

APRIL 2025

Net return for
April 2025

-0.98%

After fees, pre-tax

Net return for FY2026
to date

-0.98%

After fees, pre-tax, March y/e

Net return for FY2026
to date for the MSCI ACWI

-3.68%

March y/e

If you'd invested \$10,000 five
years ago it'd now be worth

\$23,332

At 0% PIR tax

Net Returns As At 30 April 2025	1 month	6 months	1 year	2 years (pa)	5 years (pa)	Inception (pa)
Lighthouse Global Equity Fund	-1.0%	0.8%	17.6%	35.9%		
Lighthouse Funds' investment strategy	-1.0%	0.8%	17.6%	35.9%	18.5%	18.5%
MSCI ACWI net in NZD	-3.7%	1.2%	11.5%	16.9%	13.9%	12.3%

COMMENTARY FOR THIS MONTH

The Fund was down just under a percent in April. The underlying assets rose in value but the New Zealand dollar strengthened by nearly 5% across the month, which left us with a slight drop in NZD terms.

A 1% move sounds mild but April was a Trump rollercoaster – an unsettling series of up and downs before you ultimately return to where you started from. Markets fell in the first three weeks of the month before staging a strong rally. But even with that rally markets still ended April about 15% below their February peaks. That is the cost of the uncertainty Trump has created in the global economy.

Markets are struggling to make rational sense of the political setting. America has gone from being the driver of economic growth to being its disruptor. The USA seems to want to re-create the economic model of low-income countries – while China is trying to leave that model behind to emulate America's IP- and services-driven economy. Countries spend decades trying to move up the economic ladder and stop making low-value low-wage goods but Trump, bizarrely, wants to reverse that. It's a drive to create mediocre jobs nobody really wants at the expense of better jobs they actually do. Even in advanced economies that have strong manufacturing sectors, like Germany and Japan, manufacturing employment is in secular decline due to technological progress and automation. The situation is, at best, King Canute like.

Compounding this no one seems able to articulate a consistent clear plan for how tariffs will achieve these policy goals. They're not coupled with any industrial policy or public investment that could plausibly deliver re-industrialisation. On their own tariffs will just accelerate US economic and industrial decline.

The situation is often cast in the light of constraining China. But to win a trade war you need to have something to trade that your adversary wants, and America is fighting with the people who make the things that America wants. It's hard to see how you win that – America doesn't have the cards. Furthermore, if you do frame this as a battle for global hegemony then what if China's perspective is that World War III is a trade war and this is their big chance to put America on its knees? Yes, China will suffer too. But if you're so hawkish that you believe China is willing to send their soldiers to die in a war with the West would they not rationally see it as a bargain to sacrifice economically instead?

We suspect that Trump has overplayed his hand, has picked a bigger fight than he can win and will be forced to back down, probably while claiming some sort of pyrrhic victory. But the next few months could be rocky if and as that plays out.

But market corrections such as we're going through now happen regularly. Prior to this 2025 one there was 2022, and 2020, and 2018 ... and so on. Equity investing's superior long-run returns are achieved in spite of these moments.

KEY INFORMATION

FUND FEATURES

The Lighthouse Global Equity Fund is a portfolio of very large market capitalisation “blue chip” stocks, listed on the major United States exchanges, that have growth characteristics. The Fund intentionally seeks companies with high liquidity, very conservative levels of debt, and strong histories of revenue and profit growth. This is a high conviction portfolio of 15 to 20 positions.

The Fund’s objective is to deliver long-run net returns that are at least 2% pa higher than those of the MSCI All Country World Index. That index has averaged 13% pa over the last 5 years, so the Fund targets long-run net returns of at least 15% pa.

FUND FACTS

Fund name	Lighthouse Global Equity Fund
Fund type	PIE unit trust
Benchmark	MSCI ACWI, net, in NZD
Management fee	1% pa + GST (approx. 1.05% pa)
Performance fee	30% of returns in excess of the MSCI ACWI + 2% pa (we expect this hurdle to average 14-15% pa over time), with a perpetual high tide mark
Buy/sell spread	0.10%/0.10%
Manager	FundRock NZ
Investment manager	Lighthouse Funds
Supervisor	Public Trust
Custodian	Adminis
Auditor	KPMG

TOP 10 HOLDINGS

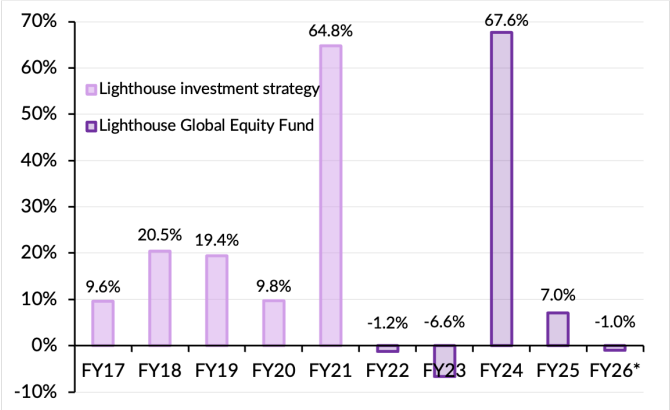
Holding	% of Fund NAV
Netflix	13.5%
Nvidia	12.7%
Invesco QQQ Trust	8.8%
AppLovin	8.3%
Teva Pharmaceuticals	7.6%
Mercado Libre	7.5%
FiServ	7.5%
NRG Energy	7.0%
Fortinet	6.8%
Atlassian	6.7%

IMPORTANT NOTICE

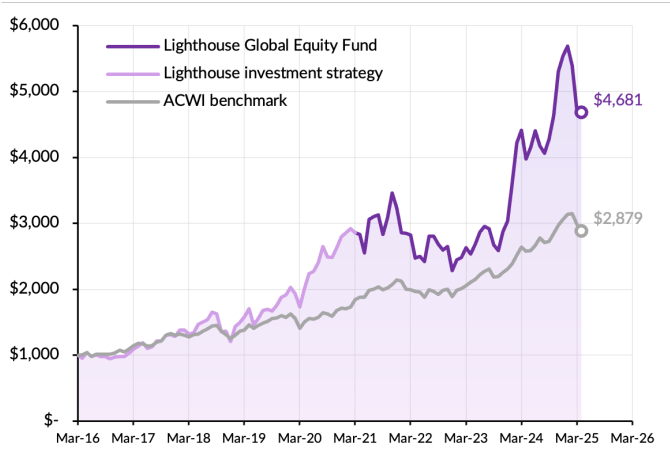
This factsheet is produced by Lighthouse Funds LP (Lighthouse) and provides key information about the Lighthouse Global Equity Fund. It tells you how the fund has performed and it will help you to compare it with other investments. It is based on information that we believe to be accurate and reliable but we can't guarantee that is the case. The returns information shows the net returns for this retail unit trust, since it began operations in March 2021, and also the net returns from the investment strategy Lighthouse Funds' uses in both this retail unit trust and in a wholesale fund that has been operating since March 2016. The returns for the wholesale fund have been provided by Lighthouse Funds from the audited financial statements for that fund. Past performance does not guarantee future returns. The information in this factsheet is not intended to be financial advice for the purposes of the Financial Market Conduct Act 2013, as amended by the Financial Services Legislation Amendment Act 2019. For more details please refer to the Product Disclosure Statement (PDS) and the latest quarterly fund update. You can find these documents at <https://lighthousefunds.nz/library> or contact us at enquiries@lighthousefunds.nz

PERFORMANCE

Returns by financial year (March year ends)



Cumulative returns



RISK

1	2	3	4	5	6	7
---	---	---	---	---	---	---

The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the 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.