments in Canadian multinational convenience store operator Alimentation Couche-Tard and Copart, a US-based online auction platform for used vehicles with an extensive multinational presence. These positions were funded from existing cash holdings, along with the

exit of Deckers Outdoor Group and trimming existing positions such as Hoya, Tractor Supply and Nvidia.

## Key Features

<b>Investment Objectives</b>	Outperform the benchmark over rolling three year periods while maintaining an ESG Quality Score of the Fund's portfolio above the ESG Quality Score which applies to the Benchmark and the carbon intensity (tonnes CO2 equivalents/\$ million revenue) of the Fund's portfolio remaining at least 25% lower than the carbon intensity of the Benchmark.
<b>Asset Allocation</b>	Long only global equities, no gearing, no derivatives
<b>Investment Style</b>	Fundamental bottom up approach 'quality at a reasonable price'
<b>Investment Highlights</b>	<ul style="list-style-type: none"><li>• Global equity portfolio</li><li>• 'Quality' focus - consistently high returning companies</li><li>• Long-term horizon - typically 3-5 year holding periods</li><li>• Benchmark agnostic</li><li>• Diversified portfolio structure</li><li>• Maximum cash exposure 10%</li><li>• Fund inception 2007 (strategy inception 2003)</li><li>• Highly experienced investment team</li></ul>
<b>Benchmark</b>	MSCI World (ex Australia) Index
<b>Currency Exposure</b>	Unhedged
<b>Investment Timeframe</b>	At least 5 years
<b>Number of Holdings</b>	80-110

## Fund Terms

<b>Fund Inception Date</b>	3 December 2007
<b>Product Structure</b>	Registered Managed Investment Scheme
<b>Investment Manager</b>	Bell Asset Management Limited
<b>Responsible Entity</b>	The Trust Company (RE Services) Limited
<b>Custodian</b>	Apex Fund Services Pty Ltd
<b>Unit Pricing &amp; Liquidity</b>	Daily Published on <a href="http://www.bellasset.com.au">www.bellasset.com.au</a> & market data services
<b>Indirect Cost Ratio</b>	0.91%p.a
<b>Buy / Sell Spread</b>	+/-0.10%
<b>Reporting</b>	Transaction confirmations upon transacting, tax statement, distribution statement and Annual Financial Report
<b>Income</b>	Annual distribution of taxable income
<b>Target Market</b>	This product is intended for use as a core component for a long only exposure to global equities for a consumer who is seeking capital growth, with an ability to absorb potential loss and not looking for income returns and has a high to very high risk and return profile for that portion of their investment portfolio. It is likely to be consistent with the financial situation and needs of a consumer with a minimum 5 year investment timeframe and who is unlikely to need to withdraw their money on less than 7 Business Days' notice.

**Important Information:** The Trust Company (RE Services) Limited (Trust Co) ABN 45 003 278 831, AFSL 235150 is the responsible entity and issuer of units for the Bell Global Equities Fund (the Fund). Bell Asset Management Limited (BAM) ABN 84 092 278 647, AFSL 231091 is the investment manager for the Fund. This report has been prepared and issued by BAM for information purposes only and does not take into consideration the investment objectives, financial circumstances or needs of any particular recipient and it contains general information only. You should consider the product disclosure statement (PDS), prior to making any investment decisions. The PDS and target market determination (TMD) can be obtained for free by calling 1300 133 451 or visiting our website [www.bellasset.com.au](http://www.bellasset.com.au). If you require financial advice that takes into account your personal objectives, financial situation or needs, you should consult your licensed or authorised financial adviser. No representation or warranty, express or implied, is made as to the accuracy, completeness or reasonableness of any assumption contained in this report and none of Trust Co, BAM and its directors, employees or agents accepts any liability for any loss arising, including from negligence, from the use of this document. Past performance is not necessarily indicative of expected future performance. Total returns shown for the Fund have been calculated using exit prices after taking into account all ongoing fees and assuming reinvestment of distributions. No allowance has been made for taxation.