

# Public Trust Investment Service

Diversified Funds and Cash Fund  
Quarterly Update

31 March 2026

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## Funds Update

### What is the purpose of this update?

This document tells you how the Public Trust Investment Service Diversified Funds and Cash Fund have performed and what fees were charged.

The document will help you to compare the Funds (the Funds) with other funds. Public Trust has not prepared this update in accordance with the Financial Markets Conduct Act.

The Financial Markets Conduct Act 2013, the Securities Act 1978 and the Securities Regulations 2009 do not apply to this offer.

This information is not audited and may be updated.

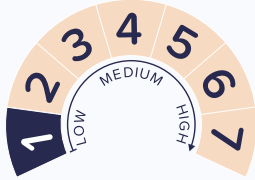
The Funds referred to in this Quarterly Update are used by Public Trust as investment options where it is acting as trustee or co-trustee of an estate or trust, or as property attorney or property manager for a non-consultable customer.

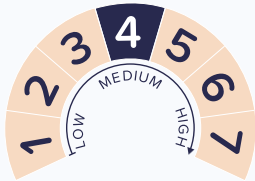
The Funds are not open to members of the public.

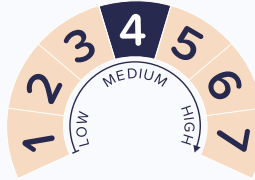
Any reference to us, we or our, refers to Public Trust.

# Description of the funds

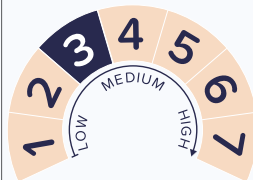
There are six diversified investment options made up of three funds and three portfolios (Diversified Funds) and a single sector Cash Fund. The Funds referred to in this Quarterly Update are used by Public Trust as investment options where it is acting as trustee or co-trustee of an estate or trust, or as property attorney or property manager for a non-consultable customer. The Funds are not open to members of the public. These options are summarised below.

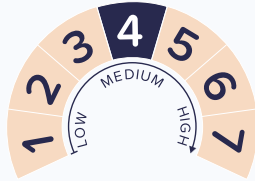
Cash Fund	
<p>Aims to produce low risk returns by investing in short-term bank deposits and fixed interest securities.</p>  <p>Risk indicator</p>	
Total value of the Fund	\$262.3m
Unit price (redemption)	1.0704
Fund start date	28 July 2014

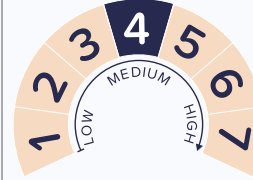
Moderate Portfolio	
<p>Aims to produce moderate capital growth with moderate risk over the medium-term by investing 25% in the Defensive Fund and 75% in the Balanced Fund.</p>  <p>Risk indicator</p>	
Portfolio start date	28 July 2014

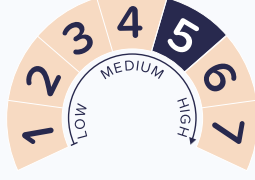
Balanced Fund	
<p>Aims to produce long-term capital growth with medium levels of risk by investing 60% in diversified growth assets (shares and listed property) and 40% in diversified income assets (cash and bonds).</p>  <p>Risk indicator</p>	
Total value of the Fund	\$406.9m
Unit price (redemption)	1.6195
Fund start date	24 July 2014

## Diversified Funds

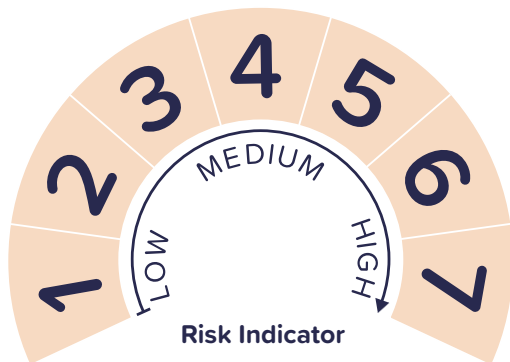
Defensive Fund	
<p>Aims to produce stable returns with low capital growth and low risk over the medium-term by investing 80% in diversified income assets (cash and bonds) and 20% in diversified growth assets (shares and listed property).</p>  <p>Risk indicator</p>	
Total value of the Fund	\$268.1m
Unit price (redemption)	1.1975
Fund start date	28 July 2014

Balanced Growth Portfolio	
<p>Aims to provide significant long-term capital growth with medium to high levels of risk by investing 50% in the Balanced Fund and 50% in the Growth Fund.</p>  <p>Risk indicator</p>	
Portfolio start date	28 July 2014

Conservative Portfolio	
<p>Aims to produce stable returns with some capital growth and low to medium risk over the medium-term by investing 62.5% in the Defensive Fund and 37.5% in the Balanced Fund.</p>  <p>Risk indicator</p>	
Portfolio start date	28 July 2014

Growth Fund	
<p>Aims to produce high long-term capital growth by investing 80% in diversified growth assets (shares and listed property) and 20% in diversified income assets (cash and bonds).</p>  <p>Risk indicator</p>	
Total value of the Fund	\$28.8m
Unit price (redemption)	1.8325
Fund start date	28 July 2014

# What are the risks of investing?



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of a Fund's assets goes up and down. A higher risk rating generally means higher potential returns over time, but more ups and downs along the way. A lower risk rating generally means lower potential returns over time, but fewer ups and downs along the way.

Note that even the lowest category does not mean a risk-free investment.

The risk indicator is not a guarantee of a Fund's future performance. The risk indicator is based on the returns data for a 5 year period from 31 March 2026. While risk indicators are usually relatively stable, they do shift from time to time.

See the Information Statement for more information about the risks associated with investing in these funds.

## Important note

None of Public Trust, the Government of New Zealand or any other person guarantees the repayment of any investment in the Funds or the performance of the Funds.

# What fees are investors charged?

## Annual fund charges

Investors in the Diversified Funds and Cash Fund were charged fund charges. In the year to 31 March 2026 these were:

	Management fee	Costs and expenses	Third party management fee	Annual fund charges <sup>1</sup>
Cash Fund	0.30%	0.08%	Nil	0.38%
Defensive Fund	0.85%	0.10%	0.02%	0.97%
Conservative Portfolio	0.85%	0.10%	0.03%	0.98%
Moderate Portfolio	0.85%	0.09%	0.05%	0.99%
Balanced Fund	0.85%	0.09%	0.06%	1.00%
Balanced Growth Portfolio	0.85%	0.15%	0.06%	1.06%
Growth Fund	0.85%	0.21%	0.07%	1.13%

<sup>1</sup>Inclusive of any applicable GST.

Investors are not currently charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the Information Statement for more information about fees.

Small differences in fees and charges can have a big impact on your investment over the long term.

### Management fee rebate for Diversified Funds

Accounts with larger amounts invested qualify for a rebate of part of Public Trust's management fee, as outlined in the table below:

Amount Invested	Rebate
On the first \$1,000,000	0.00%
On the next \$1,000,000 plus	0.35%

The rebates are calculated daily and applied quarterly to your account held with Public Trust.

### Example of how this applies to an Investor

Bob had \$10,000 in the Balanced Fund at the start of the year and did not make any further contributions. At the end of the year, Bob received a return after fund charges of \$915 (that is 9.15% of his initial \$10,000). Bob did not pay any other charges. This gives Bob a total return prior to tax of \$915 for the year.

This example only applies to the Balanced Fund. If you invest in other funds within the Public Trust Investment Service Diversified Funds and Cash Fund, or your account balance has increased or decreased over the year, this example may not be representative of the actual fees you may be charged.

See the Information Statement on our website at [www.publictrust.co.nz/products-and-services/investing](http://www.publictrust.co.nz/products-and-services/investing) for further information on our fees.

# Market Update

## Markets at a glance

	Returns			Returns	
	Quarter	Year		Quarter	Year
New Zealand shares	-4.50%	5.90%	New Zealand cash	0.60%	3.10%
Australian shares (Local)	-1.60%	11.70%	New Zealand bonds	-0.50%	3.80%
Global shares (Unhedged)	-2.40%	19.10%	Global bonds	-0.60%	2.00%
Global shares (Local)	-2.60%	19.20%	NZD/USD	-0.80%	0.70%
New Zealand property	-9.40%	6.80%	NZD - TWI	-0.80%	-2.70%

## Review of markets over the First Quarter of 2026

*Global equity markets were weaker over the quarter, reflecting a more uncertain backdrop driven by escalating geopolitical tensions, particularly in the Middle East, alongside renewed inflation concerns linked to higher energy prices. Sentiment softened through the period as investors reassessed the outlook for growth and interest rates, while sector performance was mixed, with energy and commodities outperforming and technology and other growth sectors under pressure. The MSCI All Country World Index fell -2.6% (in local currency terms).*

*New Zealand equities underperformed global markets returning -4.5%, with early gains through the quarter offset by weaker sentiment in March as global risks increased. New Zealand fixed income markets declined slightly, with modestly higher yields reflecting global inflation and energy-related pressures.*

*The Reserve Bank of New Zealand (RBNZ) left the Official Cash Rate (OCR) unchanged at 2.25% in February, noting that the recovery remains in its early stages and that supportive policy is likely to be required for some time. Geopolitical tensions have added to the inflation outlook, with the RBNZ forecasting a temporary lift in headline inflation in the second quarter.*

*Global bond markets were weaker as rising inflation expectations and firmer energy prices pushed yields higher, while central banks maintained a cautious stance, signalling a slower path of policy easing ahead.*

*Looking ahead, financial markets are likely to remain influenced by geopolitical developments, inflation trends, and interest rate expectations,*

*with uncertainty persisting as conditions evolve. In this environment, diversification and a long-term mindset remain central to navigating the period ahead.*

## Global markets

Global equity markets were weaker over the quarter, with the MSCI ACWI falling -2.6% (in local currency terms). Performance was shaped by escalating geopolitical tensions in the Middle East, which drove higher oil prices and increased concerns around inflation, energy supply, and global growth. Sector performance was mixed, with energy and commodities outperforming, while technology and other growth sectors came under pressure.

The US equity market declined over a volatile quarter, with the S&P 500 Index returning around -4.3% (in local currency terms). Early gains were supported by strong corporate earnings and a resilient economic backdrop, with equities reaching record highs in January. However, momentum faded as stronger economic data raised concerns around the timing of Federal Reserve rate cuts, before later in the quarter geopolitical tensions weighed further on sentiment.

European equity markets also declined, with higher energy prices and renewed inflation concerns weighing on performance. The European Central Bank maintained a cautious stance, holding rates steady while revising growth lower and inflation higher. Energy and utilities outperformed, while consumer discretionary and financials lagged. The MSCI Europe Index declined 1% (in local currency terms).

In contrast, Japanese equities rose 2.9% (in local currency terms), supported by greater political certainty and a constructive policy backdrop. Economic growth surprised to the upside, although manufacturing activity softened. The Bank of Japan maintained a cautious stance, highlighting potential inflation risks from higher energy prices despite softer core inflation.

Emerging market equities also posted gains and held up better than many developed markets amid geopolitical

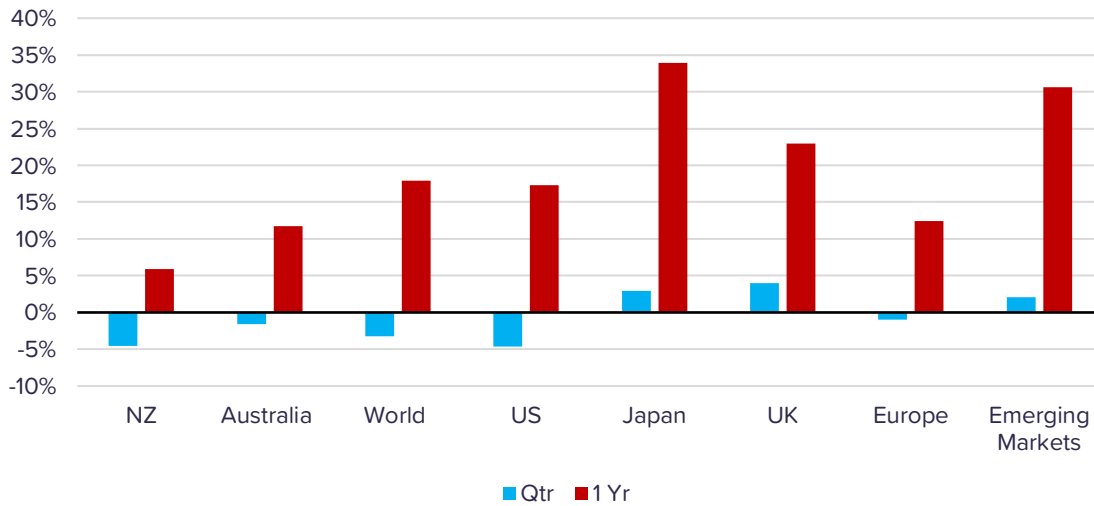
volatility. Performance was mixed across regions, with China and India underperforming due to weaker growth and property sector pressures. The MSCI Emerging Markets Index rose 2.1% (in local currency terms).

Global bond markets were weaker over the quarter as yields rose on higher inflation expectations, supported in

part by rising energy prices. Central banks remained on hold, with the US Federal Reserve maintaining rates at early-year meetings and signalling a slower path for policy easing. The Bloomberg Global Aggregate Index returned -0.6%.

### Global equity returns (in local currency terms)

As at 31 March 2026



## New Zealand

The New Zealand equity market underperformed global peers, returning -4.5%, with early gains through the quarter reversed as sentiment weakened in March amid increased global uncertainty.

At the start of the year, sentiment reflected an improving domestic backdrop, supported by ongoing policy easing from the RBNZ. Gains through February were modest, before momentum eased in March as geopolitical tensions increased and risk appetite declined.

The RBNZ left the Official Cash Rate unchanged at 2.25% in February, noting that the recovery remains in its early stages and that supportive policy will be required for some time. Inflation rose to 3.1%, driven by administered price increases such as electricity and council rates, while underlying pressures remained more contained.

More recently, geopolitical developments have added to the inflation outlook, with the RBNZ forecasting a temporary lift in headline inflation to around 4.2% in the second quarter, primarily due to higher energy and transport costs. The Bank indicated it would look through this near-term volatility unless more persistent pressures emerge, though these developments may delay the pace of recovery.

NZ listed property fell 9% over the quarter as rising bond yields and higher interest rate expectations weighed on valuations. Despite this, it remained broadly in line with global peers over the year, returning 6.8%.

New Zealand fixed income markets were slightly negative over the quarter, with both government and corporate bonds returning around -0.5%. Returns were closely aligned across segments, reflecting a modest rise in yields driven by global inflation expectations and energy-related pressures.

Across the Tasman, Australian equities (S&P/ASX 200) fell -1.6% over the quarter in local currency terms, though performance was resilient compared to many developed markets. This was supported by the index's significant exposure to energy and materials, which benefited from stronger commodity prices following supply disruptions in the Middle East. The Bloomberg Commodity Index rose +24%, led by gains in oil and gas.

The New Zealand Trade-Weighted Index declined 0.8% over the quarter, weakening against most major currencies, particularly the USD and AUD.

## Outlook

Looking ahead, financial markets are likely to remain influenced by geopolitical developments, inflation trends, and interest rate expectations, with uncertainty persisting as conditions evolve. In this environment, diversification and a long-term mindset remain central to navigating the period ahead.

# How have the Funds performed?

	Qtr	Year	Inception
Cash Fund	0.71%	3.51%	2.81%
Defensive Fund	-1.03%	5.02%	3.59%
Conservative Portfolio	-1.56%	6.57%	4.58%
Moderate Portfolio	-2.09%	8.12%	5.58%
Balanced Fund	-2.44%	9.15%	6.24%
Balanced Growth Portfolio	-2.80%	10.19%	6.84%
Growth Fund	-3.16%	11.24%	7.45%

## Note on returns

The returns assume that distributions are reinvested. Fund returns are after deductions for charges, but before tax.

Important: Returns reflect past performance and do not indicate future performance.

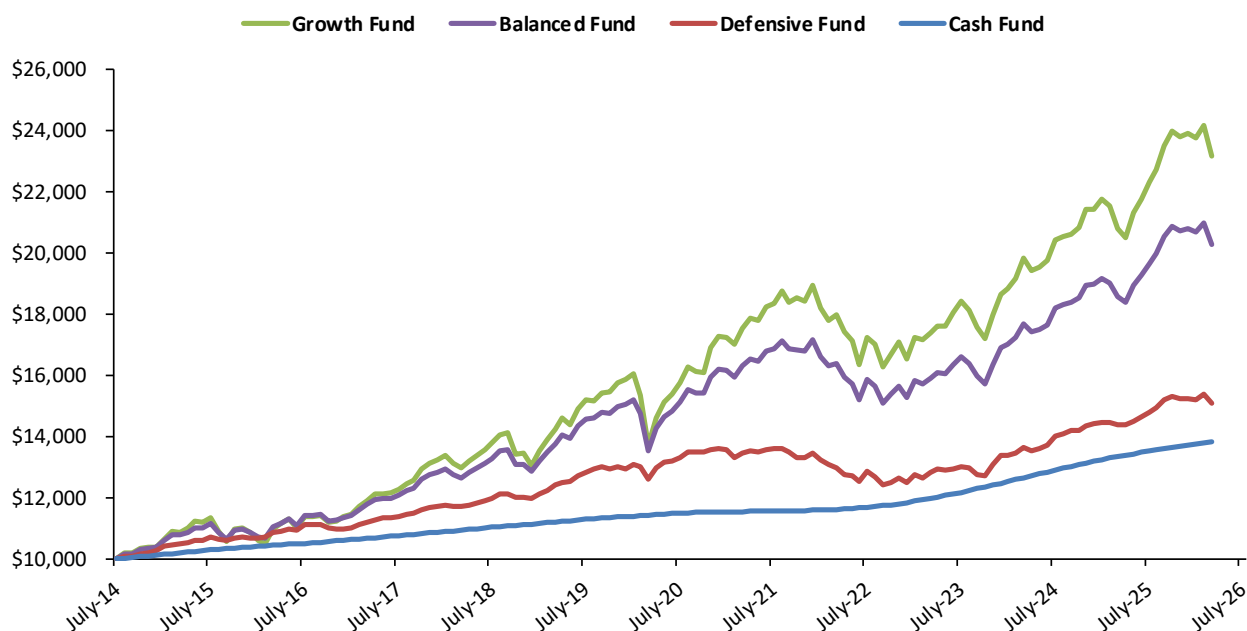
## Commentary on performance

Geopolitical tensions intensified during the March quarter after a relatively settled end to 2025. Markets began the period on a firmer footing, supported by moderating inflation and expectations of a gradual shift toward easier monetary policy. Conditions became more unsettled later in the quarter, as escalating conflict in the Middle East and rising energy prices weighed on sentiment, leading to increased volatility and weaker asset prices.

All diversified strategies recorded negative returns over the quarter, though one-year performance remains strong. Fixed income was modestly negative, reflecting a rise in yields across New Zealand bond markets, which weighed on Defensive and Conservative funds while still providing diversification benefits against equity market weakness. Growth assets declined, with both global and New Zealand equities posting negative returns while New Zealand listed property gave up earlier gains, despite remaining positive over the year. The Cash Fund was unaffected by market volatility and remained positive, returning 0.7% for the quarter, slightly below the previous quarter.

## Growth of a \$10,000 investment

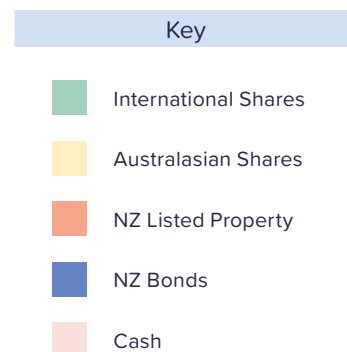
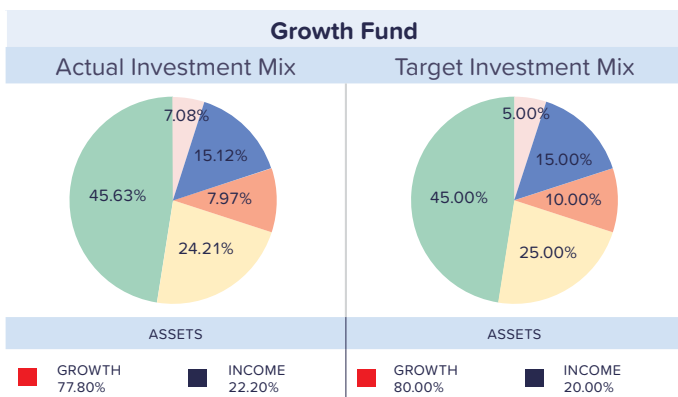
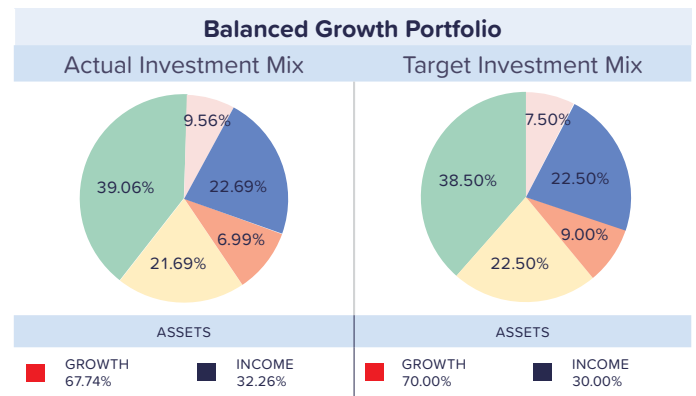
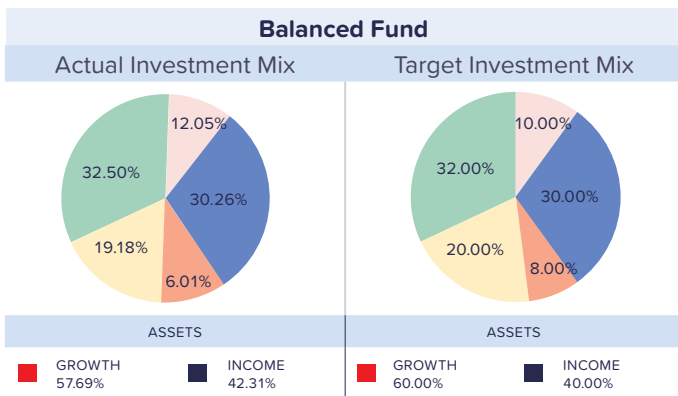
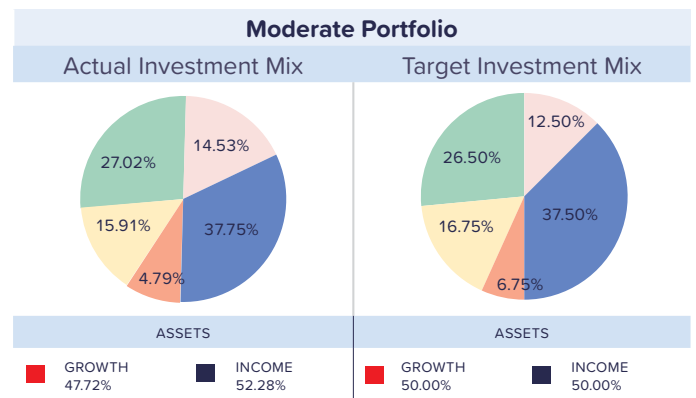
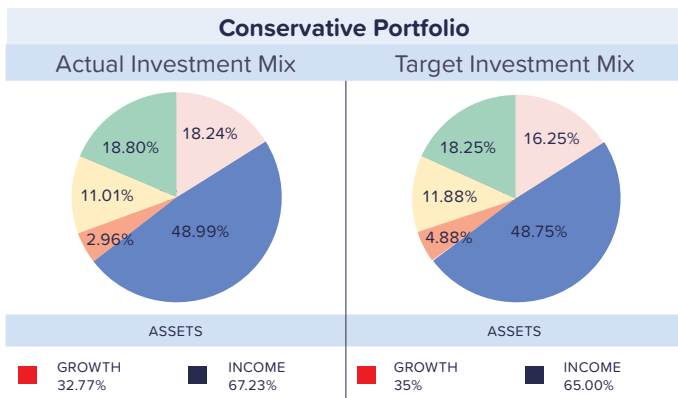
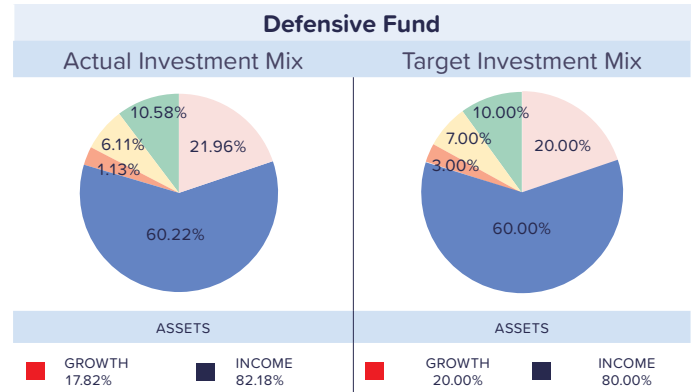
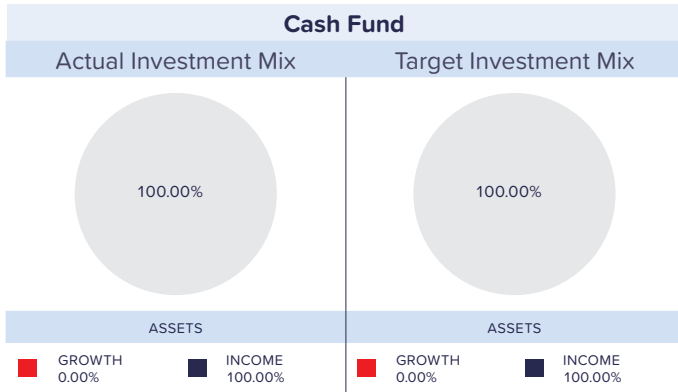
Value of the investment



Assumes standard management fees, reinvestment of distributions and zero tax rate.  
Inception date for the Balanced Fund is 24 July 2014. For all other Funds it is 28 July 2014.

Further information may be found in the document "Public Trust Investment Service Investment Beliefs and Strategy" on our website: [www.publictrust.co.nz](http://www.publictrust.co.nz).

# What do the Funds invest in?



# Top 10 holdings

## GROWTH ASSETS

INTERNATIONAL SHARES		
COMPANY	COUNTRY	WEIGHTING
Nvidia	United States	4.72%
Apple	United States	4.15%
Microsoft Corp	United States	2.91%
Amazon.com	United States	2.23%
Alphabet A	United States	1.86%
Alphabet C	United States	1.55%
Broadcom	United States	1.55%
Taiwan Semiconductor MFG	Taiwan	1.51%
Meta Platforms A	United States	1.39%
Tesla	United States	1.17%
Top 10 Issuers		23.04%

AUSTRALASIAN SHARES		
COMPANY	COUNTRY	WEIGHTING
Fisher & Paykel Healthcare Corporation Limited	New Zealand	12.50%
Auckland Intl Airport Ltd	New Zealand	7.69%
Infratil Ltd	New Zealand	6.63%
Contact Energy Ltd	New Zealand	5.01%
a2 Milk Co Ltd	New Zealand	4.77%
Meridian Energy Ltd	New Zealand	4.07%
Mainfreight Limited	New Zealand	2.72%
EBOS Group Ltd	New Zealand	2.60%
Mercury NZ Limited	New Zealand	2.47%
Commonwealth Bank of Australia	Australia	2.64%
Top 10 Issuers		51.10%

NZ LISTED PROPERTY		
COMPANY	COUNTRY	WEIGHTING
Goodman Property Trust	New Zealand	20.39%
Precinct Properties New Zealand & Precinct Properties Investments Ltd	New Zealand	19.51%
Kiwi Property Group Limited	New Zealand	15.45%
Property for Industry Ltd	New Zealand	11.47%
Vital Healthcare Property Trust	New Zealand	10.04%
Argosy Property Ltd	New Zealand	10.15%
Stride Stapled Group	New Zealand	6.20%
Investore Property Limited	New Zealand	3.31%
New Zealand Rural Land Company Ltd	New Zealand	1.40%
Winton Land Ltd	New Zealand	0.83%
Top 10 Issuers		98.75%

## INCOME ASSETS

NZ CASH		
ISSUER	CREDIT RATING	WEIGHTING
Kiwibank Limited	A+	17.66%
Bank of New Zealand	AA-	17.20%
Westpac NZ Limited	AA-	16.69%
ASB Bank Limited	AA-	14.31%
MUFG Bank, Ltd	A	5.11%
Rabobank NZ Limited	A+	4.00%
Greater Wellington Regional Council	AA+	2.76%
Industrial and Commercial Bank of China NZ Limited	A	2.54%
Bank of China (NZ) Limited	A	2.51%
Toyota Finance	A+	2.47%
Top 10 Issuers		85.24%

NZ BONDS		
ISSUER	CREDIT RATING	WEIGHTING
New Zealand Government	AAA	35.14%
NZ Local Government Funding Agency Ltd	AAA	24.40%
Housing New Zealand Ltd	AAA	6.79%
Bank of New Zealand	AA-	5.33%
ASB Bank NZ Limited	AA-	3.95%
Westpac NZ Limited	AA-	3.86%
Kiwibank Limited	A+	2.74%
Auckland International Airport	A-	1.69%
ANZ Bank New Zealand Ltd	AA-	1.62%
Auckland Regional Council	AA	1.56%
Top 10 Issuers		87.09%

# Key personnel

Position	Chief Executive Officer	General Manager Investments	Senior Portfolio Manager
Name	Glenys Talivai	Amanda Livingstone	Nick Combs
Time in position	6 years, 3 months	2 years, 7 months	2 years, 3 months
Previous Position	General Manager	Head of Investments	Head of Investment Management
Time in previous position	5 years, 2 months	1 year, 5 months	2 years, 8 months
Employer	Tower Insurance	Public Trust	Financial Markets Authority

## Where you can find more information

Further information about the funds is contained in the Public Trust Investment Service Diversified Funds Information Statement on our website at [www.publictrust.co.nz/products-and-services/investing](http://www.publictrust.co.nz/products-and-services/investing)

## Contact information

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