

FOUNDATION SERIES HEDGED US 500 FUND



Fund Fact Sheet at 30 September 2026

Fund Information	
Description	Single-sector fund targeting high-range long-run returns by investing in an underlying Exchange-Traded Fund ('ETF') that invests in shares of the largest companies listed on stock markets in the United States. The fund aims to have all foreign currency exposure hedged to the New Zealand dollar.
Objective	To perform broadly in line with the return of the Fund's investment benchmark on a before fees and tax basis.
Benchmark	Morningstar US Target Market Exposure TR Hedged NZD Index
Inception	5 February 2024
Fund Type	PIE
Fund Size (NAV)	\$56.3 million
Annual Fund Charges (Estimated, % of NAV)	0.03%
Performance Fee	Nil
Buy/Sell Spreads	Nil
Buy/Sell Transaction Fees	0.50%/0.50%
Unit Price	\$1.5279

Investment Mix



Commentary

The Foundation Series Hedged US 500 Fund outperformed its benchmark in the September quarter, returning 2.01% after fees and before tax.

US equities delivered modest gains during the September quarter despite a challenging backdrop of higher energy prices, persistent inflation, and further monetary tightening. The US Federal Reserve raised interest rates by 0.25% in September and signalled that inflation risks remained skewed to the upside. Despite these concerns, economic activity remained resilient, supported by strong labour markets, healthy consumer spending, and ongoing business investment. The S&P 500 Index returned +2.3% in USD terms over the quarter, supported by another strong earnings season and continued investor enthusiasm toward artificial intelligence and technology-related investment.

Technology remained the primary driver of market returns. Companies exposed to AI infrastructure, semiconductors, software, and cloud computing continued to benefit from significant capital expenditure and strong demand growth. Technology shares recovered from a July sell-off and were supported by robust earnings throughout the quarter. Financial companies also benefited from a higher interest-rate environment, while rising oil prices provided support for energy stocks. Although concerns around valuation levels and market concentration persisted, earnings growth remained sufficiently strong to underpin investor confidence.

The AI investment boom remained the defining company-level theme. NVIDIA's August earnings release highlighted the continued strength of demand across AI-related technology, while broader investment across the sector remained substantial. Strong results from software and semiconductor companies reinforced confidence that AI adoption continues to expand across the economy. While rising bond yields and tighter monetary policy created periods of volatility, positive corporate earnings and resilient economic conditions helped support equities. Overall, the quarter highlighted the continued importance of innovation and technology-led growth within the US market.

The Fund's strategy is to provide NZ dollar-hedged exposure to a diversified portfolio of US equities, targeting high-range long-run returns by reweighting back to the Fund's benchmark/target investment mix within a cost-effective and tax appropriate investment structure.

Performance	1 Mth	3 Mths	6 Mths	1 Year	Inception (p.a.)
Fund (after fees before tax)	-0.36%	2.01%	16.65%	13.27%	17.25%
Fund (after fees and 28% PIR)	-0.48%	1.65%	15.83%	12.15%	16.19%
Benchmark (no deductions)	-0.42%	1.99%	16.65%	12.80%	17.79%

Investors should also refer to the Quarterly Fund Update, which is available at fundrock.com/fundrock-new-zealand and business.govt.nz/disclose.

Mike Heath – 027 285 9178

mike.heath@investnow.co.nz

Jason Choy – 021 0221 7661

jason.choy@investnow.co.nz

This Fact Sheet is provided by InvestNow Saving and Investment Service Limited (InvestNow) in good faith and are based on sources InvestNow believes are reliable and accurate. InvestNow, its directors, officers and employees make no representations or warranties as to the accuracy or completeness of the information contained in this Fact Sheet and disclaim liability for any loss, damage, cost or expense that may arise from any reliance on the information provided. This disclaimer extends to any entity that may distribute this Fact Sheet. The information in this Fact Sheet is not intended to be financial advice and InvestNow did not take into account the investment objectives, and particular needs of any particular person. Professional investment advice from an appropriately qualified adviser should be taken before making any investment. Past performance is not necessarily indicative of future performance, unit prices may go down as well as up and an investor in the Fund may not recover the full amount of the capital that they invest. No part of this document may be reproduced without the permission of InvestNow or FundRock NZ Limited. The manager and issuer of the Fund is FundRock NZ Limited and a Product Disclosure Statement is available at <https://www.fundrock.com/fundrock-new-zealand/frnz-documents-and-reporting/>, and on <https://disclose-register.companiesoffice.govt.nz/>. All investments involve risk.