

31 January 2024

# ONEANSWER MULTI-ASSET-CLASS FUNDS

## BALANCED FUND

### ABOUT THIS FUND

The Balanced Fund invests in similar amounts of income assets (cash and cash equivalents and fixed interest) and growth assets (equities, listed property and listed infrastructure). The fund may also invest in alternative assets.

### YOUR INVESTMENT TEAM

Your money is looked after by a highly experienced investment management team with a focus on long-term performance.

Find out more about our investment team at [anz.co.nz/investmentteam](https://anz.co.nz/investmentteam)

### RESPONSIBLE INVESTING

We're strong advocates of responsible investing (also known as sustainable investing). Responsible investing means when we're considering whether to invest in a company, we don't just look at their financial performance. We also look at their environmental, social and governance (ESG) performance, because we believe these factors have a big impact on long-term returns.

Find out more about our responsible investing approach at [anz.co.nz/responsible-investing](https://anz.co.nz/responsible-investing)

### THIS FUND AT A GLANCE

Size of the fund \$665.2m

Number of holdings 4,877

Fund start date April 2010

Suggested minimum investment timeframe 5 years

Annual fund charge 0.97%

Minimum contribution \$1

Minimum balance \$1

Minimum withdrawal  
- regular \$100  
- one-off \$500

The OneAnswer Multi-Asset-Class Funds guide and product disclosure statement is available at [anz.co.nz/OA-documents](https://anz.co.nz/OA-documents).

### HOW THIS FUND HAS PERFORMED

5.28%

1 year

5.12%

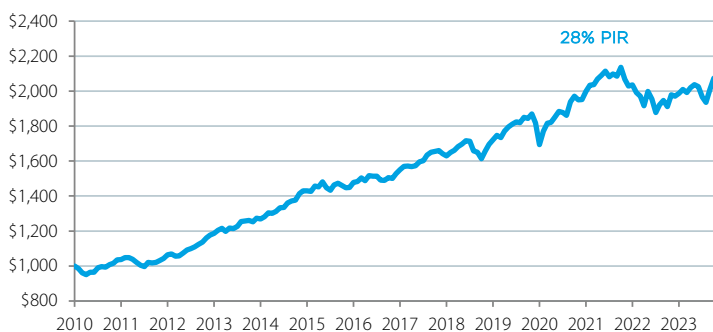
10 years

5.38%

Since inception

PIR (tax rate)	1mth	3mth	6mth	1yr	3yrs	5yrs	10 yrs
0%	0.29%	9.02%	3.02%	6.21%	2.00%	5.08%	5.95%
17.5%	0.40%	8.14%	2.54%	5.63%	1.93%	4.70%	5.43%
28%	0.47%	7.61%	2.25%	5.28%	1.89%	4.47%	5.12%

### Fund performance since inception



Performance is shown after fees and tax, at the highest prescribed investor rate (PIR) at the time of the performance, unless stated. Performance for periods longer than one year are annualised.

### AWARDS, RATINGS AND CERTIFICATIONS



CERTIFIED BY RIAA

The **OneAnswer Balanced Fund** has been certified by the Responsible Investment Association Australasia according to the strict operational and disclosure practices required under the Responsible Investment Certification Program. See [www.responsiblereturns.com.au](https://www.responsiblereturns.com.au) for details.

The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.

MARKET AND FUND REVIEW

Global equity markets had a mixed start to the year, with indices in the US continuing their good run, while some Asian and European markets ended the month lower.

In the US, the S&P 500 Index and the NASDAQ 100 Index both rose to all-time highs, finishing the month up 1.6% and 1.9% respectively. Communications services was the best-performing sector, followed by technology and financials. Financials were in favour after some US banks reported better-than-expected fourth quarter earnings. Meanwhile, in Europe, the Euro Stoxx ended the month in positive territory, its third straight month of gains, while in the UK, the FTSE 100 fell after the pace of inflation unexpectedly rose in December, meaning early interest rate cuts are looking less likely.

Down under, New Zealand and Australian share markets also finished the month with gains, with the NZX 50 up 0.9% and the ASX 200 up 1.2%. Much of the recent strength in Australia’s share market can be attributed to the strong performance of the energy sector, while it got a further boost after inflation slowed sharply to 4.1% in the final quarter of 2023, down from 5.4%. The one outlier was China, with the Shanghai Composite down 6.3% after a Hong Kong judge ordered the liquidation of embattled property giant Evergrande, putting more pressure on the country’s property market.

Bonds were mostly lower across the board as faster-than-expected inflation in the US and the UK meant early interest rate cuts appear to be less likely, while strong economic data, which underscored the resilience of the US economy also weighed on bond prices.

In New Zealand, bond prices were also lower in January, with the domestic 10-year government bond yield rising to a five-week high early in the month, largely taking its lead from offshore markets. Although economic data showed the pace of inflation had slowed, investors remained cautious about the level on non-tradeable inflation.

While the fund delivered a positive return for investors over the month, its tactical positioning (an overweight to weaker performing international and New Zealand bonds, and an underweight to stronger performing international equities) held back its relative performance. It was also a particularly challenging month for our international government bond manager – whose GDP-weighted approach meant the fund was overweight to UK bonds, which were some of the weakest performers in January. Offsetting some of this however was good company selection within the fund’s New Zealand equities and international listed property holdings.

INVESTMENT MIX AND CURRENCY HEDGING

Asset class	Investment mix			Hedging	Underlying fund managers
	Actual	Target	Range		
Cash and cash equivalents	8.56%	10.00%	0.00% - 30.00%	n/a	ANZ Investments
New Zealand fixed interest	12.17%	10.50%	0.00% - 25.50%	n/a	ANZ Investments
International fixed interest	30.77%	29.50%	14.50% - 44.50%	99%	ANZ Investments, Northern Trust, PIMCO Australia
Income assets	51.50%	50.00%	35.00% - 65.00%		
Australasian listed property	2.98%	2.80%	0.00% - 0.16%	98%	ANZ Investments
International listed property	3.20%	3.20%		101%	Resolution Capital
Australasian equities	9.33%	9.50%	0.00% - 24.50%	37%	ANZ Investments, Tyndall AM
International equities	31.08%	32.50%	17.50% - 47.50%	63%	Franklin Equity Group, MFS Institutional Advisors, LSV Asset Management, Vontobel
Other (listed infrastructure)	1.91%	2.00%	0.00% - 8.00%	100%	Maple-Brown Abbott
Other (incl. alternatives)	0.00%	0.00%	0.00% - 12.00%	n/a	n/a
Growth assets	48.50%	50.00%	35.00% - 65.00%		

The actual and target investment mix of this fund is based on the cash and cash equivalents held by the fund, and the asset class of the underlying funds in which the fund invests.

FUND CHARACTERISTICS

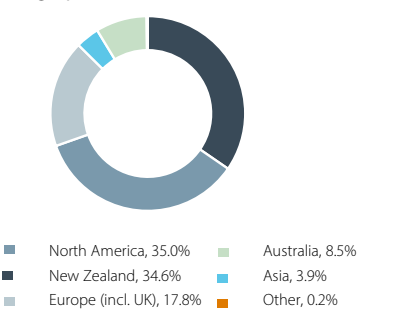
Top 10 growth holdings

Asset name	% of fund
1 Fisher & Paykel Healthcare	0.7
2 Goodman Group	0.7
3 Auckland Int Airport Ltd.	0.5
4 Visa Inc. Class A	0.5
5 Spark NZ Ltd.	0.5
6 Equinix, Inc.	0.5
7 Nestle S.A.	0.5
8 Infratil Ltd.	0.5
9 Contact Energy Ltd.	0.4
10 eMini S&P 500 (CME) Mar 24	0.4
Total top 10 growth holdings	5.2

Top 10 income holdings

Asset name	% of fund
1 Euro Bund (EUR) Mar 24	1.6
2 3M SOFR (CME) Mar 24	1.2
3 NZ Govt 3.5% 14/04/2033	1.0
4 Euribor (IFEU) Mar 25	0.7
5 Euribor (IFEU) Mar 24	0.7
6 NZ Govt 4.5% 15/04/2027	0.7
7 NZ Govt 3.0% 20/04/2029	0.6
8 NZ Govt 2.0% 15/05/2032	0.6
9 NZ Govt 0.25% 15/05/2028	0.6
10 NZ Govt 2.75% 15/04/2025	0.6
Total top 10 income holdings	8.3

Geographic allocation



All market returns quoted in commentary are in local currency terms. Information is current as at the date of this document and may change on a daily basis. Past performance does not indicate future performance. The actual performance any given investor realises will depend on many things, is not guaranteed and may be negative as well as positive. This document is for information purposes only and is not intended to be financial advice. It is recommended that you seek advice from a financial adviser before you acquire a financial product.

The OneAnswer Balanced Fund is offered and managed by ANZ New Zealand Investments Limited (ANZ Investments). ANZ Investments is not authorised deposit-taking institution (ADI) under Australian law and investments in the funds aren't deposits in or liabilities of ANZ Bank New Zealand Limited, Australia and New Zealand Banking Group Limited or their subsidiaries (together 'ANZ Group'). ANZ Group doesn't stand behind or guarantee ANZ Investments. Investments in the Funds are subject to investment risk, including possible delays in repayment, and loss of income and principal invested. A copy of the ANZ Investment Funds guide and product disclosure statement is available at [anz.co.nz/investmentdocs](https://anz.co.nz/investmentdocs).