

NZ's 15% tariff rate has understandably been met with disappointment by industry groups, but could the end economic outcomes prove better than feared?

By Greg Smith, Head of Retail at Devon Funds

The global trade war took another turn last week, with no last-minute reprieves, extensions, or “chickening out” from the Trump Administration. New Zealand has been dealt a reciprocal tariff of 15%, revised up from 10%. We have fared better than some countries (Switzerland copped 39%), but there has been a degree of shock from some quarters, including over the relative treatment we have received from our second largest trading partner, compared to our export competitors such as Australia, which has been let off with a 10% rate

The suggested reasons have ranged from NZ running a trade surplus with the US (albeit a small one), and our GST rate of 15%. It has also been suggested that our political ties with the US aren't as strong as some others (the FBI opening an office in Wellington may have been too little too late), while we also have a nuclear-free policy. Ultimately, not having a bilateral free trade agreement (while Australia does) may also be a factor.

The epilogue to last Friday's announcement is now likely to see some lobbying by our officials (as will other countries) to get a better deal. This will, though, as we have seen with other agreed deals, have to include something on the other side, as there are no free lunches in Trump's trade offensive.

So what happens though if NZ is stuck with 15%?

Before last week, we were all seemingly comfortable with our lot - a 10%...[READ MORE](#)

MARKET INDICES

Index	Region	Monthly Return	1 Yr. Return
S&P/NZX50G	NZ	1.8%	3.4%
S&P/ASX200G	AUSTRALIA	2.4%	11.8%
MSCI World Index	GLOBAL	1.3%	16.2%
S&P500	USA	2.2%	16.3%
FTSE100	UK	4.3%	13.2%
NIKKEI 225	JP	1.4%	7.1%
NZ 90 Day Bank Bill	NZ	0.3%	4.5%
Bloomberg Global Aggregate Index (NZD)	GLOBAL	-0.2%	3.2%

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AT A GLANCE

Prices as at 31 July 2025

DEVON ALPHA FUND	\$2.4082
DEVON AUSTRALIAN FUND	\$1.9195
DEVON DIVERSIFIED INCOME FUND	\$1.4954
DEVON DIVIDEND YIELD FUND	\$1.9155
DEVON GLOBAL IMPACT BOND FUND	\$1.3355
DEVON GLOBAL SUSTAINABILITY FUND	\$2.0880
DEVON TRANS-TASMAN FUND	\$5.0111
DEVON SUSTAINABILITY FUND	\$3.4384
ARTESIAN GREEN & SUSTAINABLE BOND FUND	\$1.0347

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DEVON ALPHA FUND

FUND OUTLINE

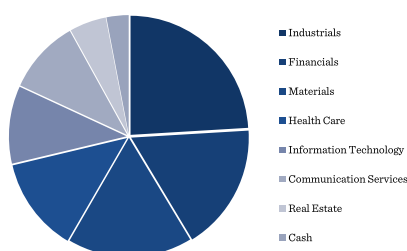
The **Alpha Fund** invests in a concentrated portfolio of approximately 10 to 15 select companies predominantly listed on the NZ and Australian share markets.

The Fund does not follow any index, is actively managed and aims to generate capital growth over the long term. Currency exposure is actively managed.

KEY HOLDINGS



ASSET ALLOCATION



ALLOCATION

New Zealand Equities	35.1%	Cash	3.0%
Australian Equities	61.9%	Total	100.0%
Currency Hedge	48.3%		

PERFORMANCE

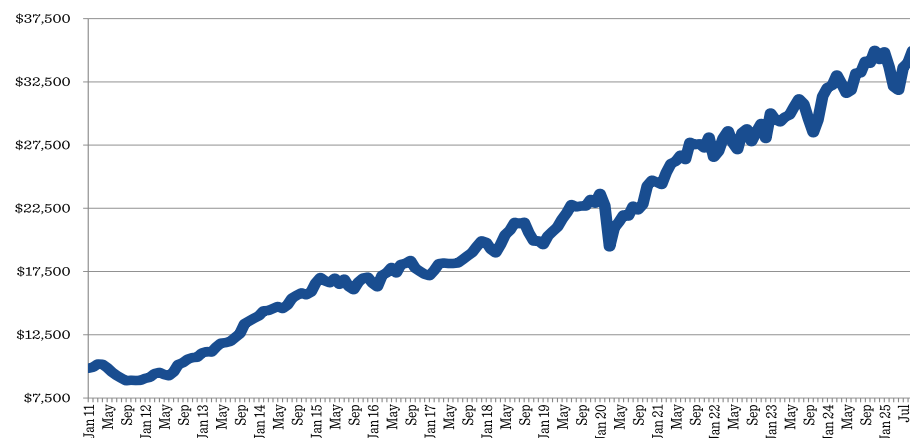
	1 Mth	3 Mth	1 Yr	3 Yr p.a	5 Yr p.a	10 Yr p.a
Devon Alpha Fund	2.8%	9.9%	5.3%	7.1%	9.8%	7.5%
OCR + 5%	0.7%	2.1%	9.4%	9.9%	6.1%	3.9%

*Devon Alpha Fund returns are after all fees and expenses, but before tax which varies by investor.

**The benchmark for Alpha changed to OCR + 5% from 1 September 2022.

NET PERFORMANCE

Based on \$10,000 invested at 1 January 2011



NOTE: Further information on the Devon Alpha Fund can be found in our Quarterly Fund Updates by visiting <https://devonfunds.co.nz/alpha-fund> or by clicking [HERE](#)

COMMENTARY

The Alpha strategy enjoyed a strong month in July with most of our investments generating solid absolute returns. Amongst the most notable contributors were Infratil which rallied 9.7% and Orica which matched this return, also closing up 9.7%. Other exciting performers included Cleanaway (up 5.9%) and the Port of Tauranga which rallied 1.6%.

As we progress towards the earnings season across New Zealand and Australia, we have been determined to build this portfolio around businesses where we have a high degree of confidence in the ability of management teams to meet or exceed market expectations surrounding their financial outcomes. Executive quality and competitive positioning will be critical, given the challenging economic conditions that many businesses are currently exposed to. Our portfolio remains biased towards companies listed on the ASX, but we are excited about the quality of our local stocks, including Freightways.

PORTFOLIO MANAGER

Slade Robertson



Slade has primary responsibility for stock selection and portfolio construction for the Alpha, Australian and Diversified Income funds. Slade

is also the Managing Director at Devon and has overall responsibility for the business. Slade has over 20 years' industry experience.

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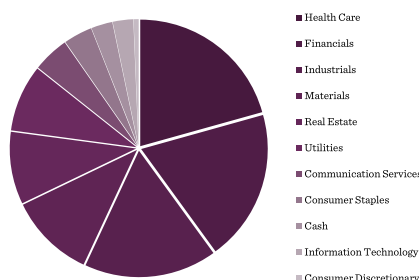
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**DEVON TRANS-TASMAN FUND****FUND OUTLINE**

The **Trans-Tasman Fund** provides a broad and actively managed exposure to the New Zealand and Australian equity markets.

This Fund invests in a select portfolio of well researched companies, which are primarily New Zealand and Australian listed companies. The Australian dollar currency exposure is typically unhedged.

KEY HOLDINGS**ASSET ALLOCATION****ALLOCATION**

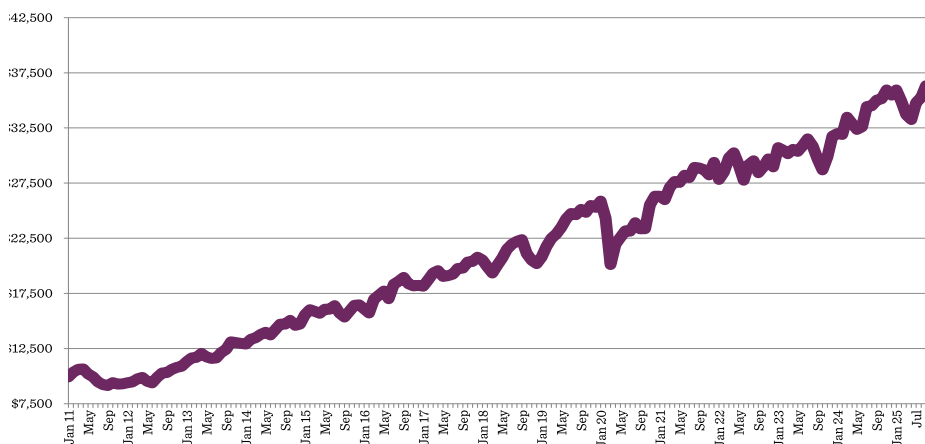
New Zealand Equities	52.3%	Cash	2.7%
Australian Equities	45.0%	Total	100.0%

PERFORMANCE	1 Mth	3 Mth	1 Yr	3 Yr p.a	5 Yr p.a	10 Yr p.a
Devon Trans-Tasman Fund	3.0%	9.3%	5.5%	7.6%	9.4%	7.9%
50:50 NZX50 Gross & ASX200 Index Unhedged	2.6%	8.6%	7.1%	7.7%	7.2%	8.3%

*Devon Trans Tasman Fund returns are after all fees and expenses, but before tax which varies by investor.

NET PERFORMANCE

Based on \$10,000 invested at 1 January 2011



NOTE: Further information on the Devon Trans-Tasman Fund can be found in our Quarterly Fund Updates by visiting <https://devonfunds.co.nz/trans-tasman-fund> or by clicking [HERE](#)

COMMENTARY

The Trans-Tasman strategy delivered a positive absolute return and outperformed its benchmark during the month. Several stocks contributed strongly, including Newmont (+10.8%), Infratil (+9.7%) and Orica (+9.7%).

Newmont posted a robust second quarter result with gold production of 1.48 million ounces, surpassing expectations. This production beat, combined with effective cost management, led to underlying earnings of US\$3bn, which were well ahead of consensus forecasts. Improved operating cash-flow contributed to a better net debt outcome and the company increased their buyback programme to US\$6bn, with US\$2.8bn repurchased to date. Although full year guidance remains unchanged, it appears conservative, in our view. Overall, Newmont continues to look undervalued both absolutely and relative to peers, and remains an investment in our portfolio.

PORTFOLIO MANAGER

Tama Willis



After a long period in international investment markets, Tama returned to NZ after a very successful career in London and Singapore to join Devon's investment team. Tama holds primary responsibility for Devon's Trans-Tasman Fund. Tama is widely regarded as a leading expert on resource and mining stocks.

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DEVON AUSTRALIAN FUND

FUND OUTLINE

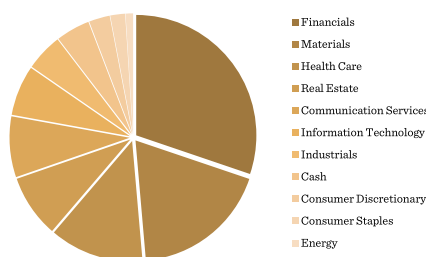
The **Australian Fund** invests in a select portfolio of companies, which are primarily Australian listed companies.

The Australian market is much larger than the New Zealand market and offers exposure to a number of sectors that are not available in New Zealand. The Australian dollar currency exposure of this Fund is typically unhedged.

KEY HOLDINGS



ASSET ALLOCATION



ALLOCATION

New Zealand Equities	0.0%	Cash	4.6%
Australian Equities	95.4%	Total	100.0%

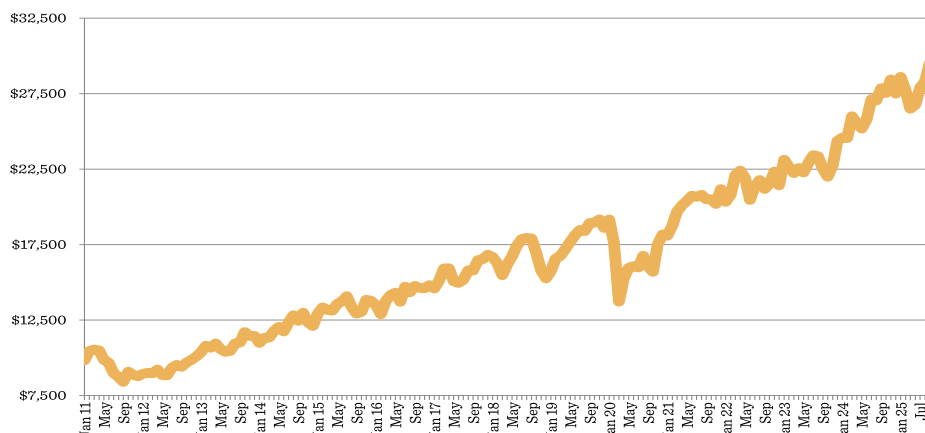
PERFORMANCE

	1 Mth	3 Mth	1 Yr	3 Yr p.a	5 Yr p.a	10 Yr p.a
Devon Australian Fund	4.3%	10.3%	8.9%	11.4%	13.1%	7.7%
ASX200 Index Gross (NZD)	3.4%	9.4%	10.9%	11.6%	12.6%	8.5%

*Devon Australian Fund returns are after all fees and expenses, but before tax which varies by investor.

NET PERFORMANCE

Based on \$10,000 invested at 1 January 2011



NOTE: Further information on the Devon Australian Fund can be found in our Quarterly Fund Updates by visiting <https://devonfunds.co.nz/australian-fund> or by clicking [HERE](#)

COMMENTARY

The Australian Fund performed strongly in July. Top performers included Block Inc (+17.8%), CSL (+13.1%), Newmont Corporation (+10.8%), and Orica (+9.7%), while AUB Group (-4.4%) and Macquarie Group (-5.0%) were detractors.

Block rose for the third consecutive month following the announcement of its inclusion in the S&P 500 index in the US. In addition, the company participated in a J.P. Morgan Technology Conference in May, where it reported that gross profit growth for its Cash App business accelerated in April. This improvement was driven in part by the expansion of Cash App Borrow and the rollout of Afterpay across its US platform.

Block's Square business also continues to perform well. After several years of investment in its product capabilities, the company is now scaling up its go-to-market strategy by expanding its sales force. Encouragingly, this is being achieved within the 12,000-employee cap that the company has committed to maintaining.

PORTFOLIO MANAGER

Slade Robertson



Slade has primary responsibility for stock selection and portfolio construction for the Alpha, Australian and Diversified Income funds. Slade

is also the Managing Director at Devon and has overall responsibility for the business. Slade has over 20 years' industry experience.

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DEVON DIVIDEND YIELD FUND

FUND OUTLINE

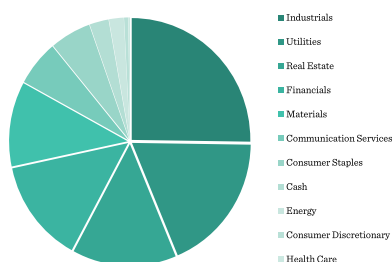
The **Devon Dividend Yield Fund** invests in a carefully selected portfolio of New Zealand and Australian listed companies.

These stocks are chosen for their attractive dividend yields and growth prospects with the aim of maintaining the dividend yield and capital value in real terms. The Australian dollar currency exposure is typically fully hedged.

KEY HOLDINGS



ASSET ALLOCATION



ALLOCATION

New Zealand Equities	66.2%	Cash	2.6%
Australian Equities	31.2%	Total	100.0%
Currency Hedge	97.4%	Yield	5.5%

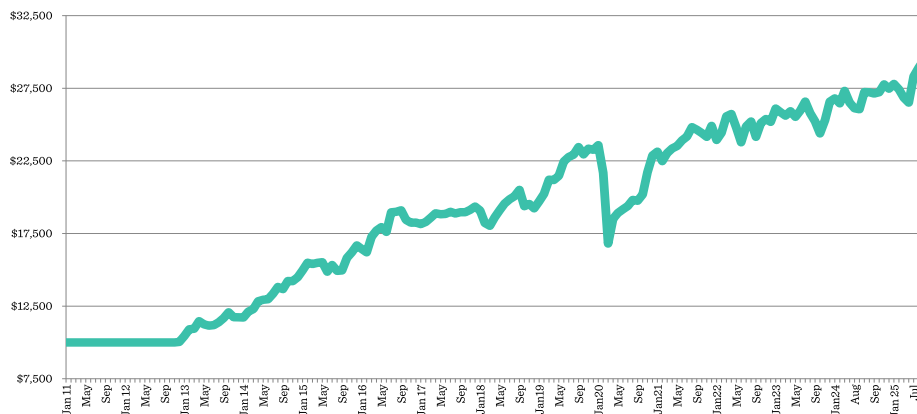
PERFORMANCE

	1 Mth	3 Mth	1 Yr	3 Yr p.a	5 Yr p.a	Since Inception
Devon Dividend Yield Fund	1.7%	10.9%	8.0%	5.8%	8.7%	9.0%
50:50 NZX50 & ASX200 Index Gross	2.1%	8.0%	7.6%	8.0%	7.0%	10.0%

*Devon Dividend Yield Fund returns are after all fees and expenses, but before tax which varies by investor.

NET PERFORMANCE

Based on \$10,000 invested at 1 January 2013



NOTE: Further information on the Devon Dividend Yield Fund can be found in our Quarterly Fund Updates by visiting <https://devonfunds.co.nz/dividend-yield-fund> or by clicking [HERE](#)

COMMENTARY

The Dividend Yield strategy offers investors a forecasted annual gross yield of 5.5% and is expected to grow well ahead of inflation over the next three years. Top performers during July were Breville (+11.5%), Infratil (+9.7%), and Orica (+9.7%). Meanwhile, key detractors were Mainfreight (-10.0%), Macquarie Group (-5.0%), and AUB Group (-4.4%).

Kiwi Property is our largest New Zealand property holding and rallied +9.6% after it confirmed ASB had extended their lease in its Auckland head office. Kiwi Property designed and built the property for ASB in 2013, so it was pleasing to see them stay. Our research indicated that this was likely the case due to elevated construction costs and any new building likely being too close to a competitor's. Kiwi Property continues to offer investors an 8% gross yield, which is expected to grow in line with the company's earnings over the next few years.

PORTFOLIO MANAGER

Patrick Washer



Patrick has primary responsibility for stock selection and portfolio construction for the Dividend Yield Fund. Patrick also holds research responsibilities for the property, aged care and transport sectors.

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DEVON DIVERSIFIED INCOME FUND

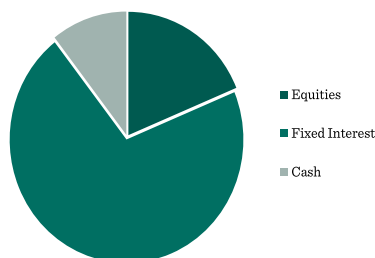
FUND OUTLINE

The **Devon Diversified Income Fund** aims to give New Zealanders access to a diverse and good quality portfolio of high yielding investments. The Fund aims to generate better-than-bank income rates by investing in a carefully selected portfolio of government and corporate bonds, cash, listed property, infrastructure, utility companies, high yielding equities, credit securities and other yielding financial assets.

KEY HOLDINGS



ASSET ALLOCATION



ALLOCATION

New Zealand Equities	17.2%	Bonds	65.0%
Australian Equities	8.1%	Cash	9.7%

PERFORMANCE

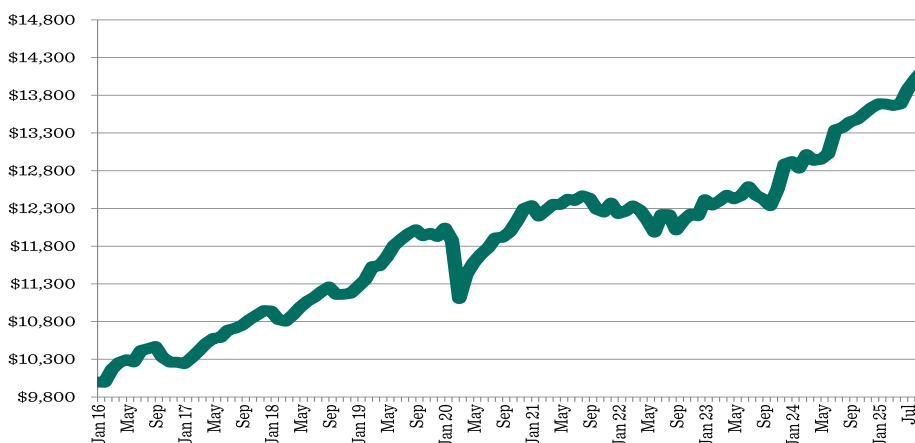
	1 Mth	3 Mth	1 Yr	3 Yr p.a	5 Yr p.a	Since Inception
Devon Diversified Income Fund	0.8%	3.2%	5.8%	4.9%	3.7%	3.8%
75% BB Composite 0-5yr Index, 25% 50:50 Composite NZX50 Gross and ASX 200 Index hedged to NZD	0.6%	2.6%	5.9%	6.4%	4.7%	2.9%

*Devon Diversified Income Fund returns are after all fees and expenses, but before tax which varies by investor.

**The Devon Diversified Income Fund's benchmark changed to a blended market index from 10th December 2024.

NET PERFORMANCE

Based on \$10,000 invested at 1 January 2016



NOTE: Further information on the Devon Diversified Income Fund can be found in our Quarterly Fund Updates by visiting <https://devonfunds.co.nz/diversified-income-fund> or by clicking [HERE](#)

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COMMENTARY

Global bond yields were reasonably stable over the month, with the interest rate on US Treasuries rallying from 4.25% in late June to close July at 4.35%. The US Federal Reserve kept their key lending rate unchanged at 4.25% - 4.50%, despite pressure being applied by Donald Trump for a cut to be made. This decision was made against economic data which showed that the US economy grew by an annualized rate of 3% over the second quarter, albeit much of this growth came from a fall in imports as the impact of tariffs was felt. Inflation remains above the Fed's target, but expectations are that they will cut at their next meeting in September. In New Zealand the RBNZ also left rates unchanged, although they did acknowledge that with spare productive capacity and declining domestic inflation, the headline inflation rate is expected to head towards 2% by early 2026. Investors have priced in a cut at their August meeting.

PORTFOLIO MANAGER

Slade Robertson



Slade has primary responsibility for stock selection and portfolio construction for the Alpha, Australian and Diversified Income funds. Slade is also the Managing Director at Devon and has overall responsibility for the business. Slade has over 20 years' industry experience.

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DEVON SUSTAINABILITY FUND

FUND OUTLINE

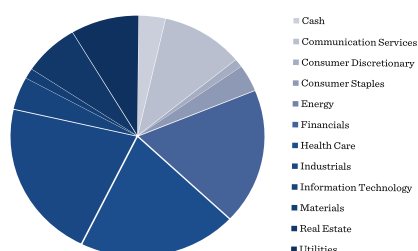
The **Devon Sustainability Fund** invests in a select portfolio of well researched New Zealand and Australian listed companies.

The Fund looks to invest in companies that score highly on overall environmental, social and corporate governance performance. The Fund also employs an ethical screen which will prohibit investment into certain companies and sectors.

KEY HOLDINGS



ASSET ALLOCATION



ALLOCATION

New Zealand Equities	53.1%	Cash	3.4%
Australian Equities	43.5%	Total	100.0%

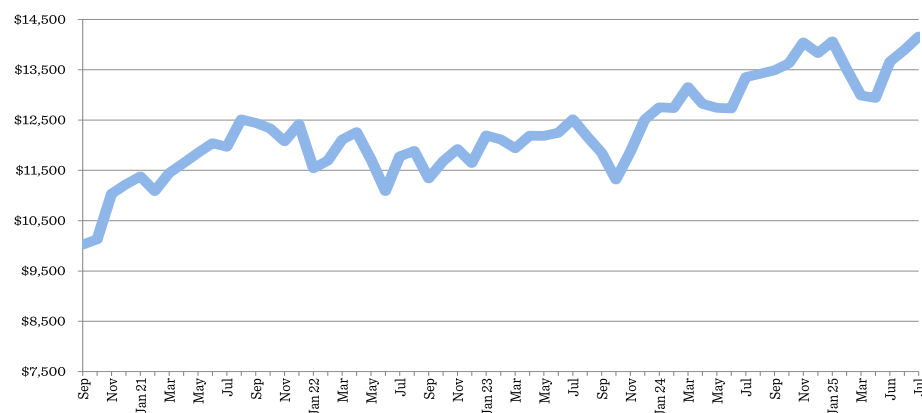
PERFORMANCE

	1 Mth	3 Mth	1 Yr p.a	3 Yr p.a	Since Inception
Devon Sustainability Fund	1.9%	9.5%	6.0%	6.3%	7.3%
50:50 NZX50 Portfolio Index & ASX200 Index	2.1%	8.3%	8.0%	7.4%	6.8%

*Devon Sustainability Fund returns are after all fees and expenses, but before tax which varies by investor.

NET PERFORMANCE

Based on \$10,000 invested at 31 August 2020



NOTE: Further information on the Devon Sustainability Fund can be found in our Quarterly Fund Updates by visiting <https://devonfunds.co.nz/devon-sustainability-fund/> or by clicking [HERE](#)

COMMENTARY

The Sustainability portfolio generated a positive return in July, broadly in line with its benchmark. We were pleased with this performance, especially given the strong returns from the Energy (+5.7%) and Materials (+4.1%) sectors — areas to which we have limited exposure, due to our sustainability framework. Mainfreight (-10.0%) was also a laggard after the company downgraded earnings expectations at its annual shareholder meeting.

We benefited from strong performances by Block Inc (+17.8%), CSL (+13.1%), and Infratil (+9.7%). Infratil performed well following the announcement that it will be added to the ASX 200 index — an important milestone not only for passive investors but also for active investors benchmarked to the Australian index.

Infratil remains highly focused on delivering strong returns for investors, led by its largest asset, CDC Data Centres, which is leveraged to the growing demand for digital infrastructure in Australasia. Management has also built a strong track record of successfully developing and operating these assets.

PORTFOLIO MANAGER

Ben Jenkin



Ben has primary responsibility for stock selection and portfolio construction for the Sustainability Fund. Ben also holds research responsibility for the telco, media and technology sectors, as well as a wide ranging number of industrial companies.

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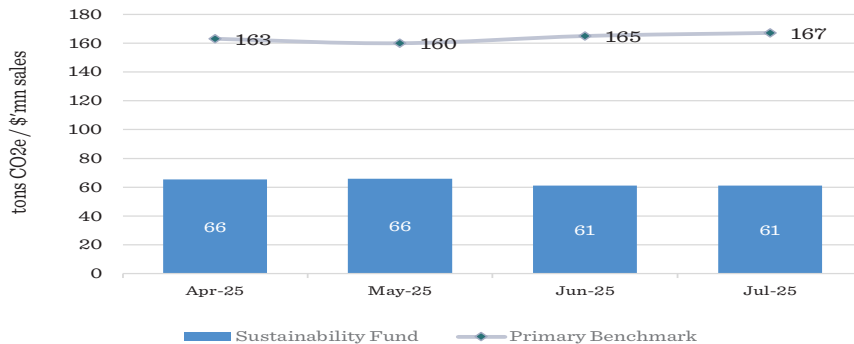
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DEVON SUSTAINABILITY FUND

CARBON INTENSITY - PORTFOLIO VS BENCHMARK

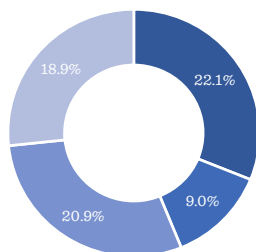
Carbon Intensity - Portfolio vs Benchmark



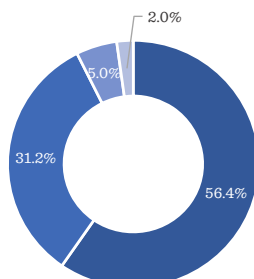
PORTFOLIO CARBON EMISSIONS BY KEY SECTORS

Portfolio Carbon Emissions by Key Sectors

Portfolio value by sector



Portfolio carbon emission by sector



Industrials, Utilities, Health Care, and Financials sectors make up 70.9% of the portfolio by value, but they account for 94.6% of the carbon emissions in the portfolio.

The industrials, utilities, health care and financials sectors make up 70.9% of the portfolio by value, but they account for 94.6% of the carbon emissions in the portfolio.

ESG PORTFOLIO SUMMARY

	MSCI ESG Ratings	MSCI ESG Quality score	Portfolio
Portfolio	AA	7.61	Sustainability Fund
Benchmark	AA	7.49	Primary Benchmark 50:50 composite S&P/NZX50 Portfolio Index & S&P/ASX200G Index

PERFORMANCE

	1 Mth	3 Mth	6 Mth	1 Yr	Since Inception
ESG relative performance	1.6%	2.2%	2.4%	3.4%	5.6%

*ESG Relative Performance is the MSCI ESG Score of the Devon Sustainability fund compared to the MSCI ESG Score of the Benchmark
 **Please note due to an issue with MSCI, we have not provided updated data for the month ending 31 May. This will be updated in next months reporting once we are comfortable with accuracy.

PORTFOLIO HOLDING'S DISCLOSURE SUMMARY

Portfolio Holding's Summary

% of companies reporting to TCFD standards	88.6%
% of companies committed to Net Zero	72.7%
% of companies committed to Carbon Neutral	11.4%
% of companies with no commitment to either	15.9%

STEWARDSHIP

During July, Devon participated in a board-commissioned perception study regarding the company EBOS. Last year, we met with the Chair of EBOS to raise concerns about the CEO's remuneration. He was the highest-paid CEO in New Zealand for FY23.

The CEO received a fourth component of pay—outside the usual fixed, short-term incentive (STI), and long-term incentive (LTI) components—which was a special one-off payment related to the acquisition of Life Healthcare. This payment was made a year after the acquisition, once the business case had been validated.

As a matter of principle, we do not support companies awarding additional bonuses for M&A transactions, as these are already covered under existing STI and LTI frameworks. Moreover, we believe such bonuses risk incentivising M&A activity that may not be in the best interests of shareholders.

We used the board-commissioned perception study to reiterate our view that there was no justification for the M&A-related bonus awarded to the (now former) CEO. To reinforce this position, we also organised a follow-up meeting with the Chair to discuss our concerns further.

PORTFOLIO MANAGER

Ben Jenkin

Ben has primary responsibility for stock selection and portfolio construction for the Sustainability Fund. Ben also holds research responsibility for the telco, media and technology sectors, as well as a wide ranging number of industrial companies.



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DEVON GLOBAL IMPACT BOND FUND

DURATION

Contribution to Duration (Years)			
Sector	Account	Benchmark	Difference
Cash & Cash Equivalents	0.00	0.00	0.00
US Government	1.10	1.06	0.04
Credit*	4.24	4.53	-0.29
Asset Backed Securities	0.04	0.01	0.03
Mortgage Backed	0.87	0.57	0.30
Commercial Mortgage	0.02	0.02	-0.00
Other	0.01	0.09	-0.08
Cash Offset	-	-	-
	6.28	6.27	0.00

The Fund invests into the Wellington Global Impact Bond Fund, managed by Wellington Management. Wellington Management is one of the world's leading investment management firms with over US\$1 trillion in assets under management worldwide across a broad range of asset classes. They have been providing innovative investment solutions to clients for more than 85 years. Wellington Management seeks to understand the world's social and environmental problems and to identify and invest primarily in debt issued by companies and organisations that they believe are addressing these needs in a differentiated way through their core products, services and projects. The Wellington Global Impact Bond Fund aims to improve access to, and the quality of, basic life essentials, reduce inequality and mitigate the effects of climate change.

CREDIT RATING

Percent of Market Value			
Quality	Account	Benchmark	Difference
Cash	-5.66	0.36	-6.02
AAA	34.14	11.72	22.41
AA	38.29	43.43	-5.14
A	8.17	30.28	-22.11
BBB	16.43	13.94	2.49
BB	4.11	0.01	4.10
B	4.60	-	4.60
Below B	0.24	-	0.24
Cash Offset	-1.34	-	-1.34
Not Rated	1.02	0.26	0.76
	100.00	100.00	

They seek to identify securities which it believes fall into three primary impact categories: life essentials, human empowerment and the environment. Within these categories the Fund will invest across "Impact Themes" including, but not limited to the following:

Life Essentials: affordable housing, clean water and sanitation, health, sustainable agriculture and nutrition.

Human Empowerment: digital divide, education and job training, financial inclusion, safety and security.

Environment: alternative energy, resource efficiency and resource stewardship.

*Duration & Credit Rating as at 31 July 2025

DEVON GLOBAL SUSTAINABILITY FUND

The Fund invests into the Wellington Global Stewards Fund, managed by Wellington Management. Wellington Management is one of the world's leading investment management firms with over US\$1 trillion in assets under management worldwide across a broad range of asset classes. They have been providing innovative investment solutions to clients for more than 85 years. Wellington Management seeks to invest in companies globally, that generate high return on capital relative to their peers, and whose management teams and boards display exemplary stewardship to sustain those returns over time. Wellington define stewardship as how companies balance the interests of all stakeholders (customers, employees, communities and the supply chain) in the pursuit of profits and how they incorporate material environmental, social and governance (ESG) risks and opportunities in their corporate strategy. The underlying Wellington Fund differentiates itself by:

Long-term horizon – the intention is to hold stocks for over 10 years. The belief is the longer the holding period, the greater the potential performance benefits from superior stewardship.

Highly selective – typically 35-45 stocks, only relying on their own internal ESG research.

Active engagement – holding those in charge of investee companies to account and encouraging companies to commit to net zero carbon emissions by 2050 in alignment with the Paris Agreement.

PERFORMANCE	1 Mth	3 Mth	1 Yr	3 Yr p.a	Since Inception
Devon Global Impact Bond Fund	-0.1%	0.4%	3.0%	2.4%	1.4%
Bloomberg Global Aggregate Index Hedged NZD	-0.2%	0.2%	3.2%	2.1%	1.4%

PERFORMANCE	1 Mth	3 Mth	1 Yr	3 Yr p.a	Since Inception
Devon Global Sustainability Fund	0.5%	6.5%	7.1%	12.0%	10.4%
MSCI All Country World Index in NZD, 50% hedged to NZD	3.2%	12.3%	15.5%	16.1%	12.8%

*Benchmark performance figure is indicative only and will be finalised in the mid month report.

KEY HOLDINGS*



*Key Holdings as at 31 July 2025

Please note that monthly reports will be produced for the Devon Global Impact Bond Fund and Devon Global Sustainability Fund later this month. These reports will include data on top holdings, performance, asset allocation, and fund commentaries. These reports will be sent out separately from those for Devon's other retail funds each month and will be available on the Devon Funds website.

Devon Funds Management Limited

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FUNDS.**

www.devonfunds.co.nz

ARTESIAN GREEN AND SUSTAINABLE BOND FUND (NZD)

FUND OUTLINE

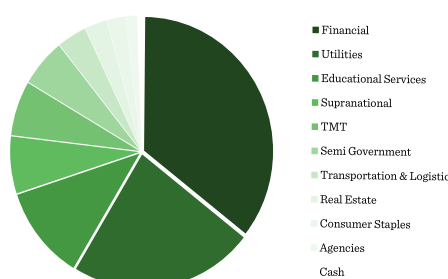
The **Artesian Green and Sustainable Bond Fund (NZD)** offers New Zealand-based investors a Portfolio Investment Entity (PIE) vehicle through which to invest in the Artesian Green and Sustainable Bond Fund (AUD).

Through this structure, the Fund will invest in a diversified portfolio of liquid, predominately investment grade fixed and floating rate green and sustainable bonds. Artesian are committed to integrating ESG into their investment processes, with a focus on responsible investment.

KEY HOLDINGS



ASSET ALLOCATION



ALLOCATION

Artesian Green & Sustainable Bond Fund (NZD)	98.8%	Cash	1.2%
Currency Hedge (100% to NZD)	99.9%	Total	100.0%

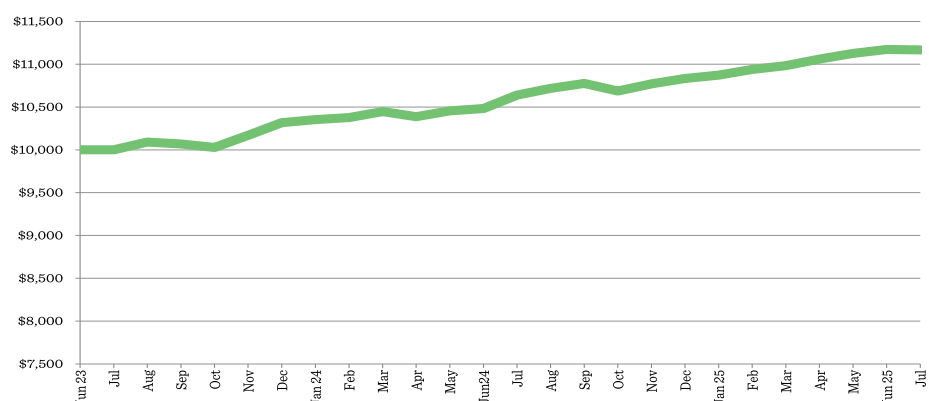
PERFORMANCE

	1 Mth	3 Mth	1 Yr	2 Yr	Since Inception
Artesian Green & Sustainable Bond Fund (NZD)*	-0.05%	0.97%	4.97%	5.67%	5.74%
Artesian Green & Sustainable Bond Fund PIR Return (NZD)**	0.23%	1.25%	5.58%	6.19%	6.22%
Bloomberg AusBond Composite 0-5 Yr Index 100% Hedged to NZD	0.005%	0.70%	4.93%	5.46%	5.74%

*Artesian Green & Sustainable Bond Fund (NZD) returns are after all fees and expenses, but before tax which varies by investor.
 **Artesian Green & Sustainable Bond Fund (NZD) returns are after all fees and expenses, but before tax which varies by investor and inclusive of tax credits. The Fund invests in an underlying Australian Unit Trust (AUT) which is required to distribute all income. Tax on these distributions is withheld at fund level but investors receive a tax credit for this amount. As such, the Zero PIR return is a reasonable basis for comparing performance between the NZD Fund and its AUT alternative.

NET PERFORMANCE

Based on \$10,000 invested at 30 June 2023



NOTE: Further information on the Artesian Green Fund can be found in our Quarterly Fund Updates by visiting <https://devonfunds.co.nz/artesian-green-and-sustainable-bond-fund-nzd> or by clicking [HERE](#)

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COMMENTARY

Outperformance in July came from the Fund's positions in BPCE SA (Social), ENBW (Green), Contact Energy (Green), Optus Finance (SLB) and Macquarie University (Sustainable). Underperformance came from the Fund's positions in the New South Wales Treasury Corporation (Sustainable), OCBC (Green), European Investment Bank (Green) and Bank Australia (Sustainable).

PORTFOLIO MANAGER

David Gallagher

David joined Artesian in June 2013. Prior to joining Artesian, David spent nine years in the United Kingdom working for Deutsche Bank and RBS. David has extensive risk and portfolio management trading experience.

In David's previous role with RBS, David managed a credit portfolio with outright risk ranging between £1-2.5 billion.

