



# MONTHLY MARKET REVIEW

DELIVERING GLOBAL PERSPECTIVE

March 2025

**Scott O’Ryan**

Business Development Manager, Adviser & Intermediary

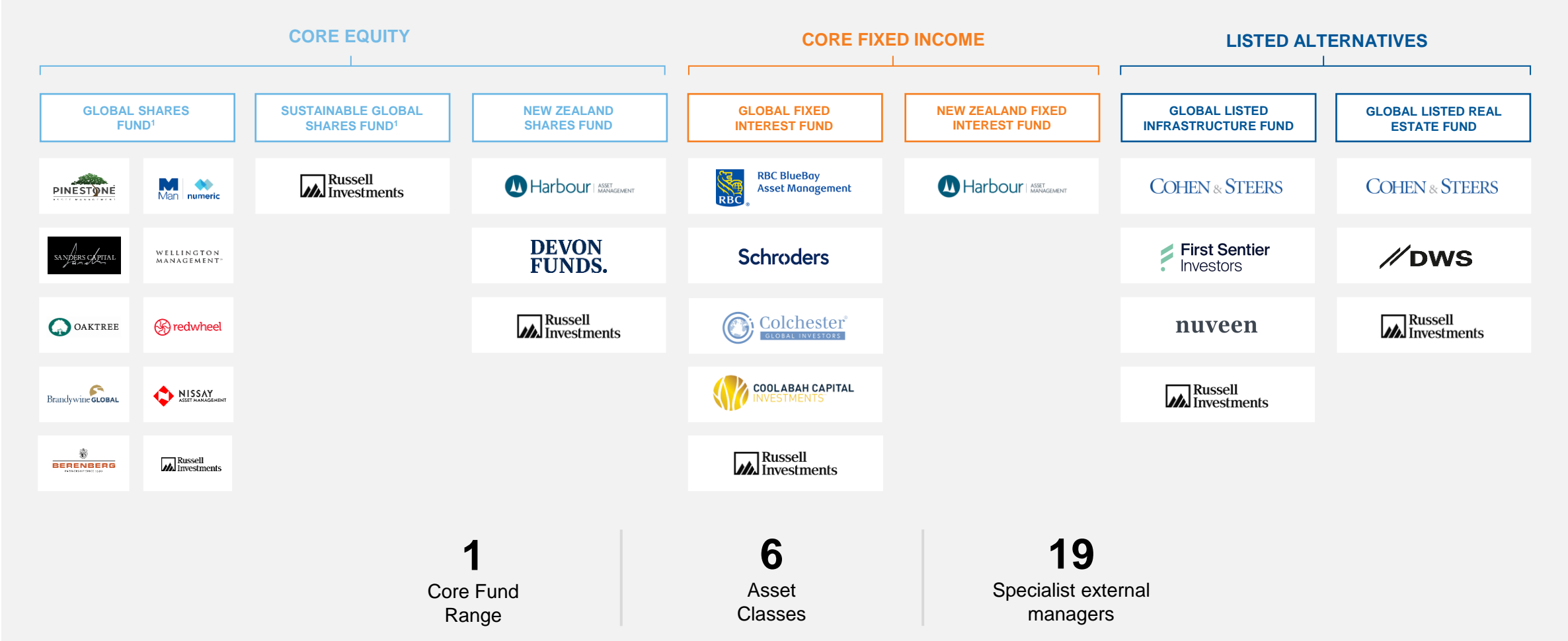
**Falesha Kidd**


Associate Business Development Manager, Adviser & Intermediary

EMBRACE  
THE POSS/BLE®

# Russell Investments New Zealand fund overview

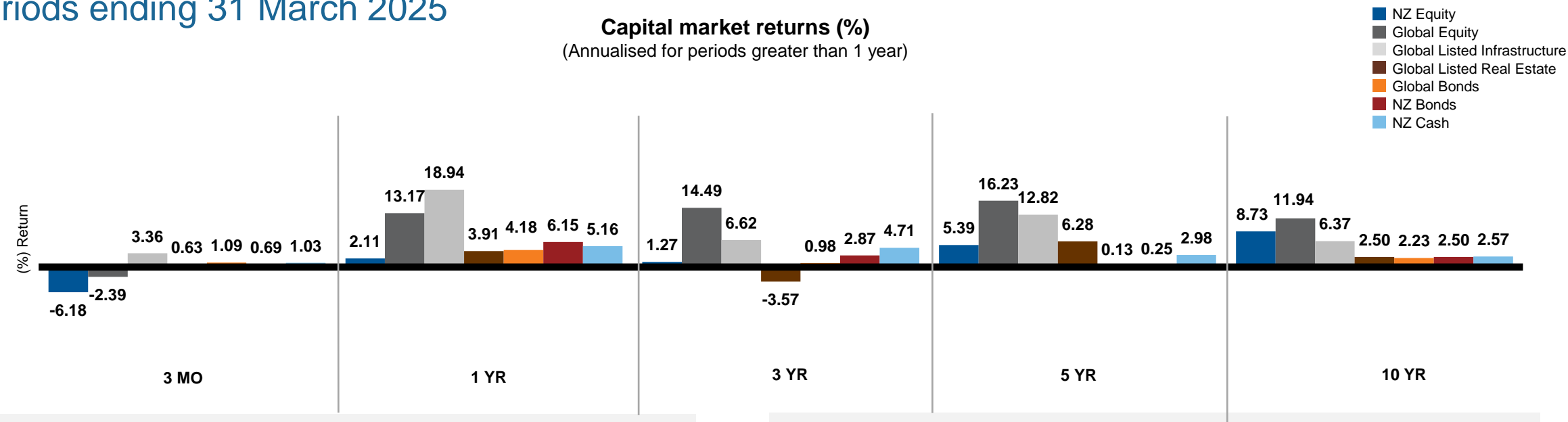
## Diversified, time-tested core portfolio holdings in Portfolio Investment Entity (PIE) structure



 The Russell Investments Sustainable Global Shares Fund (unhedged and hedged) has been certified by the Responsible Investment Association Australasia according to the strict operational and disclosure practices required under the Responsible Investment Certification Program. See [www.responsiblereturns.com.au](http://www.responsiblereturns.com.au) for details. The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold a Financial Advice Provider licence. <sup>1</sup>Global Shares and Global Sustainable Shares funds are available in both unhedged and NZD-H versions.

# Capital markets

Periods ending 31 March 2025



**NZ equity:** NZX 50 with Imputation Credits Index

**Global equity:** (MSCI ACWI Index) Global market index that includes large/mid-cap stocks across developed and emerging markets

**Global listed infrastructure:** (S&P Global Listed Infrastructure Index – NZD Hedged) Index for global publicly traded infrastructure securities

**Global listed Real Estate:** (FTSE EPRA NAREIT Developed – NZD Hedged) Index for global publicly traded real estate securities

**Global bonds:** (Bloomberg Global Aggregate Bond Index – NZD Hedged) Broad index for Global Fixed Income market

**NZ bonds:** (Bloomberg NZBond Composite 0+ Yr TR NZD) Broad index for NZ Fixed Income market

**Cash:** Bloomberg NZBond Bank Bill TR NZD – short dated New Zealand bank bills

## CAPITAL MARKETS to March 2025:

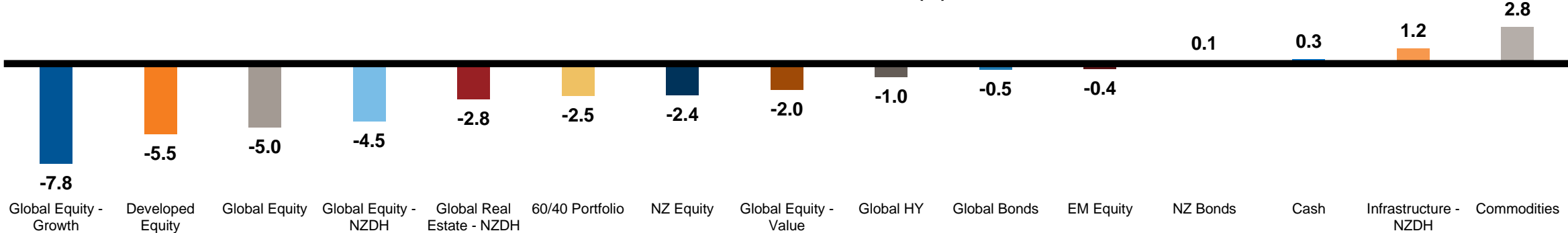
- **NZ equities** continued their losing streak over 2025, largely driven by a further weakness in Health Care with F&P and Ryman both down.
- **Global equities** down as President Trump's 25% tariff announcement on all imported cars prompted auto shares to fall globally. In response, European Union (EU) officials are considering tariffs on US service exports to the region.
- **Global Listed Infrastructure** was slightly up over March as Industrials and Energy names lead the index higher.
- **Global bonds** were slightly down over March as US Treasury yields were unchanged, having previously increased due to tariff-driven uncertainty and later decreased on economic data.
- **NZ bonds** finished slightly up as government yields were flat but support from favourable moves in credit spreads

Source: Russell, Bloomberg, MSCI, FTSE and S&P Index returns denominated in NZD and represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Attribution data as of latest available 27 Mar 2025.

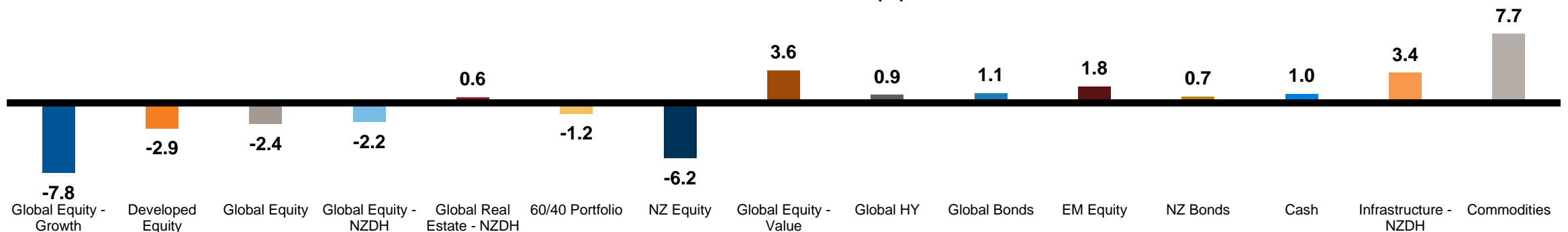
# Capital markets

## Key asset classes for New Zealand investors

1 month to 31 March 2025 returns (%)



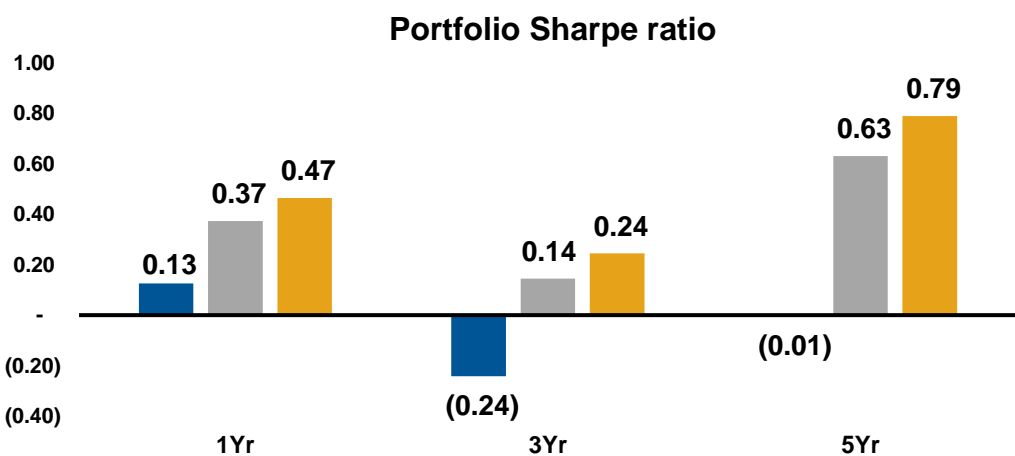
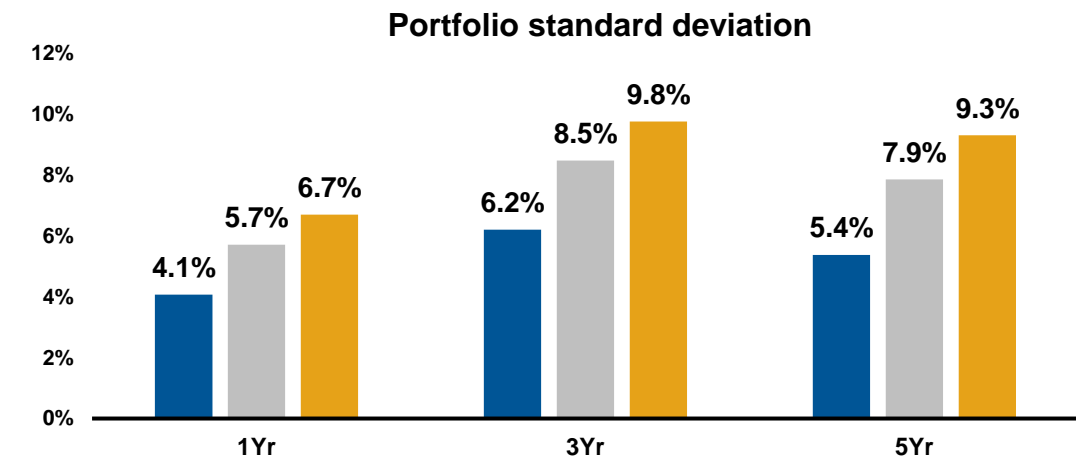
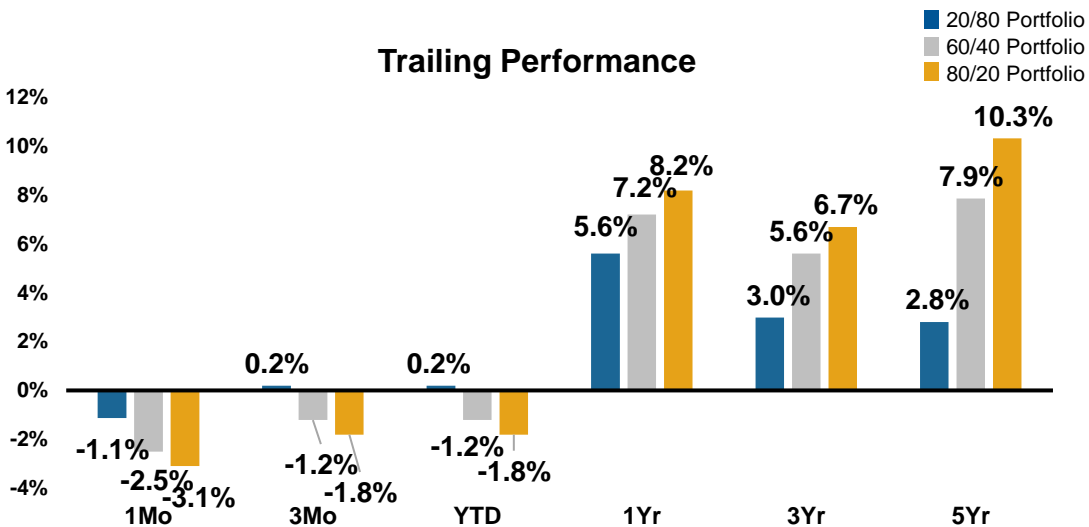
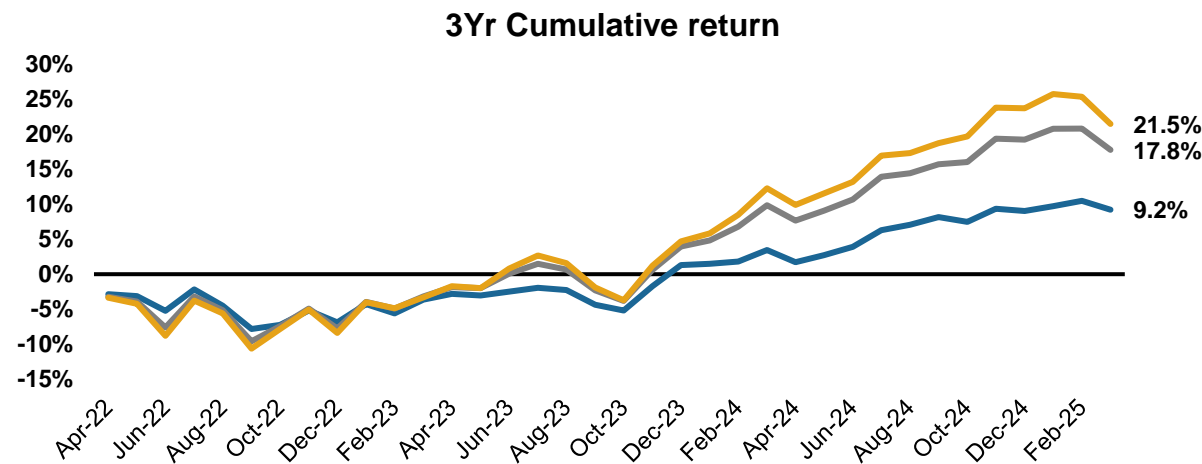
Year-to-date 2025 returns (%)



Source: Morningstar Direct, Russell Investments. Global Equity: MSCI ACWI Net Index; Global Eq Hedged: MSCI ACWI Net Index – NZDH, Global Equity - Growth: MSCI ACWI Growth Net Index; Global Equity - Value: MSCI ACWI Value Net Index, Developed Equity: MSCI World Net Index; NZ Equity: S&P/NZX 50 with Imputation TR NZD; Global Real Estate – NZDH: FTSE EPRA NAREIT Developed NR HNND, Infrastructure - NZDH: S&P Global Infrastructure Index NZDH; Global High Yield: ICE BofA Dv Mkts HY Constrained NZDH; Cash: Bloomberg NZBond Bank Bill TR NZD; EM Equity: MSCI Emerging Markets Index; Global Bonds: Bloomberg Global Aggregate Bond Index NZDH; NZ Bonds: Bloomberg NZBond Composite 0+ Yr TR NZD; Commodities: Bloomberg Commodity Index Total Return; 60/40 Portfolio: 20% Global Equity Unhedged, 20% Global Equity 100% NZD Hedged, 15% NZ Equity, 25% Global Bonds, 2.5% Infrastructure, 2.5% Global Real Estate, 10% NZ Bonds, 5% Cash. Index returns to 28 Feb 2025, are denominated in NZD and represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

# Portfolio dashboard

## Periods ending 31 March 2025

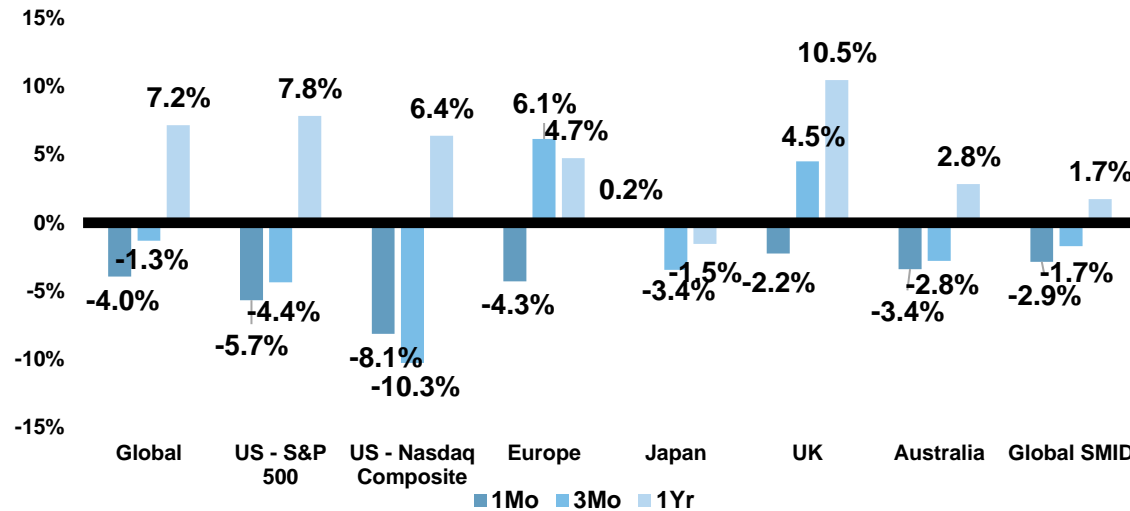


Source: Morningstar Direct, Russell Investments. See Appendix 1 for portfolio weightings. Trailing return periods greater than one-year are annualised. Index returns are denominated in NZD and represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

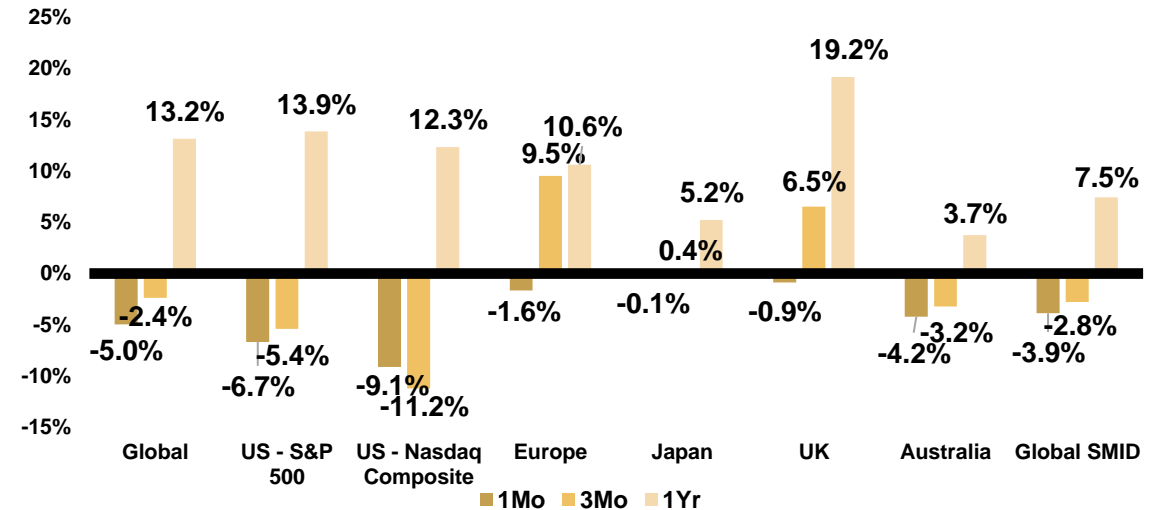
# Global equity performance

Periods ending 31 March 2025

Global Equity Performance (Base Currency)



Global Regional Performance (NZD)

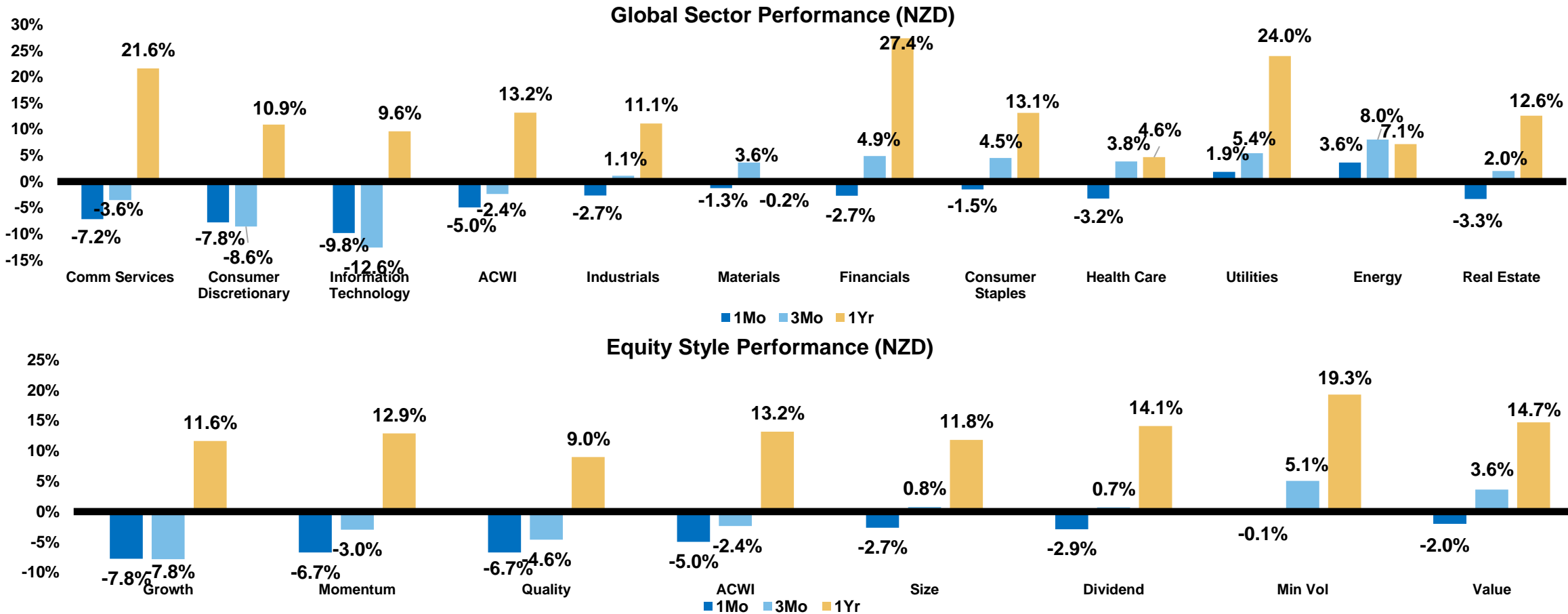


- The MSCI ACWI fell 5% (NZD terms) amid uncertainty arising from geopolitical issues and inflation concerns as President Trump announced a 25% tariff on all imported cars and light trucks from 2nd April, which prompted auto shares to fall globally
- In the economy, US consumer spending in February was up 0.4% MoM, an improvement from January's 0.3% decline but fell short of market expectations of a 0.5% increase.
- The core Personal Consumption Expenditures (PCE) price index rose by 0.4% MoM in February, exceeding forecasts and previous month's reading of 0.3%.
- European stocks had a slower March at the index level, but defence related names (e.g. Rheinmetall AG, Leonardo S.p.A.) posted strong gains pushing industrials higher.
- Japanese stocks finished the month markedly lower in Yen terms as much of the decline was driven by uncertainty surrounding US trade policy and a series of mostly softer domestic economic data, including declines in the latest manufacturing and services sector activity figures.

Source: Morningstar Direct, Russell Investments. Global: MSCI ACWI NR USD, Europe: MSCI Europe Ex UK NR EUR, UK: FTSE AllSh TR GBP, Australia: S&P/ASX 200 TR AUD, Japan: TOPIX TR JPY, US - S&P 500: S&P 500 NR USD, US - Nasdaq Composite: NASDAQ Composite TR USD, Global SMID: MSCI ACWI SMID NR USD. Index returns represent past performance, and are not a guarantee of future performance, nor are they indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

# Global sector and style performance

Periods ending 31 March 2025

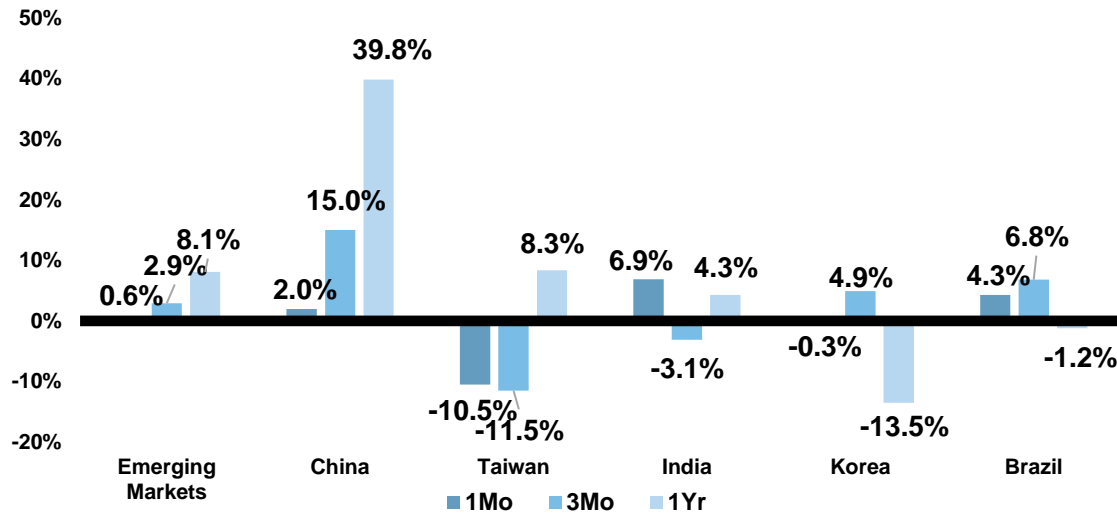


Source: Morningstar Direct, Russell Investments. Energy: MSCI ACWI Energy Net Index, Utilities: MSCI ACWI Utilities Net Index, Materials: MSCI ACWI Materials Net Index, Financials: MSCI ACWI Financials Net Index, Real Estate: MSCI ACWI/EQUITY REITS Net Index, Health Care: MSCI ACWI Health Care Net Index, Consumer Discretionary: MSCI ACWI Consumer Discretionary Net Index, Consumer Staples: MSCI ACWI Consumer Staples Net Index, Information Technology: MSCI ACWI Information Technology Net Index, Industrials: MSCI ACWI Industrials Net Index, Comm Services: MSCI ACWI Comm Services Net Index, Growth: MSCI ACWI Growth Net Index, Momentum: MSCI ACWI Momentum Net Index, Quality: MSCI ACWI Quality Net Index, Size: MSCI ACWI Size TILT Net Index, ACWI: MSCI ACWI Net Index, Dividend: MSCI ACWI Dividend TILT Net Index, Min Vol: MSCI ACWI Minimum Vol Net Index, Value: MSCI ACWI Value Net Index. Index returns are denominated in NZD and represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

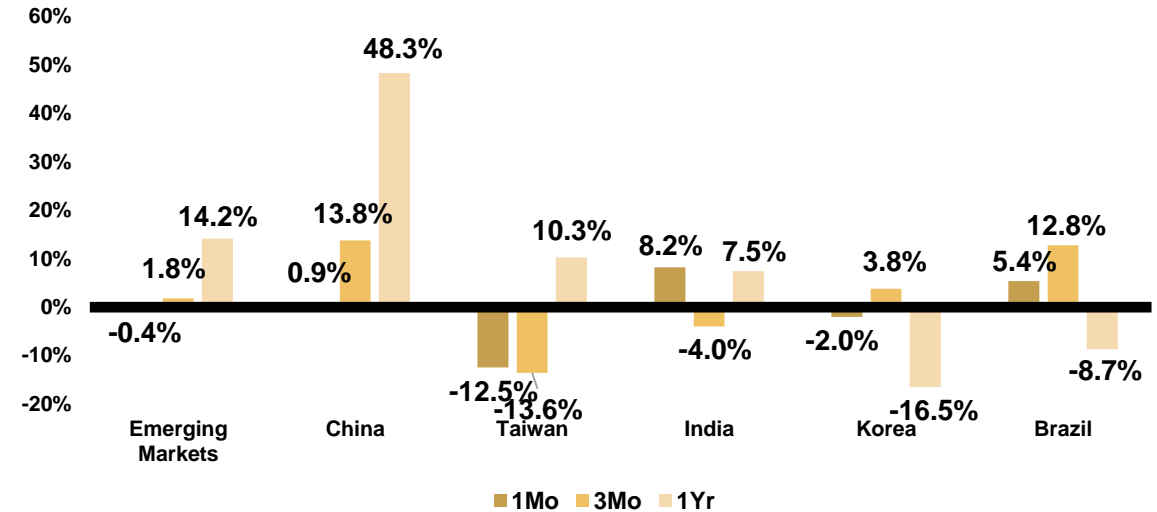
# Emerging market performance

Periods ending 31 March 2025

Emerging Market Performance (Base)



Emerging Market Performance (NZD)



- The MSCI EM Index fell 0.4% (in NZD terms) as Taiwanese stocks (namely Taiwan Semiconductor) struggled under geo-political uncertainty and ongoing tech rout. On the positive side Financials (ICICI Bank, HDFC Bank) pushed the sector higher, with Chinese tech names (PDD Holdings and Alibaba) as supportive.
- In China, inflation turned negative once again at -0.7% YoY in February data while producer price inflation (-2.2% YoY) also disappointed.
- Remaining In China, both retail sales (4.0% YoY) and industrial production (5.9% YoY) beat expectations in year-to-date February figures.
- Brazilian equities climbed higher although economic data disappointed, as industrial production (1.4% YoY) and retail sales (3.1% YoY) growth slowed.
- Elsewhere, the unemployment rate softened in South Korea (2.7%).

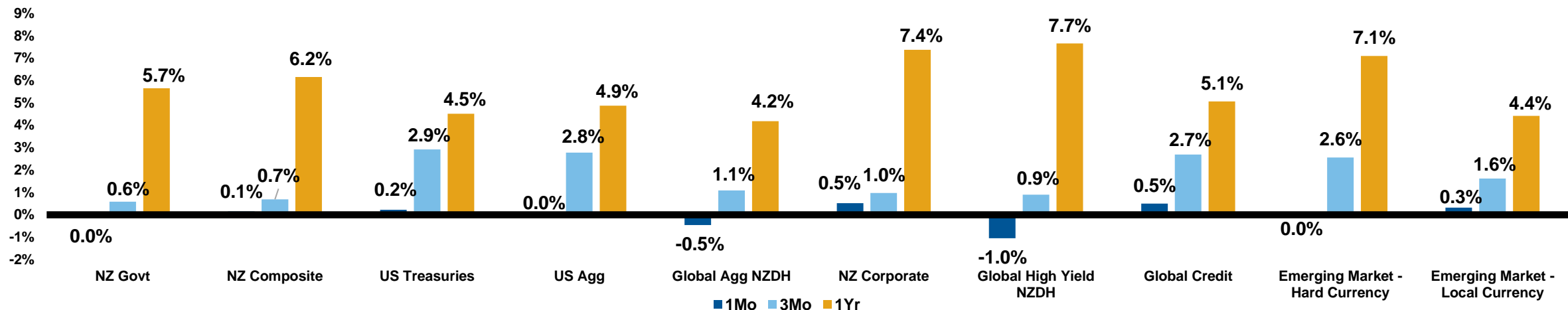
Source: Morningstar Direct, Russell Investments. Emerging Markets: MSCI EM NR USD, China: MSCI China NR LCL, Taiwan: MSCI Taiwan NR LCL, India: MSCI India NR LCL, Korea: MSCI Korea NR LCL, Brazil: MSCI Brazil NR LCL. Index returns represent past performance, and are not a guarantee of future performance, nor are they indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.



# Global fixed income performance

Govt, credit and broad market performance to 31 March 2025

Global Fixed Income (Base Currency)

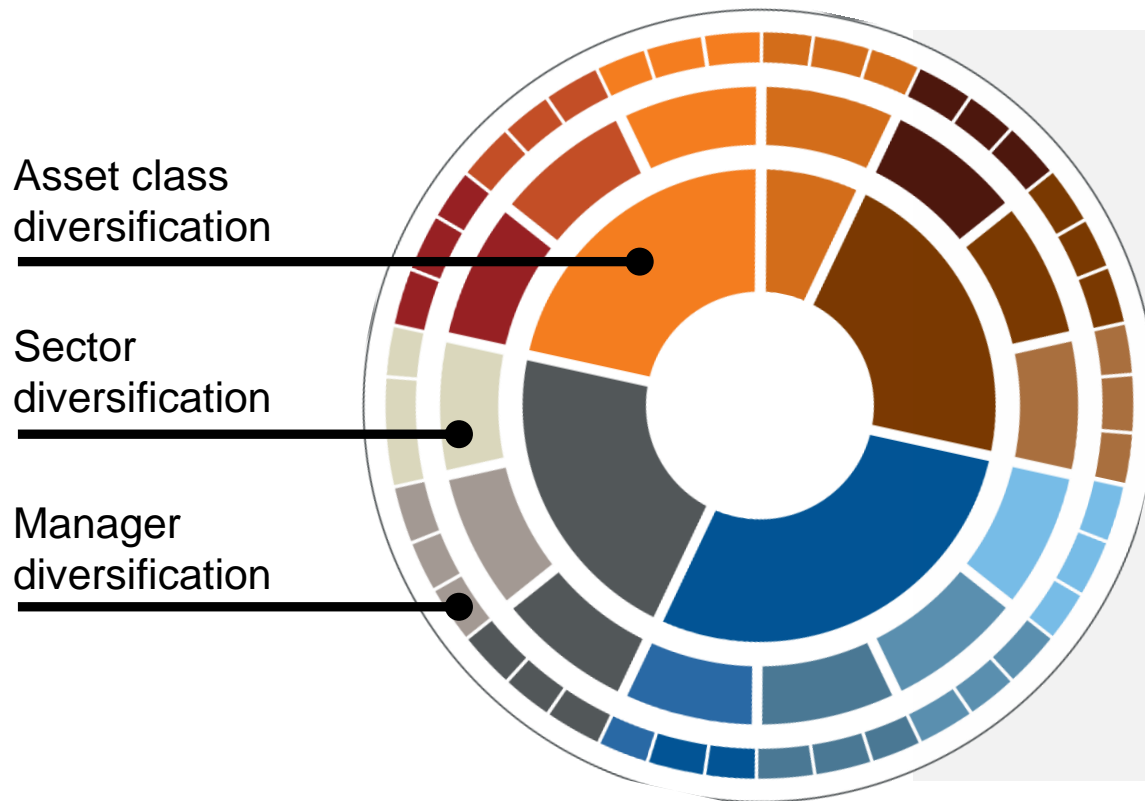


- The Bloomberg Global Aggregate index rose 1.2% (NZDH terms) over the month.
- In the US, Treasury yields were largely unchanged over March, having previously increased due to tariff-driven uncertainty and later decreased on economic data.
- In the UK, the Debt Management Office said that it was going to borrow £299.2 billion for the 2025/26 financial year, which was less than expected and came as a relief to investors, leading to a fall in bond yields.
- In Europe, softer-than-expected inflation in France and Spain helped drive yields lower, fuelling investor bets for the European Central Bank cutting rates. The region also had to deal with Trump’s announcement to impose a 25% tariff on all car imports into the US. In response, EU officials were considering imposing tariffs on the country’s service exports, including the operations of large US technology companies.

Source: Morningstar Direct, Russell Investments. NZ Govt: Bloomberg NZBond Govt 0+ Yr TR NZD; NZ Composite: Bloomberg NZBond Composite 0+ Yr TR NZD; Global Agg NZDH: Bloomberg Global Aggregate TR Hdg NZD; US Treasuries: Bloomberg US Treasury TR USD (1987); US Agg: Bloomberg US Agg Bond TR USD NZ Corporate: S&P/NZX NZ Corp Bond Invest Grade NZD; Global High Yield NZDH: ICE BofA Dv Mkts HY Constnd TR HNZD; Global Credit: Bloomberg Global Credit TR USD ; Emerging Market - Local Currency: Bloomberg EM Local Currency Govt TR USD; Emerging Market - Hard Currency: Bloomberg EM Hard Currency Agg TR USD. Index returns are denominated in base currency and represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

# Managing through volatility

The future is uncertain, we focus on making the most of it.



## Stay the course

We know investors tend to ride their emotions, but history shows that staying invested during downturns tends to be rewarded.

## Stay diversified

No one asset class or style always outperforms. No single manager is great at everything.

## Stay invested

In times of market volatility some investors choose to move to cash investments, while others try to time the market. Unfortunately, these investors are often buying high and selling low—and miss the rallies that follow the challenging periods.

# Russell Investments overview

## A leading global investment solutions partner

### Decades of global investment experience

**50+ years**

Investment consulting

**40+ years**

Multi-manager funds and outsourced investing

**30+ years**

Working alongside New Zealand investors

### Significant global scale

**\$590.8bn**

Assets under management

**\$1.6tn**

Assets under advice

**\$101.5bn**

Assets managed on behalf of financial advisers

### Long-standing track record in New Zealand

**1992**

Opened office in NZ

**\$3.1bn**

Funds under management for NZ clients

**\$12bn**

Assets under advice

**30+ clients**

### Integrated global investment platform

#### Research & advice

- › Capital markets insight
- › Asset allocation tools
- › Proprietary risk systems

#### Fund management & implementation

- › Manager research
- › Proprietary factor strategies
- › Global multi-asset investing
  - › In-house trading
- › Efficient implementation



Global and NZ AUM as of 31 December 2024. AUA data as of 30 June 2024. All values in NZD unless otherwise stated. Please note that the logos shown above may be registered trademarks of the organizations represented. Clients may contract for a variety of services from Russell Investments. The identification of the clients listed does not constitute an endorsement or recommendation of Russell Investments' products or services by such client.



# THANK YOU!

## ANY QUESTIONS?

### Important information

The information contained in this publication was prepared by Russell Investment Group Limited on the basis of information available at the time of preparation. This publication provides general information only and should not be relied upon in making an investment decision. Before acting on any information, you should consider the appropriateness of the information provided and the nature of the relevant Russell Investments' fund having regard to your objectives, financial situation and needs. In particular, you should seek independent financial advice and read the relevant Product Disclosure Statement or Information Memorandum prior to making an investment decision about a Russell Investments' fund. Accordingly, Russell Investment Group Limited and their directors will not be liable (to the maximum extent permitted by law) for any loss or damage arising as a result of reliance being placed on any of the information contained in this publication. None of Russell Investment Group Limited, any member of the Russell Investments group of companies, their directors or any other person guarantees the repayment of your capital or the return of income. All investments are subject to risks. Significant risks are outlined in the Product Disclosure Statements or the Information Memorandum for the applicable Russell Investments' fund. Past performance is not a reliable indicator of future performance.

The Product Disclosure Statements or the Information Memorandum for the Russell Investments' funds (as applicable) are available by contacting Russell Investment Group Limited on 09 357 6633 or 0800 357 6633.

Source for MSCI data: MSCI. The MSCI information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used to create any financial instruments or products or any indices. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the MSCI Parties.) expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages.

S&P Indexes are a product of S&P Dow Jones Indices LLC and/or its affiliates and has been licensed for use by Russell Investments. Copyright © 2024 S&P Dow Jones Indices LLC, a division of S&P Global, Inc., and/or its affiliates. All rights reserved. Redistribution or reproduction in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. For more information on any of S&P Dow Jones Indices LLC's indices please visit [www.spdji.com](http://www.spdji.com). S&P® is a registered trademark of S&P Global and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC. Neither S&P Dow Jones Indices LLC, Dow Jones Trademark Holdings LLC, their affiliates nor their third party licensors make any representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and neither S&P Dow Jones Indices LLC, Dow Jones Trademark Holdings LLC, their affiliates nor their third party licensors shall have any liability for any errors, omissions, or interruptions of any index or the data included therein.

Bloomberg Index Services Limited. BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). Bloomberg or Bloomberg's licensors own all proprietary rights in the Bloomberg Indices. Bloomberg does not approve or endorse this material or guarantee the accuracy or completeness of any information herein, nor does Bloomberg make any warranty, express or implied, as to the results to be obtained therefrom, and, to the maximum extent allowed by law, Bloomberg shall not have any liability or responsibility for injury or damages arising in connection therewith.

Copyright © 2025 Russell Investments. All rights reserved. This information contained on this publication is proprietary and may not be reproduced, transferred, or distributed in any form without prior written permission from Russell Investments.

# Appendix 1

## Russell Investments portfolio weightings

PORTFOLIO DATE	ASSET CLASS	INDEX	20/80 (%)	60/40 (%)	80/20 (%)
30/11/2017	NZ Equity	S&P/NZX 50 with Imputation TR NZD	4.00	12.00	16.00
	Global Equity	MSCI ACWI NR	8.00	21.50	27.00
	Global Equity – Hedged	MSCI ACWI Hedged 100% to NZD	8.00	21.50	27.00
	NZ Bonds	Bloomberg NZBond Composite 0+ Yr TR NZD	16.00	8.00	4.00
	Global Bonds	Bloomberg Global Aggregate TR Hdg NZD	64.00	32.00	16.00
	Global Listed Real Estate	FTSE EPRA NAREIT Developed NR HNZD	0.00	2.50	5.00
	Global Listed Infrastructure	S&P Global Infrastructure Hdg NR NZD	0.00	2.50	5.00

# Your relationship management team

## Scott O’Ryan

Business Development Manager



Scott is based in the Auckland office. He is part of the team that is responsible for growing Russell Investments’ profile within the financial advisory and wealth management sector.

Prior to joining Russell Investments in 2020, Scott worked at Morningstar, where he held senior roles in the Client Solutions team and was involved in delivering data and research to advisory and institutional clients. Prior to returning to New Zealand in 2019, Scott held a variety of roles within Morningstar’s Data and Research teams in the United Kingdom.

Scott is a graduate of Massey University (2010, 2011), holding a degree in Business Studies and a postgraduate diploma in Finance. He has also completed a Masters in Public Administration at the London School of Economics (2017).

### Education

- Masters of Public Administration, London School of Economics and Political Science
- Postgraduate Diploma – Finance, Massey University
- Bachelor of Business Studies, Massey University
- New Zealand Certificate in Financial Services (L5) (Investment) [V2]

### Experience

- Years with Russell Investments: 4
- Years in the industry: 13

## Falesha Kidd

Associate Business Development Manager



Falesha is also based in the Auckland office and part of the team that is responsible for growing Russell Investments’ profile within the financial advisory and wealth management sector, mainly through distributing the firm’s range of multi-manager and directly managed funds.

Prior to joining Russell Investments in 2023, Falesha worked as a Client Relationship Manager for Syndex, dealing with some of New Zealand’s largest private market issuers and investors.

### Education

- Bachelor of Commerce, Victoria University of Wellington

### Experience

- Years with Russell Investments: 2
- Years in the industry: 5