Insync Global Quality Equity Fund

September 2025

Fund Overview

The Insync Global Quality Equity Fund is a high-conviction, concentrated portfolio purpose-built to harness growth from transformative global mega-trends spanning both technology and non-technology sectors.

Our focused approach targets companies with exceptional quality, growth potential, and resilience, enabling sustainable capital growth through economic shifts.

Monik Kotecha

Portfolio Manager

BSc (Hons), MSc
34 years of funds management experience across international and Australian equity markets.
Previously senior portfolio manager at Bankers Trust & IML with experience working from London, New York & Sydney.

Identifying tomorrow's winners requires a deep understanding of the **key drivers of quality growth**—and at the heart of this is **Return on Invested Capital (ROIC).**

At Insync, we remain extremely focused on finding companies that can **sustainably grow their ROIC over time,** ensuring long-term value creation.

This disciplined approach is reflected in our portfolio, where the **average ROIC stands at 50% — approximately five times the market average.**

Fund Performance[1]

	1 Month	3 Months	1 Year	Rolling 3 Year Average*	3 Years	Rolling 5 Year Average*	5 Years	Inception p.a.
Fund (%)	1.14	-0.26	12.30	10.46	18.88	11.38	8.92	11.65
Benchmark (%)^	2.39	6.48	23.01	11.94	22.01	12.49	15.37	13.26
Active Return (%)	-1.25	-6.74	-10.72	-1.47	-3.13	-1.12	-6.45	-1.61

^ Benchmark used - MSCI All Country World ex-Australia Net Total Return Index in Australian Dollars.
* The rolling average measures the average of all monthly-calculated, annualised, 3-year and 5-year returns.

Growth of AUD $100,000[1]

Accumulative value of $100,000 invested since inception at 3 July 2018.

1. Past performance is not a reliable indicator of future performance. Returns are calculated after fees and costs, and assume all distributions reinvested. No consideration is made for individual tax. Performance Inception Date (exclusive): 3/07/2018.

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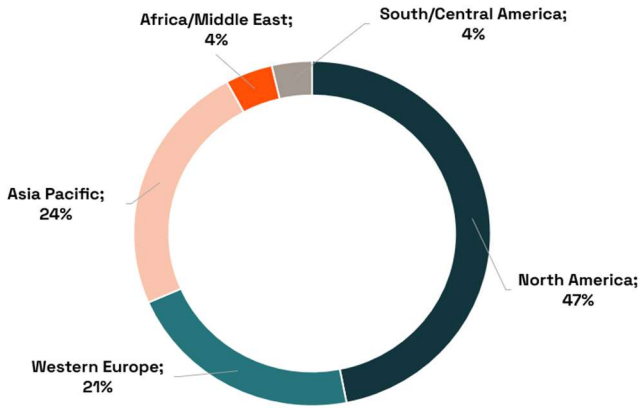
Top 5 Megatrend Exposure (%)[2]

Geographical Exposure[3]



Key Portfolio Holdings

- Google — Data Analytics
- Mastercard — User Experience
- Nintendo — Interactive Entertainment
- Tencent — Emerging Middle Class
- McKesson — Silver Economy

Fund Information

APIR Code	ETL5510AU
Inception Date	July 2018
Number of Holdings	20 - 40
Management Fee[4]	0.98% p.a.
Buy / Sell Spread	+0.20% / -0.20%
Frequency of Distributions	Annually

2. Megatrends are internally defined based on portfolio holdings excluding Cash.
3. Source: Insync. Geographical exposure is calculated excluding cash and is based on the location of senior management of each company within our portfolio.
4. Management fee is inclusive of GST. Transaction costs may also apply - refer to the Product Disclosure Statement for additional information.

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Manager Commentary

The Insync Global Quality Equity Fund returned 1.14% over the month and has gained 12.30% for the last 12 months to September 2025.

Alibaba Group was a key contributor to portfolio returns, **with shares climbing to their highest level in nearly four years after management unveiled an expanded AI investment roadmap** and signalled further de-escalation of subsidy-driven competition in mainland China. The launch of its new trillion-parameter Qwen3-Max model, integration of Nvidia's Physical AI software stack, and plans to open new data centres across Brazil, France, and the Netherlands reinforced Alibaba's full-stack approach—spanning infrastructure, foundation models, and applications—while extending its international footprint. With Alibaba Cloud delivering 26% year-on-year revenue growth, the strongest among its business divisions, **the company continues to emerge as a structural leader in China's GenAI and cloud evolution.** While near-term returns on heavy AI capital expenditure may take time to materialise, September's rally reflected rising investor confidence in Alibaba's execution, strategic clarity, and leadership in China's next technology wave.

ICICI Bank was the largest detractor during the month, as investor sentiment weakened amid stalled trade negotiations between the U.S. and India. While this created near-term uncertainty, the broader macroeconomic impact appears limited, particularly with negotiations still ongoing. India's growth remains driven primarily by robust domestic demand, with exports playing a growing but still secondary role. **The country's economic momentum continues to be supported by a diverse range of structural tailwinds**—sustained infrastructure investment, an expanding manufacturing base under the "Make in India" initiative, favourable demographics with a young and increasingly skilled workforce, deepening financial inclusion, and rapid digital adoption that continues to enhance productivity. Against this backdrop, **ICICI Bank remains one of the best-positioned financial institutions to benefit from India's multi-year expansion.** Despite short-term sentiment pressures from geopolitics and policy uncertainty, the bank's consistent execution, disciplined capital management, and leverage to India's enduring structural growth drivers support its long-term value creation potential.

Global equity markets advanced in September, buoyed by renewed optimism surrounding artificial intelligence despite ongoing geopolitical and macroeconomic uncertainty. **The month underscored the intensifying AI race between the U.S. and China.** In the U.S., technology leaders including Nvidia, Oracle, Microsoft, and OpenAI announced major new investments and partnerships to scale AI infrastructure and accelerate model deployment. Meanwhile, China strengthened its push for technological self-sufficiency, fast-tracking domestic chip innovation and advancing AI monetisation across cloud, enterprise, and consumer platforms. This parallel escalation in AI investment and innovation supported gains in AI-linked equities, notably in the U.S., **though it also contributed to rising market concentration and narrower breadth in global equity performance.**

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Although concerns lingered over softening U.S. labour market data, elevated inflation, and newly announced sectoral tariffs, investor sentiment was largely supported by the Federal Reserve's resumption of rate cuts in September. However, **with U.S. equity valuations moving further into stretched territory**—particularly within the large-cap technology cohort - we remain cautious about the potential for heightened volatility and a sharper correction should sentiment shift. Market optimism may persist for longer than fundamentals justify, but when it fades, the adjustment could prove abrupt given the narrow leadership and elevated positioning across key growth names.

As such, we continue to identify relatively more attractive opportunities across select international markets, where earnings visibility, valuation discipline, and policy headroom remain stronger. **Many non-U.S. regions are benefiting from stabilising inflation trends, improving consumer demand, and resilient corporate balance sheets that have yet to be fully re-rated.**

Accordingly, we maintain a measured underweight in U.S. equities, balancing exposure to structural AI beneficiaries with a diversified allocation to markets offering more reasonable valuations, broader participation, and superior risk-adjusted return potential.

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