Navigate International Moderate ETF

April 2025

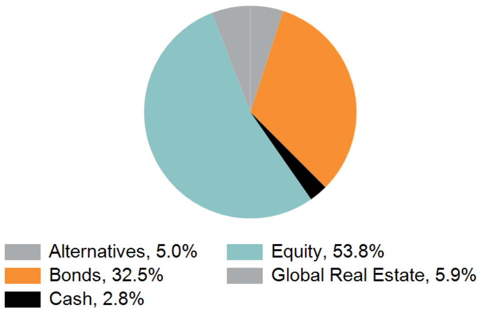
Fund Details

Currency	USD($)
Risk profile	Moderate
Investment period	5 years
Launch date	01 June 2022

Fund Objectives

The primary objective of this portfolio is to achieve a return in excess of the average fund in the EAA Moderate category, whilst exclusively using passive instruments. In so doing, the intention is to provide a low-cost alternative to an actively managed 60% equity, 40% bond portfolio. The portfolio will have an equity allocation ranging between 45% - 65%. The portfolio aims to deliver 5% real return over any rolling 5-year period, however shorter-term volatility can be expected. The portfolio is well diversified, typically investing in ETFs and index funds across asset classes, geographical regions, styles, or thematic biases as deemed appropriate.

Global Asset Allocation



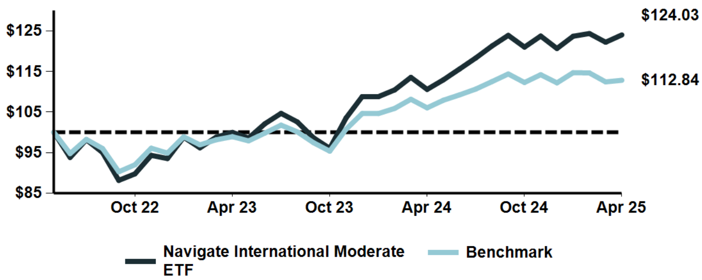
Holdings as at Month End

Holdings as at Month End	%
Amundi Russell 1000 Growth UCITS ETF	5.00
BlackRock ICS US Dollar Liquidity	2.50
iShares $ Treasury Bond 20+yr UCITS ETF	5.00
iShares Core Global Aggregate Bond UCITS ETF	20.00
iShares Developed Markets Property Yield UCITS ETF	5.00
iShares Edge MSCI World Value Factor UCITS ETF	5.00
iShares Gold ETF	5.00
iShares MSCI ACWI UCITS ETF	45.00
Vanguard USD Corporate Bond UCITS ETF	7.50

Key Information

Key Information	%
Benchmark	
EAA OE USD Moderate Allocation	100.00
Fees (incl. VAT)	
Annual Wrap fee	0.12
Underlying Manager TER's	0.19

Cumulative performance since launch*



Performance (%)	Fund*	Benchmark
1 Month	1.48	0.36
3 Months	0.27	-1.64
6 Months	2.49	0.49
YTD	2.78	0.57
1 Year	12.17	6.42
2 Years (annualised)	11.39	6.80
Since Launch (annualised)	7.66	4.23

Risk statistics (since launch)	Fund*	Benchmark
Returns (annualised)	7.66%	4.23%
Standard deviation (annualised)	11.75%	9.14%
% Positive months	60.00%	57.14%
Maximum drawdown	-11.87%	-9.74%
Sharpe ratio	0.54	0.31

* 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.