

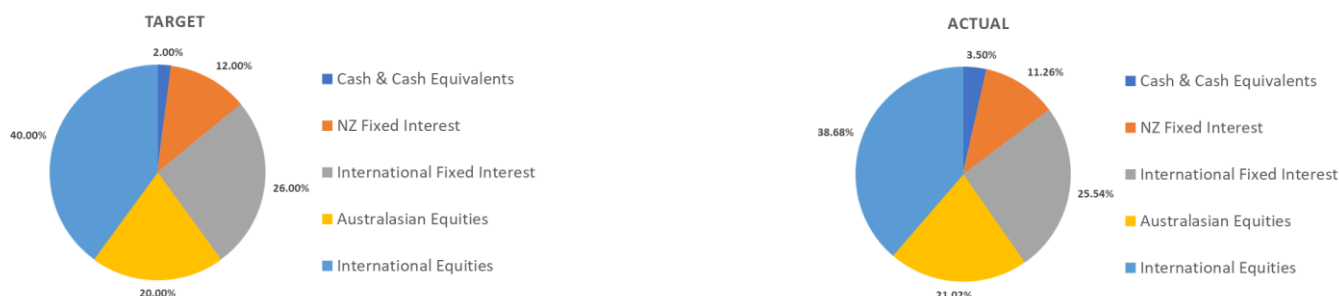
FOUNDATION SERIES BALANCED FUND



Fund Fact Sheet at 31 December 2024

Fund Information	
Description	Diversified fund targeting mid-range long-run returns by investing in a diversified portfolio with a balance of income and growth assets.
Objective	To perform broadly in line with the return of the weighted average return of the asset class benchmark indices on a before fees and tax basis.
Benchmark	Composite blend of indices that represent the Fund's target investment mix. Please refer to the Foundation Series Funds' SIPO for more details.
Inception	2 September 2020
Fund Type	PIE
Fund Size (NAV)	\$27.0 million
Annual Fund Charges (Estimated, % of NAV)	0.37%
Performance Fee	Nil
Buy/Sell Spread	0.08%/0.11%
Unit Price	\$1.2736

Investment Mix



Commentary

The Foundation Series Balanced Fund slightly outperformed its benchmark in December, returning 0.24% after fees and before tax.

The final quarter of 2024 saw muted global market performance, with the MSCI World Index finishing flat overall. However, a weaker NZD/USD exchange rate boosted returns for on a New Zealand dollar basis (+13.4%). US equities made gains over the fourth quarter and performed strongly overall in 2024, fuelled by Trump's election victory and pro-business agenda, alongside optimism around artificial intelligence. However, concerns about Trump's proposed tariffs and protectionist policies weighed on trade-reliant economies, potentially weakening global demand.

Over in wider developed markets, European equities finished the quarter lower amid fears of recession and worries over trade wars after the Trump victory. The European Central Bank (ECB) cut interest rates by 25 basis points in both October and December, with more cuts signalled in 2025. UK equities fell over the quarter, as a number of sectors declined amid a rise in long-term bond yields and growing concerns about the UK macro-economic outlook. The Japanese equity market saw gains in the fourth quarter, as yen weakness towards the end of 2024 bolstered the earnings outlook for large-cap exporters.

Closer to home, the New Zealand share market performed reasonably well over the quarter, up +5.5% as returns were buoyed by a combination of falling interest rates, improving business confidence, and inflation that has finally returned back to the RBNZ's target range of 1% to 3% for the first time since 2021. Overall, the local share market capped off a solid +11.4% over the year. The Australian share market ended with an annual return in line with the New Zealand share market, despite having followed global markets lower to finish the year.

Fixed interest markets experienced volatility over the quarter, primarily driven by geopolitical tensions, central bank decisions, and fluctuating inflation rates. The period was marked by notable sell-offs in major government bond markets, with various factors influencing investor sentiment across the globe. NZ bonds posted positive returns, up +0.6% for the month, with economic data showing the NZ economy has experienced a deeper slowdown over the past six months than expected, increasing the odds of another sizable interest rate cut to start 2025.

The Fund's strategy is to provide a well-diversified portfolio targeting mid-range long-run returns by reweighting back to the Fund's benchmark/target investment mix within a cost-effective and tax appropriate investment structure.

Performance	1 Mth	3 Mths	6 Mths	1 Year	Incept (p.a.)
Fund (after fees before tax)	0.24%	3.95%	7.95%	14.77%	6.03%
Fund (after fees and 28% PIR)	0.46%	4.43%	7.65%	14.06%	5.55%
Benchmark (no deductions)	0.10%	3.90%	8.26%	14.74%	6.00%

Investors should also refer to the Quarterly Fund Update, which is available at fundrock.com/fundrock-new-zealand and business.govt.nz/disclose.

Anthony Edmonds – 021 499 466

anthonyedmonds@investnow.co.nz

Jason Choy – 021 0221 7661

jasonchoy@investnow.co.nz

This Fact Sheet is provided by InvestNow Saving and Investment Service Limited (InvestNow) in good faith and are based on sources InvestNow believes are reliable and accurate. InvestNow, its directors, officers and employees make no representations or warranties as to the accuracy or completeness of the information contained in this Fact Sheet and disclaim liability for any loss, damage, cost or expense that may arise from any reliance on the information provided. This disclaimer extends to any entity that may distribute this Fact Sheet. The information in this Fact Sheet is not intended to be financial advice and InvestNow did not take into account the investment objectives, 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 InvestNow or Implemented Investment Solutions Limited. The manager and issuer of the Fund is FundRock NZ Limited and a Product Disclosure Statement is available at <https://www.fundrock.com/fundrock-new-zealand/frnz-documents-and-reporting/>, and on <https://disclose-register.companiesoffice.govt.nz/>.