

31 January 2024

ONEANSWER MULTI-ASSET-CLASS FUNDS

CONSERVATIVE FUND

ABOUT THIS FUND

The Conservative Fund invests mainly in income assets (cash and cash equivalents and fixed interest), with a smaller exposure to 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

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

THIS FUND AT A GLANCE

Size of the fund	\$482.7m
Number of holdings	4,876
Fund start date	April 2010
Suggested minimum investment timeframe	4 years
Annual fund charge	0.68%
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

HOW THIS FUND HAS PERFORMED

3.82%

1 year

3.06%

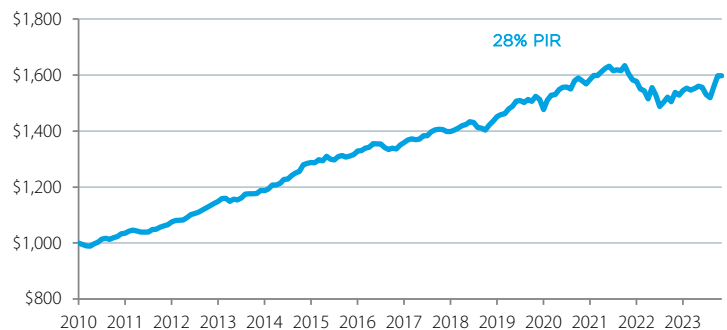
10 years

3.42%

Since inception

PIR (tax rate)	1mth	3mth	6mth	1yr	3yrs	5yrs	10 yrs
0%	-0.13%	6.62%	3.29%	4.90%	0.09%	2.72%	3.77%
17.5%	-0.05%	5.70%	2.73%	4.22%	0.19%	2.45%	3.33%
28%	0.00%	5.14%	2.40%	3.82%	0.25%	2.28%	3.06%

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 Conservative 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.responsibleinvestments.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

Coming off a strong close to 2023, global bonds were mostly lower in January. In the US, bonds were weaker to begin the month, which saw yields rise, after comments from Fed policymakers who pushed back on the idea that rate cuts would be forthcoming early in 2024. Also weighing on bond market sentiment was strong economic data, which underscored the resilience of the US economy, and tempered expectations of significant rate cuts this year, while the pace of annual inflation also moved higher.

However, bonds clawed back some losses late in January after Fed Chair Jerome Powell reiterated that interest rates had peaked, and cuts are likely this year. After rising as much as 30 basis points, the US-10-year government bond yield ended the month three basis points higher at 3.91%. Elsewhere, European bonds were lower over the month, meaning yields rose, after the European Centra Bank (ECB) pushed back on the chances of early interest rate cuts, and UK bonds fell sharply given some surprisingly strong inflation data.

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.

In equity markets, several US share markets rose to all-time highs, while down under New Zealand and Australian share markets also finished the month with gains. 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.

Against the backdrop of weak performing bond markets, the fund delivered a negative return for investors over the month. It was 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. Also holding back relative performance was its tactical positioning, given the fund's underweight to stronger performing international equities.

We maintain our defensive positioning, holding an underweight to international equities and an overweight to domestic and international fixed interest. Our base case is that growth continues to slow but remains positive over the short term in the US, with weaker growth in Europe and New Zealand. We expect core inflation to make slow progress towards target, with central banks holding rates in restrictive territory. The extended period of restrictive interest rates will eventually weigh on growth in 2024, consistent with a mild recession.

INVESTMENT MIX AND CURRENCY HEDGING

Asset class	Investment mix			Hedging	Underlying fund managers
	Actual	Target	Range		
Cash and cash equivalents	18.75%	20.00%	0.00% - 40.00%	n/a	ANZ Investments
New Zealand fixed interest	16.62%	15.00%	0.00% - 30.00%	n/a	ANZ Investments
International fixed interest	46.25%	45.00%	30.00% - 60.00%	99%	ANZ Investments, Northern Trust, PIMCO Australia
Income assets	81.62%	80.00%	65.00% - 95.00%		
Australasian listed property	1.14%	1.05%	0.00% - 9.00%	98%	ANZ Investments
International listed property	1.22%	1.20%		101%	Resolution Capital
Australasian equities	3.45%	3.50%	0.00% - 18.50%	37%	ANZ Investments, Tyndall AM
International equities	11.85%	13.50%	0.00% - 28.50%	63%	Franklin Equity Group, MFS Institutional Advisors, LSV Asset Management, Vontobel
Other (listed infrastructure)	0.72%	0.75%	0.00% - 5.75%	100%	Maple-Brown Abbott
Other (incl. alternatives)	0.00%	0.00%	0.00% - 8.00%	n/a	n/a
Growth assets	18.38%	20.00%	5.00% - 35.00%		

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

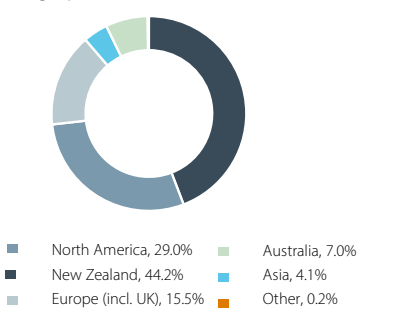
Top 10 growth holdings

Asset name	% of fund
1 eMini S&P 500 (CME) Mar 24	0.7
2 Fisher & Paykel Healthcare	0.3
3 Goodman Group	0.2
4 Auckland Int Airport Ltd.	0.2
5 Spark NZ Ltd.	0.2
6 ASX SPI 200 (SFE) Mar 24	0.2
7 Visa Inc. Class A	0.2
8 Infratil Ltd.	0.2
9 Equinix, Inc.	0.2
10 Contact Energy Ltd.	0.2
Total top 10 growth holdings	2.6

Top 10 income holdings

Asset name	% of fund
1 3M SOFR (CME) Mar 24	1.8
2 Euro Bund (EUR) Mar 24	1.4
3 NZ Govt 3.5% 14/04/2033	1.3
4 Euribor (IFEU) Mar 25	1.2
5 Euribor (IFEU) Mar 24	1.1
6 NZ Govt 4.5% 15/04/2027	1.0
7 NZ Govt 3.0% 20/04/2029	0.8
8 NZ Govt 2.0% 15/05/2032	0.8
9 NZ Govt 0.25% 15/05/2028	0.7
10 NZ Govt 2.75% 15/04/2025	0.7
Total top 10 income holdings	10.8

Geographic allocation



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31 January 2024

ONEANSWER MULTI-ASSET-CLASS FUNDS

CONSERVATIVE BALANCED FUND

ABOUT THIS FUND

The Conservative Balanced Fund invests mainly in income assets (cash and cash equivalents and fixed interest), with some exposure to growth assets (equities, listed property and listed infrastructure). The fund may also invest in alternative assets.

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THIS FUND AT A GLANCE

Size of the fund \$215.7m

Number of holdings 4,877

Fund start date April 2010

Suggested minimum investment timeframe 5 years

Annual fund charge 0.82%

Minimum contribution \$1

Minimum balance \$1

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

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HOW THIS FUND HAS PERFORMED

4.53%

1 year

4.10%

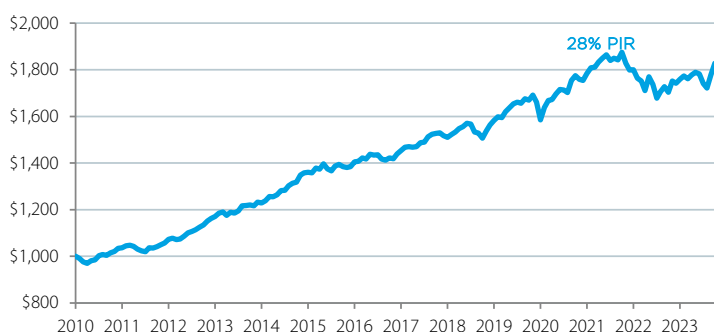
10 years

4.43%

Since inception

PIR (tax rate)	1mth	3mth	6mth	1yr	3yrs	5yrs	10 yrs
0%	0.06%	7.84%	3.18%	5.55%	1.11%	3.96%	4.88%
17.5%	0.15%	6.94%	2.66%	4.91%	1.11%	3.61%	4.40%
28%	0.21%	6.39%	2.34%	4.53%	1.11%	3.41%	4.10%

Fund performance since inception



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MARKET AND FUND REVIEW

Coming off a strong close to 2023, global bonds were mostly lower in January. In the US, bonds were weaker to begin the month, which saw yields rise, after comments from Fed policymakers who pushed back on the idea that rate cuts would be forthcoming early in 2024. Also weighing on bond market sentiment was strong economic data, which underscored the resilience of the US economy, and tempered expectations of significant rate cuts this year, while the pace of annual inflation also moved higher.

However, bonds clawed back some losses late in January after Fed Chair Jerome Powell reiterated that interest rates had peaked, and cuts are likely this year. After rising as much as 30 basis points, the US-10-year government bond yield ended the month three basis points higher at 3.91%. Elsewhere, European bonds were lower over the month, meaning yields rose, after the European Centra Bank (ECB) pushed back on the chances of early interest rate cuts, and UK bonds fell sharply given some surprisingly strong inflation data.

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.

In equity markets, several US share markets rose to all-time highs, while down under New Zealand and Australian share markets also finished the month with gains. 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.

Against the backdrop of weak performing bond markets, the fund delivered a broadly flat return for investors over the month. It was 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. Also holding back relative performance was its tactical positioning, given the fund's underweight to stronger performing international equities.

We maintain our defensive positioning, holding an underweight to international equities and an overweight to domestic and international fixed interest. Our base case is that growth continues to slow but remains positive over the short term in the US, with weaker growth in Europe and New Zealand. We expect core inflation to make slow progress towards target, with central banks holding rates in restrictive territory. The extended period of restrictive interest rates will eventually weigh on growth in 2024, consistent with a mild recession.

INVESTMENT MIX AND CURRENCY HEDGING

Asset class	Investment mix			Hedging	Underlying fund managers
	Actual	Target	Range		
Cash and cash equivalents	13.61%	15.00%	0.00% - 35.00%	n/a	ANZ Investments
New Zealand fixed interest	14.23%	12.50%	0.00% - 27.50%	n/a	ANZ Investments
International fixed interest	38.80%	37.50%	22.50% - 52.50%	99%	ANZ Investments, Northern Trust, PIMCO Australia
Income assets	66.64%	65.00%	50.00% - 80.00%		
Australasian listed property	2.26%	2.10%	0.00% - 14.50%	98%	ANZ Investments
International listed property	2.41%	2.40%		101%	Resolution Capital
Australasian equities	6.41%	6.50%	0.00% - 21.50%	37%	ANZ Investments, Tyndall AM
International equities	20.84%	22.50%	7.50% - 37.50%	63%	Franklin Equity Group, MFS Institutional Advisors, LSV Asset Management, Vontobel
Other (listed infrastructure)	1.44%	1.50%	0.00% - 6.50%	100%	Maple-Brown Abbott
Other (incl. alternatives)	0.00%	0.00%	0.00% - 10.00%	n/a	n/a
Growth assets	33.36%	35.00%	20.00% - 50.00%		

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

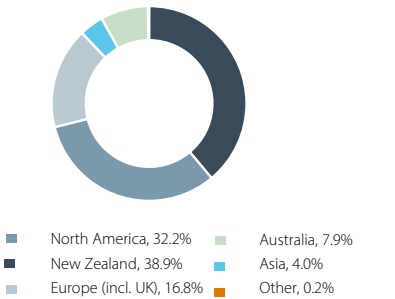
Top 10 growth holdings

Asset name	% of fund
1 Goodman Group	0.5
2 Fisher & Paykel Healthcare	0.5
3 eMini S&P 500 (CME) Mar 24	0.5
4 Auckland Int Airport Ltd.	0.4
5 Visa Inc. Class A	0.4
6 Spark NZ Ltd.	0.4
7 Equinix, Inc.	0.3
8 Infratil Ltd.	0.3
9 Nestle S.A.	0.3
10 Contact Energy Ltd.	0.3
Total top 10 growth holdings	3.9

Top 10 income holdings

Asset name	% of fund
1 Euro Bund (EUR) Mar 24	1.5
2 3M SOFR (CME) Mar 24	1.5
3 NZ Govt 3.5% 14/04/2033	1.1
4 Euribor (IFEU) Mar 25	1.0
5 Euribor (IFEU) Mar 24	1.0
6 NZ Govt 4.5% 15/04/2027	0.8
7 NZ Govt 3.0% 20/04/2029	0.7
8 NZ Govt 2.0% 15/05/2032	0.7
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	9.5

Geographic allocation



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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

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RESPONSIBLE INVESTING

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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

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HOW THIS FUND HAS PERFORMED

5.28%

1 year

5.12%

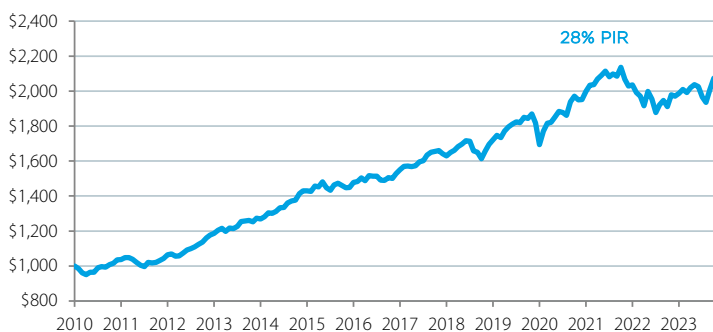
10 years

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



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AWARDS, RATINGS AND CERTIFICATIONS



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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%		

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FUND CHARACTERISTICS

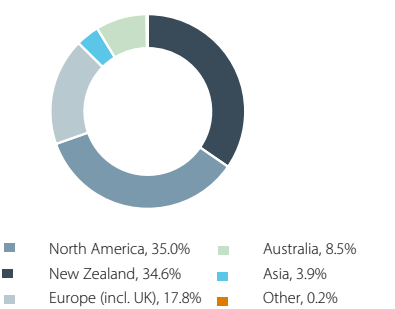
Top 10 growth holdings

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



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ONEANSWER MULTI-ASSET-CLASS FUNDS

BALANCED GROWTH FUND

ABOUT THIS FUND

The Balanced Growth Fund invests mainly in growth assets (equities, listed property and listed infrastructure), with some exposure to income assets (cash and cash equivalents and fixed interest). The fund may also invest in alternative assets.

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THIS FUND AT A GLANCE

Size of the fund \$609.5m

Number of holdings 4,876

Fund start date April 2010

Suggested minimum investment timeframe 6 years

Annual fund charge 1.02%

Minimum contribution \$1

Minimum balance \$1

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

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HOW THIS FUND HAS PERFORMED

6.18%

1 year

6.18%

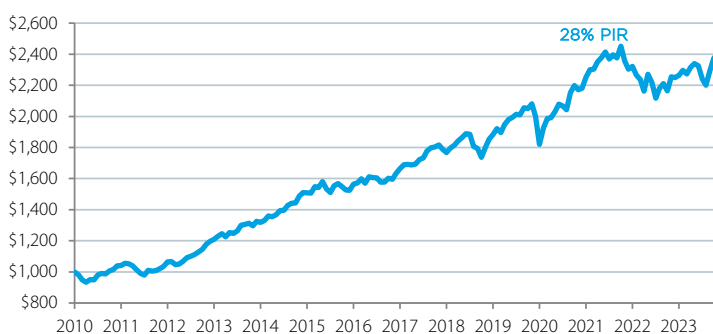
10 years

6.43%

Since inception

PIR (tax rate)	1mth	3mth	6mth	1yr	3yrs	5yrs	10 yrs
0%	0.54%	10.21%	3.00%	7.12%	3.16%	6.32%	7.10%
17.5%	0.65%	9.32%	2.54%	6.53%	2.97%	5.87%	6.53%
28%	0.72%	8.79%	2.27%	6.18%	2.86%	5.60%	6.18%

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 Growth 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.responsibleinvestments.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	4.82%	6.00%	0.00% - 26.00%	n/a	ANZ Investments
New Zealand fixed interest	9.52%	7.50%	0.00% - 27.50%	n/a	ANZ Investments
International fixed interest	23.21%	21.50%	1.50% - 41.50%	99%	ANZ Investments, Northern Trust, PIMCO Australia
Income assets	37.55%	35.00%	15.00% - 55.00%		
Australasian listed property	3.61%	3.50%	0.00% - 17.50%	98%	ANZ Investments
International listed property	3.99%	4.00%		101%	Resolution Capital
Australasian equities	11.61%	12.00%	0.00% - 32.00%	37%	ANZ Investments, Tyndall AM
International equities	40.88%	43.00%	23.00% - 63.00%	63%	Franklin Equity Group, MFS Institutional Advisors, LSV Asset Management, Vontobel
Other (listed infrastructure)	2.36%	2.50%	0.00% - 10.00%	100%	Maple-Brown Abbott
Other (incl. alternatives)	0.00%	0.00%	0.00% - 15.00%	n/a	n/a
Growth assets	62.45%	65.00%	45.00% - 85.00%		

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

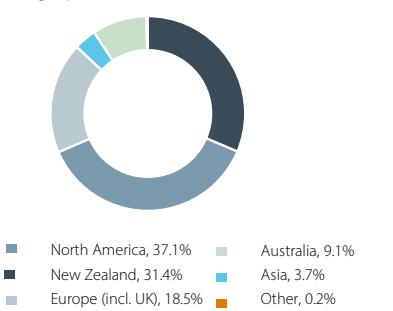
Top 10 growth holdings

Asset name	% of fund
1 eMini S&P 500 (CME) Mar 24	1.0
2 Fisher & Paykel Healthcare	0.9
3 Goodman Group	0.8
4 Visa Inc. Class A	0.7
5 Auckland Int Airport Ltd.	0.7
6 Nestle S.A.	0.6
7 Equinix, Inc.	0.6
8 Spark NZ Ltd.	0.6
9 Infratil Ltd.	0.6
10 ASX SPI 200 (SFE) Mar 24	0.6
Total top 10 growth holdings	7.1

Top 10 income holdings

Asset name	% of fund
1 Euro Bund (EUR) Mar 24	2.1
2 NZ Govt 3.5% 14/04/2033	0.8
3 3M SOFR (CME) Mar 24	0.8
4 NZ Govt 4.5% 15/04/2027	0.6
5 NZ Govt 3.0% 20/04/2029	0.5
6 Euribor (IFEU) Mar 25	0.5
7 Euribor (IFEU) Mar 24	0.5
8 NZ Govt 2.0% 15/05/2032	0.5
9 NZ Govt 0.25% 15/05/2028	0.5
10 NZ Govt 2.75% 15/04/2025	0.5
Total top 10 income holdings	7.3

Geographic allocation



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31 January 2024

ONEANSWER MULTI-ASSET-CLASS FUNDS

GROWTH FUND

ABOUT THIS FUND

The Growth Fund invests mainly in growth assets (equities, listed property and listed infrastructure), with a small exposure to income assets (cash and cash equivalents and fixed interest). 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

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

THIS FUND AT A GLANCE

Size of the fund	\$609.3m
Number of holdings	4,875
Fund start date	April 2010
Suggested minimum investment timeframe	7 years
Annual fund charge	1.07%
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

HOW THIS FUND HAS PERFORMED

7.07%

1 year

7.14%

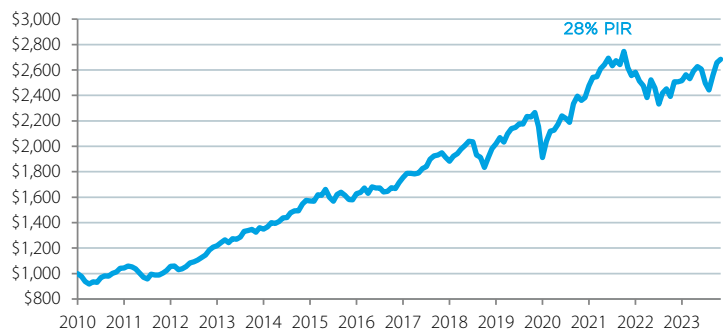
10 years

7.29%

Since inception

PIR (tax rate)	1mth	3mth	6mth	1yr	3yrs	5yrs	10 yrs
0%	0.82%	11.21%	2.84%	7.98%	4.31%	7.51%	8.12%
17.5%	0.94%	10.37%	2.43%	7.41%	4.01%	6.98%	7.51%
28%	1.01%	9.87%	2.19%	7.07%	3.83%	6.66%	7.14%

Fund performance since inception



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AWARDS, RATINGS AND CERTIFICATIONS



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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	3.26%	4.00%	0.00% - 24.00%	n/a	ANZ Investments
New Zealand fixed interest	6.09%	4.00%	0.00% - 24.00%	n/a	ANZ Investments
International fixed interest	13.35%	12.00%	0.00% - 32.00%	97%	ANZ Investments, Northern Trust, PIMCO Australia
Income assets	22.70%	20.00%	0.00% - 40.00%		
Australasian listed property	4.26%	4.20%	0.00% - 19.00%	98%	ANZ Investments
International listed property	4.77%	4.80%		101%	Resolution Capital
Australasian equities	14.41%	15.00%	0.00% - 35.00%	37%	ANZ Investments, Tyndall AM
International equities	51.04%	53.00%	33.00% - 73.00%	63%	Franklin Equity Group, MFS Institutional Advisors, LSV Asset Management, Vontobel
Other (listed infrastructure)	2.82%	3.00%	0.00% - 12.00%	100%	Maple-Brown Abbott
Other (incl. alternatives)	0.00%	0.00%	0.00% - 15.00%	n/a	n/a
Growth assets	77.30%	80.00%	60.00% - 100.00%		

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

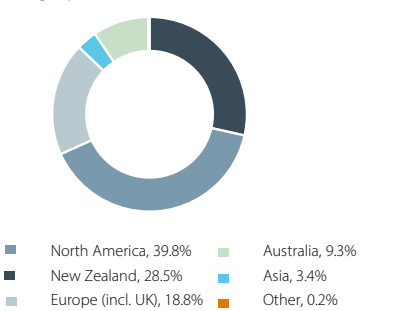
Top 10 growth holdings

Asset name	% of fund
1 eMini S&P 500 (CME) Mar 24	1.4
2 Fisher & Paykel Healthcare	1.0
3 Goodman Group	0.9
4 Visa Inc. Class A	0.9
5 Auckland Int Airport Ltd.	0.8
6 ASX SPI 200 (SFE) Mar 24	0.8
7 Nestle S.A.	0.8
8 Equinix, Inc.	0.8
9 Spark NZ Ltd.	0.8
10 Infratil Ltd.	0.7
Total top 10 growth holdings	8.9

Top 10 income holdings

Asset name	% of fund
1 Euro Bund (EUR) Mar 24	2.0
2 NZ Govt 3.5% 14/04/2033	0.6
3 NZ Govt 4.5% 15/04/2027	0.4
4 NZ Govt 3.0% 20/04/2029	0.4
5 NZ Govt 2.0% 15/05/2032	0.4
6 NZ Govt 0.25% 15/05/2028	0.3
7 NZ Govt 2.75% 15/04/2025	0.3
8 ASB RCD 17/05/2024	0.3
9 3M SOFR (CME) Mar 24	0.3
10 NZ Govt 1.5% 15/05/2031	0.3
Total top 10 income holdings	5.3

Geographic allocation



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31 January 2024

ONEANSWER MULTI-ASSET-CLASS FUNDS

HIGH GROWTH FUND

ABOUT THIS FUND

The High Growth Fund invests in growth assets (equities, listed property and listed infrastructure), with a very small exposure to income assets (cash and cash equivalents and fixed interest). 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

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

THIS FUND AT A GLANCE

Size of the fund	\$11.9m
Number of holdings	4,742
Fund start date	August 2023
Suggested minimum investment timeframe	9 years
Annual fund charge	1.07%
Minimum contribution	\$1
Minimum balance	\$1
Minimum withdrawal	
- regular	\$100
- one-off	\$500

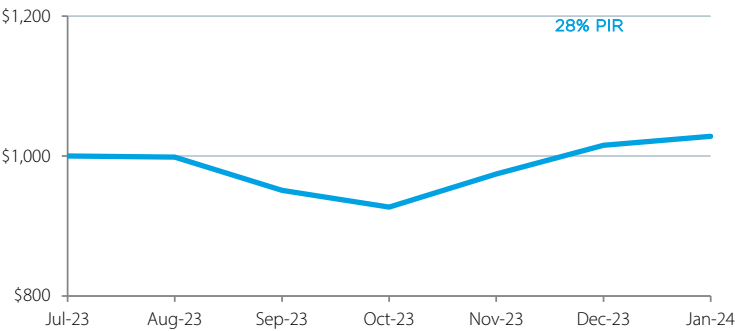
The OneAnswer Multi-Asset-Class Funds guide and product disclosure statement is available at anz.co.nz/OA-documents

HOW THIS FUND HAS PERFORMED



PIR (tax rate)	1mth	3mth	6mth	1yr	3yrs	5yrs	10 yrs
0%	1.05%	12.06%	-	-	-	-	-
17.5%	1.19%	11.34%	-	-	-	-	-
28%	1.27%	10.91%	-	-	-	-	-

Fund performance since inception



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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 equities 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. New Zealand bond prices were also lower in January, despite economic data showing the pace of inflation had slowed.

The fund holds over 90% of its assets in growth investments, such as shares, property and infrastructure. The fund's tactical positioning held back relative performance over the month given its more defensive positioning; an overweight to weaker performing international and New Zealand bonds, and an underweight to stronger performing international equities. Within our international equities exposure, a weak performance of our growth manager also held back relative performance, although this was partly offset by good company selection within the fund's New Zealand equities and international listed property holdings.

We maintain our defensive positioning, holding an underweight to international equities and an overweight to domestic and international fixed interest. Our base case is that growth continues to slow but remains positive over the short term in the US, with weaker growth in Europe and New Zealand. We expect core inflation to make slow progress towards target, with central banks holding rates in restrictive territory. The extended period of restrictive interest rates will eventually weigh on growth in 2024, consistent with a mild recession.

INVESTMENT MIX AND CURRENCY HEDGING

Asset class	Investment mix			Hedging	Underlying fund managers
	Actual	Target	Range		
Cash and cash equivalents	2.02%	5.00%	0.00% - 25.00%	n/a	ANZ Investments
New Zealand fixed interest	0.72%	0.00%	0.00% - 20.00%	n/a	ANZ Investments
International fixed interest	5.08%	0.00%	0.00% - 20.00%	99%	ANZ Investments, Northern Trust, PIMCO Australia
Income assets	7.82%	5.00%	0.00% - 40.00%		
Australasian listed property	5.06%	5.00%	0.00% - 20.00%	98%	ANZ Investments
International listed property	5.46%	5.50%		101%	Resolution Capital
Australasian equities	17.32%	18.00%	0.00% - 38.00%	37%	ANZ Investments, Tyndall AM
International equities	61.05%	63.00%	43.00% - 83.00%	63%	Franklin Equity Group, MFS Institutional Advisors, LSV Asset Management, Vontobel
Other (listed infrastructure)	3.29%	3.50%	0.00% - 13.50%	100%	Maple-Brown Abbott
Other (incl. alternatives)	0.00%	0.00%	0.00% - 15.00%	n/a	n/a
Growth assets	92.18%	95.00%	60.00% - 100.00%		

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

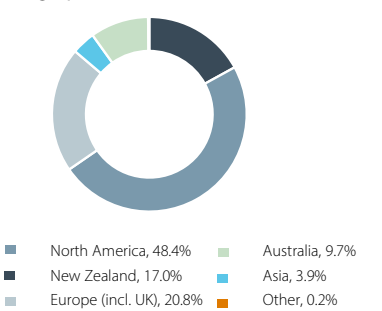
Top 10 growth holdings

Asset name	% of fund
1 Fisher & Paykel Healthcare	1.2
2 Goodman Group	1.1
3 Visa Inc. Class A	1.0
4 Auckland Int Airport Ltd.	0.9
5 Nestle S.A.	0.9
6 Equinix, Inc.	0.9
7 Spark NZ Ltd.	0.9
8 Schneider Electric SE	0.8
9 HDFC Bank Ltd. ADR	0.8
10 Comcast Class A	0.8
Total top 10 growth holdings	9.3

Top 10 income holdings

Asset name	% of fund
1 ASB RCD 17/05/2024	0.1
2 NZ Govt 3.5% 14/04/2033	0.1
3 ASB RCD 10/05/2024	0.1
4 NZ Govt 4.5% 15/04/2027	0.1
5 ASB RCD 24/05/2024	0.1
6 WBC TERM DEPOSIT 19/	0.1
7 WBC TERM DEPOSIT 5/0	0.1
8 Bank Of NZ FRN 23/11/2026	0.1
9 Cooperatieve Rabobank U.a. FRN 08/1:	0.1
10 ASB RCD 26/04/2024	0.1
Total top 10 income holdings	1.0

Geographic allocation



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