

A fund of global ETF funds – for a better way to invest

EQT EIGHT BAYS GLOBAL FUND



Equity Trustees

EIGHT BAYS

Global ETFs

EQT EIGHT BAYS GLOBAL FUND

OVERVIEW

Global equity ETFs are the asset class of choice for Australian investors, according to analysis by the Australian Securities Exchange¹.

Global equity ETFs provide an efficient way for investors of all types to gain access to global equity investment opportunities and growth sectors, while reducing home country bias and improving diversification – all at a lower cost.

Equity Trustees has partnered with Eight Bays Investment Management (EBIM) to provide an even more effective way to add global equities to your portfolio.

Available to Australian retail, institutional and wholesale investors and their financial advisers, the EQT Eight Bays Global Fund takes an active approach to investing in passive global equity ETF funds – one of the first of its kind in Australia.

This 'fund of funds' approach provides investors with a method for investing in multiple sectors with a single product. It combines the cost and transparency advantages of the traditional passive ETF structure with the research and analysis of an actively managed fund.

This strategy seeks to provide consistent performance above the benchmark with relatively low volatility, and has been tested and proven by EBIM, which has established a strong track record of outperformance.

FUND FACTS

Investment objective

Deliver gross performance (less fees) of 2-3 per cent alpha above the MSCI ACWI ex-Australia (unhedged) Index over rolling three-year periods.

Benchmark
MSCI ACWI
ex-Australia
(unhedged) Index



**Minimum
initial
investment**
\$5,000

**Environmental, social, governance
and ethical considerations**
ESG factors are taken into account as
part of our investment process



Asset allocation

Exposure to an actively managed portfolio of global securities, primarily through the utilisation of ETFs listed on international stock exchanges such as the New York Stock Exchange.

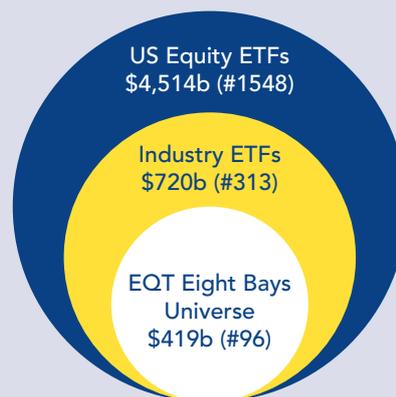
A BROAD AND DIVERSE INVESTMENT OPPORTUNITY

The fund manager believes the most efficient way for Australian investors to address global industry diversification is by investing in industry ETFs, which provide growth opportunities and diversification to reduce risk, all coupled with ETFs' low fees.

The most attractive industry opportunities are available in the growing US ETF market – a US\$5 trillion (AU \$6.7 trillion) market which comprises a wide range of industries (including robotics, cyber security and semi conductors).

The investment process involves narrowing down this investment universe and selecting 5-15 ETFs which are expected to grow the most. This active approach provides potential for alpha, or outperformance above the traditional ETF benchmarks.

US LISTED ETF UNIVERSE



Source: Eight Bays, ETFdb.com.

¹ <https://www.financialstandard.com.au/news/demand-soars-for-global-equities-etfs-179779016>

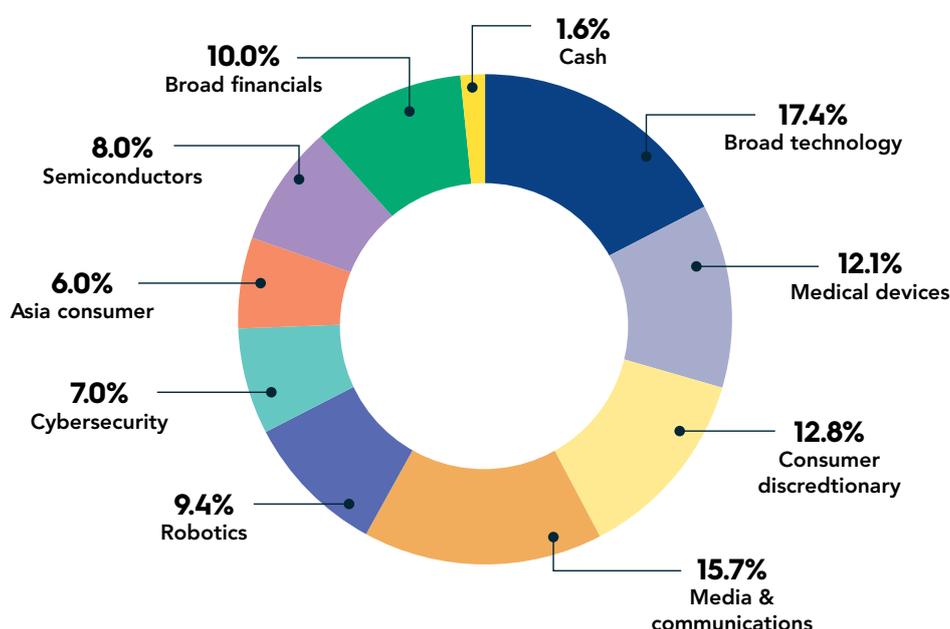
PORTFOLIO POSITIONING

Through the EQT Eight Bays Global Fund, investors gain access to a range of sectors that are not well represented on the Australian share market, which is dominated by the financials and resources sectors. These offshore sectors include technology, cyber security, media and communications, medical devices, robotics, consumer discretionary and industrials.

At an individual stock level, this means investing in some of the world's largest companies, including Facebook, Amazon, Apple, Microsoft and Walmart as well as many others that could grow to become as big.

EQT EIGHT BAYS GLOBAL FUND BY SECTOR

Source: <https://etfdb.com/>



TOP 20 HOLDINGS

COMPANY	COMPANY
Facebook, Inc. Class A	Medtronic Plc
Alphabet Inc. Class C	Danaher Corporation
Apple Inc.	Taiwan Semiconductor Manufacturing Co., Ltd.
Microsoft Corporation	Walmart Inc.
Amazon.com, Inc.	JPMorgan Chase & Co.
NVIDIA Corporation	Tencent Holdings Ltd.
Abbott Laboratories	ABB Ltd.
Home Depot, Inc.	Alibaba Group Holding Ltd.
Thermo Fisher Scientific Inc.	Netflix, Inc.
Intuitive Surgical, Inc.	Berkshire Hathaway Inc. Class B

Source: Eight Bays, ETFdb.com.



Find out more on
EQT Eight Bays
Fund via this
QR code

SECTOR EXAMPLE

The global robotics industry is a strongly growing sector worth more than US\$34 billion – and not accessible in Australia. Declining robot prices, increasing variety of models, greater technical abilities, increasing labour costs, accessible talent and ease of integration are factors driving demand growth for industry, professional and domestic services.

China is the largest consumer of industrial robots, followed by Japan and the US. The automotive industry is the largest user of industrial robots and this will grow with the switch to production of more electronic vehicles.

The leading industrial robotic providers are ABB (Sweden), Yaskawa Electric (Japan), Kuka (German), Fanuc (Japan) and Kawasaki Robotics (Japan). The largest providers in the Services sector are iRobot (US), SoftBank Robotics Group (Japan), Intuitive Surgical (US), DeLaval (Sweden), Daifuku (Japan), CYBERDYNE (Japan), DJI (China), Kongsberg Maritime (Norway), Northrop Grumman (US), Neato Robotics (US).

The Global Ex-Robotics & Artificial Intelligence (BOTZ) ETF is our preferred exposure to this fast-growing industry as it provides a higher concentration of global leaders in the sector, a lower expense ratio (0.68bps) and trades at a low multiple. This ETF has outperformed the MSCI (ACWI) over the past five years. It is just one of many ETFs that have outperformed the benchmark global equities index and that are expected to continue to do so.



Equity Trustees has been safeguarding the wealth of Australian individuals, families and philanthropic organisations for over 130 years.

The group created its own asset management operation in 2002 and has A\$4 billion in assets under management as at end March 2021. Equity Trustees AM team has achieved outstanding results for its clients – in FY21 they outperformed client and market benchmarks across asset classes, cementing their position as a specialist provider of tax.



Eight Bays Investment Management was established in 2019 by Richard Newton, Charles Cropper and George Clapham with the specific purpose of building and managing customised ETF portfolios for Australian retail, institutional and wholesale clients.

The Sydney-based investment group's global ETF strategy was seeded in January 2020.

FOR MORE INFORMATION CONTACT

DARREN THOMPSON

Head of Asset Management,
Equity Trustees
P: +61 3 8623 5310
M: +61 404 206 183
E: DThompson@eqt.com.au

CHRIS HAYNES

Head of Equities,
Equity Trustees
P: +61 3 8623 5379
E: CHaynes@eqt.com.au

GEORGE CLAPHAM

Director,
Eight Bays Investment Management
M: +61 411 869 676
E: george.clapham@eightbays.com



For more details including the Reference Guide and the Product Disclosure Statement (PDS), which includes application forms:

www.eqt.com.au/eightbays