

31 July 2020

## New Zealand Fixed Interest Fund

### Fund description

Invests mainly in New Zealand fixed interest assets. Investments may include fixed interest assets issued by New Zealand or international entities denominated in New Zealand dollars, and cash and cash equivalents.

### Market and fund review

The fund gained 0.96% in July. In New Zealand, bond markets recorded modest gains as interest rates continued to grind lower – a scenario in which bonds tend to perform well.

The yield on the New Zealand 10-year government bond fell 19 basis points in July, closing at 0.74%, its lowest level since May.

Economic data in July showed that inflation for the second quarter declined by 0.5%, reflecting falling petrol prices as the global pandemic reduced demand for oil. The -0.5% reading over the quarter saw the annual inflation rate dip to 1.5%.

Meanwhile, the Reserve Bank of New Zealand did not meet in July, but the central bank is likely to remain heavily accommodative given the economic impact the pandemic has had on the local economy, in particular the tourism and retail sectors.

The fund holds a mixture of government bonds and corporate bonds, both of which recorded positive returns over the month, with government bonds slightly outperforming.



New Zealand Fund Manager of the Year  
For more information, see [anz.co.nz/OA-investmentsawards](http://anz.co.nz/OA-investmentsawards)

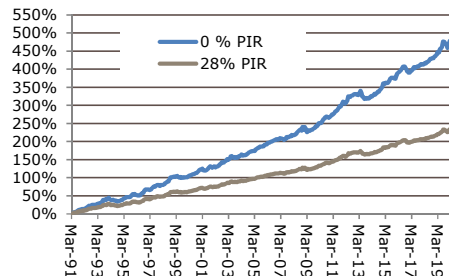


### Fund performance

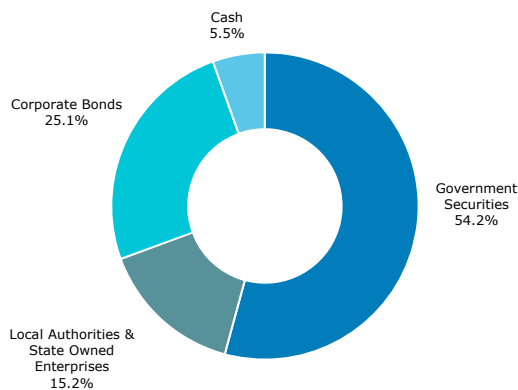
	1mth	3mth	6mth	1yr	3yrs (ann)	5yrs (ann)	Since Launch (ann)
At 0% PIR Tax	1.0%	1.1%	4.9%	6.1%	5.8%	4.8%	6.3%
At 28% PIR Tax	0.7%	0.8%	3.6%	4.4%	4.2%	3.4%	4.3%

Performance is after fund fees and stated PIR. The 28% PIR return series shows returns at the highest PIR at the time of the performance. The fund became a PIE fund on 1 October 2007. Performance of the 0% PIR prior to this date has been recalculated on a before tax basis. Performance of the 28% PIR prior to this date are reflective of the tax regime for that period. Performance for periods longer than one year are annualised.

### Fund performance since launch



### Actual investment mix



### Top 10 holdings

1	NZ Govt 2.75% 15/04/2037	12.8%
2	NZ Govt 2.75% 15/04/2025	6.7%
3	NZ Govt 3.5% 14/04/2033	6.3%
4	NZ Govt 3.0% 20/04/2029	6.0%
5	NZ Govt 1.5% 15/05/2031	6.0%
6	NZ Govt 5.5% 15/04/2023	5.0%
7	ASB Bank Ltd. 1.83% 19/08/2024	4.3%
8	NZ Govt 4.5% 15/04/2027	3.8%
9	Kiwibank Ltd. 2.155% 20/09/2024	3.6%
10	ANZ 3.03% 20/03/2024	2.7%
<b>Total Top 10 Holdings</b>		<b>57.2%</b>
<b># of NZ Fixed Interest Holdings</b>		<b>58</b>

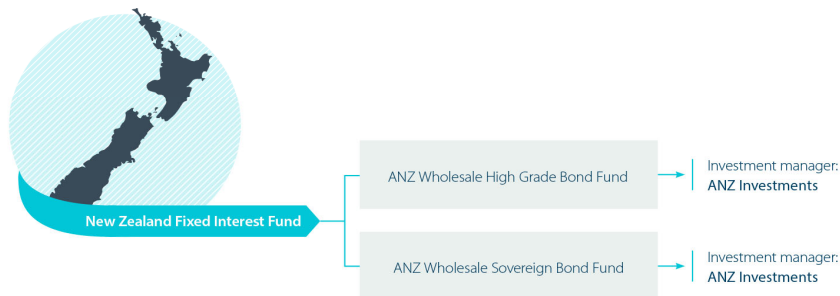
The actual investment mix of this fund is based on the assets held in the fund and the underlying funds, in which the fund invests.

## New Zealand Fixed Interest Fund

### Current fund structure

**Launched** 1 February 1991

#### Current Fund structure



### Additional fund details

<b>Minimum transaction amounts</b>		<b>Detailed fund information</b>
Lump sum withdrawals	\$500	<a href="#">Guide and product disclosure statement</a>
Regular withdrawals	\$100	
<b>Fees</b>		<b>Forms to alter your investment</b>
Annual fund charge	0.72%	<a href="#">See form section of product disclosure statement</a>
<b>Launch date</b>		<b>Contact information</b>
1 February 1991		0800 736 034
		<a href="mailto:service@anzinvestments.co.nz">service@anzinvestments.co.nz</a>
		<a href="http://anz.co.nz/OA-investmentfundoptions">anz.co.nz/OA-investmentfundoptions</a>

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.

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For a copy of the OneAnswer Single-Asset-Class Funds guide and product disclosure statement, please contact ANZ Investments on 0800 736 034.

All market returns quoted in commentary are in local currency terms.