

ACI Balanced Strategy

Fund factsheet as at March 31, 2024

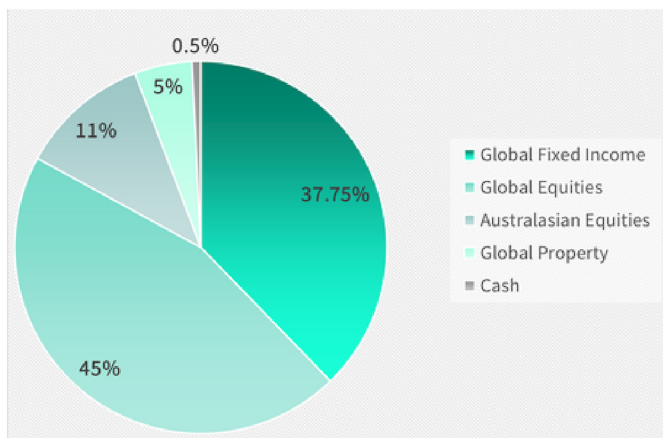
First made available on 20th of April 2024



Fund Overview

| | |
|-------------------------------|---|
| Description | A blend of ACI Growth Fund and ACI Conservative Fund (50% each), resulting in diversified exposure to both growth and Income assets. Growth assets include New Zealand, Australian, international shares and property. The Balanced strategy's objective is to achieve a rate of return (net of fees but before tax) of at least 3.125% per annum above inflation |
| Fund Type | Portfolio Investment Entity (PIE) |
| Benchmark | Composite blend of indices that represent the Fund's underlying investment funds, in their target weights. |
| Inception Date | April 6, 2023 |
| Net Assets Value (NAV) | \$609,270 (NZD) |
| Investment Manager | Stewart Group Asset Management (SGAM) |
| Issuer and Manager | FundRock NZ Ltd |

Fund's Target Investment Mix



Underlying Investments

| Name | % of Fund's NAV |
|---|-----------------|
| Dimensional 2 Year Diversified Fixed Int NZD Class | 10.75% |
| Dimensional Global Bond Sustainability Trust NZD Class | 27.00% |
| Dimensional Global Real Estate Trust NZD Hedged Class | 5.00% |
| Smartshares NZ Core Equity Trust | 8.48% |
| Dimensional Australian Sustainability PIE Fund | 2.83% |
| Dimensional Global Sustainability PIE Fund | 18.08% |
| Dimensional Global Sustainability PIE Fund (NZD Hedged) | 18.08% |
| Dimensional Emerging Markets Sustainability Trust AUD | 9.04% |
| Cash | 0.75% |

Performance*

| | 1 Month | 3 Months | 6 Months | 1 Year | Since Inception (Annualised) |
|---|---------|----------|----------|--------|------------------------------|
| Fund (Total Return) | 2.77% | 5.52% | 12.76% | 14.30% | NA |
| Benchmark (Total Return) | 2.87% | 5.99% | 12.66% | 14.11% | NA |
| Fund (Net of Fees, Before Tax) | 2.73% | 5.32% | 12.30% | 13.39% | NA |
| Fund (Net of Fees & 28% PIR) | 2.55% | 5.12% | 11.39% | 12.21% | NA |

*The returns for the Balanced Strategy have been calculated based on the performance of its target asset allocation, i.e. 50% allocation to the ACI Conservative Fund and a 50% allocation to the ACI Growth Fund. The returns reported for the Balanced Strategy are indicative only, given that the actual allocation to each fund will vary based on factors such as the performance of the assets of the underlying funds.

*The benchmark for the Balanced Strategy is calculated using a 50% allocation to the monthly benchmark return for the ACI Conservative fund and a 50% allocation to the monthly benchmark return for the ACI Growth Fund.

Fees and Costs

| | |
|----------------------------|-------|
| Annual Fund Charges | 1.25% |
| Buy Spread | 0.20% |
| Sell Spread | 0.20% |

Performance Commentary

In Q1 2024, equity markets followed the positive end of 2023 despite the higher-for-longer interest rate sentiment and persisting inflation. Strong performance of 14.91% during the quarter taking the total return of developed markets (ex Australia) equity to 30.08% over the last 12 months. Technology stocks, especially those expected to benefit most from artificial intelligence boom, were the leading sector. Energy stocks recovered from the negative last quarters, and Value stocks also rallied but underperformed Growth (13.97% compared to 16.85%). Size premium was also negative as small-cap stocks have underperformed large-caps across Developed ex Australia markets. In the Australian market however, both price and size premiums were positive. In addition, Australian REITs substantially outperformed Global REITs for the quarter, returning 17.64% compared to 3.67%. Emerging Markets equity posted positive returns as well, with both value and size negative premiums. In Fixed Income Markets, the current expectations not seeing OCR cuts by the FDR before June had a negative effect - bond prices fell and yields rose, leading the global bonds market to return -0.02% for the quarter. The largest detractors were long term bonds, keeping the yield curve inverted. In line with the market's overall performance, ACIF Balanced Strategy had a strong quarter with the net of fees, before tax return of 5.32% and a 12 months return of 13.39% (see disclaimers).

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