

Fund Fact Sheet: Fixed Interest Managed Fund

As at 31 August 2026

Our investment approach seeks to generate reliable income and preserve capital through active management of interest rate exposure and disciplined selection of fixed income securities.

About the Fund

The Generate Fixed Interest Managed Fund invests primarily in New Zealand and Australian government, semi-government, bank and corporate bonds. The portfolio is actively managed relative to its benchmark, with duration positioned within defined limits and credit exposure diversified across more than 40 issuers.

Portfolio Manager

The Fund is managed by Ayrton Oliver.

Ayrton has over 13 years' experience in global financial markets, including portfolio management in JP Morgan's Chief Investment Office in London, where he managed international interest rate and FX risks. He joined Generate in 2021 and also manages the Generate CashPlus Managed Fund.



Ayrton Oliver
Portfolio Manager

Fund Commentary

Global fixed income markets navigated a complicated environment in August as resilient economic activity and persistent inflation kept central banks cautious. Business surveys improved across the United States, Europe and Japan, while tariffs and geopolitical tensions added uncertainty to the inflation outlook.

United States bond markets were an important focus after a sell-off pushed the 30-year Treasury yield to around 5.34%, its highest level since 2007. Concerns around inflation, government borrowing and the fiscal outlook contributed to the move, prompting the Treasury to expand its longer-dated bond buyback programme to support market liquidity. Attention nevertheless remained on the fiscal deficit and national debt, which has surpassed US\$40 trillion.

Inflation data provided some encouragement, although underlying pressures remained elevated. Annual headline Personal Consumption Expenditures inflation was 3.7% in July, while core inflation was 3.3%. At Jackson Hole, Federal Reserve Chair Kevin Warsh reiterated the Fed's commitment to its 2% inflation target and emphasised that inflation remained too high, contributing to upward pressure on bond yields.

In Europe, improving growth was accompanied by persistent inflation uncertainty, limiting the scope for rapid policy easing. In Australia, the Reserve Bank left the cash rate unchanged at 4.35%, while softer labour-market data reduced expectations of an immediate further increase.

New Zealand conditions also remained finely balanced. Unemployment increased to 5.6% in the June quarter, although activity indicators suggested some stabilisation. Markets continued to assess the outlook for inflation, growth and monetary policy as economic conditions remained uneven.

Looking ahead, fixed income markets are likely to remain sensitive to inflation, employment, fiscal policy and central-bank communication. While yields remain attractive relative to much of the past decade, elevated government borrowing and inflation uncertainty are likely to keep volatility higher. We remain focused on high-quality securities, balancing attractive income with credit quality and interest-rate risk.

Key Fund Facts

Risk indicator:



For more information on risks and risk indicators refer to section 4 of the Managed Funds Product Disclosure Statement.

Objective	The Generate Fixed Interest Managed Fund aims to provide a stable return over the short to medium term. It invests in an actively managed portfolio made up entirely of income assets. Volatility is likely to be the higher than the CashPlus Managed Fund, but lower than the equity orientated Funds. However a negative return is still possible.
Minimum Investment Timeframe	2 Years
Target Allocation	100% Income Assets
Total Value of Fund	\$10,379,240
Date Fund Started	30 April 2025
Benchmark	Please refer to SIPO
Fund Management Fee	0.83% (Estimate, rounded to 2 decimals)
Performance Fee	0.00%
Total Fund Fees	0.83% (Estimate, rounded to 2 decimals)

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Cumulative Fund Performance (after fees, before tax)

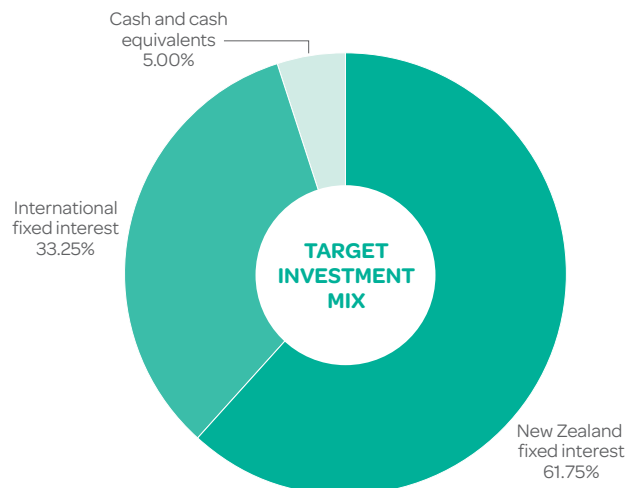
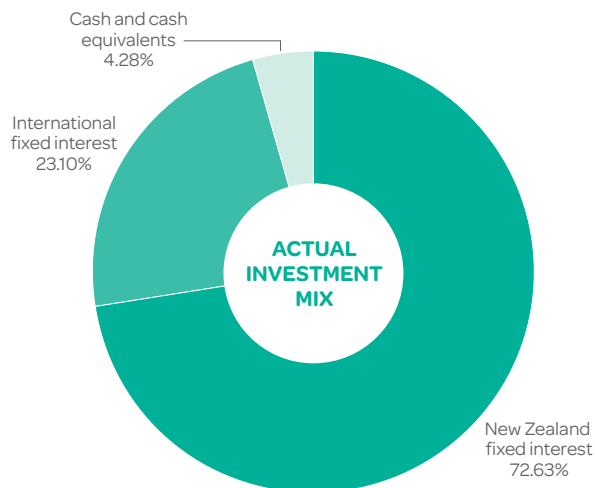


	Fixed Interest Managed Fund	Morningstar category average [#]
1 Month	0.10%	0.09%
3 Months	0.52%	0.25%
1 Year	1.75%	2.17%
3 Years*	NA	5.59%
5 Years*	NA	1.89%
Fixed Interest Managed Fund return since inception*		2.93%

* Annualised

Note: Returns are shown after fees and before tax

Asset allocation



Top 10 investments

Name	Percentage of fund net assets	Type	Country	Credit rating (if applicable)
HOUSNZ Apr 2030 bonds	3.60%	NZ Fixed Interest	New Zealand	AAA
HOUSNZ Sep 2035 bonds	2.66%	NZ Fixed Interest	New Zealand	AAA
Alphabet Aug 2046 bonds	2.16%	International Fixed Interest	U.S.A.	Unrated
Meridian Mar 2033 bonds	2.10%	NZ Fixed Interest	New Zealand	BBB+
ASB NZ Dollar Cash Account	1.92%	Cash and cash equivalents	New Zealand	A1
Southland Building Society Nov 2028 bonds	1.76%	NZ Fixed Interest	New Zealand	Unrated
NZLGA Apr 2033 bonds	1.73%	NZ Fixed Interest	New Zealand	AAA
The Indi Warehouse Trust Jun 2028 bonds	1.62%	NZ Fixed Interest	New Zealand	Unrated
NAB May 2041 bonds	1.61%	International Fixed Interest	Australia	A-
NZLGA Apr 2037 bonds	1.58%	NZ Fixed Interest	New Zealand	AA+

The top 10 investments make up 20.74% of the fund.

[#] Morningstar Direct report as at 31 August 2026. Based on the average return of all funds within the NZ Bonds category for the periods ended 31 August 2026.
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The issuer is **Generate Investment Management Limited**. PDS is available at generatewealth.co.nz/disclosures.

No part of this is intended as financial advice; it is intended as general information only.

Disclaimer: The Generate Fund Fact Sheet is based on information believed to be accurate and reliable at the time it was prepared, although no guarantee can be given that this is the case. Please note past performance is not a reliable indicator of future performance.