

# Amova Global Shares Unhedged Strategy

Monthly Update 31 March 2026

Assets are held in the Amova Wholesale Global Shares Fund. The Amova Global Shares Fund (retail) and the GoalsGetter KiwiSaver Scheme invest in units in the wholesale fund, which the commentary refers to.

## Market Overview

- The quarter had a strong start with broadening leadership and rotation away from mega-cap technology stocks, before sentiment reversed sharply in late February and early March. This shift came about due to escalating geopolitical tensions in the Middle East, with the conflict intensifying following U.S.-Israel airstrikes on Iran and subsequent interruptions to shipping through the Strait of Hormuz.
- Value, small caps, energy, materials, defensives (healthcare, staples, utilities), and commodity-tilted sectors outperformed, while growth/tech lagged. Some de-escalation hopes provided a modest bounce towards quarter-end but was not enough to offset losses.

## Fund Highlights

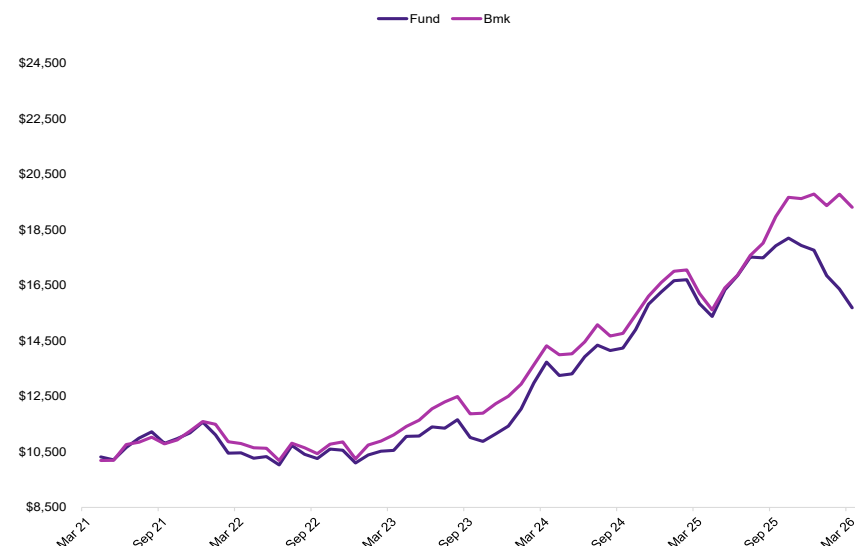
- The fund returned -11.67% for the quarter, underperforming the benchmark which returned -2.42%.
- Positive contributors to performance over the quarter included Curtiss-Wright Corporation, ASM International and Linde plc.
- The energy sector was unequivocally the standout performer of the quarter, with energy equities rising by more than a third and outperforming global equities by 35%. Given our zero exposure to the sector, this represented the single largest headwind to relative performance over the period.
- Negative contributors to performance included HDFC Bank Limited, Trip.com Group and Microsoft Corporation.

## Performance

|                              | One month | Three months | One year | Three years (p.a.) | Five years (p.a.) | Ten years (p.a.) |
|------------------------------|-----------|--------------|----------|--------------------|-------------------|------------------|
| <b>Wholesale<sup>1</sup></b> | -4.14%    | -11.67%      | -0.98%   | 14.14%             | 9.43%             |                  |
| <b>Benchmark<sup>2</sup></b> | -2.37%    | -2.42%       | 19.15%   | 20.23%             | 14.07%            |                  |
| <b>Retail<sup>3</sup></b>    | -6.37%    | -13.61%      | -3.74%   | 12.44%             | 7.72%             |                  |
| <b>KiwiSaver<sup>3</sup></b> | -6.37%    | -13.61%      | -3.89%   | 12.40%             | 7.71%             |                  |

- Returns are before tax and before the deduction of fees and including tax credits (if any). Based on actual calendar periods.
- Benchmark: MSCI All Countries World Index (net dividends reinvested), in NZD terms. No tax or fees.
- Returns are before tax and after the deduction of fees and expenses and including tax credits (if any). Based on change in unit price.

## Five Year Cumulative Performance, \$10,000 invested<sup>1,2</sup>



## Investment Manager

The Global Shares Strategy is managed by Amova's Global Equity team that is based in Edinburgh, Scotland. With over 20 years average experience, team members have dual roles of portfolio manager and analyst responsibility and work together on an equal basis to construct client portfolios. This flat investment structure and investment process has been in place since the team's foundation.

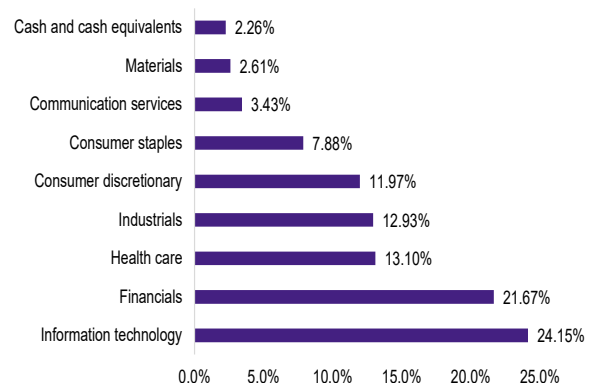
## Overview

The fund provides investors with a relatively concentrated actively managed portfolio of global equities to achieve long term capital growth.

## Objective

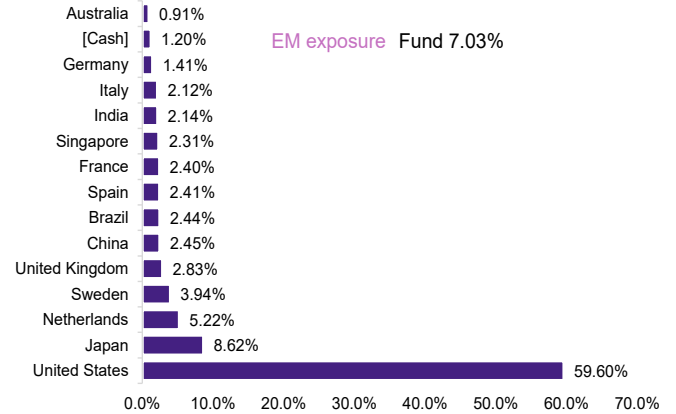
The fund aims to outperform the benchmark return by 3% per annum before fees, expenses and taxes over a rolling three-year period.

## Sector Allocation (Includes cash in NZ PIE)



| Top 10 Holdings          | % of Fund | Country        |
|--------------------------|-----------|----------------|
| Nvidia Corp              | 7.71      | United States  |
| Microsoft Corp           | 5.42      | United States  |
| Amazon Com Inc           | 5.40      | United States  |
| Broadcom Corp Com        | 3.59      | United States  |
| Netflix Inc              | 3.43      | United States  |
| Compass Group            | 2.80      | United Kingdom |
| Coca-Cola Europacific    | 2.79      | United Kingdom |
| Mastercard Inc - Class A | 2.72      | United States  |
| Us Foods Holding Corp    | 2.71      | United States  |
| Linde Plc                | 2.61      | Ireland        |

## Geographical allocation (Includes cash in NZ PIE)



## Market Commentary

The first quarter of 2026 was a volatile and predominantly negative period for global equities. The quarter had a strong start with broadening leadership and rotation away from mega-cap technology stocks, before sentiment reversed sharply in late February and early March. This shift came about due to escalating geopolitical tensions in the Middle East, with the conflict intensifying following U.S.-Israel airstrikes on Iran and subsequent interruptions to shipping through the Strait of Hormuz.

Disruptions affecting approximately 20% of global oil flows through the Strait of Hormuz drove oil prices sharply higher, exceeding US\$100 per barrel at peaks. This surge fuelled inflation fears, dampened expectations for rate-cuts, and triggered a risk-off environment. Early in the quarter concerns around AI capex returns vs. monetization, SaaS business models and elevated valuations, led to profit-taking in mega-cap technology and growth stocks. Value, small caps, energy, materials, defensives (healthcare, staples, utilities), and commodity-tilted sectors outperformed, while growth/tech lagged. Some de-escalation hopes provided a modest bounce towards the quarter-end but was not enough to offset losses.

## Fund Commentary

The outbreak of the Iran conflict and the effective weaponisation of the Strait of Hormuz, through which roughly one-fifth of global crude exports pass, triggered a sharp repricing across markets. The energy sector was unequivocally the standout performer of the quarter, with energy equities rising by more than a third and outperforming global equities by 35%. Given our zero exposure to the sector, this represented the single largest headwind to relative performance over the period.

**Contributors:** **Curtiss-Wright Corporation** stock participated strongly in the rally in stocks correlated with AI capex spend. Tailwinds for both Curtiss' defence and nuclear business appear to be accelerating. Given the huge and growing energy demands of AI datacentres, nuclear power has come back to the fore. **ASM International** shares had a strong quarter as AI capex again proved a key driver within the market. January saw TSMC finally raise its capex guide with the 2026 number up around 35% on 2025. Given its highly capital-intensive business, TSMC has been extremely conservative in building out capacity despite strong demand. **Linde plc** demonstrated its defensive, compounding characteristics during a volatile quarter, in contrast to many other quality compounders. This resilience reflects the company's asset-intensive model, which proved advantageous.

**Detractors:** **HDFC Bank Limited** shares faced a few headwinds in the quarter. As the largest private sector bank in India and largest weighting in the Nifty 50 index, HDFC Bank is very correlated to country-level performance. Rotation out of India by foreign investors impacted the stock as investors moved funds to other emerging markets which saw strong performance in the quarter. **Trip.com Group** shares had a rough start to the year as January saw the announcement of an anti-monopoly investigation by Chinese authorities. The market was quick to de-rate the stock as this news presented an overhang and potential fine for Trip. Rising capital intensity continues to weigh on **Microsoft Corporation** stock which was also caught up in the many bouts of software selloffs we saw during the quarter. Fund management believes Microsoft is well positioned to win in AI, both in its infrastructure business, as well as some of its software business where it can leverage its huge distribution capabilities into the enterprise to monetise AI through Copilot, for example.

## Key Fund Facts

|                                      |                                       |                       |  |                           |             |
|--------------------------------------|---------------------------------------|-----------------------|--|---------------------------|-------------|
| <b>Estimated annual fund charges</b> |                                       | <b>Distributions:</b> | Generally does not distribute  | <b>Strategy Launch:</b>   | July 2017   |
| <b>Wholesale:</b>                    | Negotiated outside of the unit price. | <b>Exclusions:</b>    | Controversial weapons. Tobacco manufacturers.  | <b>Strategy size:</b>     | \$687m      |
| <b>Retail:</b>                       | 1.20%, refer to PDS for more details. | <b>Restrictions:</b>  | Adult entertainment, gambling, fossil fuels, alcohol stocks. For more information, please refer to the Statement of Investment Policy and Objectives (SIPO) on our website <a href="https://nz.amova-am.com/retail/funds/reports-and-documents">https://nz.amova-am.com/retail/funds/reports-and-documents</a> | <b>Buy / Sell spread:</b> | 0.07%/0.07% |
| <b>KiwiSaver:</b>                    | 1.35%, refer to PDS for more details. |                       |  |                           |             |

## Compliance

The wholesale fund complied with its investment mandate and trust deed during the quarter.

## Contact Us

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