

Russell Investments NZ Fixed Interest Fund



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PORTFOLIO MANAGER

Russell Investments Customised Portfolio Solutions team based in Sydney has an average of 10 years+ industry experience in managing portfolios. The team works closely with our researchers, portfolio analysts, and strategists in Russell Investments offices around the globe. The team manages cash and multi-strategy fixed income portfolios, which include global, regional, investment grade, high yield, emerging market debt and absolute return mandates.

Fund Facts

Inception date

14 February 2013

Benchmark

Bloomberg NZ Bond Composite 0+ Yr Index

Currency

NZD

Total Annual Fund Charges incl. GST

0.50%

Management Fees

0.40%

Estimated Administration Fee

0.10%

Dealing Frequency; Cut Off

Daily, 11am NZT

Dividend Reinvestment Available

Yes

Fund Objective

To provide a total return, before costs and tax, higher than the Bloomberg NZ Bond Composite 0+ Yr Index over the long term (3 years plus).

Fund Update

In April, we restructured the Russell Investments New Zealand Fixed Interest Fund; removing Western Asset Management and Harbour Asset Management from the Fund's manager line up and replacing them with an internal, model-driven investment strategy. This strategy is designed to deliver excess returns over the Fund's existing benchmark, i.e. the Bloomberg NZ Bond Composite 0+ Year Index. The strategy's investment guidelines are similar to those applied to the previous mandates, which will ensure consistency with the Fund's existing risk profile. The strategy has yet to complete a full month of performance.

Performance Review (%)

Period Ending 30/04/2025	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since Inception %p.a.
Gross Fund Performance	0.97	1.78	8.95	4.58	0.93	3.54
Net Fund Performance	0.93	1.66	8.42	4.07	0.35	2.83
Benchmark Return	1.12	1.86	8.46	3.93	0.01	2.92
Excess Fund Performance (Gross)	-0.15	-0.08	0.49	0.65	0.92	0.62

Rolling 12 Month Performance (%)

Period Ending 30/04/25	30/04/20 30/04/21	30/04/21 30/04/22	30/04/22 30/04/23	30/04/23 30/04/24	30/04/24 30/04/25
Gross Fund Performance	-0.48	-7.99	2.35	2.56	8.95
Net Fund Performance	-1.23	-8.58	1.85	2.06	8.42
Benchmark Return	-2.35	-8.73	1.59	1.90	8.46

*As at 28 Jun 19 the benchmark changed to the Bloomberg NZ Bond composite index. From December 2014 through to June 2019 the benchmark was 75:25 weighted average of the S&P/NZX NZ Government Stock Index and S&P/NZX A-Grade Corporate Index. Prior to December 2014 the benchmark was the S&P/NZX NZ Government Stock Index.

Net fund performance shown is net of fees and charges. Assumes reinvestment of income.

Performance data is provided for informational purposes only and is not intended to imply a recommendation about a product or form the basis for making an investment decision.

Past performance is not a reliable indicator of future performance.

Portfolio Statistics

	Fund	Benchmark	3 Years	Fund	Benchmark
Yield to Maturity	3.97%	3.97%	Volatility	4.56%	4.45%
Modified Duration	4.73	4.86	Tracking Error	0.30%	-
Average Quality\Rating	AAA	AAA	Sharpe Ratio	0.20	-
Number of Issuers	70	43	Information Ratio	2.13	-

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Top Ten Issuers (%)

Issuer	Fund	Benchmark
New Zealand Government Bond	69.92	68.28
New Zealand Local Government Funding Agency Bond	8.59	7.54
Housing New Zealand Ltd	3.77	3.05
Kiwibank Ltd	1.65	0.82
Toyota Finance New Zealand Ltd	1.61	0.17
Westpac New Zealand Ltd	1.52	1.66
Bank of New Zealand	1.16	1.54
Dunedin City Treasury Ltd	1.05	0.09
International Bank for Reconstruction & Development	0.94	3.08
Auckland Council	0.91	0.60

Credit Ratings (%)

	Fund	Benchmark
AAA	88.13	89.14
AA	3.49	2.37
A	6.33	6.12
BBB	1.12	2.18
BB	0.00	0.00
B	0.00	0.00
CCC & Below	0.00	0.00
Unrated	0.92	0.20

Note: Cash/Cash equivalents are classified as AAA from a credit ratings perspective.

Sector Allocation (%)

	Fund	Benchmark
Treasuries	69.92	68.29
Government Related	18.69	21.05
Corporate - Investment Grade	6.67	8.01
Other	4.00	0.20
Emerging Markets - Hard Currency	0.37	2.44
Securitized	0.36	0.00

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Portfolio Structure

Manager	Style	Target Allocation (%)
Russell Investments	Positioning Strategies	100.00

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