

OCTOBER 2025

Net return for
October 2025

1.38%

After fees, pre-tax

Net return for FY2026
to date

33.55%

After fees, pre-tax, March y/e

Net return for FY2026
to date for the MSCI ACWI

21.36%

March y/e

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

\$25,442

At 0% PIR tax

Net Returns As At 31 October 2025	1 month	6 months	1 year	2 years (pa)	5 years (pa)	Inception (pa)
Lighthouse Global Equity Fund	1.4%	34.9%	35.9%	56.3%		
Lighthouse Funds' investment strategy	1.4%	34.9%	35.9%	56.3%	20.5%	21.2%
MSCI ACWI net in NZD	3.7%	26.0%	27.5%	28.6%	17.9%	14.4%

COMMENTARY FOR THIS MONTH

The Fund was up 1.4% in October as its portfolio holdings largely tracked sideways through the month. It's typical to see that sort of pause or consolidation after a month of strong returns (September was up 11.2%).

Overall October was a jittery month. The corporate sector seems okay, with solid earnings reports coming through for the July-to-September quarter. US indexes hit new all-time-highs in October as robust corporate earnings, doveish monetary policy, trade deal optimism and AI enthusiasm encouraged risk taking.

But it's the geopolitics that have financial markets fearful. It's arguable that markets have been complacent about political risk since they bounced back from March's "Liberation Day" tariff crash. October's tussling between China and the USA exposed that complacency. Trump announced sudden and severe tariffs on China and in return China announced a ban on key mineral exports. It's difficult to know whether these were serious intentions or just announcements made so that each side had something simple to trade away when Trump and Xi met at the end of the month.

The risk from this episode is less the threatened tariffs and more the reminder of the unpredictability of US trade policy. It re-ignited the fear that these are Schrodinger's Tariffs – tariffs that hang out semi-real in the future and are simultaneously both imminent and never going to happen. Businesses can't plan on that basis. All they can do is cut costs, stop hiring,

cancel investment and brace for a blow that may or may not happen. That's not good for economic growth.

October also saw both the US Federal Reserve and the RBNZ cut their respective cash rates. In both economies inflation remains persistently just above the target zone and the case for cuts is based on weak economic performance that calls for a dose of stimulants. That's not the ideal setting for interest rate cuts and so they aren't the flex that politicians in both countries are making them out to be.

We suspect the pointy-head economic debate that Western economies need, but aren't having, is whether the neutral rate of interest (referred to as r^* or r -star) has shifted in the post-Covid economy. This is the Goldilocks interest rate that is neither contractionary or expansionary. r^* had been falling for a generation up until Covid but it's possible it's now on the rise due to demographics, technology and cracks in global trade.

As investors we all need periodic reminders that risk is always present, even when it's obscured by consistent positive returns. Share prices are a number from today multiplied by a story about tomorrow. In a world of stuttering economic indicators, policy whipsaws and rug pulls, and a race towards a new generation of technology that has as yet uncertain rewards then that story about tomorrow can change quickly. Things aren't bad, but they are uncertain. Really risk = uncertainty and investing is about navigating that uncertainty.

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

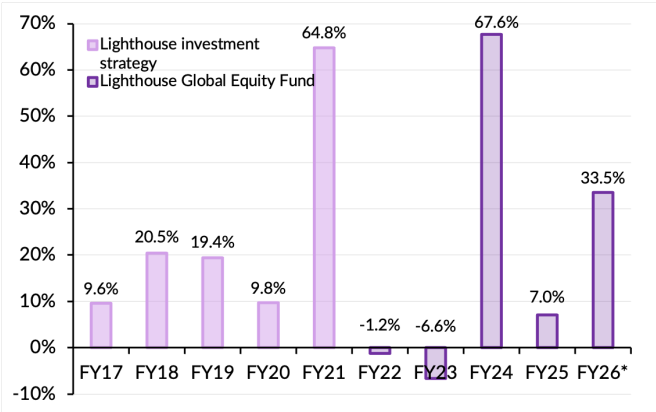
Holding	% of Fund NAV
Robinhood	10.6%
Coinbase	10.0%
Netflix	9.6%
AppLovin	9.2%
Carvana	7.8%
Invesco QQQ Trust	7.3%
Nvidia	7.1%
NRG Energy	7.0%
MercadoLibre	7.0%
KLA Corporation	6.9%

IMPORTANT NOTICE

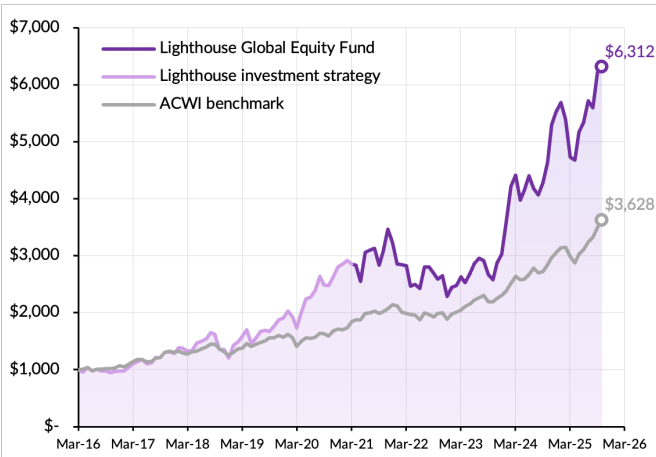
This factsheet is produced by Lighthouse Funds Limited (Lighthouse) and provides key information about the Lighthouse Global Equity Fund. It tells you how the fund has performed and it will help you to compare it with other investments. It is based on information that we believe to be accurate and reliable 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
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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.