

Global Blue Chip Fund

Quarter 2 2025

Objective

To achieve long-term capital growth in the value of the assets.

Investment policy

To hold a global portfolio of international blue chip equities. Blue chip is defined as an internationally recognised company, often the leader in its field, with a lengthy history of profit growth and quality management.

Investment process

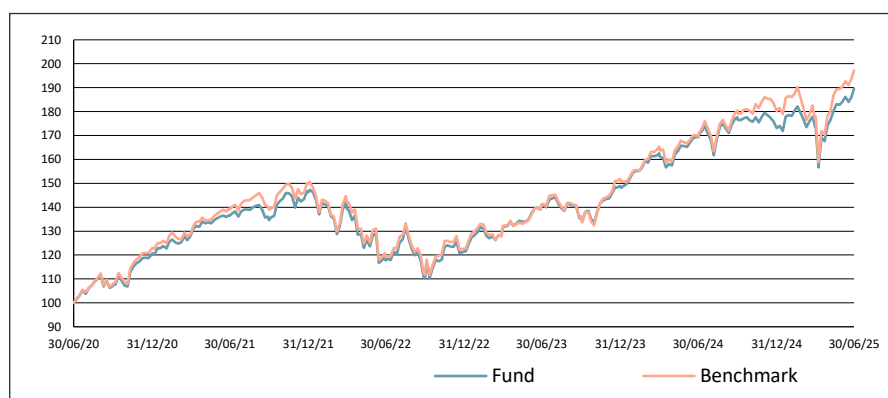
The primary consideration for our equity process is to focus on large capitalisation companies with market leadership positions and a history of consistent earnings growth.

Key facts as at 30 June 2025

Currency	USD
Valuation	Weekly
Dealings	Tuesday
Front end fee	None
Units available	Accumulation
Identifier	BUTGBCF KY
Fiscal year end	30 June
Minimum investment	USD 5,000
Total expense ratio	1.69%
Size of fund (millions)	USD 19.1
NAV per share	USD 33.78
Risk rating	High risk/High return



Performance chart



Average annual compound returns

	1 year	3 years	5 years	7 years	10 years
Fund	12.08%	17.19%	13.65%	10.65%	9.88%
Benchmark	16.26%	18.30%	14.55%	11.61%	10.96%

Fund review

The second quarter of 2025 saw global equity markets rebound strongly, despite significant volatility fueled by geopolitical and trade tensions. Leading the gains was the Information Technology sector, which surged 23.2% after a weak first quarter, helping the MSCI World Index deliver its strongest quarterly performance since December 2023 with an 11.5% return in US dollar terms.

This strong performance came despite a dramatic start to the quarter, marked by “Liberation Day,” when the US announced tariffs ranging from 10% to 54% on several trading partners. The unexpectedly broad and steep tariffs triggered an 11% two-day drop in the S&P 500, sent US bond yields higher, and weakened the dollar, as investors grew concerned that the costs could eventually filter through to consumers, complicating the Federal Reserve’s inflation and interest rate outlook. However, markets quickly rebounded after the US administration paused the tariffs for 90 days and partially rolled back measures against China, easing immediate fears and helping equity markets recover. Meanwhile, Europe responded to heightened geopolitical demands, particularly around defense spending, with Germany announcing significant fiscal stimulus, including an extra €500 billion for infrastructure. This move, enabled by Germany’s low debt levels, boosted European equities, especially industrials and utilities, and strengthened the euro. Technology stocks globally regained momentum as investors became reassured that AI-related capital spending would likely translate into strong profits, exemplified by firms like Nvidia and Meta increasing their investment in data centers and AI infrastructure. The first-quarter earnings season underscored this tech dominance, with the seven largest US tech companies growing earnings by 28%, far exceeding the broader market’s 9% growth. Alternative assets also played a role, with gold delivering a 5.8% return in the second quarter and 25.9% year-to-date. Gold rallied during the tariff turmoil and remained stable even as trade tensions eased.

Benchmark composition

100% MSCI World USD Index.

All benchmark components are calculated on a total return basis i.e. dividends included and net of appropriate withholding taxes.

Note: As at 1 July 2018 the benchmark changed from the S&P Global 100 to the MSCI World.

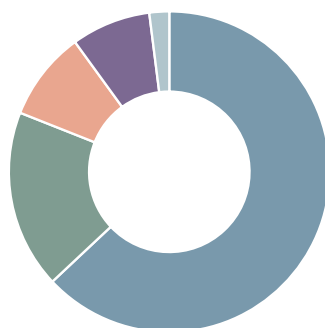
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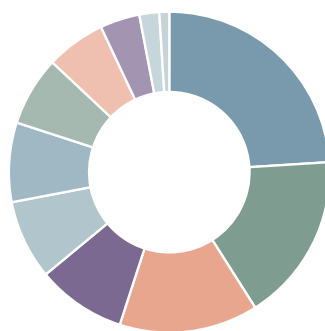
Looking ahead, Investors remain cautious as the second-quarter US earnings season approaches, with S&P 500 earnings growth projected to slow to 4% from 12% amid rising tariff-related uncertainties and potential margin pressures. Nevertheless, historical patterns of earnings outperformance could continue to support equity markets. Overall, while geopolitical and trade risks persist, resilient corporate fundamentals, particularly in technology, and supportive fiscal measures have kept global equity markets on an upward trajectory.

Geographic allocation



North America	63%
UK / European	18%
Global	9%
Japan	8%
Emerging Markets	2%

Equity sector allocation



Information Technology	24%
Financials	17%
Health Care	14%
Industrials	9%
Consumer Discretionary	8%
Communication Services	8%
Energy	7%
Consumer Staples	6%
Materials	4%
Utilities	2%
Real Estate	1%

Note: Regional index tracking products have been excluded.

Top 10 holdings

1	MICROSOFT CORP	Information Technology	4.61%
2	NVIDIA CORP	Information Technology	4.02%
3	APPLE COMPUTER INC	Information Technology	3.99%
4	ALPHABET INC CLASS C	Communication Services	2.84%
5	AMAZON COM INC	Consumer Discretionary	2.64%
6	META PLATFORMS INC-CLASS A	Communication Services	2.36%
7	NOVARTIS A G	Health Care	2.21%
8	NEXTERA ENERGY INC	Energy	2.13%
9	UNITEDHEALTH GROUP INC	Health Care	2.03%
10	SIEMENS AG	Industrials	2.02%

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