

Quarterly Factsheet

**Mercer Overseas Fixed Interest (Global
Aggregate) Portfolio
December 2023**

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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
Aggregate, macro	30%

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 excess returns through the 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 investment-style 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 quantitative 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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