

31 May 2025

# ONEANSWER SINGLE-ASSET-CLASS FUNDS

## NEW ZEALAND FIXED INTEREST FUND

### ABOUT THIS FUND

The New Zealand Fixed Interest Fund 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

### 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 \$11.2m

Number of holdings 92

Fund start date February 1991

Suggested minimum investment timeframe 5 years

Annual fund charge 0.47%

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

4.85%

1 year

1.78%

10 years

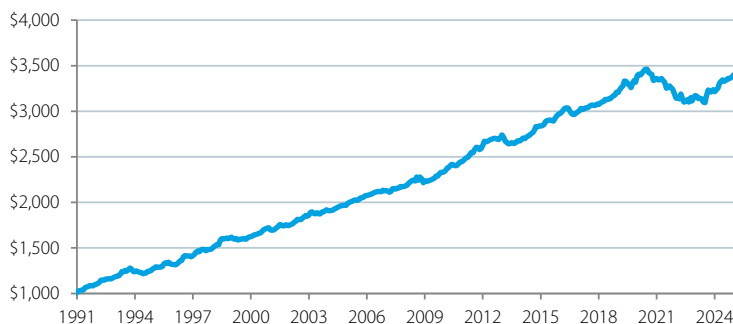
3.63%

Since inception

PIR (tax rate)	1mth	3mth	6mth	1yr	3yrs	5yrs	10 yrs
0%	-0.41%	0.84%	1.99%	6.79%	3.44%	-0.16%	2.47%
17.5%	-0.33%	0.69%	1.64%	5.58%	2.84%	-0.12%	2.04%
28%	-0.29%	0.61%	1.43%	4.85%	2.49%	-0.10%	1.78%

### Fund performance since launch

28% PIR



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 bond yields moved higher in May, meaning prices fell, largely following global trends. The move reflected a broader sell-off in global fixed income markets, led by US markets.

The Reserve Bank of New Zealand (RBNZ) cut the Official Cash Rate (OCR) by a further 25 basis points to 3.25% in May. In a surprising move, one member of the Committee voted to leave the cash rate unchanged, meaning the decision went to a vote, which resulted in a 5-1 ruling to cut the OCR.

"In considering the merits of holding the OCR unchanged at 3.50 percent for this meeting, some members noted that this would allow the Committee to better assess whether increased economic policy uncertainty was having a noticeable impact on household and firm behaviour", the Committee said in its statement.

In the central bank's accompanying Monetary Policy Statement (MPS) it forecast that the OCR will be around 3% by the end of 2025, while it downgraded its GDP forecast for the March quarter to 0.4%.

In economic data, New Zealand's unemployment rate remained steady at 5.1% in Q1 2025. While the headline rate was slightly below forecast, it remains at its highest level since 2020. Elsewhere, retail sales rose 0.8% in the first quarter of the year, raising hopes the economy is starting to turn a corner.

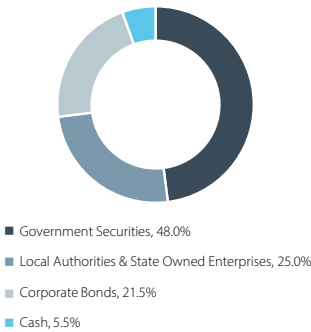
Interest rate markets have scaled back the pace of expected rate cuts by the RBNZ, slightly benefitting our neutral position in New Zealand bonds. While recent growth data shows the economy crawling out of a recession, it appears that the recovery may be slow, and further stimulus may be required in the form of rate cuts, but data would need to confirm this. Globally central banks seem to be pausing as the uncertainty of trade politics is being assessed.

FUND CHARACTERISTICS

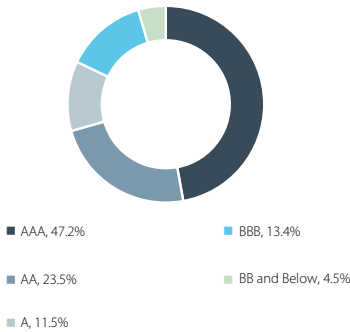
Top 10 holdings

Asset name	% of fund
1 NZ Local Gov Funding 04/15/26	4.3%
2 GMT BOND REIT 10/08/29	3.9%
3 NZ GOV 05/15/35	3.3%
4 NZ Local Gov Funding 05/15/31	3.3%
5 NZ GOV 04/20/29	3.0%
6 NZ GOV 05/15/28	3.0%
7 PRECINCT PROPERTIES 10/24/29	2.9%
8 NZ GOV 04/14/33	2.9%
9 NZ GOV 05/15/30	2.5%
10 HOUSING NZ 10/18/28	2.4%
Total top 10 holdings	32%

Sector allocation



Credit rating 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.

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