

## Global Equities Fund

### Monthly Performance Update as at 30 April 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>	4.36%	1.88%	17.95%	15.08%	4.74%
Gross Fund Return	4.49%	2.24%	19.60%	16.68%	5.93%
MSCI ACWI Net TR Index (50% hedged to the NZD)	8.07%	5.19%	31.12%	20.97%	10.66%

<sup>^</sup>Annualised

### Major investments

Microsoft Corp.	4.16%
Alphabet Inc.	4.12%
Apple Inc.	2.33%
NVIDIA Corp.	1.96%
Amazon.com Inc.	1.91%
Mastercard Inc.	1.82%
Uber Technologies Inc.	1.63%
Boston Scientific Corp.	1.46%
Nestle SA	1.45%
Verizon Communications Inc.	1.35%
<b>Major holdings as % of total portfolio</b>	<b>22.19%</b>

### Manager's comments

#### How did your portfolio perform?

The Global Equities Fund delivered a gross return of 4.49% during April, underperforming the fund's benchmark return of 8.07% by -3.57%.

For the 12 months to the end of April, the Global Equities Fund delivered a gross return of 19.60%, underperforming its benchmark return of 31.12% by -11.52%.

Markets rallied strongly immediately after the ceasefire was announced in the US & Israel / Iran war. The breadth of the rally was driven by a rotation back into IT stocks, away from healthcare and pharmaceuticals. Growth factors returned 12.4%, compared with just 7.2% for value stocks, reflecting renewed risk-on appetite for stocks leveraged to the AI capex cycle.

All three managers in the fund underperformed due to overweight exposures to Europe and Japan and an underweight to the US. Te Ahumairangi was underweight in key semiconductor names, whilst the Wealth Management and Global Factor portfolios were impacted by the healthcare sell-off and underweight exposure to technology generally.

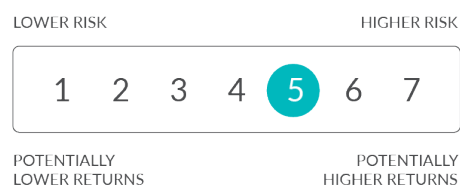
In January this year the fund switched to a core, global factor portfolio to enhance our multi-manager approach. The global factor portfolio builds stock positions based on strong cash-flow generation and robust earnings fundamentals. Combined with market-reaction factors, these positions are optimised 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](#)

We actively manage the Fund's foreign currency exposures. During the month, the New Zealand dollar strengthened 2.82% against the US dollar, 1.25% against the Euro and 1.45% against Japanese yen. Active hedging added value to the overall portfolio performance for the month.

### 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\*\*

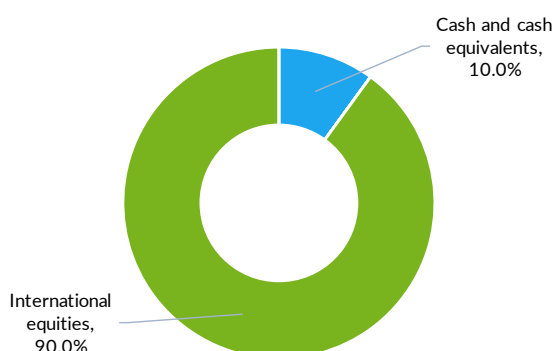


View the [Product Disclosure Statement](#) for detailed information about this Fund and Octagon Investment Funds Scheme.

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

Global equities staged a powerful risk-on rally soon after the US and Iran agreed to enter negotiations. Within the developed markets the US led, with the S&P500 returning 10.5%, whilst combined emerging markets were up 14.7%.

## Tactical Asset Allocation



## Currency Hedging

As at 30 April 2026

Percentage of the fund exposed to FX risk	99.40%
Value of the fund unhedged (after hedging)	39.90%

Japan's Topix index gained 6.6% and MSCI Europe index lagged with 5.7% return, as fears of downstream supply shocks from oil markets continue to weigh on the Eurozone economy.

The US earnings season has also been strong, with the upgrade cycle remaining intact. AI earnings revisions are at record highs, and cyclicals have also been solid despite war-related disruptions. More than three quarters of the S&P500's market cap has now reported at the time of writing, with beat-to-miss ratios above the historical average.

## 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.

## What are we thinking about the future?

April undid a solid first quarter of performance for the fund. We were positioned defensively against a volatile market environment and stretched valuations. The fund was also overweight in our minimum volatility strategy. The strong rally on the announced ceasefire (but no peace deal) surprised us.

The earnings season continues to see earnings revisions, with valuations entering "new paradigm" levels for the AI leaders, in our view. They are growing rapidly and are very profitable, making it tough competition for the rest of the market to keep up.

Ever rising profit margins and returns on capital are supportive of higher valuations, but we have been through productivity and new technology driven growth before. In every single case, high margins have eventually been competed away. Whilst we see no sign of a slowing right now, we remain on the lookout for signs that competition will erode returns of these extremely profitable companies.

Over the past two months we have increased our allocation to the Global Factor Portfolio to 30%. This move has been fully funded by reducing holdings with transition managers. This shift enhances our exposure to the core market strategy with further TAA rebalances to come.



**Christine Smith-Han**  
Strategy Analyst

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

<sup>^</sup> 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.

<sup>\*\*</sup> 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 30 April 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.