

| Fund Information | 31 October 2023 | | | |
|-----------------------|---|----------|--------|-----------|
| Fund Size | \$1.369 Billion | | | |
| Fund Type | PIE | | | |
| Investment management | PIMCO | | | |
| Benchmark | Bloomberg Barclays Global Aggregate Index - \$NZ hedged | | | |
| Performance (gross) | 1 month | 3 months | 1 Year | 3 Year pa |
| Portfolio (%) | -0.76% | -2.34% | +2.35% | -3.38% |
| Benchmark (%) | -0.75% | -2.60% | +1.24% | -4.18% |
| Alpha (%) | -0.01% | +0.26% | +1.11% | +0.80% |

The performance in this fact sheet is gross of fees and tax. Investors should also refer to the Quarterly Fund Update, which is available on hunterinvestments.co.nz and business.govt.nz/disclose.

Performance update

The Hunter Global Fixed Interest Fund's performance was around benchmark in October although nominal returns were again negative reflecting the continued sell-off in bond yields across the globe this month.

Rising yields saw positive alpha contributions from interest rate strategies, particularly the underweight duration position in Japan, especially at the long end of the yield curve. Our underweight to European duration, particularly longer dated maturities, also added value as did our positioning in inflation linked securities where "break evens" moved higher.

Main detractors this month was our overweights to Australian duration, especially around the 10-year maturity, and to securitised assets where credit spreads widened.

Investment markets

October was another challenging month for investors with both bond and equity markets struggling in the face of heightened geopolitical risks and higher long term interest rates. US and Japanese bond markets were particularly weak. US GDP growth and inflation reads both came in higher than expected. While in Japan, investors tested the upper bounds of the BoJ's yield curve control (YCC) guidance.

Meanwhile share markets were also weaker but, across market dispersion continues, especially in the US, where strength remains concentrated in a few tech stocks. Looking forward, Investors worry about the sheer volume of government borrowing required but remain data focussed, equities still optimistic that a "soft landing" can be achieved while bond markets remain sceptical that inflation can be controlled without a somewhat harder landing. At least, the recent interest rate rises has tightened financial conditions reducing the immediate likelihood of further central bank tightening.

Portfolio positioning

PIMCO continues to maintain a cautious view towards both interest rates and corporate credit, still focusing on relative value positions and diversified alpha strategies.

The Fund's overall duration has reduced slightly to 5.4 years, still 1.1 years less than the benchmark's duration of 6.5 years, both shortening as yields rose during the month.

The underweight duration position is quite targeted, focused on Japan, core Europe and Emerging Markets. However, PIMCO is increasingly overweight in more interest rate sensitive countries (having a higher proportion of floating rate and short-term mortgages) particularly the UK, Australasia and non-core Europe. PIMCO is now only slightly underweight the US market reflecting the improved value following the further sell off in yields.

In terms of the yield curve, the Fund is underweight in the 1-3 years maturities, slightly overweight 3-5 years with a larger overweight to the 5-10 years portion of the curve. The Fund's largest yield curve position remains its underweight to 10 years plus maturities. This positioning is premised on an expected positive steepening of the curve, pivoting around 10-year maturities, as inflation normalises and investors demand term premiums again.

The Fund remains underweight corporate credit generally, targeting financials and non-cyclicals, resulting in a portfolio with high credit quality, still maintaining an average rating of AA.

US Federal Reserve "tapering" programme also sees PIMCO remaining underweight the agency and semi-government sectors but retaining an overweight exposure to the mortgage sector. Securitised assets remain PIMCO's preferred way to take spread exposure offering greater default protection in the current environment.

Currency strategies remain largely tactical or target portfolio diversification. Currently the fund is overweight the Yen, emerging market currencies and non-EMU Europe predominantly against the North American dollar bloc, the Euro and a number of minor currencies. We are now only slightly overweight the Australian dollar.

The Fund continues to have a small allocation to inflation-linked bonds.

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31 October 2023

Hunter Global Fixed Interest Fund
Investment Portfolio Characteristics



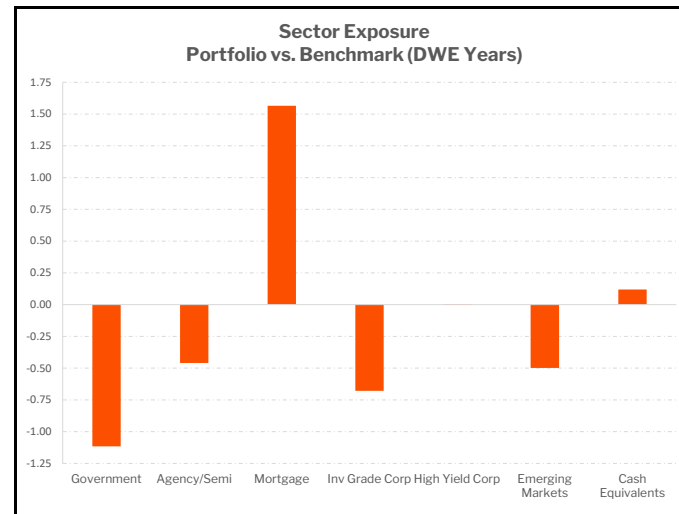
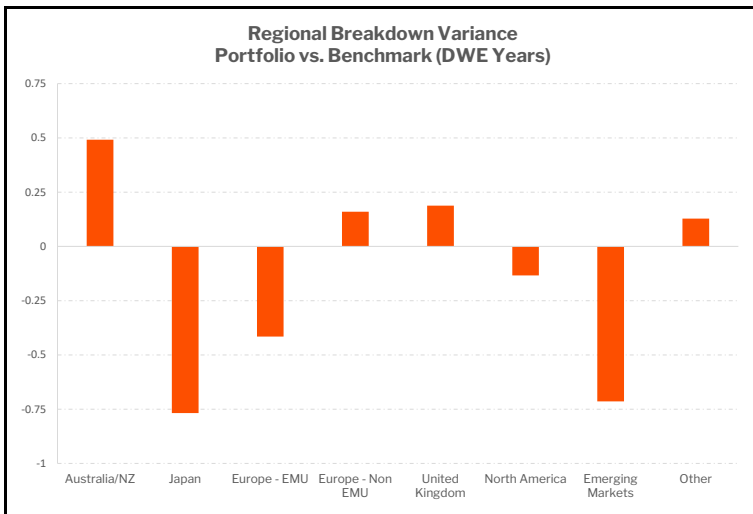
| Investment Statistics | |
|-----------------------|-----|
| Effective Duration | 5.4 |
| Benchmark Duration | 6.5 |
| Average Maturity | 7.0 |
| Average Coupon | 3.1 |
| Average Quality | AA |
| Fund Total Carry | 7.0 |
| Benchmark Total Carry | 5.7 |

| Quality Breakdown | | |
|-----------------------------|---------------|-----------------------------|
| Market Value % Portfolio | | Market Value % Benchmark |
| 68.5 | AAA | 11.8 |
| 2.8 | AA | 42.1 |
| 8.8 | A | 31.7 |
| 17.5 | BBB | 14.4 |
| 2.4 | Sub Inv Grade | 0.0 |
| 100 | Total | 100 |

| Curve Exposure | | | | |
|----------------------------|-------------|----------------------------|-----------------|-----------------|
| Duration Weighted Exposure | | Duration Weighted Exposure | | |
| % Portfolio | % Benchmark | | Years Portfolio | Years Benchmark |
| 2.5 | 0.1 | 0 - 1 years | 0.1 | 0.0 |
| -5.0 | 7.9 | 1 - 3 years | -0.3 | 0.5 |
| 22.2 | 13.4 | 3 - 5 years | 1.2 | 0.9 |
| 68.2 | 36.6 | 5-10 years | 3.7 | 2.4 |
| 12.2 | 42.0 | 10+ years | 0.7 | 2.7 |
| 100 | 100 | Total | 5.4 | 6.5 |

| Regional Breakdown by currency of settlement) | | | | |
|---|-------------|----------------------------|-----------------|-----------------|
| Duration Weighted Exposure | | Duration Weighted Exposure | | |
| % Portfolio | % Benchmark | | Years Portfolio | Years Benchmark |
| 10.6 | 1.3 | Australia/NZ | 0.6 | 0.1 |
| 4.0 | 15.3 | Japan | 0.2 | 1.0 |
| 17.6 | 21.1 | Europe - EMU | 1.0 | 1.4 |
| 4.6 | 1.4 | Europe - Non EMU | 0.2 | 0.1 |
| 9.2 | 4.8 | United Kingdom | 0.5 | 0.3 |
| 50.3 | 44.1 | North America | 2.7 | 2.9 |
| -0.9 | 10.3 | Emerging Markets | 0.0 | 0.7 |
| 4.5 | 1.8 | Other | 0.2 | 0.1 |
| 100 | 100 | Total | 5.4 | 6.5 |

| Sector Breakdown | | | | |
|----------------------------|-------------|----------------------------|-----------------|-----------------|
| Duration Weighted Exposure | | Duration Weighted Exposure | | |
| % Portfolio | % Benchmark | | Years Portfolio | Years Benchmark |
| 38.1 | 49.1 | Government | 2.1 | 3.2 |
| 0.6 | 7.6 | Agency/Semi | 0.0 | 0.5 |
| 44.4 | 12.9 | Mortgage | 2.4 | 0.8 |
| 6.2 | 15.6 | Inv Grade Corp | 0.3 | 1.0 |
| 0.1 | 0.0 | High Yield Corp | 0.0 | 0.0 |
| 8.4 | 14.8 | Emerging Markets | 0.5 | 1.0 |
| 2.2 | 0.0 | Cash Equivalents | 0.1 | 0.0 |
| 100 | 100 | Total | 5.4 | 6.5 |



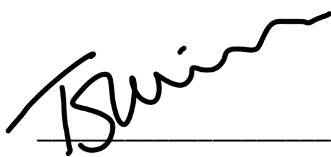
COMPLIANCE CERTIFICATE

HUNTER GLOBAL FIXED INTEREST FUND (THE "FUND") (RETAIL UNIT TRUST)

Investment Mandate Compliance Certificate for month ended 31 October 2023

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 1st September 2023;
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 Compliance
Harbour Asset Management Limited

2.11.2023

Date