

# Z Series Managed Growth Fund

Fund Focus - May 2026



## Investment Strategy

The Fund invests in a mix of Australian and international shares, fixed interest securities, listed property securities and cash. The Fund is designed to reduce investment risk by diversifying across asset classes.

## Portfolio Characteristics

Funds Under Management	\$394.28m
Latest Distribution Date	September 30, 2025
Latest Distribution Amount	2.4889
Benchmark	CPI+2.5% pa over rolling five year periods before fees and taxes.

## Fund Facts

APIR Code	ZUR0059AU
Inception Date	April 2, 1997
Total Est. Management Cost %	0.89
Est. Transactional Op. Cost %	0.00
Buy/Sell Spread %	0.10
Distribution Frequency	Quarterly

## Fund Performance After Fees\*

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	0.00	5.97	3.41	5.66	6.23
Growth	1.63	-1.26	2.49	5.64	-0.15	1.01
Total	1.63	-1.26	8.46	9.06	5.51	7.25

Performance is net of fees and charges. Assumes reinvestment of income. Past performance is not a reliable indicator of future performance. The distribution return reflects income paid from the Fund, whilst the growth return reflects changes in the capital values of the assets.

## Strategic Investment Partners

### Australian Shares

DWS International  
Schroder Investment Management Australia

### International Shares

American Century Investment Management, Inc  
Lazard Asset Management Pacific Co  
RQI Investors  
Allspring Global Investors

### Australian Property Securities

Renaissance Property Securities Pty Ltd

### Global Property Securities

Quay Global Investors

### Alternative Investments

Antipodes Partners Limited

### Infrastructure

Lazard Asset Management Pacific Co

### Fixed Interest and Cash

Schroder Investment Management Australia

### Absolute Return Bond

AllianceBernstein Investment Management

### Convertible Bonds

Lazard Asset Management Pacific Co

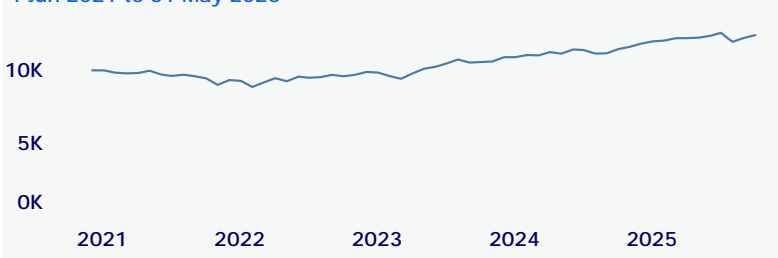
## Risk Statistics

1 Jun 2021 to 31 May 2026

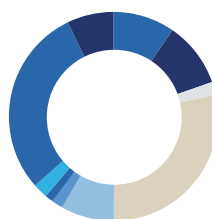
Std Dev	7.12
Sharpe Ratio (arith)	0.77

## Investment Growth (\$10,000)

1 Jun 2021 to 31 May 2026



## Portfolio Equity Sectors (%)



● Absolute Return Bonds	9.6
● Alternatives	10.1
● Australian Property	2.1
● Australian Shares	28.2
● Convertible Bonds	1.1
● Diversified Fixed Inter..	7.4
● Global Property	1.7
● Growth Fixed Interest	1.1
● Infrastructure	2.3
● International Shares	29.3
● Liquidity	7.2

## Actual Asset Allocation

	Actual Asset Allocation %	Benchmark Weight %	Active Position %
Absolute Return Bonds	9.6	8.0	1.6
Alternatives	10.1	9.0	1.1
Australian Property	2.1	2.0	0.1
Australian Shares	28.2	29.0	-0.8
Convertible Bonds	1.1	0.0	1.1
Diversified Fixed Inter..	7.4	10.0	-2.6
Global Property	1.7	2.0	-0.3
Growth Fixed Interest	1.1	6.0	-4.9
Infrastructure	2.3	2.0	0.3
International Shares	29.3	28.0	1.3
Liquidity	7.2	4.0	3.2

# Z Series Managed Growth Fund

Fund Focus - May 2026



## Market Commentary

The Z Series Managed Growth Fund rose by 1.63% in May.

Global equity markets rose in May, as strong corporate earnings and renewed enthusiasm around artificial intelligence (AI) helped offset geopolitical uncertainty. Investors kept a close watch on the conflict in Iran, where the Strait of Hormuz remained largely closed to commercial traffic, disrupting global oil supply and pushing energy prices higher. Although the situation remained fragile, with occasional military skirmishes despite a ceasefire, markets gradually became less sensitive to daily developments and continued to assume that a negotiated settlement would eventually reopen the strait. At the same time, sentiment toward AI strengthened, particularly in the semiconductor industry, where a shortage of memory chips drove strong profits and share-price gains for chip makers.

The economic effects of the conflict were increasingly visible during the month. Rising energy costs contributed to higher global inflation and increased volatility in government bond markets, as investors reassessed the outlook for central-bank policy. In the US, inflation readings surprised on the upside, leading markets to expect interest rates to remain elevated for longer and even raising the possibility of future rate increases. Elsewhere, economic conditions were mixed. Activity in Europe weakened, the UK continued to face above target inflation alongside a soft economy, and policymakers across Asia responded cautiously as higher energy costs and weak domestic demand weighed on growth.

The A-REIT market increased by 2.90% in May. The outperformance was mainly driven by a decline in bond yields, alongside moderating market expectations for further rate hikes by the Reserve Bank of Australia. Key AREIT developments in May included:

Goodman Group reaffirmed its FY26 guidance. While no data centre leases were announced, the company indicated it is in advanced discussions across multiple locations.

Charter Hall Group increased its earnings guidance for the third time this year, supported by strong funds under management inflows.

Vicinity Centres reported a moderation in specialty sales growth while rental re-leasing spreads increased.

GPT reaffirmed earnings growth guidance, with strong retail conditions offsetting softer office occupancy.

Dexus reiterated its earnings guidance and reported an improvement in office occupancy.

Centuria Industrial reaffirmed guidance and completed \$188m of asset sales at a 17% premium to book value.

GemLife reaffirmed guidance and reported record monthly enquiries for its land lease communities.

Centuria Capital provided an update on ResetData (50% owned by Centuria) regarding executing heads of agreement for 13MW of capacity. This increases contracted revenue for ResetData to \$15m per annum and may provide a pathway to profitability.

\*Performance returns quoted are compound rates of return calculated on exit prices and assume reinvestment of distributions. Returns are calculated net of all ongoing fees and any taxes payable by the fund. Total return includes both growth and distribution returns. Growth return is the change in exit price over the relevant period. The benchmark return shown is a gross return. Please note that figures shown are rounded to one decimal place, therefore some rounding errors may occur. ^The Estimated Total Management Cost of 0.91% includes an Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.04%. Past performance is not a reliable indicator of future performance. This report is issued by Z Series by Russell Investments Limited ABN 56 063 278 400 AFSL232511 (Z Series). This document provides general information only and has not been prepared having regard to your objectives, financial situation or needs. Before making an investment decision, you need to consider whether this information is appropriate to your objectives, financial situation and needs. This information has been compiled from sources RIM considers to be reliable, but accuracy is not guaranteed. Any past performance is not a reliable indicator of future performance. This document is not intended to be a complete statement or summary of the Z Series Managed Growth Fund (the Fund). Investing in the Fund has risks, some of which are beyond the control of Z Series, including possible delays in repayment and loss of income and principal invested. Please see the risks section of the Product Disclosure Statement (PDS) for the Fund for further details. You should consider these risks in light of your objectives, financial situation and needs. Neither Z Series nor its related entities, directors or officers give any guarantee as to the success of the Fund, amount or timing of distributions, capital growth or taxation consequences of investing in the Funds. You should consider the latest PDS for the Fund in deciding whether to acquire, or to continue to hold, an interest in the Fund. The PDS can be obtained by visiting [www.russellinvestments.com.au/zseries/pdsor](http://www.russellinvestments.com.au/zseries/pdsor) by phoning (02) 9229 5111. The Target Market Determinations for the Funds are available on our website at <https://russellinvestments.com.au/zseries/tmdand> include descriptions of who the financial product is appropriate for. You should refer to the TMD of the relevant Fund before making any investment decisions.