

31 March 2025

# 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](https://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/oa-responsibleinvesting](https://anz.co.nz/oa-responsibleinvesting)

### THIS FUND AT A GLANCE

Size of the fund \$9.2m

Number of holdings 29

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-documents](https://anz.co.nz/OA-documents).

### HOW THIS FUND HAS PERFORMED

1.20%

1 year

3.36%

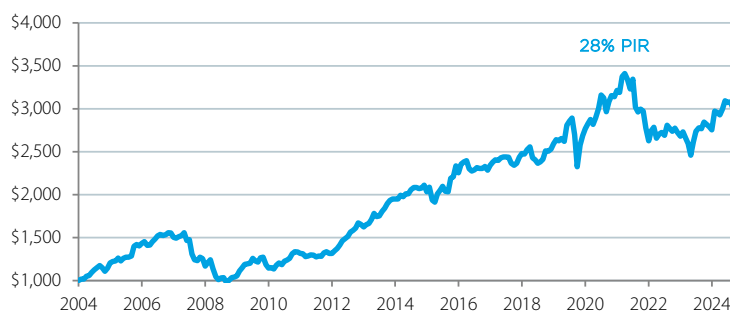
10 years

5.23%

Since inception

PIR (tax rate)	1mth	3mth	6mth	1yr	3yrs	5yrs	10 yrs
0%	-3.73%	-6.09%	-1.36%	1.92%	-0.61%	4.99%	4.10%
17.5%	-3.86%	-6.24%	-1.56%	1.47%	-1.04%	4.61%	3.64%
28%	-3.94%	-6.32%	-1.68%	1.20%	-1.30%	4.38%	3.36%

### 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

New Zealand's equity market experienced a significant downturn, with the NZX 50 Index dropping over 6%. This decline occurred despite the Reserve Bank of New Zealand (RBNZ) cutting the Official Cash Rate (OCR) by 50 basis points in February, marking the third consecutive cut of this magnitude. The central bank's efforts to stimulate the economy were overshadowed by negative sentiment from international markets and disappointing financial results from some local companies in the latest earnings season.

Economic data presented a mixed picture. The unemployment rate increased to 5.1% from 4.8%, while GDP grew by 0.7% in the final quarter of 2024, driven by primary industries, retail trade, transport, and accommodation. This growth helped lift the economy out of recession. Meanwhile, inflation remained steady at 2.2% for the year.

In Australia, the ASX 200 Index fell by over 2%, impacted by global market volatility and concerns over domestic economic growth. Its falls came despite the Reserve Bank of Australia (RBA) finally beginning its rate-cutting cycle, as inflationary pressures fell back to within the central bank's target range.

Detracting from relative performance was the fund's overweight positions in logistics company Mainfreight Limited, medical product manufacturer Aroa Biosurgery Limited and Australian building materials company James Hardie Industries. Mainfreight's shares fell 19% due to challenging trading conditions across many of the markets in which it operates. Aroa Biosurgery was another weak performer. The company, which develops and manufactures products for wound healing and soft tissue reconstruction – saw its shares down following the release of its quarterly update. James Hardie shares fell 23%, following news that it would acquire US building products makers AZEK Company in a cash and share deal worth \$8.75bn; investors felt the deal may be overvalued.

It wasn't all bad news. Offsetting some of the negatives were the fund's overweight positions in seafood company Sanford Limited, and outdoor media company oOh Media. Sanford's shares were up 19%. Meanwhile, oOh media saw its shares up 28%, after it reported strong results for the year to end December, driven by revenue growth initiative and costs efficiencies.

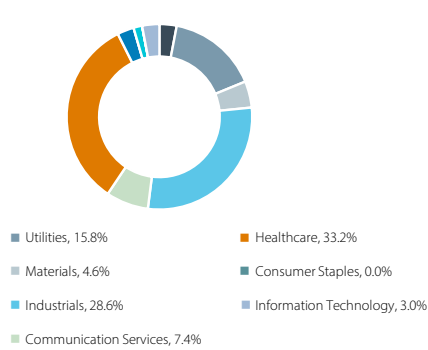
Also contributing to relative performance was a zero holding to Infratil Limited. Its shares fell 17% after it was caught up in the AI-related sell-off in international equity markets. Infratil is a major shareholder in datacentre company, CDC, which has said AI adoption is a significant part of its growth.

FUND CHARACTERISTICS

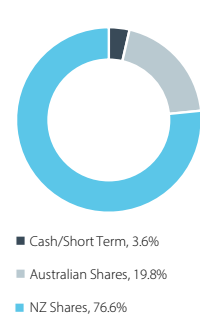
Top 5 holdings

Asset name	% of fund
1 Mainfreight Ltd.	8.9%
2 Fisher & Paykel Healthcare Ltd.	8.6%
3 Contact Energy Ltd.	8.0%
4 Sanford Ltd.	6.4%
5 CSL Ltd.	5.7%
Total top 5 holdings	38%

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 the fund invests.

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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