

# Nikko AM ARK Disruptive Innovation Strategy

Monthly Update 30 June 2025

Assets are held in the Nikko AM Wholesale ARK Disruptive Innovation Fund. The Nikko AM ARK Disruptive Innovation Fund (retail) and the GoalsGetter KiwiSaver Scheme Nikko AM ARK Disruptive Innovation Fund invest in units in the wholesale fund, which the commentary refers to.

## Market Overview

- Broad-based global equity indexes appreciated during the month, continuing the rebound after sweeping tariff announcements shocked the global markets.
- Relative to the MSCI World Index, the Information Technologies and Communication Services sectors outperformed on balance in June, while Consumer Staples and Real Estate sectors lagged.

## Fund Highlights

- The fund returned 12.88% over the month, well ahead of the benchmark.
- Key contributors for the month include Coinbase (COIN), Robinhood (HOOD) and Roblox (RBLX).
- Key detractors for the month include Tesla (TSLA), Trade Desk (TTD) and Schrodinger (SDGR).

## Performance

	One month	Three months	One year	Three years (p.a.)	Five years (p.a.)
<b>Wholesale<sup>1</sup></b>	12.88%	28.77%	58.06%	23.72%	
<b>Retail<sup>3</sup></b>	11.46%	26.55%	56.42%	20.35%	1.89%
<b>KiwiSaver<sup>3</sup></b>	11.53%	26.63%	56.38%	20.37%	
<b>Benchmark<sup>2</sup></b>	0.80%	2.41%	10.00%	10.00%	10.00%
<b>NASDAQ<sup>4</sup></b>	4.09%	9.67%	15.93%	27.22%	19.41%

1. Returns are before tax and before the deduction of fees and including tax credits (if any).

2. Absolute return of 10% per annum. No fees, expenses or taxes.

3. Returns are before tax and after the deduction of fees and expenses and including tax credits (if any). Based on change in unit price.

4. NASDAQ-100 Notional Net Total Return Index Unhedged in NZD.

## Since Inception Cumulative Performance, \$10,000 Invested<sup>3,2</sup>



## Investment Manager

The fund invests in the Nikko AM ARK Disruptive Innovation Fund managed by Nikko AM Americas. ARK Investment Management LLC is the Investment Adviser to Nikko AM Americas. Cathie Wood is ARK's founder and portfolio manager and is a highly experienced thematic investor. ARK's transparent research approach is highly differentiated, seeking to capitalise on insights across multiple mediums.



## Overview

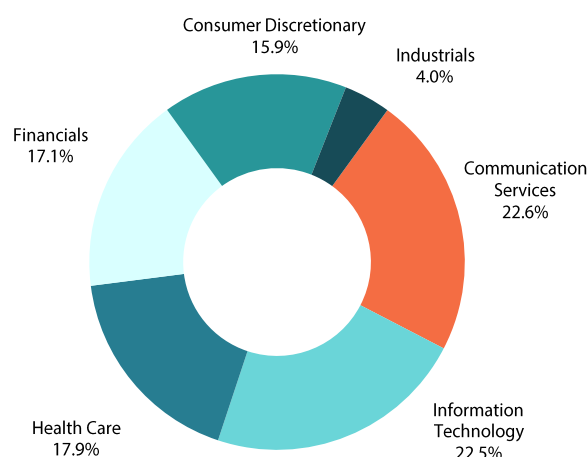
The fund provides access to a global share portfolio that offers thematic exposure to disruptive innovation across a number of sectors and geographies. Disruptive innovation is caused by the introduction of new technologically enabled products or services that permanently change an industry or economic sector by providing greater simplicity, accuracy, customisation and accessibility while driving down costs.

## Objective

The fund aims to achieve an absolute return of 10% per annum over a rolling five year period before fees, expenses and taxes.

## Sector Weights\*

\*Weights based on Manager's model portfolio, which may vary from the actual portfolio and does not factor in cash positions.



## Technology Composition (Underlying Fund\*)

	(%)		(%)
Intelligent Devices	21.18	Programmable Biology	1.86
Next Gen Cloud	16.39	Adaptive Robotics	1.85
Digital Wallets	11.83	Reusable Rockets	0.17
Autonomous Mobility	10.16		
Neural Networks	9.99		
Multiomic Technologies	8.99		
Cryptocurrencies	6.01		
Smart Contracts	4.26		
Precision Therapies	4.18		
Advanced Battery	3.15		

## Top 10 Holdings (Underlying Fund\*)

	(%)	Country
Coinbase Global Inc	8.67	United States
Tesla Motors Inc	8.08	United States
Roblox Corp	7.11	United States
Palantir Technologies Inc	6.07	United States
Roku Inc	5.65	United States
Robinhood Markets Inc	5.25	United States
Shopify Inc	4.50	Canada
Tempus Ai Inc	3.89	United States
Meta Platforms Inc	2.81	United States
Amazon Com Inc	2.38	United States

## Market Commentary (source: ARK Investment Management LLC)

Broad-based global equity indexes appreciated during the month, continuing the rebound after sweeping tariff announcements shocked global markets. Relative to the MSCI World Index, the Information Technologies and Communication Services sectors outperformed on balance in June, while Consumer Staples and Real Estate sectors lagged.

In ARK management's view, the innovation space is not only recovering but also being revalued. The headwinds that once pressured disruptive technologies are shifting into structural tailwinds, supported by broadening market participation, favourable policy shifts around crypto, AI, and healthcare, and potential fiscal catalysts like tax cuts. Should inflation continue to surprise to the downside, interest rates should follow and establish a constructive macroeconomic backdrop that will sustain momentum. The pro-growth policies of the Trump administration, as well as breakthroughs in AI, robotics, energy storage, blockchain, and multiomics, could drive a new cycle of productivity and long-term economic growth, particularly among underappreciated names not yet reflected in benchmark-heavy market leadership.

## Fund Commentary

**Key contributors** for the month include Coinbase (COIN), Robinhood (HOOD) and Roblox (RBLX).

Shares of Coinbase contributed to the fund's performance in June, driven by a series of strategic milestones that expanded its global footprint and diversified its revenue streams. The company secured a MiCA license from Luxembourg, granting it regulatory approval to offer crypto services across all EU member states. Additionally, Coinbase's Layer 2 network, Base, was selected by JPMorgan to support its USD deposit token, JPMD. The company also partnered with Shopify and Stripe to enable USDC stablecoin payments, facilitating faster and more secure transactions for merchants globally. These developments, coupled with Coinbase's 50% revenue share from Circle, whose IPO highlighted Coinbase's undervaluation, reinforced investor confidence and propelled stock performance during the month. Shares of Robinhood contributed to the fund this month. Robinhood launched a promotion of matching 2% of any crypto deposit brought to the platform, in conjunction with its highly anticipated crypto event. Robinhood also announced several product feature upgrades, such as advanced charting on the mobile app and the addition of crypto futures. Shares of Roblox contributed to fund performance this month following the appointment of Naveen Chopra as Chief Financial Officer, who brings extensive financial and strategic leadership experience across several technology and media companies, such as Paramount (EVP & CFO), Amazon, Pandora, and TiVo.

**Key detractors** for the month include Tesla (TSLA), Trade Desk (TTD) and Schrodinger (SDGR).

Shares of Tesla detracted from performance during the month following a highly publicized social media exchange between CEO Elon Musk and US President Donald Trump. The stock later rebounded as tensions appeared to ease. During the month, two senior executives departed, and the company launched its robotaxi service in Austin through an invite-only app, gradually expanding access by month-end. Shares of Trade Desk detracted from the fund this month, as the CTV space gets more competitive with Amazon's DSP securing major deals with Roku and Disney. Furthermore, Trade Desk received a downgrade from an investment research firm. Shares of Schrödinger detracted from fund performance this month despite receiving Fast Track Designation from the FDA for its MALT1 inhibitor SGR-1505 in Waldenström macroglobulinemia and reporting initial Phase 1 data with a modest overall response rate across relapsed/refractory B-cell malignancies, while showing particularly strong monotherapy responses in patients with CLL and Waldenström macroglobulinemia.

## Key Fund Facts

<b>Estimated annual fund charges (incl. GST)</b>		<b>Distribution:</b>	Generally does not distribute.	<b>Strategy Launch:</b>	September 2019
<b>Retail:</b>	1.30% refer to PDS for more details	<b>Investment Manager:</b>	*The fund invests in the Nikko AM ARK Disruptive Innovation Fund (the Underlying Fund), a sub-fund of the Nikko AM Global Umbrella Fund - an open-ended investment company established under Luxembourg law as a société d'investissement à capital variable (SICAV).	<b>Strategy size:</b>	\$60.2m
<b>KiwiSaver:</b>	1.45%, refer to PDS for more details.				
<b>Hedging:</b>	Any foreign currency exposure is unhedged.				

## Contact Us [www.nikkoam.co.nz](http://www.nikkoam.co.nz) | [nzenquiries@nikkoam.com](mailto:nzenquiries@nikkoam.com)

This document is issued by Nikko Asset Management New Zealand Limited (Company No. 606057, FSP No. FSP22562), the investment manager of the Nikko AM NZ Investment Scheme, the Nikko AM NZ Wholesale Investment Scheme and the Nikko AM KiwiSaver Scheme. This information is for the use of researchers, financial advisers and wholesale clients. This material has been prepared without taking into account a potential investor's objectives, financial situation or needs and is not intended to constitute financial advice and must not be relied on as such. Recipients of this document, who are not wholesale investors (in accordance with Schedule 1, Clause 3 Financial Markets Conduct Act 2013), or their duly appointed agent, should consult a Financial Advice Provider and the relevant Product Disclosure Statement. Past performance is not a guarantee of future performance. While we believe the information contained in this presentation is correct at the date of presentation, no warranty of accuracy or reliability is given, and no responsibility is accepted for errors or omissions including where provided by a third party. For full details on the fund, please refer to our Product Disclosure Statement on [nikkoam.co.nz](http://nikkoam.co.nz).