

31 October 2018

International Fixed Interest Fund

Fund description

Invests mainly in international fixed interest assets. Investments may include fixed interest assets issued by governments or international companies, and cash and cash equivalents.

Market and fund review

The fund delivered a return of 0.2% for the month.

Against the backdrop of equity market volatility and low inflation, most major global bond markets delivered modest gains in total return terms over the month – with the exception of US bonds.

Bond markets tend to benefit from being a ‘safe haven’ in times of volatility and this proved largely to be the case. However, in the US, stronger economic growth and the prospect the Fed will continue on its tightening bias meant the yield on the US 10-year government bond rose 8 basis points over the month to finish at 3.14%.

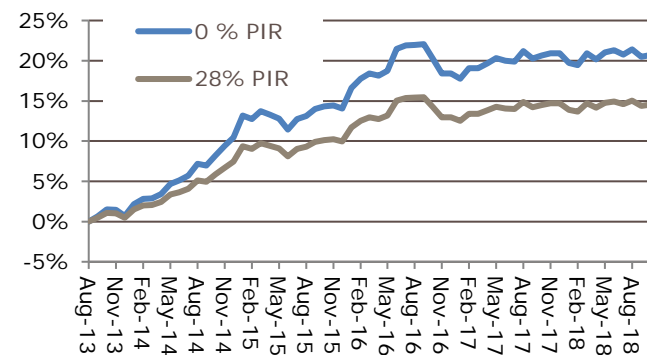
The fund’s GDP-weighted approach to investing provided a slight negative contribution to performance this month. This resulted in the fund having a higher weighting to the weaker-performing US bond market, and a slightly lower weighting to the stronger-performing UK bond market.

Fund performance

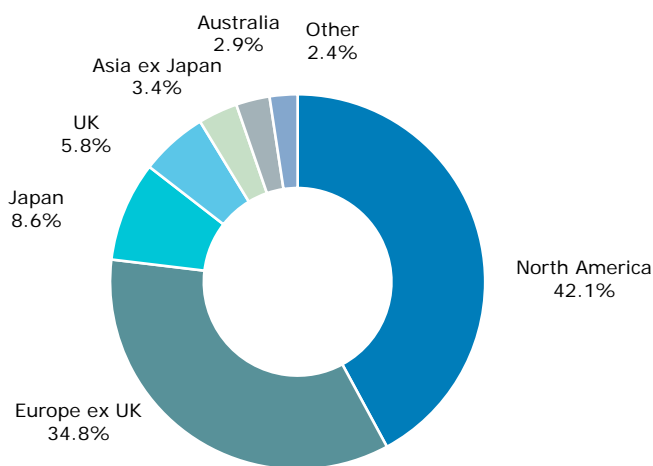
	1mth	3mth	6mth	1yr	3yrs (ann)	5yrs (ann)	Since Launch (ann)
At 0% PIR Tax	0.2%	-0.1%	0.4%	0.0%	1.8%	3.5%	3.7%
At 28% PIR Tax	0.1%	-0.1%	0.3%	0.0%	1.3%	2.5%	2.7%

Performance is after fund fees and stated PIR. The 28% PIR return series shows returns at the highest PIR at the time of the performance.

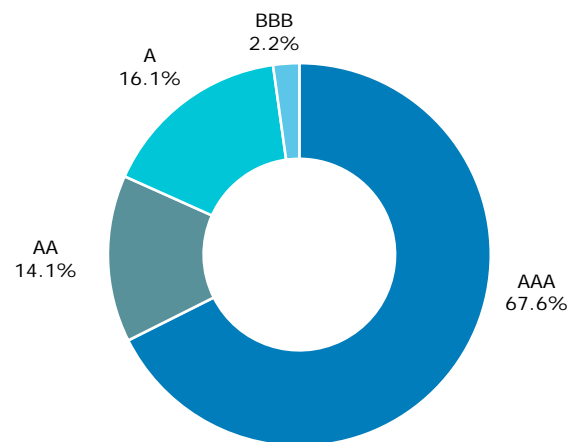
Fund performance since launch



Country allocation (one month delay)



Credit allocation (one month delay)



Top 10 Holdings

1	United States 10Y Future Dec 2018	6.0%
2	Euro-Bund Future Dec 18	1.5%
3	United States Treasury 2.25% 31 Dec 2024	0.9%
4	United States Treasury 2.37% 31 Jan 2023	0.9%
5	United States Treasury 2.00% 31 Dec 2021	0.9%
6	United States Treasury 1.50% 31 Jan 2022	0.9%
7	Norway Govt Bond 3.75% 25 May 2021	0.8%
8	United States Treasury 1.50% 15 Jun 2020	0.7%
9	United States Treasury 1.62% 15 Oct 2020	0.7%
10	United States Treasury 1.87% 31 Oct 2022	0.7%
Total Top 10 Holdings		14.0%
# International Fixed Interest Holdings		799

International Fixed Interest Fund

Current fund structure



External fund manager

Vanguard Investments Australia

Vanguard Investments Australia Limited (Vanguard) manages a portfolio of international fixed interest assets issued by governments. Vanguard also manages a portfolio of international credit securities.

Additional fund details

Minimum transaction amounts

Lump sum withdrawals	\$500
Regular withdrawals	\$100

Fees

Annual fund charge	0.94%
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Launch date

20 September 2013

Detailed fund information

[Guide and product disclosure statement](#)

Forms to alter your investment

[See form section of product disclosure statement](#)

Contact information

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Information is current as at the date of this document and may change on a daily basis.

Past performance does not indicate future performance. The actual performance any given investor realises will depend on many things, is not guaranteed and may be negative as well as positive.

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