

FUND FACTSHEET

NZ Fixed Interest Fund

31st January 2022

Investment Strategy: The Fund provides an exposure to New Zealand Government and Corporate bonds. Kōura invests directly into fixed income securities in New Zealand and aims to replicate the Bloomberg New Zealand Aggregate Index. A fixed interest allocation in a portfolio is important to preserve capital albeit at the expense of returns.

	Fund performance			
	1 mth %	6 mth %	12 mth %	24 mth (% p.a)
Koura NZ Fixed Interest Fund	(0.6)	(3.6)	(4.8)	(0.7)

These performance numbers are calculated by kōura Wealth and are net of fees and gross of tax.

Monthly Commentary:

The kōura Fixed Income Fund had a negative return in January. During the month interest rates continued to rise which negatively affected valuations in our existing portfolio.

At the end of the month CPI data showed inflation had increased 5.9% year on year, which continues to suggest that inflationary pressures are broad and sustained. This signals that risks continue to point to higher interest rates possibly at a faster pace than previously thought. We have continued to see increased inflationary pressure in the US also, which The US Federal Reserve will be watching closely as interest rate rises start the move back to normalisation. This comes after two years of exceptionally low interest rates in the US on the back of the Covid pandemic.

In New Zealand we expect to see continued increases on our Official Cash rate as our Reserve Bank reacts to inflationary pressures here.

Top Ten Holdings:

Top Ten Securities	Issuer	Weight %
AIANZ 3.51% 10/10/2024	Auckland International Airport	5.6
WSTP 1.439% 02/24/26	Westpac Bank	5.5
VCTNZ 3.45% 27/05/2025	Vector Limited	4.5
AUCKCN 3.338% 27/07/2026	Auckland Council	4.1
HSBC 1.835% 16/08/2024	HSBC	4.0
ANZLNZ 3.71% 01/09/2023	ANZ Bank	3.8
VCTNZ 3.69% 26/11/2027	Vector Limited	3.7
BZLNZ 3.648% 16/11/2023	BNZ Bank	3.7
HOUNZ 1.534% 10/09/2035	Housing New Zealand	3.3
ANZLNZ 3.7% 30/05/2023	ANZ Bank	3.2

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