



Conservative Fund

Monthly Update as at 30 April 2024

PORTFOLIO MANAGER(S)



MIKE TAYLOR
Founder and Chief
Investment Officer



TRAVIS MURDOCH
Head of Fixed Income and
Portfolio Manager

FUND COMMENTARY

The Conservative Fund returned -1.3% during the month, bringing its 12-month return to 5.3%.

April was a more difficult month for global equities, especially for small caps. In the US, the Russell 2000 smaller company index fell 7%, and the DOW was down 5%, as bond yields moved higher following recent data showing that the steep declines in inflation have slowed. We still expect inflation to fall further during 2024, but interest rate cuts in the US have now been pushed out to later in the year or even 2025, except in Europe, where the ECB is expected to cut rates in June. However, continued strong earnings from US large-cap tech reinforce our view that the AI theme has plenty of runways and is a multi-year story.

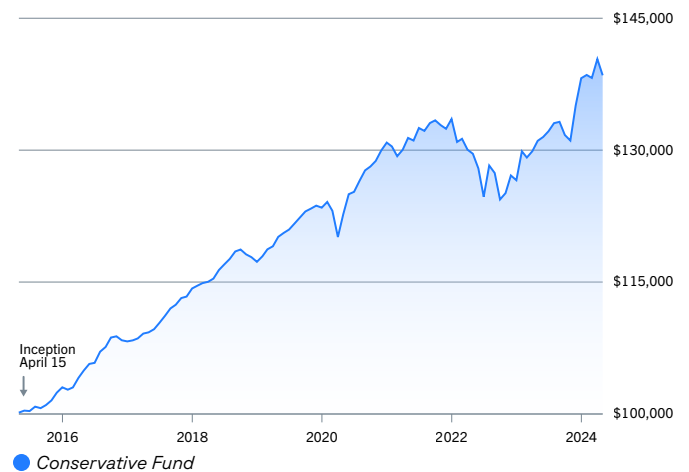
The best performers during April were TotalEnergies and Newmont. TotalEnergies, the large French oil and renewable energy producer gained as the oil price initially rose early in the month due to geopolitical tensions. Newmont, the large gold mining company, rose after reporting excellent results, helped by a rapid rise in the gold price in recent months, which has been largely driven by central bank buying. We initiated one new position in the month, the Danish affordable jewellery retailer Pandora.

After a significant re-pricing in global yields year-to-date, we think the bulk of the pain has been taken for now. Bond yields are attractive, providing a cushion against rates moving higher and potential for capital gains when rates fall. The Fund is well diversified and positioned to take advantage of ongoing geographic divergence in government bonds. We continue to think Europe will be the first to cut rates next month, followed closely by New Zealand.

In summary, despite the pullback in markets during the month, we were pleased the Fund held up well, and we remain optimistic about the opportunities for upside we see within the current holdings.

CUMULATIVE FUND PERFORMANCE

If you had invested \$100,000 at inception, the graph below shows what it would be worth today.



FUND DETAILS

Recommended minimum investment period	3 years
Objective	Capital preservation (with some growth) which outperforms the market index over a period exceeding three years.
Description	Invests predominantly in fixed-interest securities and some cash, with an allocation to equities (directly or through other products issued by Pie Funds). It may also invest in other products such as term deposits and bonds.
Inception date	April 2015
Standard withdrawal period	5 working days
Risk indicator	<div style="display: flex; justify-content: space-between; align-items: center;"> Potentially Lower Returns Potentially Higher Returns </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> 1 2 3 4 5 6 7 </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 5px;"> Lower Risk Higher Risk </div>

For more information on our funds, please visit www.piefunds.co.nz/Investor-Documents



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PERFORMANCE

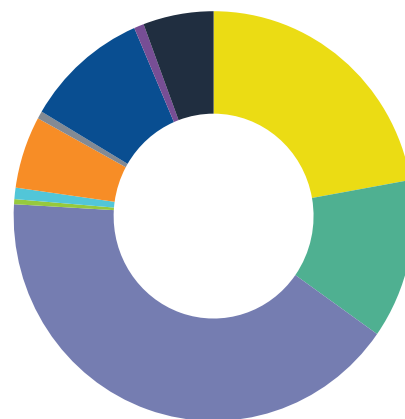
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	Annualised since inception
Conservative Fund	-1.3%	5.3%	1.7%	2.9%	3.4%	3.7%
MARKET INDEX ¹	-1.3%	7.1%	2.5%	3.5%	4.0%	4.3%

Returns after fees but before individual PIR tax applied

1. The market index is a composite index (25% NZBond Bank Bill Index (NZD), 15% Bloomberg NZBond Credit 0+ Yr Index (NZD), 35% Bloomberg Global Aggregate Corporate Total Return Index (100% hedged to NZD), 6% S&P/ASX All Ordinaries Total Return Index (75% hedged to NZD), 19% S&P Global Broad Market (BMI) Total Return Index (75% hedged to NZD)).

INVESTMENT MIX

Cash (including Derivatives)	22.2%
New Zealand Fixed Income	12.6%
Global Fixed Income	41.2%
Asian Equities	0.4%
Emerging Market Equities	0.9%
European Equities	5.7%
UK Equities	0.6%
US and Canadian Equities	10.0%
New Zealand Equities	0.8%
Australian Equities	5.7%



Asset allocation is rounded to the nearest vtenth of a percent; therefore, the aggregate may not equal 100%.

TOP FIVE HOLDINGS (EXCLUDING CASH)

Contact Energy Ltd	6.398%	21/11/2030
JPMorgan Chase & Co	5.336%	23/01/2035
Morrison & Co High Conviction Infrastructure Fund		
Pfizer Inc	4.65%	19/05/2030
TotalEnergies SE	3.455%	19/02/2029

Holdings are listed in alphabetical order and exclude cash.

UNIT PRICE

\$1.17

ANNUALISED RETURN SINCE INCEPTION

3.7% p.a.

after fees and before tax

FUND STATUS

CLOSED

OPEN



Information is current as at 30 April 2024. Pie Funds Management Limited is the manager and issuer of the funds in the Pie Funds Management Scheme. Any advice given by Pie Funds Management Limited is general only. Our advice relates only to the specific financial products mentioned and does not account for personal circumstances or financial goals. Please see a financial adviser for tailored advice. You may have to pay product or other fees, like brokerage, if you act on any advice. As manager of the Pie Funds Management Scheme investment funds, we receive fees determined by your balance, and we benefit financially if you invest in our products. We manage this conflict of interest via an internal compliance framework designed to help us meet our duties to you. For information about how we can help you, our duties and complaint process and how disputes can be resolved, or to see our product disclosure statement, please visit www.piefunds.co.nz. Please let us know if you would like a hard copy of this disclosure information. Past performance is not a reliable indicator of future returns. Returns can be negative as well as positive, and returns over different periods may vary.