

## Global Equities Fund

### Monthly Performance Update as at 31 March 2026

To review the fund's investment objective and strategy, fees information and risk indicator please see the funds' product disclosure statement and most recent fund update at [www.octagonasset.co.nz/our-funds/global-equities-fund/](http://www.octagonasset.co.nz/our-funds/global-equities-fund/).



Return comparison	1 Month	3 Months	1 Year	3 Years*	Since inception*
Net Fund Return <sup>^</sup>	-4.30%	-1.90%	11.64%	14.64%	4.51%
Gross Fund Return	-4.18%	-1.57%	13.19%	16.23%	5.70%
MSCI ACWI Net TR Index (50% hedged to the NZD)	-4.31%	-2.52%	18.84%	18.69%	10.23%

<sup>^</sup>Annualised

### Major investments

Microsoft Corp.	3.83%
Alphabet Inc.	3.52%
Apple Inc.	2.42%
Amazon.com Inc.	2.12%
NVIDIA Corp.	1.91%
Uber Technologies Inc.	1.70%
Mastercard Inc.	1.67%
Nestle SA	1.54%
Salesforce Inc.	1.48%
Veolia Environnement SA	1.44%
<b>Major holdings as % of total portfolio</b>	<b>21.65%</b>

### Manager's comments

#### How did your portfolio perform?

The Global Equities Fund delivered a gross return of -4.18% during March, modestly outperforming the fund's benchmark return of -4.31% by 0.13%.

For the 12 months to the end of March, the Global Equities Fund delivered a gross return of 13.19%, underperforming its benchmark return of 18.84% by -5.65%.

Solid outperformance from our managers stock picking was largely offset by losses from having a greater than normal level of NZD currency hedging against the US dollar.

Our global factor portfolio led the gains, our minimum volatility manager slightly outperformed, whilst our concentrated thematic growth manager lagged.

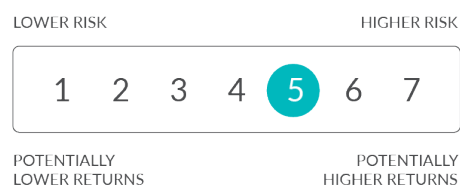
Due to the war in the Middle East, shares in the energy sector (i.e. oil & gas), and producers of other commodities led performance across the broader market. Technology hardware, semiconductors and SaaS, which were sold off in February, partially rebounded, supported by strong balance sheets and lower sensitivity to rising interest rates.

In January this year the fund switched to a core, global factor portfolio to enhance our multi-manager approach. The global factor portfolio builds stock positions based on strong cash-flow generation and robust earnings fundamentals. Combined with market-reaction factors, these positions are optimised to create a diversified portfolio with a clear focus on risk control. More detail about the new Octagon Global Factors Portfolio can be found on the GEF page: [Global Equities Fund - Octagon Asset Management](#)

### Things to note

- Manager: Forsyth Barr Investment Management Ltd
- Investment manager: Octagon Asset Management Ltd
- Date the fund started: 26 June 2008
- Tax status: Portfolio Investment Fund (PIE)
- Minimum suggested investment time frame: At least five years
- Market Index: MSCI ACWI Net Total Return Index, 50% hedged to the NZD
- Currency: New Zealand dollars

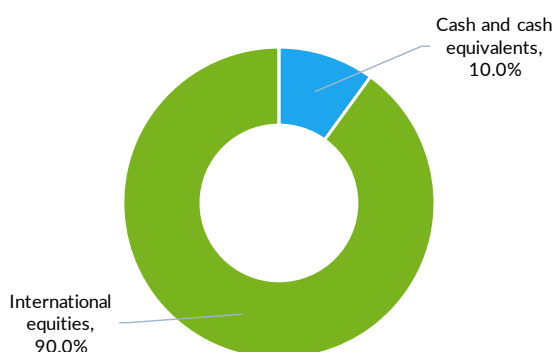
### Risk indicator\*\*



View the [Product Disclosure Statement](#) for detailed information about this Fund and Octagon Investment Funds Scheme.

We actively manage the Fund's foreign currency exposures. During the month, the New Zealand dollar weakened -4.93% against the US dollar, fell 1.88% against Japanese yen and 2.03% against the Euro. Active hedging detracted from overall portfolio performance.

## Tactical Asset Allocation



## Currency Hedging

As at 31 March 2026

Percentage of the fund exposed to FX risk	98.98%
Value of the fund unhedged (after hedging)	37.92%

### What happened in the markets that you invest in?

The broad-based sell-off in global equity markets was driven by Iran's retaliatory actions against the US and Israel. Disruptions to energy flows and shipping through the Strait of Hormuz drove a significant oil supply shock. The developed country equity markets returned -6.3% and emerging markets posted -13% in USD terms.

The US held up better than most currencies, given its relative insulation from the spike in energy prices as net energy exporter. In contrast, Europe and developed Asia – as predominantly energy importers - led the losses over the month.

### What are we thinking about the future?

A ceasefire has been reached, with negotiations now underway.

A slight positive delta in traffic through the Strait of Hormuz means the bias in equities is to the upside. However, supply chains and price effects are likely to remain elevated due to stockpiling demand, making it unlikely that oil and gas prices will quickly revert to pre-conflict levels. This is likely to spill over into many components of the CPI basket of goods and services. A short-term spike in inflation is unavoidable, in Octagon's view. Higher prices and higher interest rates to fight inflation means less money in the economy for everything else. Over time, this could take a toll on global economic growth and increase the risk of recession.

Our global market reaction factors are not yet positioned against consumer cyclicals. For the US market, using both valuation and fundamentals, home builders, travel and restaurants are attractive. Wage income growth remains supportive, tax refunds are above last year, and US unemployment is generally stable.

Stock selection within the global factor portfolio remains disciplined and systematic, focusing on companies with strong cash flow generation, healthy margins, and consistent growth, supported by price trends. Alongside this, the inclusion of minimum volatility and growth managers provides diversification across styles and sectors amid an uncertain investment backdrop.



**Christine Smith-Han**  
Strategy Analyst

## Fees

Annual fund charges are currently 1.35% p.a. of the value of your investment. We pay management and administration charges along with the Supervisor fee out of this. All fees and charges are quoted exclusive of GST.

For more information please visit [octagonasset.co.nz](http://octagonasset.co.nz), email [info@octagonasset.co.nz](mailto:info@octagonasset.co.nz), or call 0800 628 246

^ Net Fund Returns are calculated before the deduction of taxes and after deduction of fund charges and trading expenses and including imputation credits where available. Gross Fund Returns are calculated before deduction of taxes and fund charges but after deduction of trading expenses and including imputation credits where applicable. Market index returns do not have any deductions for fund charges, trading expenses or tax.

\*\* The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the relevant fund's assets goes up and down (volatility). A higher risk generally means higher potential returns over time, but more ups and downs along the way. The risk indicator is based on the returns data for the five years to 31 March 2026. See more information about the risks of investing in the Product Disclosure Statement.

This publication does not contain financial advice - for financial advice, please speak to your Investment Adviser. We recommend you review your investments and seek specialist advice on any taxation aspects. Past performance is not a reliable guide to future performance. Forsyth Barr Investment Management Limited is the issuer, and Octagon Asset Management Limited the investment manager, of the Octagon Investment Funds. A copy of the Product Disclosure Statement for the Funds is available from [www.octagonasset.co.nz/disclosure-information](http://www.octagonasset.co.nz/disclosure-information), by contacting your Investment Adviser, or by calling 0800 628 246.