

31 January 2024

ONEANSWER SINGLE-ASSET-CLASS FUNDS

EQUITY SELECTION FUND

ABOUT THIS FUND

The Equity Selection Fund invests mainly in New Zealand and Australian equities. Investments may include: equities in companies that are listed or are soon to be listed on the New Zealand and Australian stock exchanges, and cash and cash equivalents.

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/OA-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 \$10.4m

Number of holdings 27

Fund start date July 2004

Suggested minimum investment timeframe 10 years

Annual fund charge 1.14%

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

HOW THIS FUND HAS PERFORMED

-1.02%

1 year

4.41%

10 years

5.35%

Since inception

PIR (tax rate)	1mth	3mth	6mth	1yr	3yrs	5yrs	10 yrs
0%	1.47%	13.08%	2.18%	-0.29%	-3.27%	3.72%	5.15%
17.5%	1.48%	13.03%	1.91%	-0.75%	-3.63%	3.34%	4.69%
28%	1.48%	13.00%	1.74%	-1.02%	-3.85%	3.12%	4.41%

Fund performance since launch



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.

MARKET AND FUND REVIEW

The New Zealand share market delivered gains in January, but underperformed several of its international counterparts. The NZX 50 Index finished the month 0.9% higher. At a sector level, consumer staples outperformed, while the materials sector struggled – often a sign that economic conditions are tough. Of the 50 companies that make up the index, 27 delivered gains or were flat, with the other 23 finishing the month lower.

Across the Tasman, the ASX 200 Index rose to a new all-time high, as it gained 1.2% in January. Much of the recent strength in its share market can be attributed to the strong performance of the energy sector.

During January there were some promising signs on the inflation front in both New Zealand and Australia. In New Zealand, the Consumer Price Index (CPI) rose at an annual pace of 4.7% in the final quarter of 2023. It was the smallest annual rise in over two years. While in Australia, inflation slowed sharply to 4.1% in the final quarter of 2023, down from 5.4%.

Meanwhile, on 30 January, Reserve Bank of New Zealand (RBNZ) chief economist, Paul Conway, gave a speech where he reaffirmed the central bank's commitment to bring inflation back to target level. At a time when several central banks are starting to suggest interest cuts could be on the horizon, Conway said "we still have a way to go to get inflation back to the target midpoint".

Benefitting performance in January was the fund's holding in New Zealand King Salmon Investments Limited. Its shares were up over 28%, continuing an uptrend seen over the last few months following news that the company had been given approval by the Marlborough District Council to expand its operations into the cooler open ocean. It follows a difficult period for the company which was forced to fallow three of its warmer farms as rising sea temperatures were killing a significant number of its fish.

Another notable performer was medical devices company, Resmed Inc. Its shares jumped by over 14% as the company delivered a second quarter result which was well ahead of expectations. Management revealed that this strong result was driven by double-digit growth across its combined device, masks, and accessories, and residential care software businesses. Also of benefit was the fund's holding in Summerset Group Holdings Limited. Shares in the retirement village owner and operator jumped by more than 7%, following the release of record fourth-quarter sales data and given positive signs the residential property market is improving.

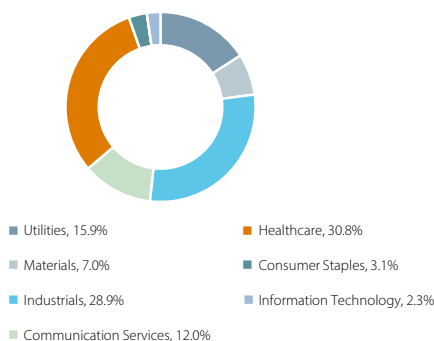
The main detractor from relative performance was the zero holding in Infratil Limited. Its shares rose by 5%, as the New Zealand-based digital infrastructure company announced further valuation increases on its investment in overseas company CDC Data Centres, which is benefiting from

FUND CHARACTERISTICS

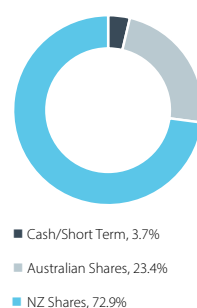
Top 5 holdings

Asset name	% of fund
1 Mainfreight Ltd.	9.1%
2 Fisher & Paykel Healthcare Ltd.	7.6%
3 Meridian Energy Ltd.	6.1%
4 CSL Ltd.	6.0%
5 Contact Energy Ltd.	6.0%
Total top 5 holdings	35%

Sector allocation



Actual investment mix*



* The actual investment mix of this fund is based on:
- the cash and cash equivalents,
- Australian and New Zealand equity assets held by both the fund itself and the underlying fund in which

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.

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