

JANUARY 2026

Net return for
January 2026

-10.05%

After fees, pre-tax

Net return for FY2026
to date

8.19%

After fees, pre-tax, March y/e

Net return for FY2026
to date for the MSCI ACWI

19.53%

March y/e

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

\$17,902

At 0% PIR tax

Net Returns As At 31 January 2026	1 month	6 months	1 year	2 years (pa)	5 years (pa)	Inception (pa)
Lighthouse Global Equity Fund	-10.1%	-10.6%	-10.1%	19.0%		
Lighthouse Funds' investment strategy	-10.1%	-10.6%	-10.1%	19.0%	12.4%	18.0%
MSCI ACWI net in NZD	-2.1%	10.2%	13.9%	22.4%	15.9%	13.8%

COMMENTARY FOR THIS MONTH

The Fund was down 10.1% in January, in a month where politics and fear overwhelmed rational corporate finance.

5.2% of the loss was due to the United States dollar weakening through January. That was largely markets reacting to politics - which is fair for them to do. Forex is now a 7% headwind for the Fund so far this financial year.

But the other 5% of the loss was due to equity markets falling, nearly all of which happened in the last two days of the month - when markets closed on 27 January the Fund was up 3.5% in USD for January.

However, we're now in earnings season for the Oct-Dec quarter, so we have solid information on how the companies the Fund is invested in are performing. Not all of "our" companies have reported yet but those that have have all beaten revenue and profit expectations and have raised their guidance for the future. Yet, on average, their share prices have dropped 9% after those announcements. That isn't normal.

Nothing fundamental has changed, but the mood has turned and when the mood turns growth stocks are the market's relief valve. We can't say why that is - their earnings are more predictable and no more volatile than, say, energy stocks - but market fear tends to coalesce around these stocks. It is uncomfortable in the moment, arguably irrational, but also "normal". We've been through this several times in the last ten years and it is usually temporary.

What tends to happen is that capital flows out of growth stocks and into out-of-favour sectors that were doing nothing, such as precious metals, utilities and small/mid-cap stocks. These sectors are seen as a safe place to park money, so they bounce for a few months. But they don't offer growth and once growth stocks re-assert, or re-emphasise, their profit growth the money flows back, the growth stocks have a "catch-up" surge, and the safer sectors fade and return to dormancy. For example although gold is up over 20% since the start of November in the 12 years from 2012 to 2024 it only gained 1.4% pa.

The result is that growth stocks now look cheaper, relative to their expected returns, than they have in years. Their valuation metrics are below the levels seen in the bear market of 2022. You have to go back to the 2008 GFC to see growth on sale to this extent, but no one is arguing that today's economy is as dire or uncertain as it was in 2008.

We've seen this same basic market setup three times in the last 10 years - in December 2018, March 2023 and October 2023. The "next 12 months" returns from those times were 58%, 68% and 80% respectively. No one can promise that the future will absolutely repeat that. But when a portfolio of companies with average profit growth of 40-50% pa is down 10% in the last year that's almost certainly emotion, not rational analysis, and emotion changes quickly. When it does the numbers suggest there will be another of those strong "catch-up" bursts.

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

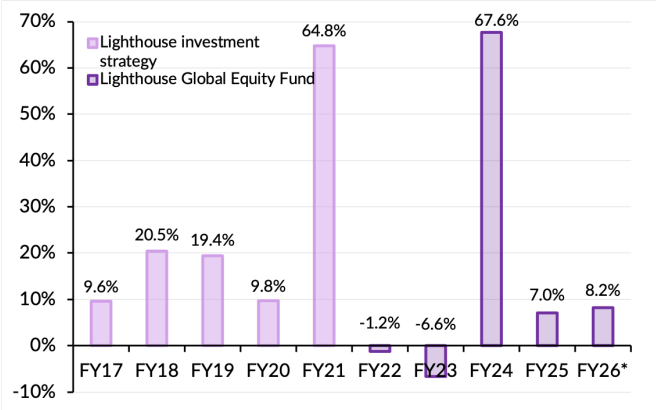
Holding	% of Fund NAV
Carvana	9.8%
Celestica	9.7%
Robinhood	8.7%
First Solar	8.6%
Invesco QQQ Trust	8.5%
Comfort Systems	7.9%
KLA Corporation	7.6%
MercadoLibre	7.2%
AppLovin	7.1%
AMD	7.0%

IMPORTANT NOTICE

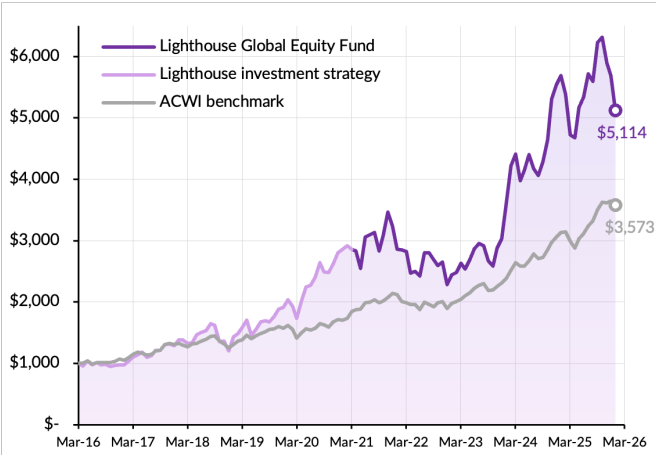
This factsheet is produced by Lighthouse Funds Limited (Lighthouse) and provides key information about the Lighthouse Global Equity Fund. It tells you how the fund has performed and it will help you to compare it with other investments. It is based on information that we believe to be accurate and reliable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