



## INVESTMENT OBJECTIVE

To provide investors with capital growth over the long-term through exposure to companies that will benefit from disruptive innovation.

## PORTFOLIO UPDATE

The Orca Global Disruption Fund (Fund) returned +10.4%<sup>1</sup> in AUD terms (7.1% in USD), outperforming the broader MSCI AC World Index (+4.6%). Since inception, the Fund is up 25.3% p.a. compared with the broader market, which is up 14.8% p.a.

Monthly news was dominated by the US Federal Reserve's (Fed) more hawkish outlook commentary around interest rates. While the Fed maintains that strong inflation remains transitory, it indicated that it was moving closer to a discussion around potential tapering of asset purchases and it had brought forward expectations for rate hikes before the end of 2023, ahead of previous guidance. In response to the Fed and a reversal of May trends, markets rotated back towards growth sectors.

The Fund's top contributors to performance were Microsoft (+11.6%), PayPal (+15.3%) and Amazon (+9.8%). Higher growth stocks in the Portfolio performed strongly during the month (AfterPay +25.8%, Shopify +20.9%, Twilio +20.7%, Zoom +20.1%). Weaker contributors were ASML (+5.9%), Tencent (-2.7%), and Orsted (-4.6%).

Payments were an area of strength with PayPal and AfterPay performing strongly. **PayPal** announced it would introduce price rises for some of its branded products. **AfterPay** rose on the back of PayPal's pricing changes and on news that it would leverage virtual cards to provide customers in the US with access to its services including Amazon, CVS, Macy's, Nike and Sephora.

Other Fund holdings to report included Adobe, Zoom and CrowdStrike, all delivered strong quarterly results.

**Adobe** (+19.4%) delivered revenue growth (+23%) with EPS (+24%), both ahead of market expectations. Broad-based strength was observed across Digital Media (Rev +25%) and Digital Experience (Revenue +21%).

**CrowdStrike** (+16.4%) delivered strong results with revenue +70%, expanding operating margins and FY22 guidance raise for revenue and earnings, all ahead of expectations.

**Zoom** (+20.1%) also reported a strong result with revenue growth +191%, customers +88% and operating margins of 42%. Management also upgraded FY revenue growth guidance to +50% implying +23 to +25% growth in the 2H22.

## PORTFOLIO MANAGER



**Raymond Tong**  
Portfolio Manager

Exit price (Cumulative Distribution)	Distribution – 30 June 2021 <sup>2</sup>	Fund size	12-month distribution yield <sup>2</sup>	Performance since inception (25 July 2017) <sup>1</sup>
<b>\$3.4988</b>	<b>20 cents</b>	<b>\$308.8 million</b>	<b>6.06%</b>	<b>25.3%</b>

## FUND PERFORMANCE<sup>1</sup>

	1 Month	3 Months	6 Months	1 Year	2 Years (p.a.)	3 Years (p.a.)	Since Inception (p.a.)
Orca Global Disruption Fund	10.4%	12.5%	14.7%	29.7%	30.7%	21.6%	25.3%
MSCI ACWI Index (Net, AUD (%))	4.6%	9.1%	15.3%	28.0%	15.3%	14.0%	14.8%
Excess Return	5.8%	3.4%	-0.5%	1.7%	15.4%	7.6%	10.6%

Note: Numbers may not sum due to rounding.

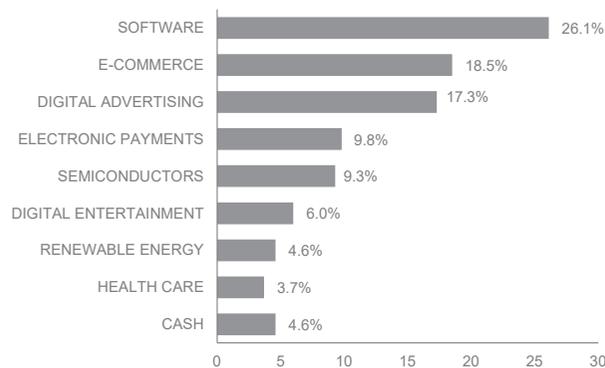
## TOP 10 PORTFOLIO HOLDINGS

Alibaba	PayPal Holdings Inc
Alphabet Inc	Salesforce.com Inc
Amazon.com Inc	ServiceNow
Facebook Inc	Tencent Holdings Ltd
Microsoft Corp	TSMC

## PERFORMANCE CHART<sup>1</sup>

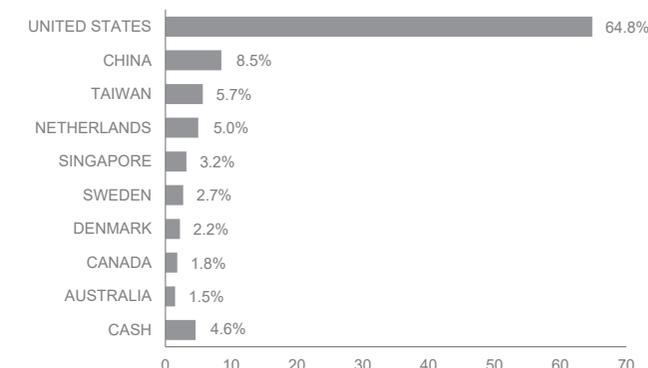


## SECTOR EXPOSURE



Source: Investment Manager, Bloomberg

## COUNTRY EXPOSURE



Source: Bloomberg, Country of Domicile

Notes: Data as at 30 June 2021 unless stated. Numbers may not sum due to rounding.

1. All returns are total returns, inclusive of reinvested distributions and net of fees and costs using net asset value per unit from inception to, and including, 31 January 2021 and exit unit price from this date. Past performance is not a reliable indicator of future performance. Inception 25 July 2017. Chart data range: 25 July 2017 to 30 June 2021. 2. Distribution record date is 30 June 2021 and payable on or around 20 July 2021. Distribution yield is a historical measure. There is no guarantee the Fund will meet its investment objective. The payment of a semi-annual distribution is a goal of the Fund only and neither the Manager or the Responsible Entity provide any representations or warranty in relation to the payment of any semi-annual cash income. The Fund reserves the discretion to amend its distribution policy. Initial index value 1,000. Index Source: Bloomberg.

# ABOUT ORCA FUNDS MANAGEMENT

Orca Funds Management is the investment manager for the Orca Global Disruption Fund, Orca Asia Fund and the Orca Global Fund. The Orca Funds Management Investment Team has more than two decades of experience in managing global equities and fixed income funds. Orca Funds Management has an investment team of seven investment professionals who, as at 31 December 2020, collectively manage over \$790 million of funds.

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## IMPORTANT INFORMATION

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