

31 March 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

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

THIS FUND AT A GLANCE

Size of the fund \$11.3m

Number of holdings 82

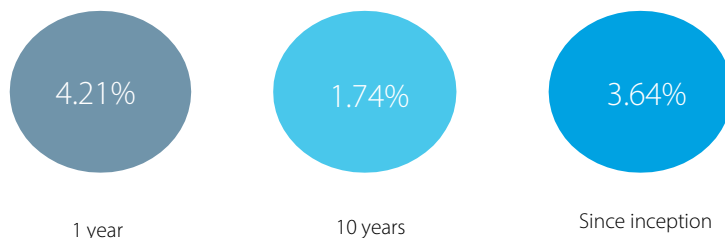
Fund start date February 1991

Suggested minimum investment timeframe 5 years

Annual fund charge 0.47%

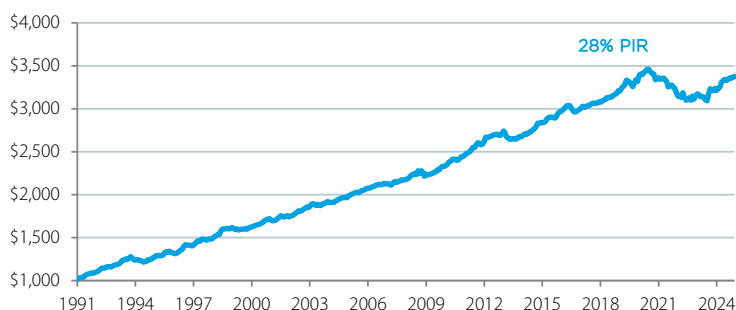
The OneAnswer Single-Asset-Class Funds guide and product disclosure statement is available at anz.co.nz/OA-documents.

HOW THIS FUND HAS PERFORMED



PIR (tax rate)	1mth	3mth	6mth	1yr	3yrs	5yrs	10 yrs
0%	0.20%	0.68%	1.30%	5.87%	2.61%	0.45%	2.41%
17.5%	0.17%	0.56%	1.08%	4.83%	2.16%	0.38%	1.99%
28%	0.15%	0.49%	0.94%	4.21%	1.89%	0.34%	1.74%

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 bonds finished the quarter modestly higher, helped in part by the interest rate cut by the Reserve Bank of New Zealand (RBNZ). The central bank cut the Official Cash Rate (OCR) by 50 basis point, taking the OCR to 3.75%, marking its third-consecutive 50 basis point cut. Moreover, the central bank signalled that further rate cuts were likely before the end of the year.

Bonds did face some headwinds though, which were largely driven by offshore markets – notably concerns around trade tariffs. Investors were worried that tariffs could lead to a reacceleration of inflation, a scenario that generally sees bonds underperform.

Economic data in New Zealand was mixed over the quarter, but didn’t sway bond markets either way. The unemployment rate jumped to 5.1% from 4.8%, which was largely in-line, while annual inflation remained steady at 2.2%. There was some good news for the broader economy with GDP growth rising 0.7% over the final quarter of 2024, which helped lift the economy out of recession.

It was a relatively quiet quarter for fixed interest activity. In February, ANZ issued a five-year \$750 million unsecured bond at 4.889%.

Meanwhile, in March, Property for Industry (PFI) issued a five-year \$150 million secured bond at 5.43%. This gives us exposure to the industrial zoned land sector that has a supply/demand mismatch, while the deal underscores PFI’s commitment to investment in the sector.

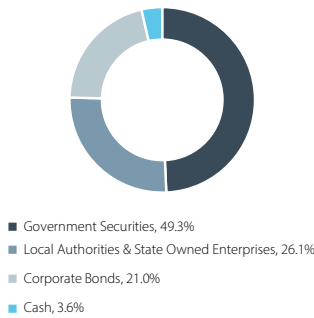
At a tactical level, the fund remained overweight to New Zealand Government Bonds.

FUND CHARACTERISTICS

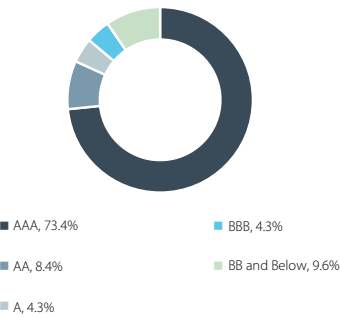
Top 10 holdings

Asset name	% of fund
1 NZ Govt 3.5% 14/04/2033	5.8%
2 NZ Govt 0.25% 15/05/2028	5.5%
3 NZ Govt 4.5% 15/05/2030	5.2%
4 NZ Govt 3.0% 20/04/2029	4.2%
5 NZ Govt 4.5% 15/04/2027	3.9%
6 HNZ Ltd. 3.42% 18/10/2028	3.9%
7 NZ Govt 4.25% 15/05/2034	3.3%
8 NZ LGFA Ltd. 1.5% 15/04/2026	3.3%
9 NZ Govt 1.5% 15/05/2031	3.1%
10 NZ Govt 2.0% 15/05/2032	3.1%
Total top 10 holdings	41%

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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