NIC

— Nova Investment Club —

Newsletter

May 2025

NIC
— Nova Investment Club —

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Foreword

This Month:

In our Macro Overview section, analysts from the Financial Markets and Private Equity Divisions will cover broad macro themes while reviewing major economic news from the past month. In our Deeper Dive section, Lorenzo Maria Lucicesare investigates key issues appearing in the global supply chain caused by recent changes to US trade policy.

Our Investment Banking Division will guide you through March's overall M&A activity. Read about Global Payments Inc. acquiring Worldpay and Merck acquiring SpringWorks. Additionally, get a detailed overview of what happened to Hims & Hers Health Inc., and read expert insight on the global impact of US President Trump's tariff policies.

Our Financial Markets Division will present the monthly results of the NIC Fund, an active relative return fund investing across three different asset classes: Equities, Fixed Income, and Commodities. The analysts will also provide commentary on each of the three major asset classes, along with Currencies, through an analysis of the past month's major market moves. The overall performance of the NIC Fund in April was positive, with a cumulative return of 1.11%.

Our Private Equity Division will cover global and European trends in private equity transactions and investments, followed by brief insights into some top deals. Read about KKR's acquisition of post-trade services firm OSTTRA and Thoma Bravo's acquisition of Boeing's Digital Aviation Solutions unit.

Macro Overview

Monthly

May 8th, 2025

Deeper Dive

Tariffs Trigger Global Chaos in Logistics

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Market Moves

Market Moves

% change

	Last Close	-1W	-3M	YTD
S&P 500	5,569	3.59%	-7.81%	-5.31%
DJIA	40,669	2.68%	-8.70%	-4.41%
Nasdaq	17,446	4.42%	-11.11%	-9.65%
MSCI World	3,881	2.46%	0.50%	4.45%
MSCI EM	3,745	0.80%	1.48%	1.77%
Russell 2000	1,964	2.34%	-14.14%	-11.93%
Euro Stoxx 50	5,160	1.21%	-2.40%	5.40%
FTSE 100	8,495	1.09%	-2.06%	3.94%
Nikkei 225	36,045	3.37%	-8.91%	-9.65%
Hang Seng	22,119	0.21%	9.37%	10.27%
Dollar Index	99.47	-0.38%	-8.21%	-8.31%
EUR/USD	1.133	0.11%	9.32%	9.41%
GBP/EUR	1.177%	0.44%	-1.63%	-2.65%
GBP/USD	1.333%	0.57%	7.54%	6.50%
USD/JPY	143.070	-0.26%	-7.81%	-8.99%
USD/CHF	0.83	-0.58%	-9.34%	-8.99%
Brent Crude	63.120	-4.54%	-17.77%	-15.43%
Gold	3,319.1	1.31%	18.01%	25.68%

Generic Bond Yields

change in bps

	Last Close	-1W	-3M	YTD
US 10Y Yield	4.162%	-21.9	-37.7	-40.7
GER 10Y Yield	2.444%	-5.3	-1.6	7.7
JPY 10Y Yield	1.317%	-2.2	7.2	21.6
UK 10Y Yield	4.441%	-11.1	-9.7	-12.7
PT 10Y Yield	3.003%	-4.8	12.5	15.5

**Source: Bloomberg, as of 2025-04-30*

In Focus

April

US-China trade war erupts amid tariff escalation. Following Trump's 2nd of April "Liberation Day" tariffs, China hit back with matching 34% duties and rare earth export controls. The escalation led to successive tariff hikes, with the US raising duties to 50%, 125%, and eventually 145%. China responded in kind, increasing its tariffs to 84% and then 125%, stating it would not raise them further. In late April, Trump claimed negotiations were underway, suggesting tariffs could be reduced if a deal were reached. However, Beijing has since denied that formal talks are taking place.

US pauses higher tariffs on trading partners, easing stock market woes. Just 13 hours after higher tariffs on 56 countries and the EU took effect, and four hours after posting on Truth Social that "THIS IS A GREAT TIME TO BUY", President Trump announced a 90-day pause, in which tariffs would temporarily revert to the prior 10% baseline rate for all countries except China. The S&P 500, which had fallen 11.65% since "Liberation Day", responded with a 9.5% single-day gain, its 8th-largest on record, while Goldman Sachs subsequently retracted its US recession forecast.

IMF downgrades its global outlook on GDP and trade growth. At its Spring Meetings, the IMF cut its 2025 global growth forecast to 2.8%, down 0.5 pp from January, and revised global trade growth expectations down by 1.5 pp to just 1.7%. Inflation is now expected to average 4.5% in 2025, up from earlier estimates. The IMF attributed its revisions to century-high tariffs, which are impacting nearly every major economy, policy paralysis ahead of the 90-day negotiation deadline, an investment freeze and rising institutional distrust.

ECB cuts rates further amid growth risks. The ECB cut its deposit facility rate by 25 bps to 2.25% in April, marking its seventh cut since last June. The word "restrictive" was notably dropped from its statement in relation to the monetary-policy stance, while President Christine Lagarde warned of rising downside risks to growth and uncertainty from US tariffs. Following the decision, the Eurozone Services PMI fell to 49.7, contracting for the first time since 2023. Previously the EU's engine of growth, the sector is stalling amid softening demand and a plunge in confidence.

US and Ukraine sign resources deal. The US and Ukraine have signed an agreement granting the US priority access to new projects developing Ukraine's natural resources. Under the deal's terms, a joint investment fund will be established, with the US holding first claim on transferred profits. US Treasury Secretary Scott Bessent framed the deal as a commitment to Ukrainian sovereignty, while Trump stated that America's presence would deter "bad actors". The focus will now shift to peace negotiations, with the US envoy in Moscow yet to secure a lasting ceasefire.

Carney's Liberal Party win the Canadian election. Mark Carney's Liberals emerged victorious in Canada's 2025 Federal Election in a dramatic turnaround for the party, narrowly winning a fourth consecutive term with 168 seats – 4 short of a majority. The former Governor of both the BoC and BoE led a campaign dominated by tensions with a Trump-led US, capitalising on patriotic backlash to tariffs and Trump's taunts about Canada becoming the "51st state". Carney now faces a divided Parliament, a potential trade war with the US, and mounting economic challenges.

Adam Green
Financial Markets Division

Deeper Dive

Tariffs Trigger Global Chaos in Logistics

Lorenzo Maria Lucicesare
Private Equity Division

"Trade has turned from a stable backdrop into a daily risk variable"

– Annika Sørensen, Head of Strategy, Scan Global Logistics

"We are no longer planning for peak efficiency, but for minimum viable continuity"

– James Wells, COO, TransOcean Group

"We are seeing clients abandon five-year plans – they are now operating in rolling six-months cycles"

– Daniel Reyes, Partner, Global Supply Chain Practice, BCG

The global shipping industry is once again at the mercy of geopolitics. Following President Trump's return to office in 2024, a new wave of aggressive tariffs, marketed as "Liberation Day Tariffs", has hit global trade routes with full force. The measures, targeting hundreds of billions in Chinese and European goods, are disrupting supply chains and triggering volatility across shipping lanes. Trade-dependent sectors are reeling. As logistics systems strain under inconsistent customs protocols and soaring insurance costs, operators face a logistics environment arguably more fractured than during the pandemic era. The Baltic Dry Index fell 13.7% within weeks, while trans-Pacific container rates surged by over 20%. The fallout is acute, sudden, and systemic

Carriers and freight forwarders are reporting a c. 37% increase in customs delays at US entry points. Warehousing prices have spiked as importers scramble for storage amid stalled clearances. Major firms, including Walmart and Ford, have flagged the mounting logistics bill, noting rerouting and compliance now account for over 8% of landed costs. Claims for cargo detention and missed delivery obligations have surged. Port operators, especially in Los Angeles and Savannah, are facing logjams unseen since early 2021. Electronics and automotive are particularly exposed, given their reliance on complex global value chains. The cost of repositioning containers and securing backup routes is being passed downstream.

According to S&P Global, the tariff escalation could subtract 0.4 pp from global GDP growth by 2026. Trade corridors are in flux, with some Asian exporters turning to South America or ASEAN alternatives. For multinationals, uncertainty is the new constant. Earnings calls from industrial bellwethers reflect the stress: inventory buildups, order delays, and capex reallocation. Trump's unpredictability is distorting both short-term execution and long-term network planning. As a response, firms are rethinking supplier footprints. But nearshoring is slow, costly, and requires new infrastructure. Until then, volatility will define the logistics landscape, with implications for retail margins and manufacturing timelines worldwide.

For private equity, the picture is mixed. Mid-size logistics players are increasingly exposed. Many lack the balance sheet to weather sustained tariff-induced dislocation. Consolidation may accelerate, offering entry points for logistics roll-ups or cross-border integrations. Meanwhile, infrastructure-focused funds are watching closely: reshoring and domestic supply chain ambitions may unlock new port and rail investments. However, deal risk is high. Revenue forecasts tied to trade throughput have grown fragile. With base rates still above 5%, leveraged buyouts in this space are tricky. Some dry powder is being repositioned toward digital freight solutions and warehouse tech, yet timing remains critical.

One long-term consequence is the acceleration of regionalisation. Companies are expanding footprints in Mexico, Vietnam, and Eastern Europe to de-risk global exposure. However, friend-shoring comes with operational inefficiencies and upfront investment. Network complexity increases, scale economies fall, and vendor management becomes more taxing. To cope, players are investing in real-time tracking, AI-powered forecasting, and advanced cargo analytics. However, these are long-horizon plays. For now, the market operates in defensive mode - reactive, fragmented, and politically charged. Supply chain resiliency is no longer theoretical. It is a line item on board agendas and a critical variable in capital allocation.

Lorenzo Maria Lucicesare
Private Equity Division

Macro Overview

Economic Calendar

Economic and Political Events

Australian Federal Election

Australian Prime Minister Anthony Albanese was re-elected with an expanded majority on the **3rd** of May, marking Labor's biggest win since 1946 and the first back-to-back victory in 21 years. The result gives his government a rare mandate to tackle economic reform.

European Political Community Summit

The sixth European Political Community Summit will be held in Albania on the **16th** of May. The summit, announced by UK PM Keir Starmer, is expected to focus on strained US-EU relations and will gather top European leaders and EU officials.

Portuguese Legislative Election

Portugal will hold an early election on the **18th** of May, its third in three years, after parliament toppled Prime Minister Luis Montenegro's minority government in a March confidence vote. Montenegro's AD coalition led the opposition Socialists by 6.8 pp in an early-May opinion poll.

Central Bank Decisions

Bank of Japan Interest Rate Decision

The Bank of Japan kept rates on hold at 0.50% on the **1st** of May, with Governor Kazuo Ueda striking a dovish tone amid rising caution over US tariffs. The central bank will require two conditions for resuming rate hikes: easing trade tensions and strong domestic inflation momentum.

US Federal Reserve Rate Decision

On the **7th** of May, the US Federal Reserve is expected to hold rates at 4.25% - 4.50%, with CME's FedWatch tool assigning the outcome a c. 98% probability. Despite Trump's pressure to cut and slowdown fears, strong jobs data and easing inflation support the decision.

Bank of England Interest Rate Decision

On the **9th** of May, the Bank of England is expected to cut its key interest rate by 25 bps to 4.25%. With trade and policy uncertainty elevated, a loosening labour market and softer pay growth may prompt a dovish pivot by the Monetary Policy Committee.

Inflation and Deflation

Update on Euro Zone Inflation

April inflation data for the euro area was published on the **2nd** of May, with both headline and core inflation outpacing forecasts. Core inflation, in particular, spiked to 2.7%, up 50 bps from March, driven partly by services inflation, which rose 40 bps from March.

US Consumer Price Index

US CPI data is due on the **13th** of May, with headline inflation expected to ease by 20 bps to 2.4%, while core inflation is expected to hold steady at 2.8%. The release follows April's advanced estimate of QoQ Core PCE, which jumped to 3.5% from 2.6% in the previous period.

UK Inflation Rate

March CPI data in the UK will be released on the **21st** of May, with headline inflation forecasted to rise by 3.3% YoY, a sizeable 70 bps increase from February. This is despite a recent Bloomberg survey showing lower 12-Month inflation expectations amid tariff concerns.

Labour Market

US Employment Readings

On the **2nd** of May, the US jobs report for April was released. Non-Farm Payrolls increased by 177,000, down from March but above forecasts, with unemployment unchanged at 4.2%. Economists warn that layoffs may rise in the short term as uncertainty puts a halt to expansion plans.

Canadian Unemployment Rate

Canada's unemployment rate will be published on the **9th** of May, and is expected to rise by 10 bps to 6.8%, while employment is forecast to rebound with 12,000 jobs added after a 33,000 drop in March – the first decline since January 2022.

UK Labour Market

UK labour data for the three months ending March will be released on the **13th** of May. February's unemployment reading remained stable at 4.4%, while private sector pay growth held unchanged at 5.9%, following a downward revision to January's figure.

Adam Green
Financial Markets Division

Investment Banking

M&A

Overall Activity

Global

Global M&A activity lost momentum in April 2025, with deal volume falling to USD 254.7 bn, a sharp 48.80% decline MoM and a 0.77% decrease YoY. This downturn was driven more by a significant drop in deal values than by the number of transactions, which fell by 11.27% MoM. The decline in total volume, despite a relatively stable deal count, suggests a fading appetite for large-scale transformational transactions following a strong close to the first quarter. Notably, the average premium declined to 10.27% from 14.96% in March 2025, indicating a continued focus on valuation discipline amid sustained activity. Two high-profile transactions underscore this trend: Global Payments' USD 24.3 bn acquisition of Worldpay stood out as the largest deal of the month, reflecting strong confidence in the payments and financial services sector. Meanwhile, Thoma Bravo's USD 10.6 bn purchase of Digital Aviation Solutions (a Boeing subsidiary) further illustrated the shift toward more conservative deal sizes.

Selected Regions

North America

M&A activity in North America experienced a pronounced decline, with deal volume dropping to USD 140.0 bn, a steep 51.62% decrease MoM, though still reflecting a modest 2.27% increase YoY. The sharp contraction in both deal count and value indicates that March's resurgence of mega-deals was short-lived. Nonetheless, the technology sector remained particularly active, underscoring ongoing strategic interest in key high-growth areas.

EMEA

M&A activity in the EMEA region saw a marked decline in April 2025, with deal volume falling by 40.46% MoM to USD 59.2 bn. This downturn was accompanied by a 16.14% MoM drop in deal count, reflecting the broader global trend of weakening transaction momentum. On a YoY basis, both deal volume (-10.64%) and deal count (-19.72%) registered modest declines, underscoring a persistently cautious dealmaking environment across the region.

APAC

APAC's M&A activity saw a renewed slowdown in April, with deal volume falling to USD 49.6 bn, down 48.94% MoM, yet up 2.83% YoY. The YoY increase was largely driven by a handful of outsized transactions, as deal count declined 0.48% YoY, suggesting concentrated activity rather than broad-based market participation. This modest rebound likely continues to reflect improving macroeconomic sentiment, particularly in China and Southeast Asia.

M&A

Deals of the Month

Announced Date	Target	Buyer	Target Region	Target Business	Value[1] (USD m)	Premium (%)
17 Apr 25	Worldpay Inc	Global Payments Inc	US	Financials	24,250.00	
17 Apr 25	Issuer Solutions business/Global Payments Inc	Fidelity National Information Services Inc	US	Technology	13,500.00	
22 Apr 25	Digital Aviation Solutions/Boeing Co	Thoma Bravo LLC	US	Industrials	10,550.00	
22 Apr 25	Baloise Holding AG	Helvetia Holding AG	SW	Financials	10,142.07	-0.62
30 Apr 25	TWG Global Inc	Mubadala Capital	US	Industrials	10,000.00	
03 Apr 25	Colonial Pipeline Co	Brookfield Asset Management Inc Manager	US	Energy	9,000.00	
27 Apr 25	Banca Generali SpA	Mediobanca Banca di Credito Finanziario SpA	IT	Financials	7,023.14	9.72
07 Apr 25	Louisiana liquefied natural gas export facility	Stonepeak Partners LP	AU	Energy	5,700.00	
02 Apr 25	Dotmatics Ltd	Siemens AG	UK	Technology	5,100.00	
04 Apr 25	Unnamed Target	Blackstone Inc	US	N.A.	4,925.90	

Note: 1. Sum of the announced equity value and net debt.

Anna-Lena Rost
Investment Banking Division

M&A: Top Deals

Global Payments Inc. to Acquire Worldpay

On the 17th of April, Global Payments Inc. announced its acquisition of Worldpay from private equity firm GTCR and Fidelity National Information Services (FIS) in a transaction valued at USD 24.3 bn, including debt. The deal is structured as a mix of cash and stock and is expected to close in H1 2026. Simultaneously, the company announced to sell its Issuer Solutions business.

Buyer vs Seller

Global Payments Inc., a leading worldwide provider of payment technology and software solutions, serves over 4 m merchants globally. Worldpay, a major player in card payment processing with a strong presence in e-commerce and omnichannel retail, was majority-acquired by GTCR from FIS in 2023. This prior relationship set the stage for the current transaction. In this deal, Morgan Stanley advised GTCR, while Wells Fargo acted as financial advisor to Worldpay, and Goldman Sachs to FIS.

Industry Overview

The digital payments market has an expected global transaction value of USD 20.1 tn in 2025 and is expected to reach 38.1 tn by 2030 with a CAGR of 13.63%. Key growth drivers include accelerated digital adoption, the rise of embedded finance as well as AI and blockchain. Simultaneously, political and macroeconomic pressures have triggered increased oversight, particularly around data governance, AML compliance, and digital asset regulation.

Peers	Currency	Market Cap (USD m)
Encore Capital Group Inc	USD	808.96
PRA Group Inc	USD	726.98
OTC Markets Group Inc	USD	528.46
Pangaea Logistics Solutions Ltd	USD	264.54
MarketWise Inc	USD	218.87

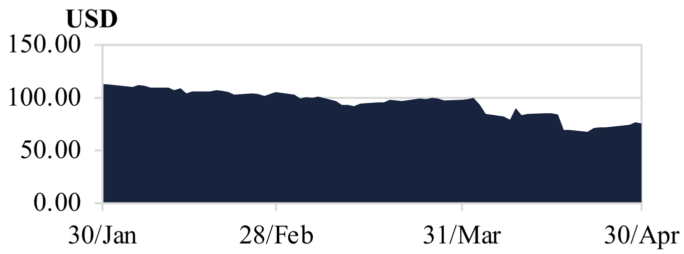
Deal Rationale

The deal is expected to be accretive to Global Payments' adjusted EPS within the first year post-closing. Management estimates c. USD 600 m in anticipated cost synergies and at least USD 200 m in revenue synergies, stemming from cross-selling, technology integration, and operational streamlining. Enhanced global scale and product breadth should unlock efficiency gains and deeper customer penetration. The combined firm will serve over 6.0 m customers, processing USD 3.7 tn annually, positioning it as a global leader in merchant acquiring and omnichannel commerce solutions.

Market Reaction

Global Payments Inc.

Following the announcement, Global Payments Inc.'s stock plummeted by 17.31%, reflecting investor concerns over the deal's complexity and potential integration risks.



Worldpay

The company has undergone significant ownership changes in recent years. In 2019, FIS acquired Worldpay for c. USD 43 bn. However, in July 2023, FIS sold a c. 55% majority stake in Worldpay to private equity firm GTCR for USD 11.7 bn, valuing the business at USD 18.5 bn. GTCR reinstated former Worldpay CEO Charles Drucker to lead the company, aiming to revitalise its growth. Under GTCR's ownership, Worldpay's annual growth increased from significantly, setting the stage for its subsequent acquisition by Global Payments Inc. in 2025 for USD 24.3 bn.

Future Challenges

The deal is contingent on regulatory approvals and customary closing conditions, with completion expected in 2026. Potential challenges include customer overlap and limited incremental growth in mature markets, raising concerns of cannibalisation. Additionally, intense competition and pricing pressure in the global payments space may challenge synergy realisation.

Leandra Borsch
Investment Banking Division

M&A: Top Deals

Merck to Acquire SpringWorks

On the 28th of April, Merck KGaA announced its acquisition of SpringWorks Therapeutics for USD 3.9 bn (equity value) in an all-cash deal. SpringWorks shareholders will receive USD 47.00 per share. The transaction, unanimously approved by both boards, is expected to close in the second half of 2025, with Merck fully integrating SpringWorks into its healthcare portfolio.

Buyer vs Seller

Merck KGaA based in Darmstadt, Germany, is a leading science and technology company operating in healthcare, life science, and electronics, with a global presence in over 70 countries. SpringWorks Therapeutics, Inc., based in Stamford, Connecticut, is a clinical-stage biopharmaceutical company focused on developing innovative therapies for rare diseases and cancer, with approved treatments targeting neurofibromatosis type 1 and desmoid tumors, emphasising precision medicine and unmet medical needs.

Industry Overview

The global healthcare industry, valued at USD 21.2 tn in 2023, is projected to grow at a 9.07% CAGR, reaching USD 44.76 tn by 2032. Growth is driven by rising demand, aging populations, innovation, and broader access to care. Oncology and rare disease therapeutics remain high-growth segments, attracting investment and strategic acquisitions. Merck and SpringWorks are well positioned to capitalise on these trends with targeted therapies addressing critical medical needs.

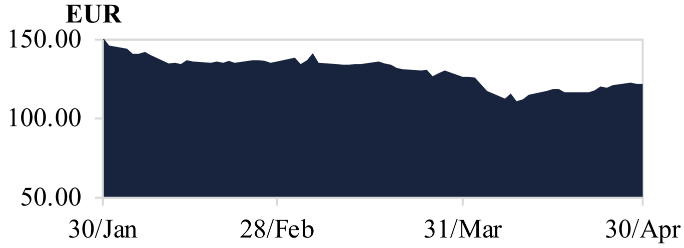
Peers	Currency	Market Cap (USD m)
Soleno Therapeutics	USD	3,744.12
Ultragenyx Pharmaceutical	USD	3,659.27
Akero Therapeutics	USD	3,610.27
Arcellx	USD	3,608.91
Viking Therapeutics	USD	3,213.74

Deal Rationale

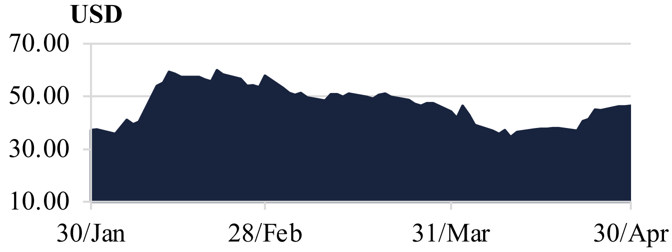
The acquisition strengthens Merck's position in oncology and rare disease therapeutics. The deal is expected to be accretive starting in 2027, driven by strategic synergies, expanded innovation capabilities, and enhanced presence in the US biopharmaceutical market. Through the integration of SpringWorks' targeted therapies, including approved treatments for desmoid tumors and neurofibromatosis type 1, Merck will broaden its oncology portfolio and accelerate its growth strategy in healthcare. The acquisition is expected to create long-term value and reinforce Merck's competitiveness in therapeutic areas.

Market Reaction

Merck
Following the acquisition announcement, Merck KGaA's stock saw a modest rise of c. 1.2%, reflecting positive investor sentiment with stable performance in subsequent trading.



SpringWorks
After the acquisition announcement, SpringWorks' stock rose sharply, aligning with the USD 47.00 per share offer, and remained stable near that level in the following days.



Future Challenges

The completion of the Merck-SpringWorks acquisition is not expected to face major regulatory hurdles due to limited portfolio overlap. Key challenges may include integration risks, talent retention, pipeline execution, and competitive pressure in the oncology space, potentially impacting synergy realisation and long-term growth targets.

Tim Schröder
Investment Banking Division

What Happened To

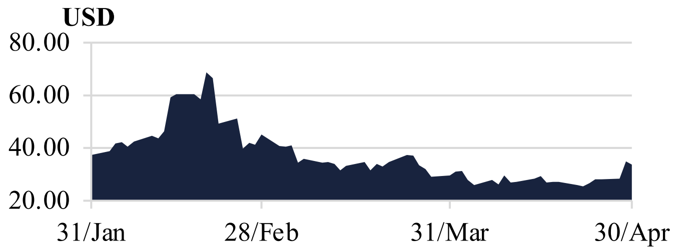
Hims & Hers Health Inc.

Hims & Hers Health, Inc. is a US-based publicly traded telehealth company offering direct-to-consumer prescription and over-the-counter treatments in areas such as mental health and weight management. Founded in 2017 as part of the Atomic Labs portfolio, Hims & Hers raised c. USD 100m in their Series C round, before going public at a valuation of USD 1.6 bn in 2021.

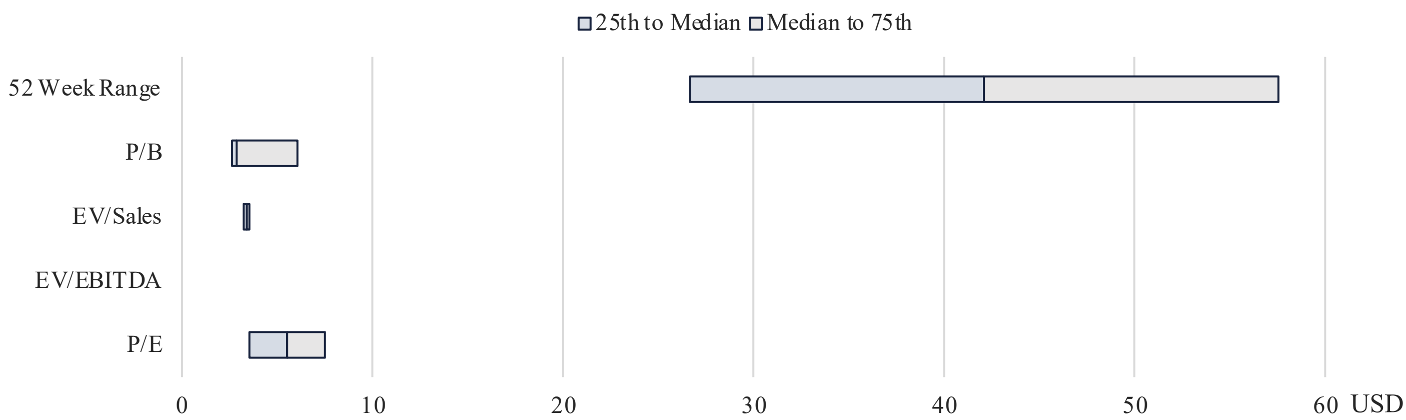
Corporate News

Hims & Hers Health, Inc. closed up 23.03% on the 29th of April 2025, after announcing a strategic partnership with Novo Nordisk to offer the weight-loss drug Wegovy via its telehealth platform. The deal allows patients to access Wegovy through Novo Nordisk's online pharmacy, NovoCare, with treatment bundled into a monthly membership package priced from USD 499.00. The announcement triggered the stock to surge from recent lows near USD 27.70 to USD 37.94, marking a sharp recovery from a c. 45% year-to-date decline. Novo Nordisk shares rose about 3% following the announcement. The GLP-1 market, led by Novo Nordisk's Wegovy and Eli Lilly's Zepbound, has become one of the most competitive areas in healthcare. With Eli Lilly expanding its direct-to-consumer efforts, partnering with platforms like Ro, the Hims & Hers partnership is a strategic win for Novo Nordisk to defend its market share in the GLP-1 segment.

Price (30 Apr 25, USD)	33.66
Target Price (USD)	40.00
3M Performance	-9.72%
Market Cap (USD m)	7,527.45
Enterprise Value (USD m)	7,238.55
**Target Price is for 12 months*	



Valuation Analysis



The partnership comes after the FDA restricted the use of compounded GLP-1 drugs, which Hims & Hers had previously offered through third-party pharmacies during shortages of branded medications. With supply now normalised, Hims & Hers has shifted to a compliant, branded option through its partnership with Novo Nordisk. Analysts from Morgan Stanley have pointed to early indicators such as increased app traffic and patient engagement as a potential signal of future topline momentum.

The partnership with Novo Nordisk represents a clear step forward for Hims & Hers. By moving away from reliance on compounded drugs and securing access to a trusted, branded medication, the company addresses both regulatory and competitive challenges. As demand for GLP-1 treatments continues to rise, Hims & Hers is now better positioned to capitalise on the opportunity, as a healthcare provider.

Peers	Currency	Market Cap (Cur m)
Kolon TissueGene Inc	KRW	3,106,056.02
CVS Health Corp	USD	83,898.03
Walgreens Boots Alliance Inc	USD	9,469.05
Redcare Pharmacy N.V.	EUR	2,681.4
Wellgistics Health Inc	USD	226.2

Lilly Baltruschat
Investment Banking Division

NIC's View On
The Global Impact of Trump's Tariff Policies

Simon Steinbrech
Investment Banking Division

"But this is not the first time ever that the United States and Europe are negotiating over tariffs, so I don't think we're anywhere near a crisis moment."

– Jörg Kukies, German Finance Minister

After weeks of speculation, Donald Trump's tariff agenda has officially taken hold, sending tremors through global markets and reigniting fears of a worldwide trade war. In a Rose Garden address on April 2nd, Trump confirmed plans to impose a minimum 10% tariff on all US imports, with additional duties on approximately 60 countries deemed to hold significant trade imbalances with the US, including China, the EU, Japan, and Vietnam.

Framed as part of a broader strategy to revitalise domestic manufacturing and correct what Trump calls "non-reciprocal" trade relationships, these tariffs mark the most aggressive US protectionist turn in decades. While some nations were set to face a flat 10% tariff, others, such as China (34%), Vietnam (46%), and the EU (20%), have been hit with substantially higher rates on April 2nd.

Despite initial confusion and hope that the levies would be moderate, investor optimism quickly faded. Equity markets plunged immediately following the announcement, leading to the S&P 500's worst day since 2020 and erasing over USD 2.0 tn in market value. Treasury yields also fell sharply while the US dollar weakened against major currencies. Amid the economic fallout, consumer sentiment also took a hit as polls indicate that a majority of Americans believe the tariffs are worsening their cost of living.

China, in particular, has responded strongly to the newly introduced trade measures. After Trump doubled tariffs on Chinese goods to a cumulative 145%, Beijing raised its own levies to 125%, targeting sensitive US exports such as semiconductors and agricultural products. The European Union, meanwhile, has seen little headway in trade talks with the US as many US-tariffs on EU goods, especially in the automotive and metal industries, are expected to stay in place, prompting the EU to prepare retaliatory measures should negotiations fail.

Trump has since begun to soften elements of his trade agenda, following days of mounting backlash from industry and global markets. The White House announced a 90-day pause on the rollout of most "reciprocal" tariffs, except those targeting China, amid concerns about economic overreach on April 9th. Days later, the administration furthermore introduced a two-year relief mechanism for automakers, allowing tariff offsets on imported parts and shielding them from overlapping tariffs on metals and North American trade. While officials described the measures as transitional, they represent a clear shift from the administration's initial stance on global trade.

The cumulative effect has been sharp: markets are volatile, global growth forecasts are being revised downward, and businesses across sectors are pausing investments. With Trump doubling down and key trading partners digging in, few expect a quick resolution. As with previous trade flare-ups, markets and policymakers are bracing for an extended period of economic tension, one that could reshape the architecture of global trade for years to come.

Date	Recent News
30 Apr 25	'We don't care': A defiant China looks beyond Trump's America. **Source:** *bbc.com*
29 Apr 25	Trump eases car tariffs after firms raised concerns. **Source:** *bbc.com*
09 Apr 25	Trump announces 90-day pause on 'reciprocal' tariffs with exception of China. **Source:** *edition.cnn.com*
02 Apr 25	Trump unveils global reciprocal tariffs. **Source:** *reuters.com*

Simon Steinbrech
Investment Banking Division

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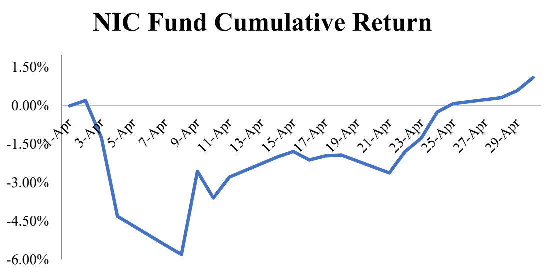
NIC Fund

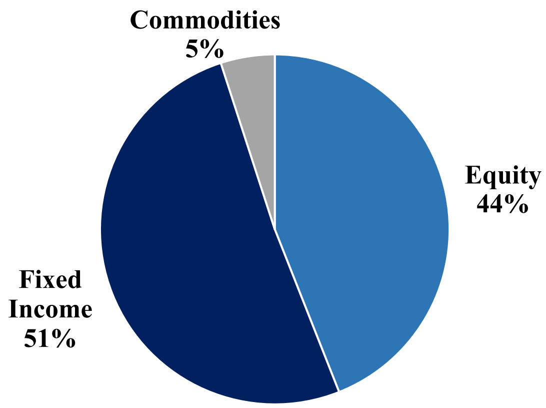
NIC Fund

Portfolio Overview



Portfolio Snapshot

In April, the NIC Fund remained invested in Equities, Fixed Income and Commodities. Specifically, 44% of our fund remained devoted to Equities, 51% to Fixed Income and 5% Commodities. The Equity allocation remained the same, with 55% being devoted to indices, while the remainder was allocated to individual stocks using an equally weighted strategy. For Commodities, over half was allocated to Gold via the Goldman Sachs Physical Gold ETF.

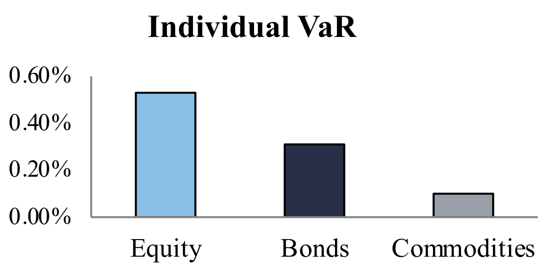


Portfolio Statistics	
Cumulative Return	1.11%
Annualized Return	13.32%
Daily St. Dev	4.17%
Period St. Dev	19.11%
Annualized St. Dev	66.20%
Info Sharpe	0.20
Skew (Monthly)	0.10

Benchmark	
iShares 3-7 Year Treasury Bonds	40%
SPDR S&P 500 ETF Trust	40%
Invesco DB Commodity Index	10%
iShares JP Morgan USD Emerging Markets Bond Index ETF	10%

Return Metrics

The portfolio's overall performance was positive, with a cumulative return of 1.11%. The best performers were equities, contributing with a positive return of 0.77%, followed by bonds, which contributed a return of 0.34%. Commodities were flat (0.00%). The equity portfolio consists of 34 individual stocks such as Goldman Sachs Group Inc. (GS US), Intuitive Surgical Inc. (ISRG US), Tapestry Inc. (TAP US) and Ferrari S.p.A (RACE IM). The top-performing stocks were Netflix Inc. and 3i Group plc. with returns of 21.90% and 19.95%, respectively, while EOG Recourses Inc. had the poorest performance, with a return of -13.91%. The remaining part of the equity portfolio is invested funds such as the MSCI World index fund, as well as other ETFs. The best performing ETFs were the FTSE 100 Index and iShares 3-7 Year Treasury Bond ETF with returns of 2.01% and 1.17%, respectively.



Risk Metrics

In terms of risk, our portfolio registered a relatively high daily VaR of 0.62%. As a result, this metric remained significantly below the maximum established threshold of 2.5%.

Equities were the asset class with the highest individual VaR, which was around 0.53%. Bonds and Commodities VaR's were clearly lower at 0.31% and 0.04% respectively.

Peter Meszaros
Financial Markets Division

NIC Fund

Assets in Brief

Asset Class	Symbol	Comments
US Equity	**PLTR**	Palantir's stock surged 40.33% in April due to strong earnings, with six consecutive quarters of accelerating revenue growth. Investor optimism was fueled by growing demand for AI capabilities and strong US commercial traction. Anticipation ahead of Q1 earnings in early May added to the rally. Despite valuation concerns, confidence in Palantir's AI leadership and government ties drove strong market interest throughout the month.
US Equity	**NFLX**	Shares in Netflix rallied 21.36% in April, reaching an all-time high above USD 1,131.72 following the company's Q1 earnings report on the 17th of April. The company's strong performance was driven by a 13% year-on-year increase in revenue and a 24% rise in net income, beating analysts' expectations. The growth was attributed to higher subscription prices and the success of its ad-supported tier.
US Equity	**CVS**	CVS Health's share price rose 5.92% on the 8th of April after the Centers for Medicare & Medicaid Services announced an increase in payments to Medicare Advantage plans for 2026. The share price reached a 52-week high of USD 70.18 on the same day. In addition, the appointment of Brian Newman as CFO was well received and contributed to the positive performance.
US Equity	**PM**	Philip Morris International showed strong momentum in April, up 7.96% MoM, being one of the best performing stocks in the S&P 500 with a YTD gain of 42.4% by the end of the month. The rally was driven by solid earnings and growing investor confidence in the company's transition to smoke-free and reduced-risk products.
US Equity	**MELI**	MercadoLibre delivered an impressive 19.48% gain in April, closing the month at a record of USD 2,330.85. The rally was powered by blockbuster Q4 results, with revenue jumping 37% and EPS soaring 286%. Confidence was further lifted by a bold USD 5.8 bn investment in Brazil, its largest market, to expand logistics and tech infrastructure. Lastly, strong growth anticipation for Q1 2025 earnings rounded out the bull case.
UK Equity	**III**	3i Group gained 17.09% in April. The surge was largely driven by strong performance at its portfolio company, Action, which saw a 17% sales increase. Investor sentiment was further lifted as Action resolved earlier supply chain issues, restoring operational momentum. Adding to the tailwinds, the broader market rally, highlighted by a 3.04% gain in the FTSE 100 Index on the 10th of April, reflected growing investor confidence.
US Equity	**AMZN**	Amazon saw its shares fall by 3.07% in April, closing at USD 184.42. The drop was driven by new US-China tariffs, increasing the cost of goods sold on Amazon's platform, particularly those sourced from China, leading to concerns about potential price hikes for consumers and compressed profit margins. This current tariff situation led AMZN to give a cautious Q2 guidance, even as earnings surpassed investor expectations.
US Equity	**NKE**	Nike's stock experienced a significant decline of 11.15% in April. The decline was enforced by the imposition of steep tariffs on imports from key manufacturing countries: 46% on Vietnam, 32% on Indonesia, and 34% on China, affecting Nike, as a substantial portion of its products are sourced from these regions.
US Equity	**CVX**	Chevron Corporation stock price decline by 18.67%. The decline was driven by a sharp drop in oil prices to USD 58 per barrel and Q1 earnings being down 36% YoY, with weaker upstream results. Moreover, Chevron cut its share buyback program and faced legal issues over the Hess deal. Lastly, trade policy uncertainty and broader market volatility added pressure on the stock.
EU Equity	**SON**	Sonae SGPS SA was up 5.46% in April, ending the month at EUR 1.12. Sonae was ranked among the top 100 companies globally for corporate start-up activity, boosting its reputation for innovation and long-term strategy.

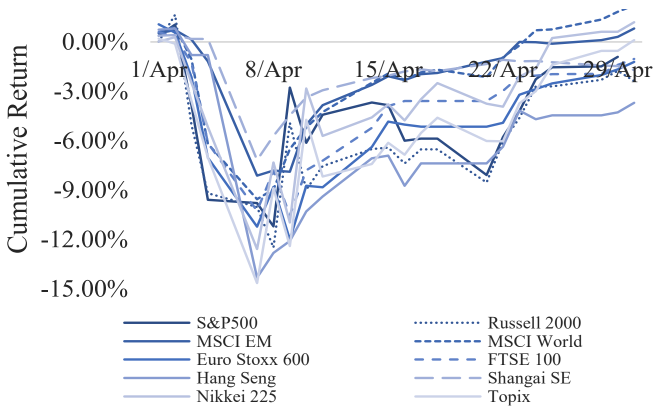
Peter Meszaros
Financial Markets Division

NIC Fund

Equities

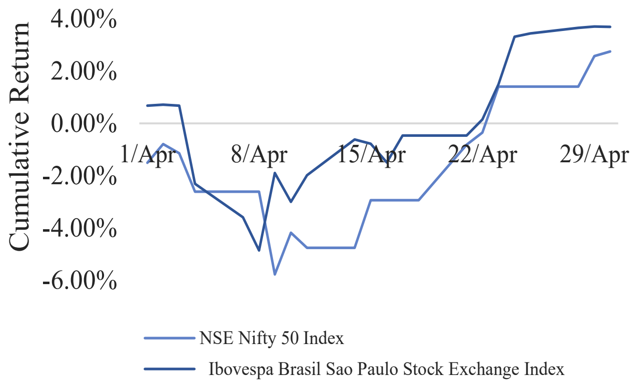
World Equities

After a wild ride, US equity indices ended little changed in April. The S&P 500 slipped –0.76% MoM to 5569.06 , while the tech-heavy Nasdaq-100 posted a 1.52% gain MoM to close April at 19,571.02. European equities sank for a second straight month. The STOXX Europe 600 slid 1.21% in April, weighed down by trade uncertainties and a sharp selloff in commodity-related stocks. Despite a late-month bounce, the FTSE 100 closed April down 1.02%. At the sector level, defensive sectors proved relatively resilient in Europe, with the MSCI Europe Utilities Sector Index and MSCI Europe Aerospace & Defense Sector Index up 4.64% and 5.41% MoM respectively. Asian markets were mixed. Japan's Nikkei 225 eked out a 1.20% gain, showing relative strength as a weaker yen and hopes of trade diversion helped support Japanese exporters. In contrast, Hong Kong's Hang Seng Index tumbled about 4.33% MoM to close at 22,119.41, making it one of April's worst performers as trade tensions hit Chinese tech and finance shares. China's mainland indices also lagged, with sentiment hurt by tariff impacts despite some policy support.



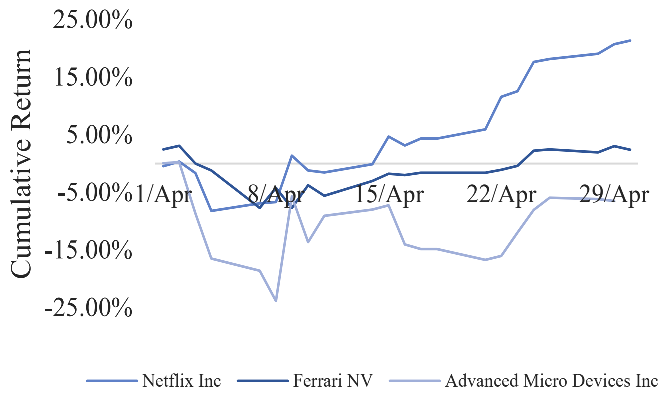
In Depth: Emerging Marktes Resilience

A striking theme in April was the outperformance of key emerging markets even as developed markets faltered. After the initial sell-off following US tariff announcements, several EM equity indices rallied strongly. For example, NSE Nifty 50 Index gained 3.46% MoM, and Brazil's Ibovespa Index rose 3.69%, both rebounding past their pre-tariff levels. Investors appeared to rotate into select emerging markets, betting that EM economies might benefit from trade diversion or domestic growth drivers. Notable EM stocks also jumped, with Indian IT and consumer shares hitting multi-month highs.



Our Performance

In April, equities' contribution to the overall portfolio performance was positive, with 0.77% cumulative return. Netflix posted a major earnings beat, as revenue grew 13% during the first quarter of 2025. The streamer attributed its better-than-expected revenue to higher-than-forecast subscription and advertising dollars. As investors worry about the potential impact of tariffs on consumer spending and confidence, Netflix's co-CEO Greg Peters emphasised on the company's earnings call that "Based on what we are seeing by actually operating the business right now, there's nothing really significant to note." The stock ended the month up 21.19%. Ferrari was a standout gainer, up 7.46% MoM. The luxury automaker's stock accelerated on robust demand outlook and optimism around its upcoming results. Shares rallied especially in early April as investors placed bets that high-end consumer spending would remain resilient. Semiconductor stocks were hit hard in April, with Advanced Micro Devices among the weakest. The company's share price sank 6.50% MoM with the chipmaker delivering a mixed outlook and growing investor worries about a decline in AI capex.



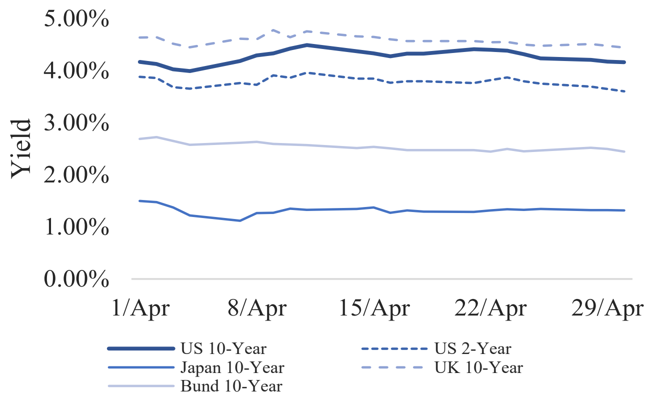
Pascal Naumann
Financial Markets Division

NIC Fund

Fixed Income

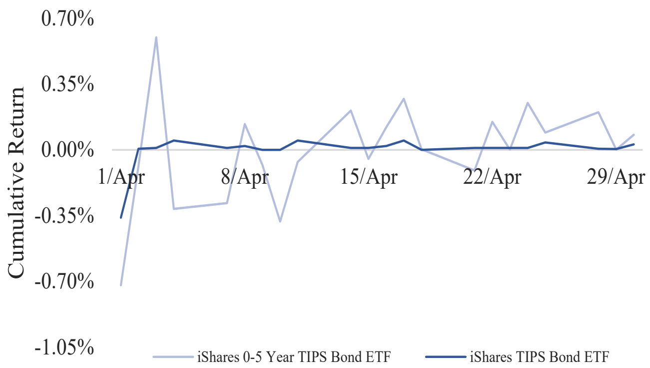
World Yields

In April, global Fixed Income markets were shaped by heightened uncertainty stemming from newly announced US tariffs and rising stagflation risks. Investors flocked to safe-haven assets, leading to a divergence in sovereign bond performance. US Treasuries saw modest gains, with the 10-Year and 2-Year notes returning 0.33% and 0.47% MoM respectively, as the Fed remained on hold while easing quantitative tightening. The German 10-Year Bund gained 2.57% MoM, driven by haven buying as domestic stocks struggled, while yields on 2-Year Bunds fell to their lowest level since October 2022. The UK 10-Year Gilt also experienced gains, climbing 1.90% MoM amid cooling inflation and a reduced supply of long-dated issuance. Japanese 10-year bonds gained 1.63%, with 10-Year futures notching their largest weekly gain since 1987 escalating US tariffs reignited fears over global growth and triggered a sharp repricing of Bank of Japan policy expectations. The benchmark 10-Year yield fell 20 bps after President Trump announced across-the-board tariff hikes, including higher charges on Japanese exports. The move raised uncertainty around Japan's economic outlook and reduced the likelihood of imminent rate hikes, with overnight-indexed swaps no longer pricing in a May policy tightening. The shift in expectations sparked a sharp reversal in bond positioning, catching short-sellers off guard and reinforcing a flight to safety amid rising external risks.



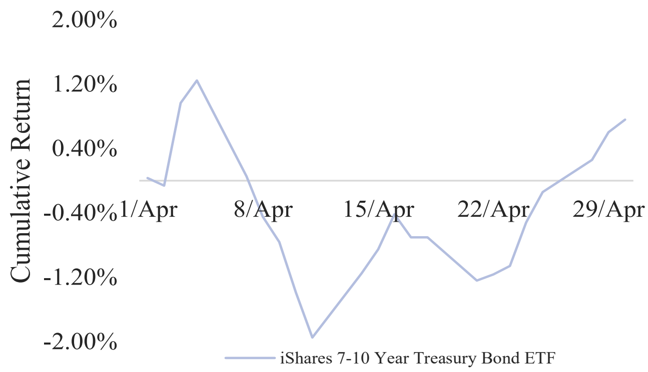
In Depth: US TIPS

US Treasury Inflation Protected Securities (TIPS) posted modest gains amid growing economic uncertainty and shifting inflation expectations. Shorter-dated TIPS outperformed longer-dated ones, with 1-5 Year US TIPS posting a monthly return of 0.9% in local currency terms, while 10+ Year TIPS fell 2.8%. This divergence reflects a steepening yield curve and increased demand for short-term inflation protection. The market reaction was driven by the US administration's tariff announcements in early April, which raised concerns about stagflation. While headline inflation data remained subdued in March, the threat of import-driven price pressures prompted a flight to real-yielding assets such as TIPS. The US 10-Year nominal Treasury yield fell 7 bps in April, reinforcing the appeal of TIPS as a defensive allocation. In addition, falling oil prices and broad USD weakness created a complex backdrop in which investors favored TIPS for their inflation link but remained wary of duration risk.



Our Performance

Notice that IEI ETF, tracking 3-7 Year US Treasury Bonds, our benchmark fund for fixed income, added a cumulative return of 0.51% during April, which contributed with a return of 0.31% in our portfolio.



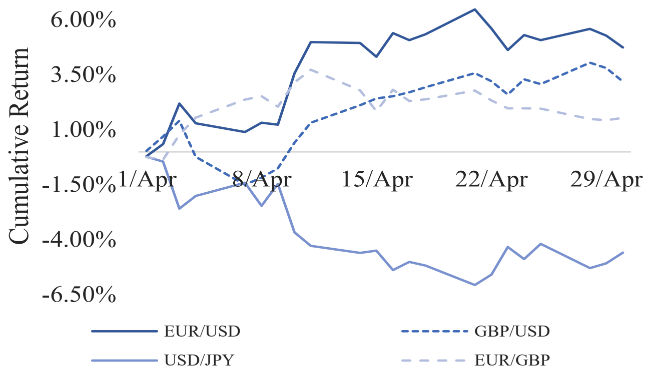
Rosa Gutierrez Sandoval
Financial Markets Division

NIC Fund

Currencies

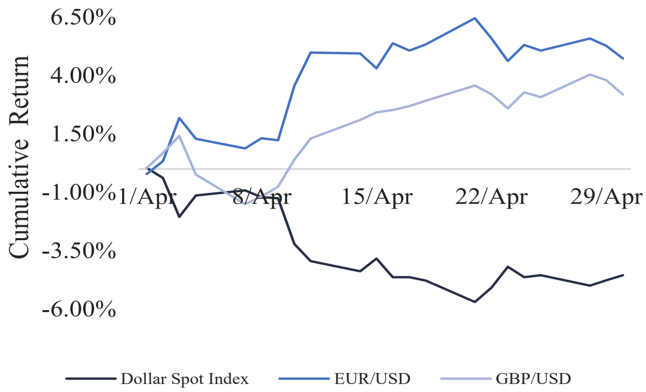
World Currencies

The euro appreciated by 4.73% against the US dollar in April, with the EUR/USD pair's mid-month intra-day high of 1.1573 representing its highest level in three years.. This rally came despite the ECB's decision to cut its deposit facility rate by 25 basis points to 2.25% on the 17th of April, marking the seventh cut in the past year. The British pound also experienced notable gains against the US dollar, with GBP/USD rising 3.18% MoM and reaching a high of USD 1.3444 on the 28th of April, its strongest level since 2022. The pound was supported by the Bank of England's cautious stance on rate cuts, as persistent domestic inflation and uncertainty over the impact of US tariffs prompted policymakers to delay monetary easing. Meanwhile, the US dollar fell 4.59% against the Japanese yen, with USD/JPY dropping to an intra-day low of 139.89 on the 22nd of April, marking its weakest level since November 2023. The yen benefited from safe-haven demand amid escalating concerns over US trade policies, alongside the Bank of Japan's continued commitment to gradually raising interest rates. The EUR/GBP pair cross rose more modestly by 1.53% to GBP 0.8500 by month-end. This move came despite diverging monetary policies between the ECB and Bank of England, and the UK's economic resilience following stronger-than-expected retail data and efforts to strengthen trade ties with the EU and the US. The euro's advance further highlights its perceived stability amid the current global geopolitical uncertainty.



In Depth

The US dollar came under sustained pressure in April, with the DXY index falling 4.55% MoM and hitting a three-year low of 97.92 on 21st of April. The greenback's slide was driven primarily by intensifying trade tensions, particularly with China, which continued to weigh heavily on investor sentiment. Political headwinds further compounded the dollar's decline, as President Trump's public criticism of Fed Chair Jerome Powell, along with suggestions he might seek Powell's removal, sparked concerns over the Fed's independence. Adding to the bearish narrative, US GDP contracted by 0.3% in Q1 and consumer confidence slid to a five-year low, highlighting mounting economic strain. Speculators ramped up short positions on the dollar throughout April, while hedging demand hit five-year highs amid fading US exceptionalism. This broad-based pressure drove the greenback lower across the board, with major peers such as the euro and British pound gaining 4.73% and 3.18% MoM, respectively, in response.



Our Performance

We currently hold no currency related assets in our portfolio.

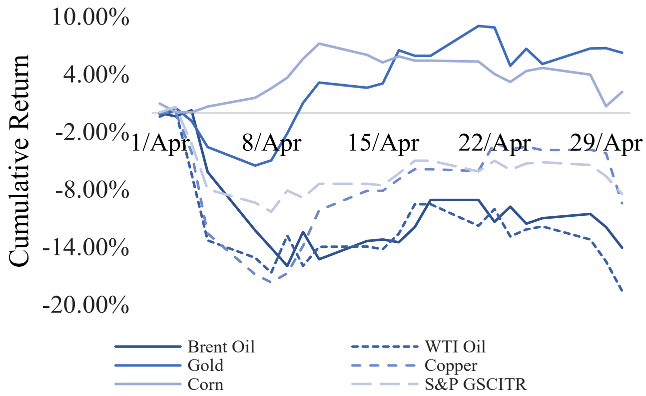
Benjamin Lonnen
Financial Markets Division

NIC Fund

Commodities

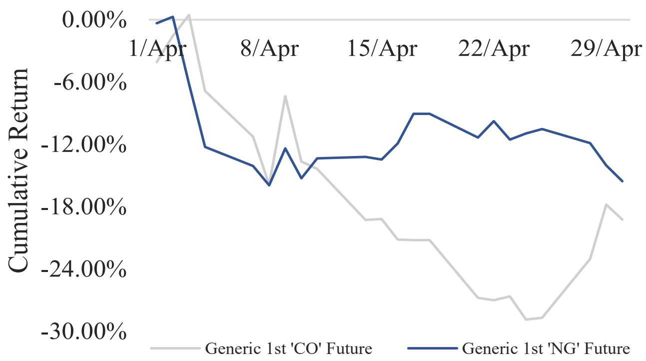
April Round-Up

Brent crude prices dropped 15.55% MoM in April to USD 63.12 per barrel at month-end, marking the steepest monthly drop since November 2021. WTI followed suit, dropping by 18.56%, MoM and ending the month at a four-year low of USD 58.21. The downturn was driven by OPEC+'s announcement to ramp up oil production, raising concerns about oversupply. Gold prices continued to rise to record levels, closing the month at USD 3,288.71 per ounce, as continued tariff tensions and potential recession risks prompted a flight to safe-haven assets. For base metals, copper fell by 9.42%, marking the steepest monthly decline since June 2022, as US-China trade tensions raised concerns over global industrial demand. Moreover, China's manufacturing PMI fell to 49.0, indicating contraction and signalling reduced demand for industrial metal. In agricultural markets, corn prices experienced modest declines, with July contracts closing April at USD 4.75½ per bushel. The USDA's April report projected a record 15.6 bn bushel corn crop for the 2025-26 season, exerting downward pressure on prices. Further, and despite strong US exports, global competition and trade policy uncertainties weighed on market sentiment. Lastly, the S&P GSCI Commodity Total Return Index, a benchmark tracking the performance of commodity markets, decreased by approximately 8.63% during the month. While gold provided support, declines in oil, base metals, and agricultural commodities reflected broad-based uncertainty, outweighing gains in precious metals.



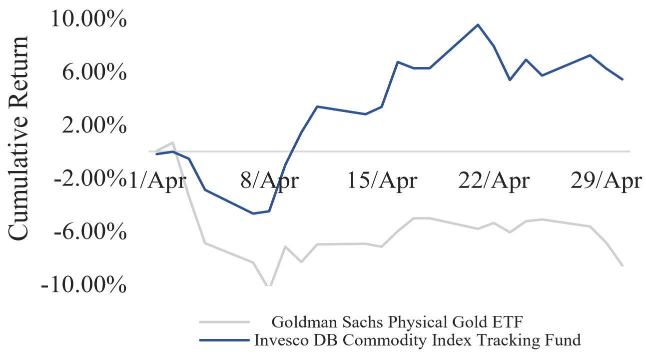
Outlook for May

Looking ahead to May, oil markets face a complex landscape. From the supply side, OPEC+ has announced a production increase of 411,000 bpd (barrels per day) starting June, as part of a broader plan to reintroduce up to 2.2 m bpd by November 2025. This move aims to address internal compliance issues and expand market share but raises concerns about potential oversupply. From the demand side, the global oil demand growth projections have been revised downward. The International Energy Agency anticipates a growth of 730,000 bpd for 2025, a reduction of 300,000 bpd from previous estimates. This adjustment reflects the impact of ongoing trade tensions, particularly between the US and China, and a general slowdown in economic activity. Similarly, in natural gas markets, US domestic consumption has declined due to milder weather, with residential and commercial sectors experiencing a 19.4% decrease in demand. However, this seasonal dip is typical during the shoulder months between winter heating and summer cooling seasons.



Our Performance

During April, the Goldman Sachs Physical Gold ETF rose by 5.44% MoM, while the Invesco DB Commodity Index posted a decline of -8.58%.



Benjamin Lonnen
Financial Markets Division

NIC
— Nova Investment Club —

Private Equity

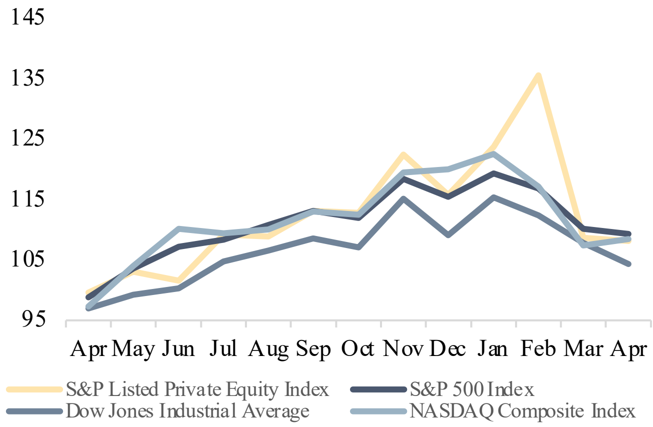
Transactions & Investments

Overall Activity

Global

At a Glance

Global private equity deal activity surged in April, reaching a total deal value of USD 103.7 bn — representing a 10.37% YoY decline. Deal activity was especially robust in the Technology and Industrials sectors. Despite the rebound in deal activity, market sentiment remained mixed. The S&P Listed Private Equity Index, which had dropped by 20% earlier in the month, ended nearly flat with a marginal decline of 0.49%. Broader public equity markets showed a similar trend: the S&P 500 declined by 0.75%, while the NASDAQ registered a modest recovery of 0.93%. In contrast, the Dow Jones Industrial Average posted a notable further decline of 3.24%.



Selected Regions

North America

North America continues to lead the global private equity landscape, accounting for 61.34% of total deal volume YTD. In April, deal value reached USD 55.4 bn, a 54.83% decline compared to March's exceptional USD 122.6 bn. The Financials sector emerged as a key contributor in US deal activity. Despite the decline in deal value, fundraising remained resilient. North American private equity firms raised USD 16.6 bn in April, a modest 1.36% increase over the previous month.

EMEA

Private equity deal volume in EMEA was approximately USD 15.4 bn in April, reflecting a strong increase compared to USD 4.6 bn last month.

The Technology and Health Care sectors have remained a major focus for private equity firms, accounting for 69.31% of European deal activity.

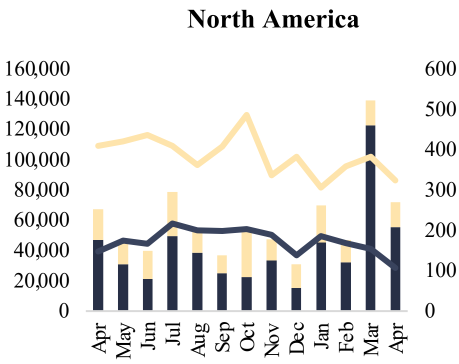
Private equity investments in the EMEA region totaled approximately to USD 2.5 bn in April, with the Technology sector once again playing a prominent role in the industry.

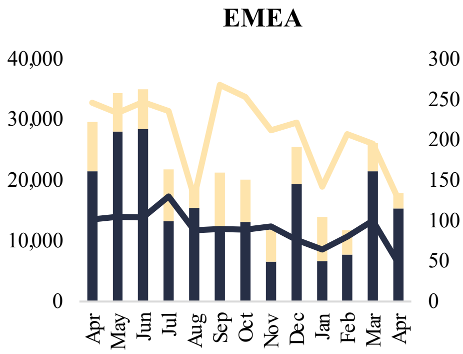
Asia

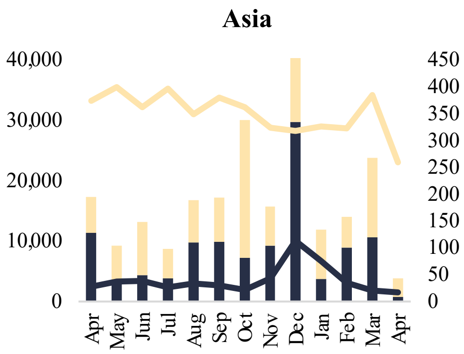
Private equity deal volume in Asia significantly decreased by 92.58% in April to USD 0.7 bn compared to the previous month, to the lowest level since January 2024.

South Korea, India and Japan were the dominant markets, together accounting for 88.48% of all deal activity in the region. The primary focus areas continue to be Technology and Industrials, contributing 50.18% of Asia's deal count.

Investments in the region saw a declined as well, reaching USD 3.0 bn this month.







M&A – Deals Volume | M&A – #Deals | Investments – Deals Volume | Investments – #Deals

Note: Summary of completed transactions.

Selamawit Asegid
Private Equity Division

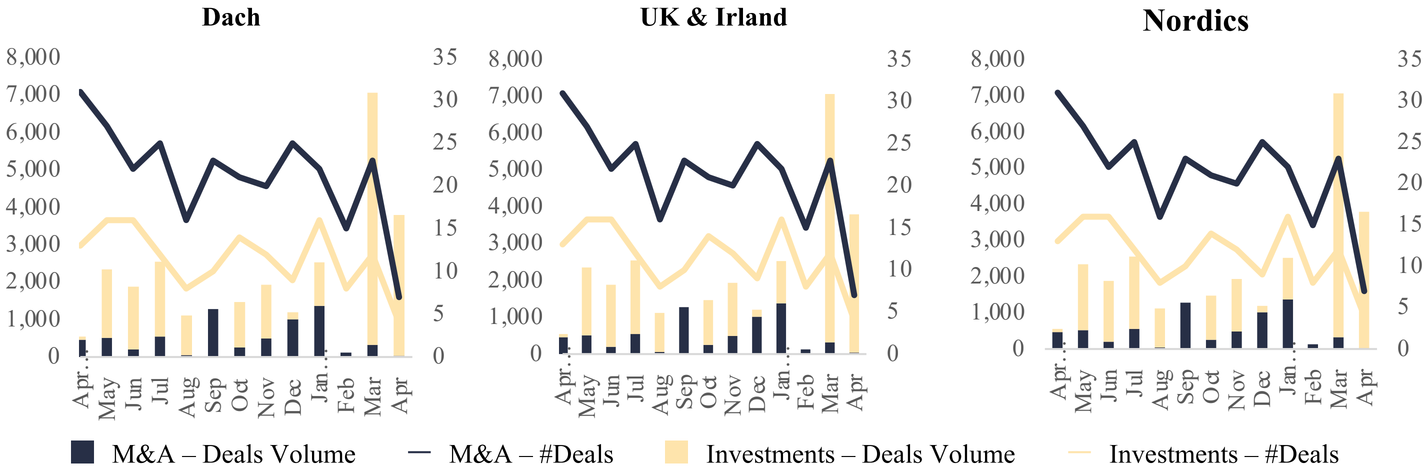
Transactions & Investments

Europe Focus

Overall European Activity

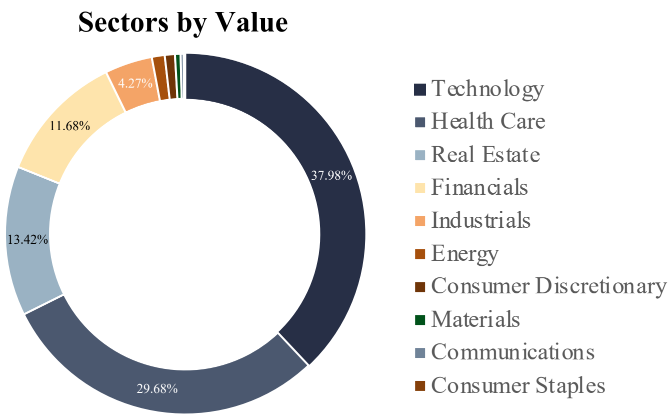
In April, the European private equity market recorded a total of 170 transactions, below the year-to-date monthly average of 304 deals. The total deal volume in Europe reached USD 17.8 bn, which also fell short of the monthly average of USD 22.3 bn. Globally, however, there were 905 deals with a combined value of USD 103.7 bn, indicating a relative increase in Europe's Deal volume. Typically, Europe accounts for approximately 15.61% of global private equity deal volume; however, in April, the region contributed about 17.16% of the global volume, signalling a significant overperformance relative to the worldwide trend.
This deviation suggests that European private markets can potentially benefit from persistent macroeconomic uncertainty and geopolitical headwinds in the United States and regional uncertainties worldwide. In April, certain geographic areas showcased increased activity. For instance, 50% of the top ten largest deals were concentrated in the UK and Ireland, and the Health Care sector dominated, with four of the ten largest deals taking place within this sector.
The largest transaction of the month was the USD 5.1 bn acquisition of Dotmatics, a US-based Life Sciences R&D software provider, by Siemens AG. The cross-border strategic acquisition marks a significant expansion of Siemens' AI-powered industrial software portfolio into the Life Sciences sector. This investment is another example of major industrial and technology players prioritising innovation-driven, high-margin assets that align with long-term digital transformation goals.

Selected European Regions



Europe by Sectors

In terms of deal value, the Technology sector continued to be a key focus for private equity investors. In April, the industry saw 10 M&A transactions and 67 investment deals with a total value of over USD 6.7 bn, accounting for 37.98% of all PE transactions in Europe. The biggest M&A transaction in this sector and overall was the Takeover of Dotmatics by Siemens, which is the main driver for the deal volume in this sector. The Health Care sector also remained active this month with three major transactions reaching over USD 1.0 bn in deal volume, contributing to 29.68% of the sector's total value. In two of them, KKR acted as the acquirer, taking over the Pan-European Health Care company Karo Pharma AB and the Swedish Life Science Group Biotage AB for USD 2.8 bn and USD 1.0 bn. Combined, those two sectors make up for over 67.66% of the European deals and investments.



Ferdinand Meinersmann
Private Equity Division

Transactions & Investments : Top Deals

Deals & Transactions

THOMABRAVO
Acquiring
BOEING
USD 10.6 bn

In April 2025, Boeing announced the sale of Digital Aviation Solutions business to Thoma Bravo for USD 10.6 bn in an all-cash deal. The transaction includes key assets such as Jeppesen, ForeFlight, AerData, and OzRunways, which provide digital tools for flight planning, navigation, and optimisation.

EQT
Acquiring
RELIAQUEST
USD 0.5 bn

Cybersecurity firm ReliaQuest secured over USD 500 m in a growth funding round led by new investor EQT, elevating the company's valuation to USD 3.4 bn. This investment aims to accelerate ReliaQuest's global expansion and enhance its AI-driven security operations platform.

ATLAS HOLDINGS
Acquiring
DeLaRue
USD 0.5 bn

In April 2025, US private equity firm Atlas Holdings agreed to acquire British banknote printer De La Rue in an all-cash deal. Atlas plans to operate De La Rue as a standalone entity, maintaining its headquarters in Basingstoke and preserving its brand and core operations, including its contract to print Bank of England banknotes.

GENERAL CATALYST
Acquiring
Mainspring
USD 258 m

In April 2025, Mainspring Energy, a Menlo Park-based company specialising in linear generator technology, raised c. USD 258 m. The round was led by General Catalyst. This investment is aimed at expanding Mainspring's operations and scaling its Linear Generator product.

TRINITY CAPITAL
Acquiring
CMR SURGICAL
USD 200 m

In April 2025, Trinity Capital committed USD 68.8 m in growth capital to CMR Surgical, a UK-based medical device company known for its Versius Surgical Robotic System. This investment was part of a larger financing round of c. USD 200 m, aimed at scaling CMR's operations and accelerating the global commercial rollout of Versius.

PARTNERS GROUP
Acquiring
GESTCOMPOST
USD 132 m

In April 2025, Partners Group invested USD 122 m to acquire a minority stake in Gestcompost, Spain's largest organic waste treatment company. The investment was made through a continuation fund managed by Suma Capital, allowing Suma to extend its ownership while providing liquidity and institutional capital.

Felix Schappacher
Private Equity Division

Transactions & Investments: Deep Dive

KKR to Acquire Post-Trade Services Firm OSTTRA

KKR has signed a USD 3.1 bn deal to acquire OSTTRA, a 50/50 joint venture between S&P Global and CME Group. Announced on the 14th of April, 2025, the deal is subject to customary adjustments, with proceeds split evenly. The acquisition strengthens KKR's financial infrastructure portfolio and marks a key exit for both sellers, who formed OSTTRA in 2021.

Buyer vs Target

KKR, a global investment firm with over USD 500 bn in assets under management, has a strong track record of acquiring and scaling financial infrastructure platforms and brings strong strategic alignment to OSTTRA's growth ambitions. Founded in 2021 as a joint venture between S&P Global and CME Group, OSTTRA delivers critical post-trade solutions across FX, rates, OTC derivatives, and more. OSTTRA's technology and global reach play a key role in market stability and transaction efficiency.

Industry Overview

The acquisition takes place in a sector that plays a foundational role in global financial markets: post-trade services. These services ensure the accurate processing, reconciliation, and settlement of trades across asset classes such as interest rates, FX, credit, and equities. As financial markets become faster and more fragmented, demand for robust, scalable post-trade infrastructure is growing. OSTTRA sits at the centre of this ecosystem, serving banks, asset managers, hedge funds, and regulators with end-to-end workflow solutions. The industry's importance was underscored in April 2025, when tariff-related market volatility caused a surge in derivative-related margin calls, highlighting the need for efficient, resilient back-end systems. As regulatory complexity and automation requirements increase, post-trade providers like OSTTRA are becoming essential partners for market stability and operational efficiency. With digitalisation accelerating and data volumes rising, the industry is expected to play an increasingly strategic role in shaping the future of capital markets.

Date	Buyer	Target	Currency	Total Value (m)
22/04/25	Nomura	Macquarie Public AM (U.S., LU, AT)	USD	1,800
24/03/25	Clearlake Capital Group LP	Dun & Bradstreet Holdings	USD	4,040
11/02/25	Bluespring Wealth Partners	Reliant Wealth Partners	USD	560
15/01/24	Amazon	AXIO (Capital Float)	USD	150

Deal Rationale

The acquisition of OSTTRA marks more than a large-scale infrastructure investment – it signals KKR's conviction in the long-term value of mission-critical post-trade services despite a volatile dealmaking environment. OSTTRA, established in 2021 and jointly owned by S&P Global and CME Group, plays a vital role in the global financial system by processing over 80 m trades per month across asset classes such as interest rates, FX, and credit. Backed by KKR, OSTTRA aims to accelerate its strategic roadmap, enhance its product offering, and expand globally while continuing to serve a broad client base, including banks, asset managers, and regulators. For S&P Global, the sale supports its broader portfolio optimisation following the IHS Markit integration, while for KKR, the deal represents a calculated move into scalable, tech-enabled infrastructure, described by analysts as "playing the long game." It also reinforces KKR's ongoing strategy of investing in high-quality financial technology platforms with recurring revenues and system-critical functions. As regulatory and operational demands on financial institutions continue to rise, OSTTRA is well-positioned to capture further growth in the evolving post-trade landscape.

Future Challenges

KKR's acquisition of OSTTRA comes amid a slowdown in dealmaking driven by tariff-related market uncertainty, underscoring the challenge of executing large-scale transactions in a volatile macroeconomic environment. Going forward, KKR will need to balance its value-creation strategy with OSTTRA's role as a critical post-trade infrastructure provider. Rising regulatory scrutiny, increased margin call volatility, and the need to maintain operational neutrality will test KKR's ability to scale the business without disrupting market trust or systemic stability.

Theresa Christina Noecker
Private Equity Division

Transactions & Investments: Deep Dive

Thoma Bravo to Acquire Boeing's Digital Aviation Solutions Unit

Thoma Bravo, a technology-focused private equity firm, has agreed to acquire significant portions of Boeing's Digital Aviation Solutions (DAS) business for USD 10.6 bn in an all-cash transaction. The deal includes marquee aviation software assets like Jeppesen, ForeFlight, AerData, and OzRunways.

Buyer vs Target

Thoma Bravo, headquartered in Chicago, Illinois, is one of the world's largest software-focused private equity firms, managing over USD 179 bn in assets with a portfolio spanning enterprise, infrastructure, and security software companies. Boeing, based in Arlington, Virginia, is a leading global aerospace and defence manufacturer, known for its commercial airplanes, defence systems, and space technology, employing over 170,000 people worldwide.

Industry Overview

The aerospace industry is undergoing structural change, as digitalisation becomes central to operations, safety, and efficiency. Airlines and defence operators increasingly rely on software for navigation, predictive maintenance, and fleet optimisation. This shift has elevated the value of aviation tech assets, drawing strong interest from private equity and strategic buyers. As commercial air travel rebounds and aircraft production ramps up, demand for integrated digital solutions is rising. Legacy manufacturers like Boeing are streamlining to focus on core production, while investors look to carve out high-margin, data-driven businesses with recurring revenue potential.

Thoma Bravo's acquisition of Boeing's Digital Aviation Solutions unit reflects this trend, creating a standalone aviation software platform with global reach. The deal highlights how private equity is capitalising on the convergence of aerospace and technology to drive operational value and long-term growth.

Date	Buyer	Target	Currency	Total Value (m)
20/01/25	Redwire Corp	UAV Factory USA	USD	925
03/11/24	StonepeakPartners	Air Transport Services	USD	3,167
13/09/24	Bohai Leasing	Castlelake Aviation	USD	1,221
08/08/24	Consortium of investors	Anduril Industries	USD	1,500

Deal Rationale

This transaction serves Boeing's immediate financial goals and long-term strategic realignment. Under CEO Kelly Ortberg's leadership, Boeing is offloading non-core assets to reduce its c. USD 54 bn debt load and maintain its investment-grade credit rating. The DAS unit, while profitable, was deemed outside Boeing's primary focus on aircraft manufacturing and direct customer service operations. The company retains core digital functions that serve its commercial and defence divisions, particularly those involving diagnostics and predictive maintenance.

For Thoma Bravo, the acquisition presents a rare opportunity to acquire a highly specialised and established digital aviation platform. Jeppesen, acquired by Boeing in 2000 for USD 1.5 bn, has built a strong recurring revenue base, making it attractive to private equity players seeking cash flow stability. The deal was won after a competitive auction that included major names like TPG, Veritas, Advent, and Francisco Partners, with Thoma Bravo leveraging c. USD 6 bn in equity and c. USD 4 bn in debt led by Apollo Global Management and Citi to secure the win.

Future Challenges

Boeing and Thoma Bravo have outlined data-sharing principles to ensure operational continuity and client satisfaction post-transition. The move also puts Boeing in a better position to focus on accelerating the production of its 737 jets, pending regulatory clearance. As Thoma Bravo enters a new sector, the success of this deal will depend on how well it can integrate aviation-specific demands with its tech investment model. With digital solutions to play a growing role in fleet efficiency and compliance, this transaction signals a shift in how the aerospace industry values and leverages software capabilities.

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Thank you!

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