Global Growth Limited

ASX: WQG

Fund Update: 30 September 2021

Key Fund Details

NTA Before Tax[1]
A$1.817

Month End Closing Share Price
A$1.650

NTA After Tax and Before Tax on Unrealised Gains
A$1.771

Month End Closing Option Price
A$0.165

NTA After Tax[1]
A$1.591

Fully Franked Annual Dividend[2]
A$4.5

Company Name	WCM Global Growth Limited
Investment Adviser	WCM Investment Management
Inception Date	21 June 2017
Stock Universe	Global (ex-Australia)
Number of Stocks	20 - 40
Management Fee[3]	1.25% p.a.
Performance Fee[3,4]	10%
Hedging	Unhedged
Portfolio Size	A$334.9m
Maximum Cash Position	7%
Benchmark	MSCI All Country World Index (ex-Australia)[5]

Notes: 1. NTA is calculated after all fees and expenses and incorporates all company assets including WQG's operating bank account. NTA per share is based on WQG's issued capital of 184,464,830 shares as at the date of this report. Assuming the exercise of all WQG's August 2022 Options, the Company's fully diluted issued capital would be 234,102,572 shares and the adjusted NTA per share before and after tax would be $1.749 and $1.571 respectively. 2. Dividends paid in the 12-month period to the date of this report. 3. Fees are inclusive of GST and less RITC. 4. Performance Fee is 10% (ex-GST) of the Portfolio's outperformance relative to the benchmark after the Management Fee and subject to high water mark. Maximum fee is capped at 0.75% of the closing market value of the Portfolio in each financial year. 5. With gross dividends reinvested reported in Australian dollars and unhedged.

Performance[1]

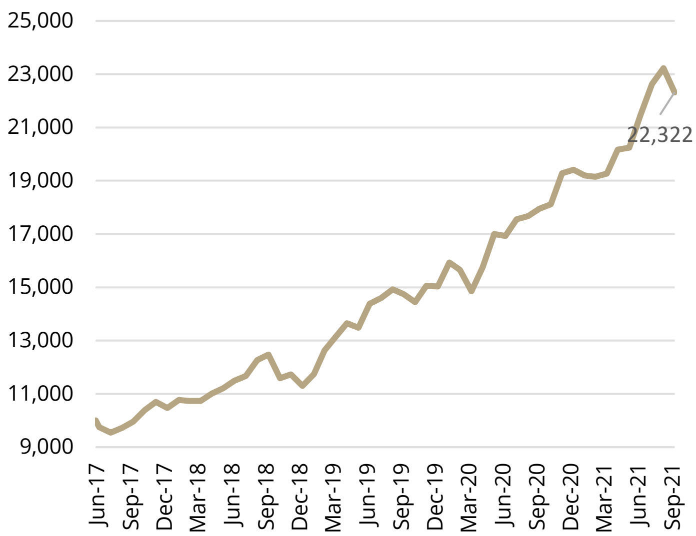
	1 Month	3 Months	6 Months	1 Year	2 Years	3 Years	Inception[1]
Portfolio	-3.89%	4.01%	15.84%	24.35%	23.02%	21.41%	20.66%
Benchmark	-2.80%	2.99%	12.53%	27.16%	15.45%	13.33%	14.22%
Value Added[2]	-1.09%	1.02%	3.31%	-2.81%	7.57%	8.08%	6.44%

Notes: Portfolio return is in AUD and calculated before expenses and after investment management and performance fees are paid. Performance includes the reinvestment of dividends and income. Periods greater than 1 year are annualised. 1. Inception date is 21 June 2017. 2. Value added equals portfolio return minus benchmark return.

Top 10 Portfolio Holdings

Company	Weight %
Stryker Corporation	5.02
Shopify	4.48
West Pharmaceutical Services	3.95
Thermo Fisher Scientific	3.94
Sherwin-Williams	3.93
LVMH (Moet Hennessy Louis Vuitton)	3.49
First Republic Bank	3.43
Old Dominion Freight Line	3.37
ServiceNow	3.24
Amphenol Corporation	3.19
Total	**38.04**

Value of A$10K Invested[1]



Notes: 1. Calculations are based on the NAV prices with distributions reinvested, after ongoing fees and expenses but excluding tax and entry fees (if applicable). Source: Contango Asset Management Limited.

Paul Black
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WCM Investment Management

For More Information
Please visit our website at: www.contango.com.au/funds/wqg

If you have any questions, please contact our distribution team on 1300 001 750 or invest@contango.com.au.

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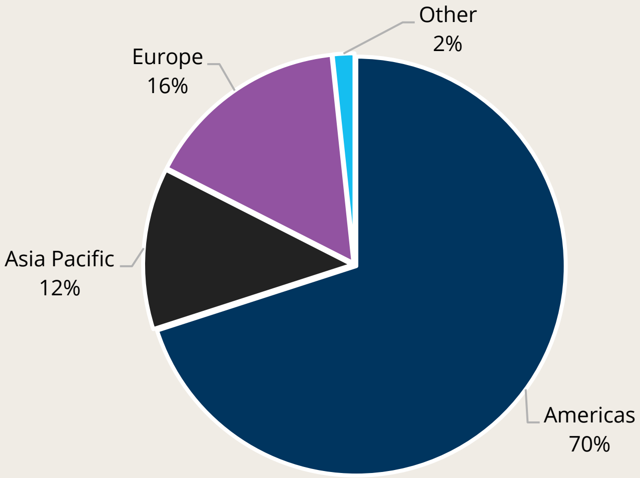
Sector Breakdown

Sector	Weight %
Information Technology	27.88
Health Care	21.86
Consumer Discretionary	18.22
Financials	10.46
Industrials	9.69
Consumer Staples	6.27
Materials	3.93
Cash	1.69
Total	**100.00**

Regional Market Allocation



Portfolio Update

The portfolio delivered a return of -3.89% during the month, compared with the MSCI All Country World ex-Australia Index (the **Benchmark**) return of -2.80%. The portfolio has delivered returns in excess of the Benchmark over three months, six months, two years, three years and since inception.

The September decline in global equity markets largely erased the gains achieved in the preceding two months of the quarter. Global equities, however, remain firmly in positive territory year to date. While a market pause was inevitable at some stage post the strong rally from the lows of March 2020, there was no shortage of negative news for those investors seeking reasons to lock in part of their recent gains. These negative news stories included the US Federal Reserve flagging the potential for an earlier than expected tapering in bond purchases and an increase in interest rates in late 2022. Fears of a possible debt default by Chinese property developer Evergrande Group, ongoing concerns of the effect of supply chain disruptions on inflation and fears of a US government shutdown added to the overall negative market sentiment.

At a regional level, emerging markets outperformed developed. Energy, the only sector posting a positive return, and Financials were among the top performing sectors. These two sectors contributed to the outperformance of value factors relative to growth and quality.

The portfolio's underweight exposure to energy and interest rate sensitive financial stocks and the overweight position to the two worst performing sectors, Technology and Healthcare, contributed to the underperformance in September. Stock selection during the month was a marginal drag on performance too.

September brought renewed focus on the question of whether the recent increase in inflation will turn out to be more permanent than transitory. The significance of this question for growth style investors is that higher inflation typically leads to higher interest rates. As growth stocks are considered long duration assets (i.e. their cash flows are expected in the more distant future), their valuation is more sensitive to long-term interest rates. The theory goes that when interest rates are rising, the valuation multiple of growth stocks comes down.

So, should investors in the WCM Quality Global Growth strategy be concerned about the potential impact of rising inflation and interest rates? As 'bottom-up' investors, the team at WCM does not get involved in economic forecasting. However, the investment team is always aware of the factor biases in the portfolio, including its sensitivity to rising interest rates. The portfolio construction process ensures that the strategy is at all times diversified across defensive growth, cyclical growth, and secular growth companies. While the secular growth 'bucket' is sensitive to the negative impact of rising interest rates, the impact on the other two is more limited. In fact, cyclical growth companies can be positively correlated with rising rates if accompanied by stronger economic growth and increased pricing power. This diversification, plus the continued focus on companies with expanding economic moats and corporate cultures aligned to their moat trajectory, helps to protect the portfolio during times of economic and market volatility.