

CLARITY GLOBAL SHARES FUND

Monthly Commentary

The Clarity Global Shares Fund delivered a return of -2.2% during the month.

Global financial markets remained volatile in April, as persistent trade tensions and shifting U.S. policy direction kept investors on edge. After escalating tariffs, the Trump administration surprised markets with a series of abrupt policy reversals, including hints at selective exemptions for Canadian and Mexican imports and a willingness to revisit portions of the China trade agreement. These U-turns introduced fresh uncertainty, complicating the outlook for global trade flows. Economic data continued to send mixed signals: the services sector and labour markets showed resilience, while manufacturing and consumer sentiment remained under pressure. Major equity indices, including the S&P 500 and Nasdaq Composite, experienced sharp swings before closing the month modestly lower. Central banks reiterated a data-dependent approach, highlighting the challenges of balancing persistent inflation risks with emerging signs of a gradual cooling in global growth.

Due to their prominence within the US equity market, the “Magnificent 7” stocks within the Fund generally contributed to lower returns during the period. Apple (-4%) was the primary detractor, as concerns over the impact of President Trump’s 145% tariffs on Chinese imports weighed heavily on sentiment, even though he has exempted mobile phones at this stage. Analysts had projected that these tariffs could drive up the price of iPhones - already a premium product - by as much as 43%.

Meanwhile, Meta (-5%) showed some weakness throughout the month but delivered a strong earnings report at the close of the last day of the month, exceeding consensus expectations on key metrics, including revenue, cost management, and capital expenditure.

Performance

As at 30 April 2025	1 Mth	3 Mth	1 Yr	3 Yrs p.a.	5 Yrs p.a.	Since Inception p.a.
Clarity Global Shares Fund*	-2.2%	-7.1%	9.5%	13.7%	15.2%	11.1%
Benchmark Index**	-2.1%	-6.9%	10.9%	11.9%	13.5%	10.8%

*These returns are after deductions for charges and before tax. **Benchmark returns reflects no deduction for charges and tax. The Fund inception on 26 April 2017. Past performance is not necessarily indicative of future performance. The Quarterly Fund Update is available at <https://clarityfunds.co.nz/investor-documents>.

About the Clarity Global Shares Fund

The objective of the Clarity Global Shares Fund is to provide actively managed exposure to international equities and generate a better return than the benchmark¹ over the medium to long term. The Fund is actively managed with a value bias which means its holdings may differ considerably from the benchmark index. Clarity has appointed global investment manager MFS as the investment manager for the Fund. MFS has constructed the portfolio in consultation with Clarity and in accordance with the Fund’s objectives. Boston-based MFS, which began in 1924 as Massachusetts Investment Trust, started America’s first mutual fund. The strategy uses an actively managed approach and a consistent, disciplined, bottom-up stock selection and investment process that blends proprietary fundamental and quantitative research to build a well-diversified, large-cap core global portfolio.

¹MSCI All Country World Index (net dividends reinvested) in NZ dollars with 50% hedged to NZ dollars.

If you have any questions, please contact us on +64 09 308 1450 or visit our website www.clarityfunds.co.nz

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