# Navigate International Cautious Growth USD

April 2025

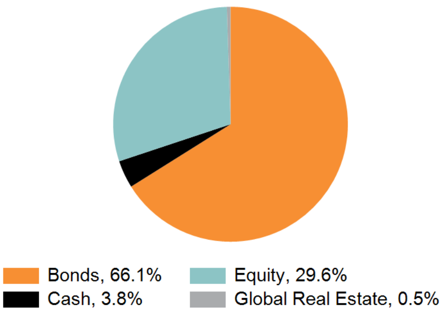
## Fund Details

| | |
|---|---|
| **Currency** | USD($) |
| **Risk profile** | Cautious |
| **Investment period** | 5 years |
| **Launch date** | 01 September 2013 |

## Fund Objectives

This portfolio will allocate equally between funds included in the Navigate Cautious Growth profile offered by Glacier International. The funds included aim to produce positive returns over the longer term at relatively steady rates with relatively low volatility. Preserving capital is a key feature of funds in this portfolio. Returns from this type of portfolio are not guaranteed and can be negative, but when equity markets fall this portfolio should not necessarily fall as much as portfolios with higher equity weightings. Due to the typically low allocation to equities or equity-type (and higher risk) assets, when equity markets are producing good returns, the returns from these funds may be more muted. Funds in this portfolio will typically follow actively managed global strategies, and the over-all equity exposure will be relatively low, but the funds may vary in approach from moderated, low equity balanced funds, to fixed income only strategies, to highly diversified multi-asset strategies or other strategies at the discretion of the manager. Where possible, funds of the same currency as that selected for the portfolio reporting currency will be utilised, but funds of other currencies can be included. The portfolio will typically be rebalanced on an annual basis but this can differ at the discretion of the manager.

## Global Asset Allocation




## Holdings as at Month End

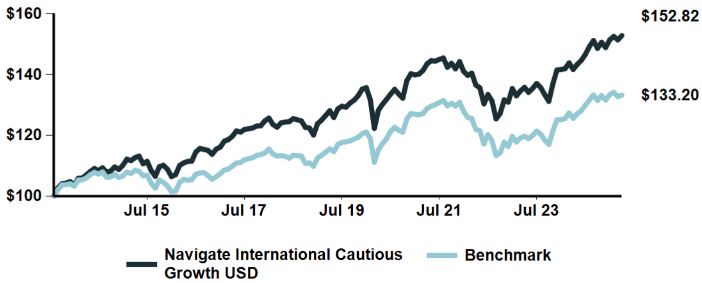
| Holdings as at Month End | % |
|---|---|
| BlackRock Global Funds - Global Multi Asset Income | 20.00 |
| Coronation Global Capital Plus Fund | 20.00 |
| Janus Henderson Cautious Managed | 20.00 |
| Nedgroup Investments - Global Cautious | 20.00 |
| Ninety One Global Multi-Asset Income Fund | 20.00 |

## Key Information

| Key Information | % |
|---|---|
| **Benchmark** | |
| EAA OE USD Cautious Allocation | 100.00 |
| **Fees (incl. VAT)** | |
| Annual Wrap fee | 0.12 |
| Underlying Manager TER's | 1.29 |

## Cumulative performance since launch*

Growth of $100 investment




| Performance (%) | Fund* | Benchmark |
|---|---|---|
| 1 Month | 0.94 | 0.36 |
| 3 Months | 0.94 | -0.14 |
| 6 Months | 2.85 | 1.32 |
| YTD | 2.66 | 1.23 |
| 1 Year | 7.88 | 6.07 |
| 2 Years (annualised) | 6.09 | 5.49 |
| 3 Years (annualised) | 3.83 | 2.98 |
| 5 Years (annualised) | 3.57 | 2.93 |
| 10 Years (annualised) | 3.10 | 2.07 |
| Since Launch (annualised) | 3.70 | 2.49 |

| Risk statistics (since launch) | Fund* | Benchmark |
|---|---|---|
| Returns (annualised) | 3.70% | 2.49% |
| Standard deviation (annualised) | 5.87% | 5.10% |
| % Positive months | 64.86% | 63.51% |
| Maximum drawdown | -13.78% | -13.76% |
| Sharpe ratio | 0.59 | 0.46 |

* The investor is liable for CGT on any transactions in the units of the underlying unit trusts within the wrap funds. Compulsory investments are not subject to CGT. Performance is calculated using net returns (after fees) of the underlying unit trusts, and quoted excluding wrap fund fees. Performance quoted is pre-tax. Fund performance numbers shown are for a notional portfolio and do not reflect the actual performance of the client invested in the wrap fund due to timing differences of investments or disinvestments of the client. Dual-listed wraps will reflect combined fund sizes and will reflect primary platform performance information. Benchmark returns for CPI are based on actual published returns and an estimated one month return for the month of the report date. ASISA Benchmark returns are the ASISA returns available as at the time of reporting.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## Commentary

### Market Review

Risk assets recovered some of their March losses in April as a pause on reciprocal tariffs and progress made on bilateral trade deals revived market optimism. Although earnings were revised lower in developed market (DM) economies, in line with downward revisions to global growth, emerging market (EM) earnings were revised higher on expectations of additional Chinese monetary and fiscal stimulus, and an expansion of trade with Asia and Europe. There were positive returns from both DM and EM equities. DM bonds outperformed equities as recession risks increased, while EM bonds underperformed on rising spreads, yielding negative US dollar returns.

DM equities recorded a mild recovery in April, with the MSCI World Index ending the month at 0.89% in US dollars, stemming the negative momentum experienced in the first quarter of 2025. US megacap tech stocks were among the stronger performers, resulting in a significant recovery in the Bloomberg Magnificent 7 Index. Tariffs continued to weigh on investor sentiment, as April started with 'Liberation Day'. EM equities performed better in the month than DM equities, ending positive at 1.31% month-on-month (m/m) in US dollars. Global property was in positive territory at 1% m/m, as well as global bonds at 2.94% m/m, both in US dollars. The Euro Stoxx 50 Index ended strongly in positive territory for the month, up 4% m/m, and the S&P 500 was still a detractor for the month, down a further 0.68% m/m. The Nikkei gained 6.10% in US dollars.

### Positioning and Outlook

Consensus on MSCI World earnings growth is about 8% for the next 12 months and 12% the following year, while EM earnings are expected to grow by 15% this year and 13% the following year. In view of the expected strong earnings growth, an overweight position is retained in global equities. The current business cycle can hardly be described as normal due to the uncertainty about Trump's policies. A neutral weighting is retained in global bonds as a hedge against a bad economic outcome/recession later in the year. In the case of inflation-linked bonds, a neutral weighting is retained as a hedge against a negative inflation outcome and a higher neutral rate of interest. If inflation re-accelerates, the inflation carry is expected to underpin returns from this asset class. In the second half of the year, however, inflation-linkers are underweighted as real yields are expected to normalise back to their mean.

Chinese consumption and growth remain a key concern for global growth. The quantum of stimulus packages in the near term, along with the extent to which China can weather the impact of a trade war with the US, will be key. In the euro area, activity has improved in the short term, but generally soft economic data remains a concern. Emerging economies continue to show resilience, and with the potential for easier monetary policy, growth could accelerate pending global trade speedbumps.

We therefore remain constructive to growth assets (such as equities). Similarly, while we retain a constructive approach to fixed income, we recognise that the risks and rewards for duration assets are finely balanced, and a measured outlook is warranted.