

# Quarterly Factsheet

Mercer Overseas Fixed Interest (Global Aggregate) Portfolio
December 2023

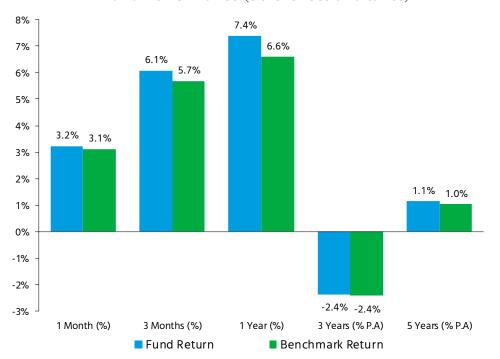


# December 2023

## Overview

This Portfolio aims to exceed the return of the Bloomberg Barclays Global Aggregate Return Index. The Portfolio uses an active multi-manager approach that has the flexibility to invest across different regions and sectors. It is 100% hedged to NZD on an after tax basis.

## **Fund Performance (before fees and taxes)**



### **Morgan Stanley**

# Management Style Target Weight Ma Aggregate, macro 30% Aggregate

The strategy seeks total returns from income and price appreciation, investing in a globally diversified portfolio of multi-currency debt issued by government and non-government issuers. The strategy consists of domestic, international and Euromarket Fixed Income Securities of varying maturities denominated in U.S. dollars and other currencies, including emerging markets. The team believes that market participants may often misvalue a bonds issuer's default risk, resulting in bond prices that fail to reflect the true credit profile of an issuer.

# Wellington

Management Style	Target Weight
Aggregate, sector specialist	40%

The strategy seeks to provide consistent excess returns over the Bloomberg Aggregate Bond Index over a full market cycle. The investment universe includes government, corporate and securitised debt. The approach seeks to generate consistent returns excess through combination of lowly-correlated investment strategies developed by highly specialised investment teams. Each team has a unique area of focus which is sector, region or investmentstyle based.

#### **Fund Vehicle**

Overseas Fixed Interest Portfolio

#### **Investment Vehicle**

Portfolio Investment Entity (PIE)

## **Performance Benchmark**

Bloomberg Barclays Global Aggregate Return Index (100% hedged to NZD on an after tax basis\*)

#### **Performance Objective**

To outperform the benchmark over periods of one year or longer

#### **Fund Managers**

Wellington, PIMCO, Morgan Stanley

## **Inception Date**

June 2003

#### **Fund Size**

NZD \$566m

#### **Price Frequency**

Daily

## Exclusions

Companies that manufacture whole weapons systems, or delivery platforms, or components that were developed or are significantly modified for exclusive use in cluster munitions, anti-personnel landmines, chemical, biological or nuclear weapons, as well as companies involved in the production and retailing of automatic and semi-automatic civilian firearms.

Companies involved in the manufacture and/or production of tobacco products (regardless of revenue), including subsidiaries and joint ventures, as well as any other company that derives 50% or more of revenue from other tobacco related business activities such as packaging, distribution and retail of tobacco products.

#### **For More Information**

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\*Assuming a 28% PIR tax rate

#### **PIMCO**

Management Style Target Weight

Aggregate 30%

PIMCO is a well-resourced manager with bottom-up analysis in securitised markets. The combined quality and depth of the macro perspective, which feeds into its secular and cyclical outlooks, the sophistication and quanitative analysis process and the robust framework of risk controls which govern portfolio construction, all positively differentiate its approach.

For further information

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