



For Immediate Release

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MFS EXPANDS EQUITIES OFFERING WITH GLOBAL NEW DISCOVERY TRUST

Globally Diversified, Multisector, Small- and Mid-Market-Cap Equity Strategy

SYDNEY (29 September 2021) – MFS Investment Management (MFS®) has expanded its equity product offering for Australian and New Zealand investors with the launch of its MFS Global New Discovery Trust, which actively invests in global small- and mid-cap equities.

The trust seeks to generate alpha by selectively investing in high-quality small- and mid-cap companies with consistent earnings growth and durable franchises, typically early in their life cycle.

Marian Poirier, senior managing director at MFS Investment Management, said the trust offers a compelling opportunity for investors seeking access to a broader opportunity set, with the potential to invest in sectors underrepresented in the Australian market, as well as offering exposure to attractive new areas of growth and long-term alpha sourced from a deep, diverse global market.

'Considerable inefficiencies and opportunities reside in the small mid-cap equity sector due to its depth. The MSCI All Country World Small Mid Cap Index comprises 7500 names. Narrow this to 100 securities using a disciplined, repeatable process that draws on the broad capabilities of MFS' integrated global research platform and you have a unique and active portfolio that is distinctly different from the benchmark', Poirier said.

'Stock selection is key, with a focus on finding companies that are attractively valued relative to their fundamental strengths and growth prospects. This is particularly important as economic headwinds and tailwinds vary across company sizes, sectors and regions', she added.

MFS' global research platform includes fundamental equity, credit and quantitative analysis aimed at developing proprietary insights into a company's fundamentals and valuation metrics. The global investment manager has a long track record of managing assets in the small- and medium-equity-cap space, with over US\$50 billion in dedicated small- and medium-cap strategies globally.

The trust aims to deliver above-average returns relative to the MSCI All Country World Small Mid Cap Index (net return) over a full market cycle (seven to nine years). Geographically flexible, the sweet spot for portfolio ideas is in the \$1 billion to \$15 billion US market-cap range.

At the helm of the strategy is a team of highly experienced portfolio managers with global expertise, including Peter Fruzzetti and Sandheep Mehta in London and Eric Braz and Michael Grossman in Boston.

The research-driven global strategy has been available to investors in the United States since 2011.

Australian and New Zealand advisers and wholesale investors can access the trust as Australian Unit Trust ahead of it becoming more broadly available to retail investors via platforms in Q4. Zenith Investment Partners has rated the trust as recommended.

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About MFS Investment Management

In 1924, MFS launched the first US open-end mutual fund, opening the door to the markets for millions of everyday investors. Today, as a full-service global investment manager serving financial advisors, intermediaries and institutional clients, MFS still serves a single purpose: to create long term value for clients by allocating capital responsibly. That takes our powerful investment approach combining collective expertise, thoughtful risk management and long-term discipline. Supported by our culture of shared values and collaboration, our teams of diverse thinkers actively debate ideas and assess material risks to uncover what we believe are the best investment opportunities in the market. As of August 31, 2021, MFS had approximately US\$685.5 billion in assets under management.

Important risk considerations

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