

# Global Equities Fund

Investor Factsheet for the quarter ended 31 March 2026

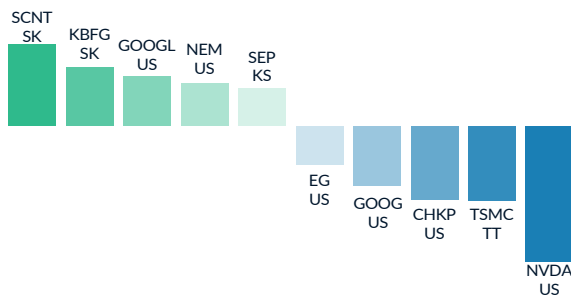
	Quarter Performance	1 year	3 years*	5 years*	Since inception*	Since change in strategy (June 2022)*
Gross Fund Return**	-1.57%	13.19%	16.23%	6.54%	5.69%	15.52%
MSCI ACWI Net TR Index (50% Hedged)***	-2.52%	18.84%	18.69%	12.48%	9.22%	17.53%
<b>Out/under performance</b>	<b>0.95%</b>	<b>-5.65%</b>	<b>-2.46%</b>	<b>-5.94%</b>	<b>-3.53%</b>	<b>-2.01%</b>
Tracking error	n/a	4.35%	3.98%	4.66%	6.08%	4.10%
Information ratio	n/a	-1.30	-0.62	-1.27	-0.58	-0.49
Sharpe ratio	n/a	1.44	1.42	0.28	0.23	1.15

## Key Fund Facts as at 31 March 2026

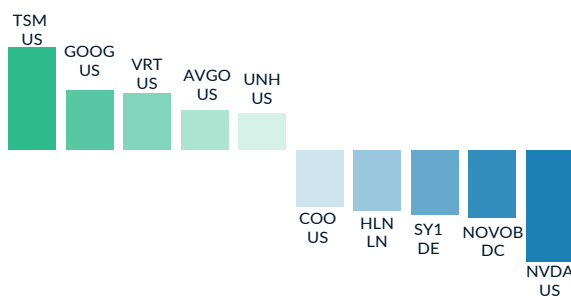
Fund Name	Global Equities Fund	Risk Indicator	① ② ③ ④ ⑤ ⑥ ⑦
Inception Date	26/06/2008	Market Index	MSCI ACWI Net TR Index (50% hedged)
Fund Value (NZD)	\$181,894,826	Unit Price	2.1347

### ATTRIBUTION (ROLLING 4QS TO 31 MARCH 2026)

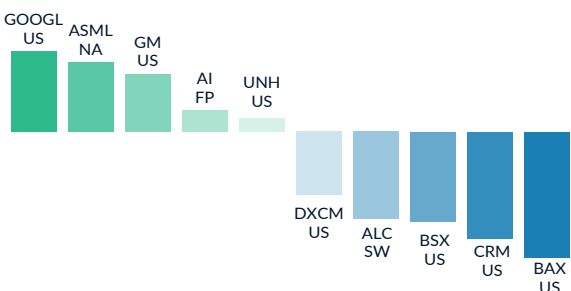
#### TE AHUMIRANGI



#### OCTAGON GLOBAL FACTORS PORTFOLIO ^



#### WMR GLOBAL EQUITIES MODEL PORTFOLIO



### The fund in its macro context

Global equity markets experienced a broad-based sell-off in the first quarter, driven by a downward revision in terminal growth expectations for AI within SaaS companies. In the latter half of the period, Iran's retaliatory actions against the US and Israel disrupted energy flows and shipping through the Strait of Hormuz, driving a significant oil supply shock.

Developed market equities returned -3.5% for the quarter, while emerging markets were more resilient, posting -0.2% in USD terms. The conflict in the Middle East supported strong performance in the energy sector (i.e. oil & gas), as well as across broader commodity producers, making commodities the best-performing sector over the period.

The U.S. earnings season opened mid-April with banks largely beating expectations. At the time of writing only 7.3% of the S&P500's market cap has reported, with most companies reporting in the last week of April or first week of May. Markets are anticipating an average earnings season where companies provide a small beat to analysts' estimates for the quarter and a small raise to the earnings outlook. Analysts forecast expected strength in tech and materials to outpace the rest of the market while telco is expected to be a drag on first quarter earnings.

### Portfolio attribution

For the quarter ended 31 March the Global Equities Fund delivered a gross return of -1.57%, outperforming the fund's benchmark return of -2.52%.

On a rolling four quarters to 31 March, the Fund delivered a gross return of 13.19%, which underperformed the fund's benchmark return of 18.84%.

\* Annualised for periods greater than 1 year

\*\* 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.

\*\*\*For periods prior to April 2018, the market index/benchmark return used is an unhedged variant of the MSCI ACWI Net Total Return Index in New Zealand dollars.

^ Rolling 4Qs attribution a mix of Intermede Investment Partners and Global Factors Portfolio

Market performance was characterised by the outperformance of value and low-risk factors, while growth and technology lagged in a more volatile market environment. Against this backdrop, the Global Factors Portfolio and minimum volatility manager added value through stock selection, outperforming the benchmark. In contrast, the concentrated thematic growth manager underperformed, reflecting weakness in SaaS and broader growth stocks as market expectations in software were revised lower.

We actively manage the Fund’s foreign currency exposures. During the quarter, the New Zealand dollar fell -0.20% against the US dollar, rose 1.5% against the Euro, and gained 1.12% against Japanese yen. Active hedging was broadly neutral to performance for the quarter.

### Portfolio conviction

We construct the Global Equities portfolio using a multi-manager approach designed to combine complementary investment styles. Managers are selected through a due-diligence process that assesses team culture, people, and investment processes. Currency exposure is actively managed against a 50% hedged (back to NZD) benchmark. We utilise tactical positions in the USD, Euro, and Japanese Yen, when material short-term deviations appear relative to each currency’s long-run real purchasing power.

The Fund has implemented a global core strategy as the third active strategy within the fund in January this year. This strategy builds stock positions based on strong cash-flow generation and robust accounting fundamentals. Combined with market-reaction factors, these positions are built into a diversified portfolio with a clear focus on risk management. More detail about the new Octagon Global Factors Portfolio can be found on the GEF page: [Global Equities Fund – Octagon Asset Management](#).

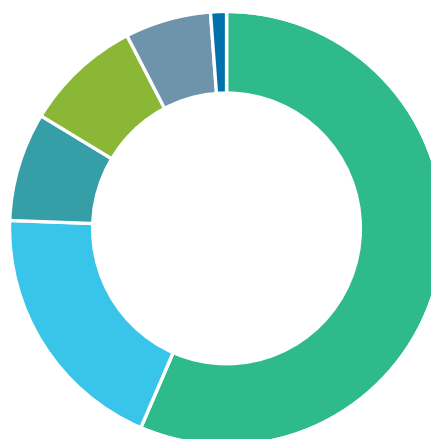
The Global equity strategy is currently allocated 45% to the minimum-volatility manager, 23% to the thematic growth manager, 22% to the global factor portfolio and 10% to an ESG aware ETF. The ETF strategy will transition to the global factor portfolio over the June quarter.

#### TOP 10 FUND HOLDINGS AT QUARTER END\*

Security	Weight
Microsoft Corp.	3.8%
Alphabet Inc.	3.5%
Apple Inc.	2.4%
Amazon.com Inc.	2.1%
NVIDIA Corp.	1.9%
Uber Technologies Inc.	1.7%
Mastercard Inc.	1.7%
Nestle SA	1.5%
Salesforce Inc.	1.5%
Veolia Environnement SA	1.4%
<b>Major holdings as % of total portfolio</b>	<b>21.6%</b>

\*Provided on a look-thru basis into the underlying investment manager portfolios

#### SECURITIES BY GEOGRAPHY (PRIMARY LISTING)



- North America, 56.5%
- Europe excl. UK and Ireland, 19.1%
- Asia-Pacific excl. Japan, 8.7%
- Japan, 8.1%
- UK and Ireland, 6.4%
- ROW, 1.2%

#### SECURITIES BY INDUSTRY CLASSIFICATION (GICS)



- Information Technology, 19.0%
- Financials, 15.4%
- Health Care, 15.1%
- Communication Services, 9.3%
- Industrials, 9.8%
- Consumer Staples, 9.1%
- Consumer Discretionary, 9.1%
- Utilities, 5.1%
- Materials, 4.1%
- Energy, 2.5%
- Real Estate, 1.7%

### Outlook

As at time of writing, a cautious ceasefire has been reached in the Middle East, with negotiations towards a permanent solution now underway. This has seen US equities in particular rebound strongly in early April.

US equity valuations, on a P/E basis, have retraced back towards their post-COVID relationship with bond yields, effectively unwinding much of the AI-driven growth premium. Despite this reset, markets continue to expect a typical earnings season, with technology and semiconductor sectors forecast to deliver revenue growth of more than 20% in the current quarter, presenting strong upside for US equities.

However, supply chain disruptions and price pressures are likely to persist due to ongoing stockpiling demand, making it unlikely that oil and gas prices will quickly revert to pre-conflict levels. These pressures are expected to feed through into multiple components of the CPI basket and, in Octagon’s view, a short-term spike in inflation is

unavoidable. Higher prices, alongside tighter monetary policy, are likely to reduce disposable income and liquidity in the broader economy. Over time, this may weigh on global growth and increase recession risks.

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.

We continue to alter weightings to each strategy based on the Investment Committees view of the market backdrop and target areas where valuation dispersion is greatest. Currently we have a higher weighting to the minimum volatility strategy, which is less exposed to high US market valuations.

### Investment Philosophy and Thesis

Octagon is an active investment manager. Our investment philosophy focuses on developing a repeatable process that systematically looks for short-to-medium term inefficiencies in market pricing of securities with a solid economic basis and a good management team to deliver long term, measurable alpha.

The most common and persistent market inefficiencies we find are:

- excessive focus on near-term earnings
- market dislocations and liquidity events
- temporary governance failures
- irrational investor behaviour

In the global equities space, we hire external managers who have proven track records, robust processes and exploit specific investment styles, whilst maintaining diversification in and between the funds.

### Portfolio Managers



**Paul Robertshawe, CA**  
Director, Chief Investment Officer



**Christine Smith-Han**  
Strategy Analyst

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