

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

The Fund performed in line with its benchmark over the period, benefiting in part from overweight exposures to select local government issuers. This included our holdings in New Zealand Local Government Funding Agency and Auckland Council. In terms of corporate issuers, an overweight to telecommunications provider Chorus Ltd. added value in July. Chorus Ltd. is New Zealand's largest telecommunications infrastructure company. In contrast, a modest underweight to the long end of the yield curve detracted from overall fund performance, albeit slightly. Longer-dated government bonds performed relatively well over the period.

Performance Review (%)

Period Ending 31/07/2025	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since Inception %p.a.
Gross Fund Performance	0.54	0.87	5.08	4.07	0.81	3.53
Net Fund Performance	0.50	0.74	4.57	3.56	0.25	2.83
Benchmark Return	0.50	0.82	4.94	3.55	0.03	2.93
Excess Fund Performance (Gross)	0.04	0.05	0.14	0.52	0.78	0.60

Rolling 12 Month Performance (%)

Period Ending 31/07/25	31/07/20 31/07/21	31/07/21 31/07/22	31/07/22 31/07/23	31/07/23 31/07/24	31/07/24 31/07/25
Gross Fund Performance	-1.68	-6.04	-1.23	8.61	5.08
Net Fund Performance	-2.43	-6.58	-1.72	8.08	4.57
Benchmark Return	-2.96	-7.08	-1.85	7.81	4.94

*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	4.11%	3.99%	Volatility	4.36%	4.27%
Modified Duration	4.85	4.78	Tracking Error	0.27%	-
Average Quality\Rating	AA	AAA	Sharpe Ratio	0.03	-
Number of Issuers	85	43	Information Ratio	1.94	-

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Top Ten Issuers (%)

Issuer	Fund	Benchmark
New Zealand Government Bond	62.03	70.28
New Zealand Local Government Funding Agency Bond	7.68	7.49
Westpac New Zealand Ltd	2.27	1.64
Bank of New Zealand	2.21	1.51
Kiwibank Ltd	2.04	0.81
Housing New Zealand Ltd	2.02	2.19
Toyota Finance New Zealand Ltd	1.56	0.21
GMT Bond Issuer Ltd	1.55	0.27
Auckland Council	1.39	0.53
International Bank for Reconstruction & Development	1.35	3.02

Credit Ratings (%)

	Fund	Benchmark
AAA	75.06	89.54
AA	4.95	2.27
A	11.91	6.04
BBB	7.70	1.96
BB	0.00	0.00
B	0.00	0.00
CCC & Below	0.00	0.00
Unrated	0.39	0.20

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

Sector Allocation (%)

	Fund	Benchmark
Treasuries	62.03	70.28
Corporate - Investment Grade	18.39	7.79
Government Related	17.65	19.33
Other	1.29	0.20
Emerging Markets - Hard Currency	0.64	2.40

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Portfolio Structure

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

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