

## Fund Overview

The Colchester Global Green Bond PIE Fund seeks to deliver favourable income and capital returns from a globally diversified portfolio of green bonds and currencies. An associated objective is the preservation and enhancement of principal. We believe that if we hold a portfolio of high real yielding bonds and currencies that are undervalued according to their real exchange rate that over time this will prove rewarding. At the heart of Colchester's value-oriented philosophy is the belief that investments should be valued in terms of the income they will generate in real terms. Our approach is based on the analysis of inflation, real interest rates and real exchange rates supplemented by an assessment of sovereign financial balances. Portfolios are constructed to benefit from those opportunities with the greatest relative investment potential for a given level of risk.

CUM Unit Price (28/02/2025)	Current Distribution p.a.	Net Annual Return Since Inception p.a.	Net Total Return Since Inception	Fund Size (\$million)
1.0004	2.40%		1.79%	45.21 NZD

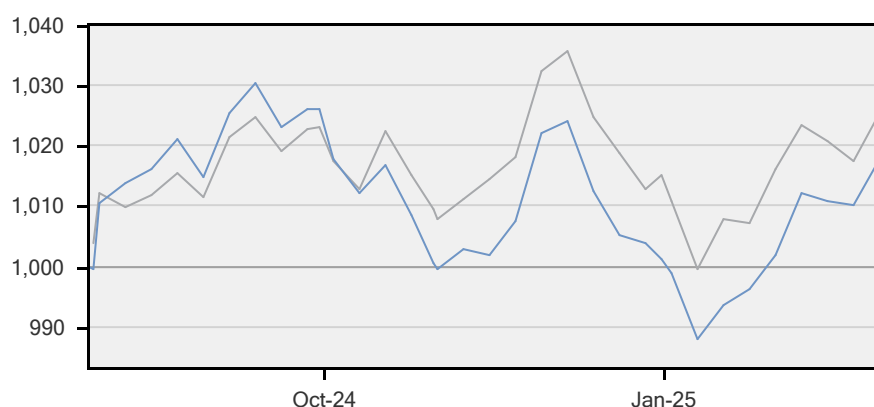
Past performance is not an indicator of future performance. Fund Inception: 30/07/2024

## Colchester Overview

- Privately owned specialist sovereign bond and currency asset manager.
- Founded by Chairman & CIO Ian Sims in 1999.
- Time proven value-oriented fixed income strategies.
- Highly experienced and stable team with a globally recognised track record.
- Strong client alignment with the investment team investing in the strategies & the company.

## Growth of 1,000 NZD Invested at Inception

■ Fund ■ Benchmark



## Net Performance (%)

	1M	3M	6M	YTD	1Y	Annualised		
						3Y	5Y	S.I.
<b>Fund</b>	1.59%	-0.40%	0.29%	1.68%				
<b>Benchmark</b>	0.91%	-0.68%	1.37%	1.02%				
<b>Relative</b>	0.68%	0.28%	-1.08%	0.66%				

## Calendar Year Net Performance (%)

	2024	YTD
<b>Fund</b>	0.11%	1.68%
<b>Benchmark</b>	1.50%	1.02%
<b>Relative</b>	-1.39%	0.66%

Past performance is not an indicator of future performance

## Key Information

Fund Inception	30/07/2024
Benchmark	ICE Sovereign and Government Related Green Bond Custom Index (NZD Hedged)
Management Fee	0.60%
Buy/Sell Fee	Nil
Distributions	Quarterly Distribution
Liquidity	Daily
Min Application	\$50,000 or as per platform
Min Additional	\$5,000 or as per platform

## Platform Listings

APEX Wealth

### Fund Characteristics

	Fund	Benchmark
Yield to Maturity (Unhedged)	4.22%	3.26%
Running Yield (Unhedged)	2.67%	2.28%
Modified Duration (Years)	7.75	8.31
Average Coupon	2.42%	2.18%
Average Credit Quality	AA	AA

### Top 5 Securities Holdings

	Currency	Weight (%)
1. France 1.75% Jun '39	EUR	9.97%
2. New Zealand 4.25% May '34	NZD	8.49%
3. Netherlands 0.5% Jan '40	EUR	6.69%
4. Intl Bk Recon & Develop 4.25% Jan '26	MXN	5.35%
5. Kfw 3.875% Feb '29	NOK	5.11%

### 5 Largest Active Positions - Bonds (%)

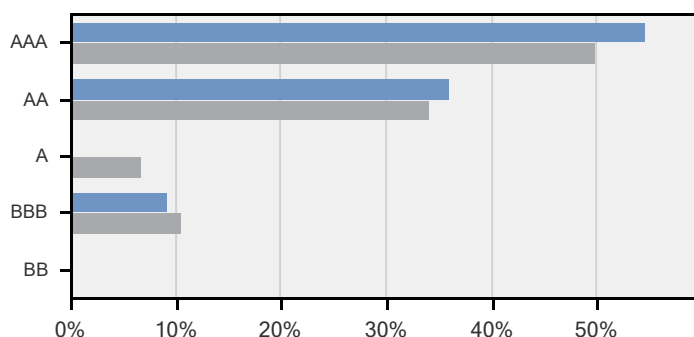
Country	Fund	Versus Benchmark (%)
Europe	40.22%	-25.61%
Mexico	8.15%	8.10%
New Zealand	8.49%	7.79%
Norway	5.51%	5.09%
Canada	8.48%	4.51%

### 5 Largest Active Positions - Currency (%)

Currency	Fund	Versus Benchmark (%)
United States Dollar	-8.85%	-8.85%
Japanese Yen	5.60%	5.60%
Swedish Krona	5.51%	5.51%
Euro	-5.46%	-5.46%
Norwegian Krone	4.64%	4.64%

### Credit Quality

■ Fund ■ Benchmark



### Commentary

The fund returned 1.64% (gross of fees) over the month, outperforming the benchmark which returned 0.91%. Bond selection added 0.27% to relative returns and currency selection added 0.46%. The top three positive bond contributors to relative returns were the overweight positions in New Zealand, Mexico and Australia. The top three positive currency contributors to relative returns were the long positions in Swedish Krona, Japanese Yen and British Pound.

Global bond markets continued to post positive returns this month after rising in January. The FTSE World Government Bond Index returned 1.2% in February in US dollar-hedged terms and a slightly stronger return of 1.4% in unhedged terms as the US dollar continued to lose ground. Geopolitics has dominated the headlines through the first weeks of Donald Trump's second term as US president, and investors continue to monitor announcements regarding potential tariffs on exports to the US as well as policy toward Ukraine. In terms of economic data, US inflation picked up with the headline and core rates at 3.0% and 3.3% respectively in the year to January. Towards the end of February equity markets faltered somewhat and economic sentiment weakened, fuelling a rally in Treasuries and the US market delivered a strong return of 2.2% over the month.

In the Eurozone, inflation inched up slightly to 2.5% in January, mirroring the broader global trend. GDP growth for the bloc in the fourth quarter was announced to be 0.9% year-on-year, continuing the relatively weak economic performance of the region. In Germany, a general election saw a comfortable win for the conservative CDU/CSU grouping which has now entered talks with the centre-left SPD to form a new coalition government. Whilst such a coalition would have a majority in parliament, it would not have the two-thirds supermajority needed to make constitutional changes, including reform to the contentious debt brake. In France, Prime Minister Bayrou pushed a slightly watered-down budget through the lower house via executive powers, later surviving multiple votes of no confidence, marking some progress in the country's political stalemate. In the UK, inflation increased to 3.0% pointing to the persistence of domestic inflationary pressures. Amidst ongoing struggles to reignite growth, the Bank of England cut rates in February. French and UK bonds returned 0.9% this month, outperforming German bunds' return of 0.6%. The Colchester programme remains underweight both Eurozone and UK government bonds.

Most Asian markets also saw increases in inflation over the month, most notably in Japan where headline inflation rose to a two-year high of 4.0%, whilst "core-core" (ex. food and energy) remained relatively more contained at 2.5%. Japanese bonds returned -0.9% for the month. Where relevant, we further increased the underweight position in Japanese bonds due to the very low real yield on offer. Elsewhere, China's inflation picked up slightly to 0.5%, although it remains stubbornly low amidst weak consumer and business confidence, exacerbated now by concerns around US tariffs. We remain underweight China on the basis of very weak real valuations and financial stability concerns. In Korea, inflation surprised to the upside, coming in at 2.2%. Nonetheless, the Bank of Korea resumed its rate cutting cycle to support an economy jolted by political turmoil and under threat from Trump's tariff plans. Singapore saw a range of healthy data releases, including a downward surprise in inflation at 1.2% (closer to longer-term historical averages) as well as 5.0% growth for Q4. We are overweight Singapore government bonds, which returned 1.2% in February. Finally, Australia commenced its rate cutting cycle with an initial 25bps cut, the first since 2020. Despite this, the "trimmed mean" core inflation measure for January came in at 2.8%, slightly above expectations amidst ongoing robust activity. We remain modestly overweight Australian bonds.

The US dollar broadly weakened in February, with the DXY index declining -0.7%. Consequently, the programme's currency positioning has performed well, particularly the overweight positions to the Swedish krona and Japanese yen, which returned 3.0% and 2.8% respectively. Elsewhere, overweight positions in the Colombian and Mexican peso were also positive contributors as these currencies rose 1.4% and 0.5% respectively.

## Sales & Marketing Enquiries



Monica Hood  
Head of Distribution - Australia and New Zealand

Email: [mhood@colchesterglobal.com](mailto:mhood@colchesterglobal.com)  
Phone: +61 431 478 780

Team Email: [MarketingClientServiceAUSNZ@colchesterglobal.com](mailto:MarketingClientServiceAUSNZ@colchesterglobal.com)  
Website: [www.colchesterglobal.co.nz](http://www.colchesterglobal.co.nz)

## Fund Administration & Client Service Enquiries

Colchester Global Investors Unit Registry

### Applications

Email: [contact@iisolutions.co.nz](mailto:contact@iisolutions.co.nz)  
Fax: +64 4 4999 654  
Post: PO Box 25003  
Wellington 6140, New Zealand

### Client Service Enquiries

Email: [contact@iisolutions.co.nz](mailto:contact@iisolutions.co.nz)  
Phone: +64 4 4999 654

### Transactions

Email: [contact@iisolutions.co.nz](mailto:contact@iisolutions.co.nz)

MSCI  
ESG RATINGS



CCC B BB BBB A AA AAA

Produced by MSCI ESG Research as of 31/01/2025

## Important Information and Disclosures

This document is intended for the exclusive use of financial advisers and wholesale investors. It is not to be used by retail investors and should not be distributed or published without the prior consent of FundRock NZ Limited.

This document is provided by Colchester Global Investors (Singapore) Pte. Ltd (“Colchester”) in good faith and is designed as a summary to accompany the Product Disclosure Statement for the Colchester Investment Funds (“Scheme”) and the Colchester Global Green Bond PIE Fund (“Fund”). The Product Disclosure Statement is available from Colchester, or the issuer, FundRock NZ Limited (“FundRock”), and on <https://disclose-register.companiesoffice.govt.nz/>. The information contained in this document is not an offer of units in the Fund or a proposal or an invitation to make an offer to sell, or a recommendation to subscribe for or purchase, any units in the Fund. Any person wishing to apply for units in the Fund must complete the application form which is available from Colchester or FundRock. The information and any opinions in this document are based on sources that Colchester believes are reliable and accurate. Colchester, its directors, officers and employees make no representations or warranties of any kind as to the accuracy or completeness of the information contained in this document and disclaim liability for any loss, damage, cost or expense that may arise from any reliance on the information or any opinions, conclusions or recommendations contained in it, whether that loss or damage is caused by any fault or negligence on the part of Colchester, or otherwise, except for any statutory liability which cannot be excluded. All opinions reflect Colchester’s judgment on the date of this document and are subject to change without notice. This disclaimer extends to FundRock, and any entity that may distribute this document. The information in this document is not intended to be financial advice for the purposes of the Financial Markets Conduct Act 2013 (“FMC Act”), as amended by the Financial Services Legislation Amendment Act 2019 (“FSLAA”). In particular, in preparing this document, Colchester did not take into account the investment objectives, financial situation and particular needs of any particular person. Professional investment advice from an appropriately qualified adviser should be taken before making any investment. Past performance is not necessarily indicative of future performance, unit prices may go down as well as up and an investor in the fund may not recover the full amount of the capital that they invest. No part of this document may be reproduced without the permission of Colchester or FundRock. FundRock is the issuer and manager of the Scheme. Colchester is the investment manager of the Scheme. The Fund invests in a New Zealand dollar hedged share class of an underlying offshore fund called the Colchester Global Green Bond Enhanced Currency Fund, a sub-fund of The Colchester Multi-Strategy Global Bond Fund plc (an Irish registered UCITS fund) (“Underlying Fund”) which is also managed by Colchester. Please refer to FundRock for further details <https://www.fundrock.com/fundrock-new-zealand/frnz-documents-and-reporting/>.

Net of fee returns reflect the deduction of fees and expenses and are calculated on the basis of the applicable fee rates as described in the PDS. Additional information regarding policies and procedures for calculating and reporting returns is also available on request.

This information is provided for indicative purposes only, and is supplied in good faith based on sources which we believe, but do not guarantee, to be accurate or complete as of the date of this factsheet. Such information is current as of the date of this factsheet and may be subject to change without notice. If there is any conflict between this factsheet and the PDS, the PDS shall prevail.

This factsheet is not to be used or considered as an offer to sell or solicitation of an offer to buy any securities. Nothing in this factsheet should be construed as providing any type of investment, tax or other advice, or be considered a solicitation, recommendation, endorsement or offer to purchase or sell any financial instrument.

ICE Sovereign and Government Related Green Bond Custom Index (NZD Hedged) (the “Index”) is a product of ICE data indices, LLC (“ICE data”) and is used with permission. ICE® is a registered trademark of ICE data or its affiliates and BofA® is a registered trademark of Bank of America Corporation licensed by Bank of America Corporation and its affiliates (“BofA”) and may not be used without BofA’s prior written approval. ICE data, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. Neither ICE data, its affiliates nor their respective third party suppliers shall be subject to any damages or liability with respect to the adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an “as is” basis and your use is at your own risk. Inclusion of a security within an index is not a recommendation by ICE data to buy, sell, or hold such security, nor is it considered to be investment advice. ICE data, its affiliates and their respective third party suppliers do not sponsor, endorse, or recommend Colchester Global Investors, or any of its products or services.

Valuation and returns have been calculated in NZD as at month end. The WMR exchange rate used by the index provider in compiling ICE Sovereign and Government Related Green Bond Custom Index (NZD Hedged) is the predominant exchange rate used in valuing the Fund.

All securities are rated by Nationally Recognized Statistical Rating Organizations (NRSRO) Moody’s, Standard & Poor’s (S&P), and/or Fitch. If a security is rated by more than one of these organisations, the highest rating assigned is used in our credit rating breakdowns. Ratings are measured on a scale that generally ranges from AAA (being the highest) to D (being the lowest).

MSCI ESG Research LLC’s (“MSCI ESG”) Fund Ratings products (the “Information”) provide environmental, social and governance data with respect to underlying securities within more than 56,000 multi-asset class Mutual Funds and ETFs globally. MSCI ESG is a Registered Investment Adviser under the Investment Advisers Act of 1940. MSCI ESG materials have not been submitted to, nor received approval from, the US SEC or any other regulatory body. None of the Information constitutes an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product or trading strategy, nor should it be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the Information can be used to determine which securities to buy or sell or when to buy or sell them. The Information is provided “as is” and the user of the Information assumes the entire risk of any use it may make or permit to be made of the Information.

Responsible investing is an integral part of the investment process however Colchester never makes investment decisions based solely upon ESG factors. Unless specified in the offering documents, specific assets with poor ESG ratings may not be excluded from portfolios.