

# Hunter Global Fixed Interest Fund

31 JANUARY 2026

1 month performance

**0.16%**

Before fees & tax

1 year performance

**5.21%**

Before fees & tax

Fund size

**\$2,998,487,391**

NZD

Investment Management

**PIMCO**

The Hunter Global Fixed Interest Fund outperformed its benchmark in January. Government bond yields moved higher due to fiscal concerns, a shifting narrative on further monetary policy easing, and sticky inflation. Corporate bonds outperformed as credit spreads tightened. January delivered no shortage of geopolitical drama, with markets forced to digest rapid-fire headlines throughout the month (e.g. Venezuela, Greenland, etc). In Japan, Prime Minister Takaichi called a snap election alongside the announcement of a new fiscal package.

PIMCO continues to believe that **global central bank policy rates have more room to fall**, but that investors will demand more term premium for longer maturity bonds given ongoing deficits and rising borrowing programs. This is a recipe for more steeply positive shaped yield curves. **It sees a generally benign global growth outlook, with inflation gradually easing around the globe as tariff pressures subside.**

PIMCO believes that **bonds at current yields (now back to pre-GFC levels) continue to offer great value and a safe place to wait until the global environment becomes a little clearer.**

The average credit rating of the Fund is in line with the benchmark at AA-, while the Fund's total carry has increased marginally to **5.0% at the end of January**. The Fund has had no credit defaults and while we expect ongoing month to month volatility in returns, we believe the Fund will deliver strong returns going forward.

During the period, there were no liquidity concerns and no restrictions on redemptions.

Performance	1 MONTH	3 MONTH	1 YEAR P.A.	2 YEAR P.A.	3 YEAR P.A.	5 YEAR P.A.	10 YEAR P.A.	SINCE INCEPTION P.A.
Return before fees & tax	0.16%	0.27%	5.21%	4.91%	5.10%	0.94%	-	2.95%
Benchmark return	0.14%	-0.13%	3.49%	3.57%	3.73%	0.00%	-	2.01%
Relative return	0.02%	0.40%	1.72%	1.34%	1.38%	0.94%	-	0.94%

Inception: 15 March 2017. Benchmark: Bloomberg GlobalAgg Total Return Index Hedged NZD. Past performance is not indicative of future results.

## Investment statistics

	FUND
Effective duration (years)	6.7
Benchmark duration (years)	6.3
Average maturity (years)	9.6
Average coupon	3.84%
Yield to maturity	4.61%
Average quality	AA-
Fund total carry	5.05%
Benchmark total carry	3.42%

## Quality breakdown

	FUND	BENCHMARK
AAA	17.91%	12.38%
AA	50.89%	39.06%
A	10.01%	34.31%
BBB	19.03%	14.25%
Sub inv grade	2.17%	0.00%

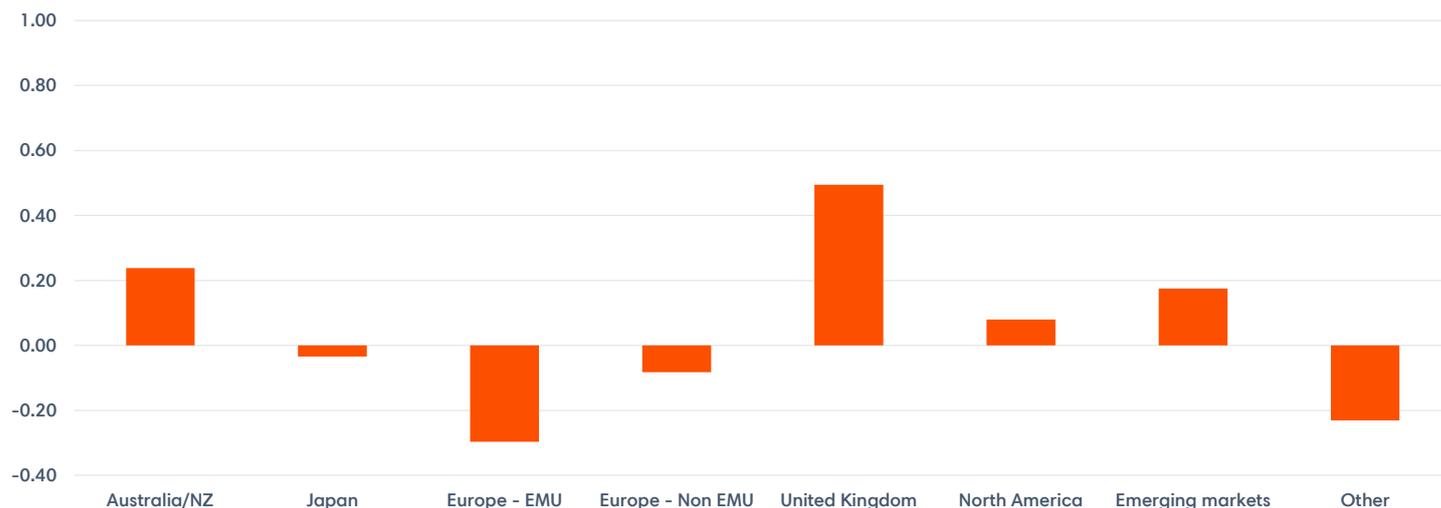
## Duration weighted curve exposure

	0-1 YEARS	1-3 YEARS	3-5 YEARS	5-10 YEARS	10+ YEARS	TOTAL
Benchmark %	0.09	8.68	13.76	35.10	42.37	100.00
Portfolio %	6.76	0.11	34.20	35.29	23.63	100.00
Years Benchmark	0.01	0.55	0.87	2.22	2.68	6.32
Years Portfolio	0.45	0.01	2.28	2.35	1.57	6.66

## Duration weighted regional breakdown (by settlement currency)

	FUND	BENCHMARK	FUND%	BENCHMARK %
Australia/NZ	0.33	0.09	4.89%	1.39%
Japan	0.62	0.66	9.36%	10.42%
Europe - EMU	1.18	1.47	17.65%	23.31%
Europe - Non EMU	0.02	0.10	0.29%	1.61%
United Kingdom	0.81	0.31	12.11%	4.94%
North America	2.91	2.83	43.73%	44.84%
Emerging markets	0.90	0.73	13.53%	11.49%
Other	-0.10	0.13	-1.56%	2.01%
Total	6.66	6.32	100.00%	100.00%

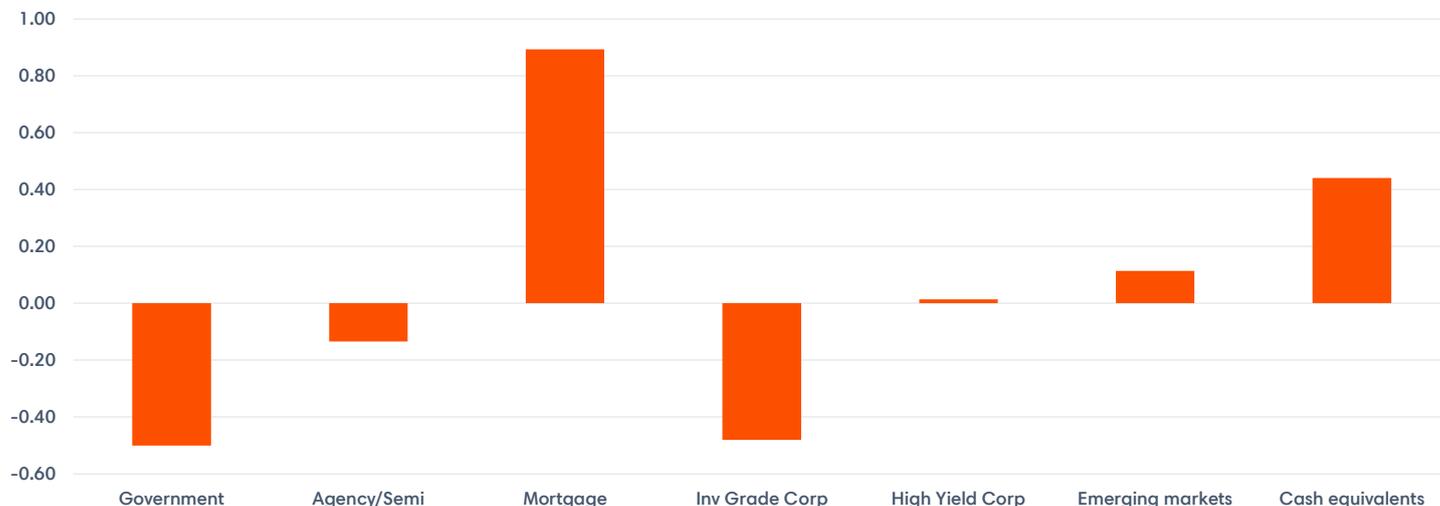
## Regional breakdown variance portfolio vs benchmark (DWE years)



## Duration weighted sector breakdown (by settlement currency)

	FUND	BENCHMARK	FUND%	BENCHMARK%
Government	2.54	3.04	38.15%	48.16%
Agency/Semi	0.38	0.52	5.77%	8.22%
Mortgage	1.57	0.67	23.49%	10.64%
Inv Grade Corp	0.56	1.04	8.37%	16.43%
High Yield Corp	0.01	0.00	0.20%	0.00%
Emerging Markets	1.16	1.05	17.40%	16.54%
Cash Equivalents	0.44	0.00	6.62%	0.01%
Total	6.66	6.32	100.00%	100.00%

## Sector exposure portfolio (DWE years)



## ESG Integration (PIMCO)

At PIMCO, we define ESG Integration as the integration of material ESG factors into investment research. We believe incorporating ESG factors should be part of a robust investment process. We recognize that ESG factors are increasingly material inputs into our understanding of global economies, markets, industries and business models. Whether climate change, income inequality, shifting consumer preferences, regulatory risks, human capital management or unethical conduct, ESG factors are important considerations when evaluating long-term investment opportunities. These factors are evaluated across markets and assets classes where applicable. Our commitment to ESG integration was one of the main drivers that led PIMCO to become a signatory to the Principles of Responsible Investment (PRI) in September 2011.

The integration of ESG factors into PIMCO's investment process seeks to account for material ESG risks in both top-down macro positioning and bottom-up security evaluation. To the extent that ESG risks are material for particular sectors, issuers, etc., our fundamental credit views will reflect this. While ESG scores play a role in security selection for portfolios that follow ESG strategies and guidelines, they are not a criterion for security selection in portfolios that do not follow ESG strategies and guidelines. Additionally, integrating material ESG factors into the evaluation process does not mean that ESG information is the sole consideration for an investment decision; instead, PIMCO's portfolio managers and analyst teams evaluate a variety of factors, which can include ESG considerations, to make investment decisions. By integrating material ESG factors into the evaluation process, PIMCO is increasing the total amount of information assessed to generate a more holistic view of an investment, in efforts to deliver the best performance outcomes for our clients.

## Exclusions

Further to the ESG integration in the PIMCO investment process, the Hunter Global Fixed Interest Fund has the following exclusions (derivative positions that may include exposures as part of a basket are exempt from these restrictions, e.g. Basket CDS for spread trade or hedging etc):

- Tobacco Companies;
- Armament Manufacturer;
- Cluster munitions development or production;
- The Portfolio will not invest in companies who derive more than 10% of their earnings from pornography or gambling; and
- The Portfolio will not invest in companies who derive more than 10% of their earnings from or whose only, core, or majority business is the exploration, extraction, refining or processing of fossil fuels. In addition, the Portfolio will not invest in any utility who primarily burns fossil fuels. The development or operation of pipelines are excluded from this restriction.
- Companies involved in 'very severe' controversies that score 0 ('red flag') on MSCI's controversy criteria are excluded from all portfolios.

## ESG metrics

	FUND	BENCHMARK
Gender diversity (workforce >40% female representation)	52.67%	23.94%
Modern slavery statement	50.85%	23.76%
Majority independent board	40.28%	31.58%

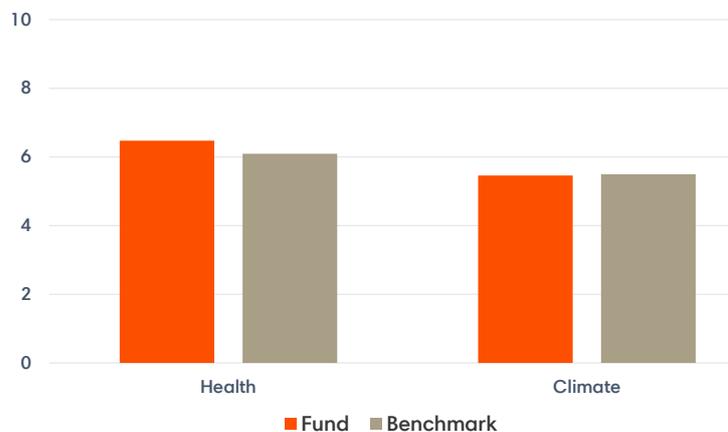
Numbers represent the proportion of holdings meeting the above criteria. We assess only the corporate bond holdings of both the Benchmark and Fund, figures shown are as a percentage of those holdings in order to maintain comparability.

## Climate targets

	FUND	BENCHMARK
TCFD reporting	59.69%	38.52%
SBTi committed	2.94%	2.41%
SBTi targets set	3.70%	14.73%

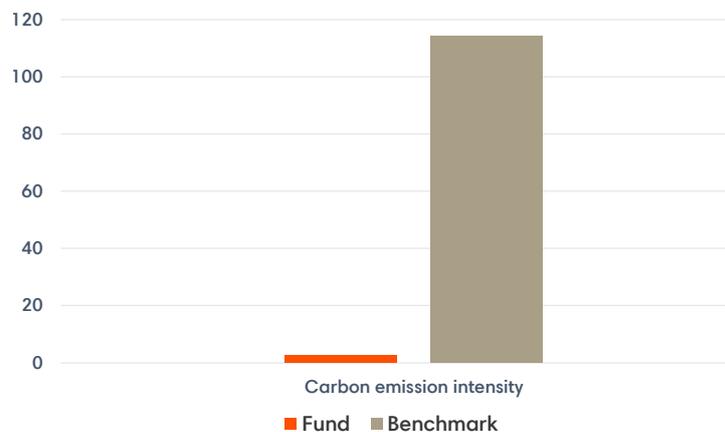
TCFD Recommendations: proportion of portfolio holdings that have committed to adopting recommendations of the Task Force for Climate-Related Financial Disclosures (TCFD). Does not indicate a complete TCFD disclosure. SBTi Committed indicates the company has made a public commitment to set a science-based target aligned with SBTi's target-setting criteria within 24 months. 'Targets Set' indicates that SBTi has reviewed and validated the company's target(s).

## Contribution to UN SDGs



Represents the overall portfolio impact on progress towards the UN Sustainable Development Goals: 3. Good Health and Wellbeing, and 13. Climate Action, as assessed by ISS. On a scale of 0-10: 0 is a negative impact, 10 a positive impact, and 5 is no net impact.

## Scope 1 & 2 Carbon emission intensity (USD)



Scope 1 & 2 Carbon Emissions Intensity reflects the portfolios weighted average total carbon emissions (tonnes) per million USD of revenue, as a proxy of the carbon efficiency per unit of output.

## Performance update

**The Hunter Global Fixed Interest Fund outperformed its benchmark again in January**, delivering a 0.16% return for the month vs. the benchmark return of 0.14%. Government bond yields moved higher due to fiscal concerns, a shifting narrative on further monetary policy easing, and sticky inflation. Corporate bonds outperformed as credit spreads tightened, with investment-grade spreads reaching their tightest levels since 1998.

Adding value this month was the exposure to securitised assets, as well as an underweight New Zealand duration position, especially in the 2 to 5-year portion of the curve, which added alpha as yields shifted higher.

Detracting from performance was the overweight to Australian duration, especially around the 5 to 7-year portion of the curve, as yields shifted higher. An overweight to US duration, particularly in the short to intermediate part of the curve, also detracted value.

## Investment markets

**January delivered no shortage of geopolitical drama, with markets forced to digest rapid-fire headlines throughout the month.** Yet risk assets proved remarkably resilient: the MSCI ACWI rose +2.92% and the Global Aggregate gained +0.94%. The month opened with the US seizure of Venezuela's President Maduro and an announcement that Venezuelan oil supply would come under US oversight – briefly pushing crude oil prices lower before renewed Middle East tensions reversed the move. Brent crude ultimately ended the month up +14.60% despite sharp intra-month volatility. In the US, a subpoena involving the Federal Reserve (Fed) and the nomination of Kevin Warsh as incoming Fed Chair triggered a modest sell-off, with 5 and 10-year Treasury yields rising +6 bps and +7 bps, respectively. Safe-haven demand surged: gold hit a record high (+13.31%) and silver rallied +18.89%. The DXY index weakened –1.35%, while equities held firm, with the S&P 500 up +1.37% and the NASDAQ up +1.20%.

**President Trump's early-month statements about acquiring Greenland introduced initial turbulence, which was amplified by mid-month threats of tariffs and potential military action.** Sentiment stabilised later in the month as the US and NATO allies shifted the conversation toward Arctic security cooperation. European markets were steady overall, supported by cooling inflation (core 2.3%, headline 2.0%) and improving GDP momentum. The Euro Stoxx 50 rose +2.70%, while French, Italian, and Spanish 10-year yields rallied 8 to 14 bps. In the UK, moderating inflation and modest growth lifted the FTSE (+2.94%), although gilt yields drifted higher amid ongoing political uncertainty.

**In Japan, Prime Minister Takaichi called a snap election alongside the announcement of a new fiscal package.** The JGB market reacted sharply – particularly the long end of the curve – with 10-year yields rising +19 bps and 30-year yields up +24 bps by month-end. The Bank of Japan held its main policy rate at 0.75% ahead of the election.

## Portfolio positioning

**PIMCO continues to maintain a cautious view towards credit, focusing instead on relative value positions and diversified alpha strategies.**

**PIMCO has maintained the Fund's overall aggregate duration at 6.7 years vs. the benchmark of 6.3 years.** This duration overweight remains focussed on the sub-10-year part of the yield curve, reflecting PIMCO's ongoing view that yield curves will need to steepen further and that at current interest rate levels bonds continue to represent better than fair value. The positioning is also country specific, reflecting the differing monetary and fiscal stances beginning to emerge around the world. Bonds also remain a good place to sit given the uncertain global environment at present. However, PIMCO believes that careful maturity and security selection is imperative.

**The Fund has maintained active positioning in individual markets** with overweights in the UK (+0.5 years), Australasia and EM (+0.2 years), and North America (+0.1 years). The Fund is at benchmark in Japan and remains underweight Eurozone duration (-0.3 years). The largest overweight remains the UK, due to PIMCO's view that it offers a more favourable environment for interest rate cuts compared to other developed markets in 2026.

**In terms of the yield curve, the Fund has maintained its underweight in 1 to 3-year maturities (-0.5 years)** and remains significantly overweight 3 to 5-year maturities (+1.4 years). The Fund has maintained a slight overweight to the 5 to 10-year part of the yield curve (+0.1 years). **The Fund retains a significant underweight to the 10-year+ part of the curve (-1.1 years).** It is expected that 3 to 10-year maturities will benefit disproportionately in a variety of scenarios with the yield curve expected to continue to become increasingly positively shaped. Longer bonds are expected to remain under pressure as investors focus on increased government borrowing/deficits and hence, demand more term premia for moving longer on the curve.

**The Fund has maintained its underweight to corporate credit (-0.5 years)** and is still targeting high credit quality securities. The average credit rating of the Fund is AA-, which is in line with the benchmark.

**The Fund maintained its slight underweight to the agency and semi-government sectors (-0.1 years) and retained its overweight exposure to the mortgage sector (+0.9 years).** Securitised assets remain PIMCO's preferred way to take spread exposure.

**Currency strategies remain largely tactical or target portfolio diversification.** The Fund is underweight North America, Australasia, the eurozone and a basket of minor currencies. Offsetting these positions are overweights to Japan, Europe (non-EMU), the UK and, most significantly, high-yielding EM currencies.

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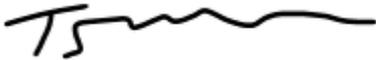
## COMPLIANCE CERTIFICATE

### Hunter Global Fixed Interest Fund

For month ended 31 January 2026

Harbour Asset Management Limited (the "Manager"), certifies that to the best of our knowledge, and having made reasonable enquiries, that, and except as specified in this certificate;

1. The Fund has at all times complied with the Fund's Trust Deed;
2. The Fund has complied with internal guidelines as described in the Statement of Investment Policy & Objectives (SIPO), dated 28th August 2025;
3. PIMCO Australia Pty Ltd ('PIMCO') as the appointed underlying specialist investment manager for the Hunter Global Fixed Interest Fund, provides Harbour with a monthly certification of compliance.



**Tim Morrison**  
Head of Legal, Risk & Compliance  
Harbour Asset Management Limited

**Dated 05 February 2026**