PORTFOLIO MANAGER(S)



MIKE TAYLOR Founder and Chief Investment Officer

FUND COMMENTARY

The Conservative Fund returned 1.6% in June, bringing its 12-month return to 6.7%.

Global equities advanced despite ongoing geopolitical tensions, supported by growing expectations of rate cuts as inflation moderates. The US led gains, driven by strength in tech and infrastructure stocks, with persistent optimism around AI and fiscal investment themes. European markets posted modest gains, underpinned by stabilising energy prices and improving sentiment. Infrastructure assets remained resilient, benefiting from long-term demand and inflation-linked revenues.

In the US, the Federal Reserve met and left rates unchanged. Chairman Powell struck a somewhat cautious tone towards future rate cuts, noting that he expects material inflation in the coming months from tariffs. Nonetheless, with Powell's term up in May 2026, and President Trump suggesting he may name a more dovish replacement in the coming months, bond yields were able to maintain a downward bias.

New Zealand saw mixed economic data ahead of the RBNZ's July OCR decision. Q1 GDP came in stronger than expected at +0.8%, but weakening manufacturing and services data suggest momentum faded late in the quarter. With core inflation pressures subdued and broad regional softness, we continue to expect the RBNZ will eventually cut the OCR below 3%, firmly into stimulatory territory.

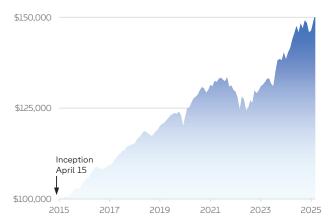
Looking ahead, rate decisions will remain a key driver of market direction. We favour businesses with structural tailwinds - particularly in infrastructure and innovation-led sectors - across developed markets. This month's returns reinforce the fundamental principle that, over time, markets follow earnings - and the current trend remains positive.



TRAVIS MURDOCH
Head of Fixed Income and
Portfolio Manager

CUMULATIVE FUND PERFORMANCE

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



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	Potentially Lower Returns Potentially Higher Returns 1 2 3 4 5 6 7			

Lower Risk

Higher Risk



PERFORMANCE							
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)	Annualised since inception
Conservative Fund	1.6%	6.7%	6.5%	3.8%	3.7%	4.2%	4.1%
MARKET INDEX ¹	1.4%	8.0%	7.2%	4.6%	4.6%	4.7%	4.8%

Returns after fees but before individual PIR tax applied

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 Small Ordinaries* Total Return Index (75% hedged to NZD), 19% S&P Global Broad Market (BMI) Total Return Index (75% hedged to NZD)). *Prior to 1 May 2025 this was ASX All Ordinaries.

INVESTMENT MIX	
Cash and cash equivalents	17.3%
New Zealand Fixed Interest	18.0%
International Fixed Interest	37.2%
Australasian Equities	5.5%
International Equities	22.0%



Asset allocation is rounded to the nearest tenth of a percent; therefore, the aggregate may not

TOP FIVE HOLDINGS (EXCLUDING CASH)

Bank of New Zealand 4.889% 19/11/2029

Cooperatieve Rabobank UA 4.4336% 19/06/2028

Kiwibank Ltd 2.36% 11/12/2030

McDonald's Corp 4.6% 15/05/2030

Visa Inc 3.125% 15/05/2033

Holdings are listed in alphabetical order.

ANNUALISED RETURN
SINCE INCEPTION

4.1% p.a.

FUND STATIUS





UNIT PRICE

\$1.24

Information is current as at 30 June 2025. Pie Funds Management Limited ("Pie Funds") is the issuer and manager of the funds in the Pie Funds Management Scheme and the Pie KiwiSaver Scheme ("Schemes"), the product disclosure statements of which can be found at www.piefunds.co.nz. Past performance is not an indicator of future returns. This information is general only. Please see a financial adviser for tailored advice.