

Balanced Fund

Monthly Performance Update as at 31 October 2025

To review the fund's investment objective and strategy, fees information and risk indicator please see the funds' product disclosure statement and most recent fund update at www.octagonasset.co.nz/our-funds/balanced-fund/.



Return comparison	1 Month	3 Months	1 Year	3 Years*	Since inception*
Net Fund Return^	1.39%	4.81%	9.85%	9.52%	4.52%
Gross Fund Return	1.50%	5.12%	11.09%	10.77%	5.73%
Composite Index	1.51%	5.60%	12.58%	10.55%	5.76%

*Annualised

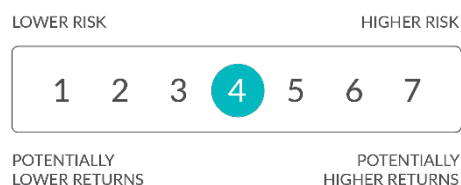
Major investments

Hunter Global Fixed interest Fund	19.14%
Vanguard ESG US Stock ETF	5.42%
Vanguard ESG International Stock ETF	2.69%
Fisher & Paykel Healthcare Corporation Limited	1.82%
New Zealand Government 1.5% 15/05/2031	1.78%
Precinct Properties New Zealand Limited	1.51%
Goodman Property Trust	1.46%
Kiwi Property Group Limited	1.28%
New Zealand Government 4.5% 15/05/2035	1.22%
ANZ transactional bank account	1.19%
Major holdings as % of total portfolio	37.51%

Things to note

- Manager: Forsyth Barr Investment Management Ltd
- Investment manager: Octagon Asset Management Ltd
- Date the fund started: 11 December 2020
- Tax status: Portfolio Investment Fund (PIE)
- Minimum suggested investment time frame: At least five years
- Market Index: A composite benchmark relating to the fund's target investment mix
- Currency: New Zealand dollars

Risk indicator**



View the [Product Disclosure Statement](#) for detailed information about this Fund and Octagon Investment Funds Scheme.

Manager's comments

How did your portfolio perform?

The Balanced Fund delivered a gross return of 1.50% for the month of October, performing in line with the fund's benchmark return of 1.51%.

For the 12 months to the end of October, the Balanced Fund delivered a gross return of 11.09%, underperforming the fund's benchmark return of 12.58% by -1.50%.

All portfolios within the Balanced Fund outperformed their benchmarks in October, except global equities. Global equities is the largest single asset class in the Balanced Fund and hence dragged overall fund performance to be back in-line with the benchmark.

We actively manage the fund's foreign currency exposures and hedge the international fixed interest segment of the fund. The New Zealand dollar fell -1.38% against the US dollar and fell -0.16% against the Australian dollar.

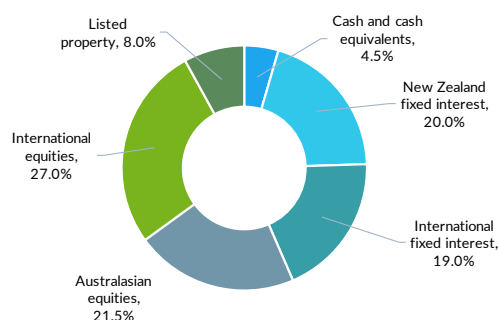
What happened in the markets that you invest in?

September quarter earnings were better than expected for global equities with future earnings expectations holding. In New Zealand several companies reported year on year growth at their annual shareholder meetings, whilst in Australia economic growth continues to beat market expectations.

A larger-than-expected Reserve Bank of New Zealand (RBNZ) rate cut in October boosted returns for the Enhanced Cash and NZ Fixed Interest Funds, while global fixed interest markets rallied on steady to declining inflation expectations.

For details on the Balanced Fund's single asset class funds, see the relevant fund commentary.

Tactical Asset Allocation



Currency Hedging

As at 31 October 2025

Percentage of the fund exposed to FX risk	35.48%
Value of the fund unhedged (after hedging)	14.87%

What are we thinking about the future?

Trade war and deglobalisation themes persist yet equity markets appear unconcerned, driving the US and other global indices to new highs. While solid earnings support optimism, we believe valuation discipline remains critical. In our view, global share prices already reflect expectations of a strong, prolonged corporate profit cycle.

We continue to see superior risk-adjusted opportunities in listed property and New Zealand equities, with fixed interest and cash markets appearing fairly valued. Although clear signs of a global earnings slowdown are not yet visible, current equity valuations look less compelling than alternatives available to the fund. Accordingly, the fund remains modestly overweight in NZ equities and listed property, funded by slight underweights in Australian and global equities.



Paul Robertshawe, CA
Director, Chief Investment Officer



Christine Smith-Han
Strategy Analyst

Fees

Annual fund charges are currently 1.15% p.a. of the value of your investment. We pay management and administration charges along with the Supervisor fee out of this. All fees and charges are quoted exclusive of GST.

For more information please visit octagonasset.co.nz, email info@octagonasset.co.nz, or call 0800 628 246

[^] Net Fund Returns are calculated before the deduction of taxes and after deduction of fund charges and trading expenses and including imputation credits where available. Gross Fund Returns are calculated before deduction of taxes and fund charges but after deduction of trading expenses and including imputation credits where applicable. Market index returns do not have any deductions for fund charges, trading expenses or tax.

^{**} The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the relevant fund's assets goes up and down (volatility). A higher risk generally means higher potential returns over time, but more ups and downs along the way. The risk indicator is based on the returns data for the five years to 31 October 2025. See more information about the risks of investing in the Product Disclosure Statement.

This publication does not contain financial advice - for financial advice, please speak to your Investment Adviser. We recommend you review your investments and seek specialist advice on any taxation aspects. Past performance is not a reliable guide to future performance. Forsyth Barr Investment Management Limited is the issuer, and Octagon Asset Management Limited the investment manager, of the Octagon Investment Funds. A copy of the Product Disclosure Statement for the Funds is available from www.octagonasset.co.nz/disclosure-information, by contacting your Investment Adviser, or by calling 0800 628 246.