

JULY 2025

Net return for
July 2025

7.12%

After fees, pre-tax

Net return for FY2026
to date

21.07%

After fees, pre-tax, March y/e

Net return for FY2026
to date for the MSCI ACWI

8.44%

March y/e

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

\$23,836

At 0% PIR tax

Net Returns As At 31 July 2025	1 month	6 months	1 year	2 years (pa)	5 years (pa)	Inception (pa)
Lighthouse Global Equity Fund	7.1%	0.6%	37.0%	39.2%		
Lighthouse Funds' investment strategy	7.1%	0.6%	37.0%	39.2%	19.0%	20.6%
MSCI ACWI net in NZD	4.2%	3.3%	16.6%	19.6%	15.5%	13.4%

COMMENTARY FOR THIS MONTH

The Fund was up 7.1% in July. About 2.5% of that was due to the New Zealand dollar weakening through the month, with the rest coming from gains in the Fund's investments.

The two constant drivers of equity markets are fear and greed, and in July that meant tariffs and corporate earnings.

Trumpian trade policy is still a dark shadow over the global economy. To be clear, the tariffs are economically illiterate. The decisions are being made by one single person, based on that person's emotions, with no consistent economic rationale or theory. There's no underlying principle or substance – which isn't surprising since Trump is a media President and isn't concerned about the minutiae of policy.

Although several "trade deals" have been announced we have only sketchy initial details for these deals, and sometimes even those are contradicted by the other country. Really what we know about these deals would fit on a postcard. Nothing has been detailed and nothing has been signed. But equity markets see vague announcements as a better outcome than actual signed drastic deals like they were expecting a few months ago. As long as markets can plausibly believe there is still room for negotiation and delay then they feel little pressure to adjust prices. Basically, investors are saying they'll believe tariff policy when they actually see it fully implemented in its final form.

But we are starting to see the economic impact of the initial tariffs that have been implemented. US inflation is starting to

rise again and key leading economic indicators, such as the labour market and housing starts, are softening. There's nothing so far that would suggest a bear market or a recession, but the global economy is flirting with stagflation (and New Zealand may have already progressed from flirting to dating) and that could be a speedbump in the months ahead.

However, corporate earnings remain healthy. So far the earnings announcements for the April to June quarter have been stronger than expected, which has boosted share prices. The general sentiment is that things are better than was feared back in March. Wall Street believes the prevailing bull market theme (largely AI and technology) remains intact, that the capital investment boom will continue, and that the recent US government budget will provide a further fiscal impulse.

Markets even shrugged off a weak employment report, on the grounds that moderately bad news can be good news if it means the Federal Reserve will cut interest rates.

It is likely that financial markets will hit a few pockets of turbulence as the effect of US tariffs re-shapes trade flows to a new equilibrium. And the next few months are traditionally a seasonally weak period of the year. A key truth of investing is that there is always something to worry about. A couple of years ago it was inflation. Right now it might be stagflation. But, at this stage at least, the long-term trend appears stronger than the near-term weakness.

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

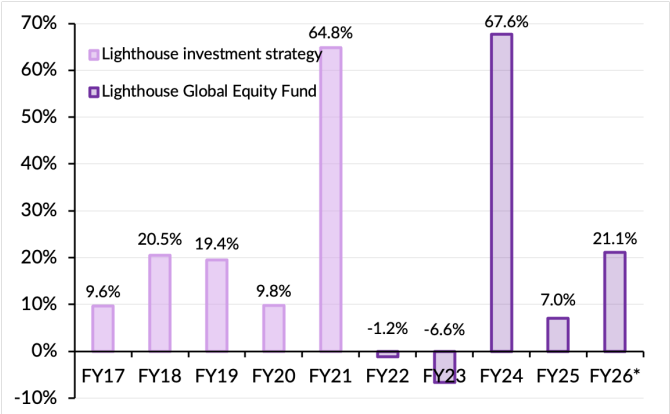
Holding	% of Fund NAV
NRG Energy	13.9%
AppLovin	9.7%
Carvana	9.5%
Coinbase	9.2%
Robinhood	9.1%
Nvidia	8.3%
Invesco QQQ Trust	7.7%
Netflix	7.5%
Super Micro Computer	7.4%
Fortinet	7.0%

IMPORTANT NOTICE

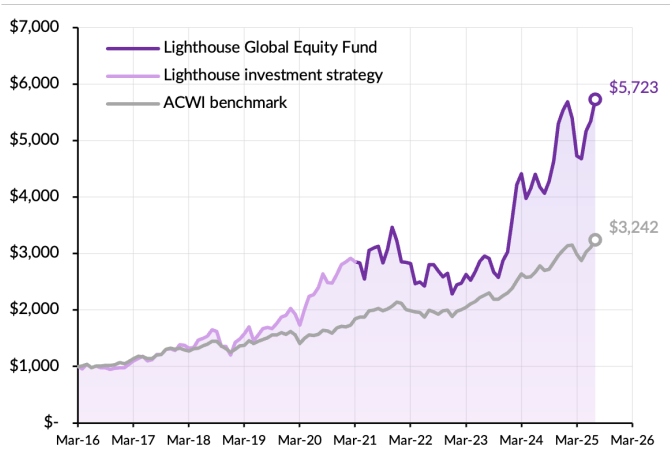
This factsheet is produced by Lighthouse Funds Limited (Lighthouse) and provides key information about the Lighthouse Global Equity Fund. It tells you how the fund has performed and it will help you to compare it with other investments. It is based on information that we believe to be accurate and reliable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