

Global Equities Fund

Monthly Performance Update as at 30 September 2026

To review the fund's investment objective and strategy, fees information and risk indicator please see the funds' product disclosure statement and most recent fund update at www.octagonasset.co.nz/our-funds/global-equities-fund/.



Return comparison	1 month	3 months	1 year	3 years*	Since inception*
Net Fund Return ^	0.24%	4.62%	14.42%	17.14%	5.04%
Gross Fund Return	0.35%	4.91%	15.91%	18.73%	6.22%
MSCI ACWI Net TR Index (50% hedged to the NZD)**	1.40%	1.36%	18.59%	22.89%	9.91%

* Annualised

Major investments

Nvidia Corp	3.61%
Apple Inc	3.48%
Alphabet Inc-CI A	3.00%
Microsoft Corp	2.75%
Taiwan Semiconductor Manufacturing Co Ltd (ADR)	2.17%
NetApp Inc	1.55%
Nordson Corp	1.51%
Verizon Communications Inc	1.32%
ASML Holding NV	1.21%
BNP Paribas S.A. NZD Cash Deposit	1.11%
Major holdings as % of total portfolio	21.71%

Manager's comments

How did your portfolio perform?

The Global Equities Fund (Fund) delivered a gross return of +0.35% during September, underperforming the Fund's benchmark return of +1.40% by -1.05%.

For the 12 months to the end of September, the Fund delivered a gross return of +15.91%, underperforming its benchmark return of +18.59% by -2.68%.

Our minimum volatility manager lagged the broader market during September following a period of strong outperformance over the previous 12 months. The global factors portfolio modestly outperformed the benchmark, supported by gains in semiconductor and technology stocks, which were the only two industries to outperform the broader market. Most other sectors posted losses.

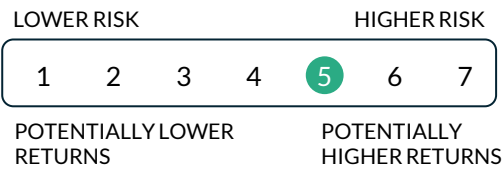
The key detractors for the minimum volatility manager were regional allocations and limited exposure to semiconductor stocks. An overweight position in Europe weighed on returns as higher energy prices and inflation concerns pressured markets, offsetting gains from Japan and developed-Asia. Returns were also negatively impacted by exposure to the value factor, while the earnings revisions factor contributed positively.

Within the Global Factors Portfolio, the biggest contributors were overweight positions in NetApp, Taiwan Semiconductor Manufacturing Company, and Lam Research, which benefited from ongoing AI infrastructure spending and semiconductor capital investment. The largest detractors were Adobe, Intuit, and Expedia, as concerns over AI disruption weighed on long-term growth expectations.

Things to note

- Manager: Salt Investment Funds Limited
- Investment manager: Octagon Asset Management Ltd
- Date the fund started: 26 June 2008
- Tax status: Portfolio Investment Fund (PIE)
- Minimum suggested investment time frame: At least five years
- Market Index: MSCI ACWI Net Total Return Index, 50% hedged to the NZD
- Currency: New Zealand dollars

Risk indicator***



View the [Product Disclosure Statement](#) for detailed information about this Fund and Octagon Investment Funds.

We actively manage the Fund’s foreign currency exposures. During the month, the New Zealand dollar fell against the US dollar and Japanese Yen but was largely unchanged against the Euro. Active hedging detracted from the overall portfolio performance.

What happened in the markets you invest in?

Global equities weakened in September as geopolitical tensions in the Middle East re-escalated, driving oil prices sharply higher and increasing inflationary pressures across global markets. Major central banks, including the Bank of Japan, the European Central Bank, and the US Federal Reserve, tightened monetary policy at their September meetings. Bond markets broadly sold off as government bond yields rose, reflecting increased demand for funding from governments and the AI investment boom.

S&P 500 earnings grew +34% year-on-year (in local currency terms). Capital spending associated with the AI boom has driven strong incremental margin expansion and profitability. Beneficiaries have included both companies funding the build-out of AI infrastructure and data centres, and businesses generating revenue from this investment, particularly semiconductor and chip manufacturers. Market interest has broadened well beyond the concentration in hyperscale trades, with valuation spreads narrowing across sectors and regions. Uniquely in this backdrop, value stocks have not been left out of the market gains, with several AI beneficiaries trading on value-like metrics.

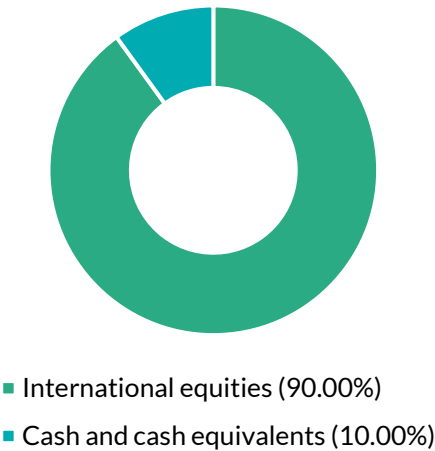
What are we thinking about the future?

The Fund remains defensively positioned and well diversified across the two strategies. The low-volatility strategy provides protection if there was a regime shift away from earnings momentum-driven markets, and the global factors portfolio maintains core exposure to the growth associated with AI beneficiaries while controlling risk concentrations.

With valuation spreads not particularly elevated in global equities, in our opinion, the factors portfolio is broadly balanced with stock selection across countries and sectors. During the month, we added EOG Resources, attracted by its forward P/E of 9x earnings, strong management discipline, quality earnings and capital allocation.

We increased exposure to Micron Technology for its strong earnings trend, positive market reaction and machine learning score. Microsoft was trimmed and we fully exited Fox due to elevated capex spend and a deteriorating earnings outlook.

Tactical Asset Allocation



Currency hedging

As at 30 September 2026

% of fund exposed to FX risk	97.37%
Value of fund unhedged	39.29%

Fees

Annual fund charges are currently 1.35% p.a. of the value of your investment. We pay management and administration charges along with the Supervisor fee out of this. All fees and charges are quoted exclusive of GST.



Christine Smith-Han
Equity and Strategy
Analyst

Please note that Salt Investment Funds Limited replaced Forsyth Barr Investment Management Limited as the manager and issuer of the Octagon Investment Funds on 31 July 2026.

For more information, please visit octagonasset.co.nz, email info@octagonasset.co.nz, or call 0800 628 246

^ Net Fund Returns are calculated before the deduction of taxes and after deduction of fund charges and trading expenses and including imputation credits where available. Gross Fund Returns are calculated before deduction of taxes and fund charges but after deduction of trading expenses and including imputation credits where applicable. Market index returns do not have any deductions for fund charges, trading expenses or tax. Prior to October 2022 Net Fund Returns were calculated after deduction of fund charges, trading expenses and accrued tax for a New Zealand resident paying individual tax at the highest Prescribed Investor Rate (28%).

** Please refer to the [SIPO](#) for benchmark history and the hedging calculation method, if applicable.

*** The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the relevant 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. The risk indicator is based on the returns data for the five years to 30 September 2026. See more information about the risks of investing in the Product Disclosure Statement.

This publication does not contain financial advice. We recommend you review your investments and seek specialist advice on any taxation aspects. Past performance is not a reliable guide to future performance. Salt Investment Funds Limited is the issuer, and Octagon Asset Management Limited the investment manager, of the Octagon Investment Funds. A copy of the Product Disclosure Statement for the Funds is available from www.octagonasset.co.nz/disclosure-information, or by calling 0800 628 246.