

# Russell Investments NZ Fixed Interest Fund



**Alistair Martyres**  
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 NZ Fixed Interest Fund performed in-line with its benchmark in October. Performance was primarily supported by strong security selection within the Treasury sector, particularly in longer-dated bonds that benefited most from the RBNZ's surprise 50 bps rate cut. Sector allocation, notably within the Treasury and Banking sectors, detracted from returns. However, the portfolio's tilt toward longer-duration securities proved advantageous in a month marked by strong demand for New Zealand government bonds and growing expectations of further monetary policy easing.

## Performance Review (%)

Period Ending 31/10/2025	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since Inception %p.a.
Gross Fund Performance	0.79	3.37	7.39	6.43	1.11	3.73
Net Fund Performance	0.75	3.24	6.86	5.91	0.56	3.03
Benchmark Return	0.82	3.32	7.32	5.84	0.41	3.13
Excess Fund Performance (Gross)	-0.03	0.05	0.07	0.59	0.70	0.60

## Rolling 12 Month Performance (%)

Period Ending 31/10/25	31/10/20 31/10/21	31/10/21 31/10/22	31/10/22 31/10/23	31/10/23 31/10/24	31/10/24 31/10/25
Gross Fund Performance	-7.43	-5.27	0.33	11.89	7.39
Net Fund Performance	-8.14	-5.75	-0.16	11.34	6.86
Benchmark Return	-8.78	-5.63	-0.40	10.91	7.32

\*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	3.56%	3.45%	Volatility	3.94%	3.89%
Modified Duration	4.75	4.73	Tracking Error	0.25%	-
Average Quality\Rating	AA	AAA	Sharpe Ratio	0.60	-
Number of Securities	88	46	Information Ratio	2.33	-

# Russell Investments NZ Fixed Interest Fund

## Top Ten Issuers (%)

Issuer	Fund	Benchmark
New Zealand Government Bond	62.30	71.17
New Zealand Local Government Funding Agency Bond	6.74	7.36
Westpac New Zealand Ltd	2.21	1.54
Bank of New Zealand	2.17	1.44
International Bank for Reconstruction & Development	2.03	3.12
Housing New Zealand Ltd	1.71	2.07
GMT Bond Issuer Ltd	1.53	0.26
Toyota Finance New Zealand Ltd	1.52	0.20
Auckland Council	1.39	0.51
Kiwibank Ltd	1.30	0.76

## Credit Ratings (%)

	Fund	Benchmark
AAA	74.35	89.41
AA	5.15	2.66
A	11.45	5.75
BBB	8.15	2.00
BB	0.00	0.00
B	0.00	0.00
CCC & Below	0.00	0.00
Unrated	0.89	0.19

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

## Sector Allocation (%)

	Fund	Benchmark
Treasuries	62.30	71.17
Corporate - Investment Grade	20.46	8.53
Government Related	15.22	18.15
Other	1.61	0.19
Emerging Markets - Hard Currency	0.40	1.96

# Russell Investments NZ Fixed Interest Fund

## Portfolio Structure

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

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