

Nikko AM Wholesale Multi-Strategy Fund

Monthly Update 30 April 2025

The factsheet covers the MMAF ordinary share class but not the A & C share class units which are side-pocketed.

Performance

	One month	Three months	One year	Three years (p.a)	Five years (p.a)	Ten years (p.a)
Wholesale¹	0.47%	-1.06%	3.36%	4.23%	4.78%	3.83%
Benchmark²	0.55%	1.71%	8.13%	7.91%	6.12%	5.54%

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

2. Current Benchmark: Bloomberg NZ Bond Bank Bill Index plus 3.0% per annum. No tax or fees.

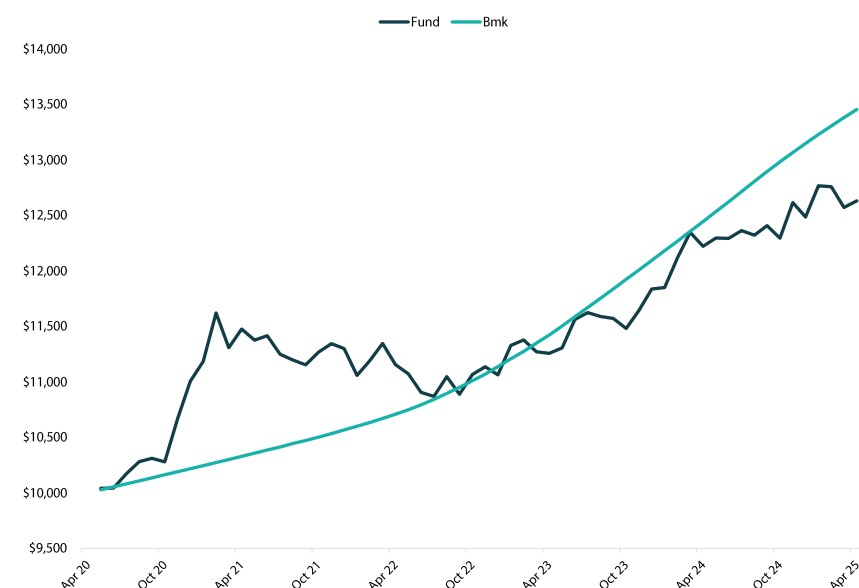
Performance Contribution by Strategy

Strategy	No. of funds	Contribution YTD*
Credit	3	0.15%
Event Driven	3	-0.20%
Long/Short Equities	4	0.82%
Macro/Opportunistic	2	-0.16%
Relative Value	3	1.21%

*Contribution is for the calendar year.

Five Year Cumulative Performance, \$10,000 invested^{1,2}

Performance is for JPMAAM MSF II strategy up to 30.06.20 and for MMAF from 01.07.20



Investment Manager

The Wholesale Multi-Strategy Fund invests into the JP Morgan Alternative Asset Management Hedge Fund Solutions JP Morgan Multi Manager Alternatives Fund (MMAF).

JPMAAM HFS is led by CIO Paul Zummo who co-founded the business in 1994 and is still head of the Portfolio Management Group and chairs the JPMAAM HSF Investment Committee. Paul has over 25 years industry experience and is a member of the CFA Institute.

Overview

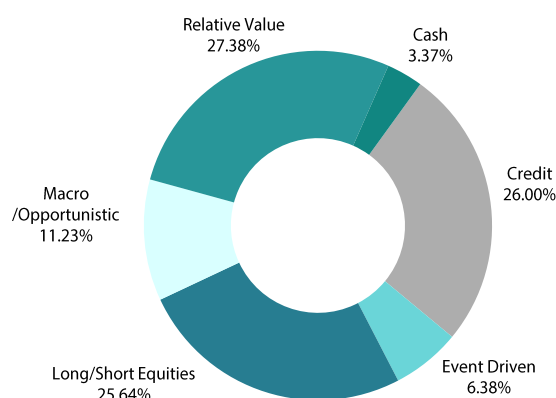
The fund provides access to a multi-manager, multi-strategy investment fund designed to generate returns over the long term.

The portfolio has a diversified risk profile with low to medium volatility.

Objective

The fund aims to outperform the benchmark return before fees, expenses and taxes over a rolling three-year period.

Strategy Allocation (by value of fund)



Market Commentary

April was marked by significant market volatility, driven largely by developments in US trade policy. The month began with President Trump's tariff announcements, leading to an initial sell-off in equity markets and heightened market volatility, with the Volatility Index (VIX) spiking to its highest level since the pandemic. However, a subsequent softening of the US stance, including a 90-day pause on certain tariffs and easing of tensions with China, has since allowed stocks to recover much of their losses, with the MSCI World Index ending the month up just 0.93%. The confidence shock triggered by the "Liberation Day" tariff announcements also affected the bond markets, with volatility across government bonds ranging from flight to quality to extreme sell-offs in US treasuries. The Barclays Global Aggregate Index ended the month up 2.94%, reflecting the supportive environment for global bonds amid fluctuating yields and currency dynamics.

Fund Commentary (source: JPMAAM for underlying USD share class)

Three out of five strategy returns were positive for the month of April.

Long/Short Equity Strategy (Return: +4.16%)

The long/short equity strategy was the best-performing strategy, excelling in a volatile month and recovering losses from the previous month. All managers ended the month positively, with most gains coming from a European specialist manager with positions in the industrials sector (Eiffage SA, Ryanair Holdings plc) and the financial sector (Euronext). This was followed by a technology specialist manager with positions in the information technology sector (Pegasystems Inc) and the communication services sector (Reddit Inc). Additional gains were achieved by a consumer-focused manager with positions in the communication services sector (Spotify Technology SA and TKO Group Holdings Inc). The utilities and renewables-focused manager also managed to post modest gains with positions in the industrials sector (Siemens Energy AG).

Relative Value Strategy (Return: +1.40%)

The relative value strategy ended the month with positive performance. Gains predominantly came from a statistical arbitrage manager, followed by the multi-strategy portfolio. The statistical arbitrage manager achieved gains from positions within the information technology and financial sectors, while gains in the multi-strategy portfolio were mainly attributed to index trading.

Credit Strategy (Return: +0.04%)

The credit strategy ended the month flat. Gains primarily came from the municipal bond trading portfolio and a credit manager with corporate bond positions. However, these gains were offset by losses from CDX tranche trades, as well as from the corporate bond trading portfolio of a long/short and structured credit manager.

Event Driven Strategy (Return: -1.33%)

The event-driven strategy ended the month slightly negative. Most of the losses originated from the shareholder engagement strategy, which was influenced by a leading auto parts and accessories manufacturer, LKQ Corp, and a sustainable biorefinery platform, Green Plains. These losses were partially offset by index hedges. Meanwhile, the multi-event driven portfolio managed to post modest gains, which helped to offset some of the losses for the month.

Macro/Opportunistic Strategy (Return: -3.30%)

The macro strategy experienced negative performance for the month, with the majority of losses originating from the quantitative macro portfolio, with the primary drivers being from long US dollars, long European equities, and long commodities. Additionally, the reinsurance segment contributed minor positive gains.

Key Fund Facts

Estimated annual fund charges (incl. GST)		Hedging:	JPMAAM hedges all currency exposure back to NZ dollars.	Strategy Launch:	June 2008
Wholesale:	None.	Redemptions:	Requests can be made on a daily basis and they will be processed within 12 working days.	Strategy size:	\$23.8m
Distributions:	Generally does not distribute			Buy / Sell spread:	0.00%/0.00%
Management Fee to JPMAAM 1.95% p.a. includes underlying JPMAAM fund expenses and underlying manager fees.					

Contact Us

www.nikkoam.co.nz | nzenquiries@nikkoam.com

All information and data is based on the most recently available, chart data is typically based on one month prior to the date shown at the top of this fund summary, performance by strategy and commentary is based on the current month using month end estimates. Index comparisons within the commentary are based on the relevant Index as determined by JP Morgan Alternative Assets Management Inc. they are not the Benchmark of the Nikko AM Multi-Strategy Fund which is determined on page 1. 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.