



TE OPE KĀTUA O AOTEAROA
DEFENCE FORCE

New Zealand Defence Force
Savings Schemes

Monthly report

For the period ended 28 February 2026

Market performance summary

– February in a snapshot

- In February, New Zealand's share market outperformed the global average by rising 2.3% compared to the global gain of about 1.0%.
- February delivered positive investment returns for all investment options in the NZDF Savings Schemes.
- If you are eligible for the Government contribution, please ensure you are on track to contribute \$1,042.86 into your KiwiSaver account by 30 June 2026, to receive the maximum amount. More information can be found at www.nzdfsavings.mil.nz.
- Due to geopolitical concerns markets may become more volatile. If you are concerned or are thinking changing your investment option(s) or withdrawing your money, you should discuss this with your financial adviser or NZDF's appointed financial advisers at Become Wealth team by calling **0508 BECOME (0508 232 663)** or emailing hello@become.nz.



HEI MANA MŌ AOTEAROA
A FORCE FOR NEW ZEALAND

FOR MORE INFORMATION CALL **0800 333 787** OR VISIT WWW.NZDFSAVINGS.MIL.NZ

Monthly Commentary Ended 28 February 2026

New Zealand's share market had a good month in February, rising by 2.3%, outperforming global shares who gained 1.0%.

The strongest sectors were consumer staples (everyday goods people regularly buy) and industrials (companies that build and maintain infrastructure) while materials (made up of companies producing raw resources like metals and chemicals), lagged behind. Employment grew modestly, although unemployment ticked up slightly as more people entered the workforce and the participation rate grew. The New Zealand dollar stayed mostly steady but weakened against the Australian dollar as the Reserve Bank of New Zealand's (RBNZ) decision to hold rates steady contrasted with the Reserve Bank of Australia's rate hike. Looking ahead, consumer confidence remains strong, and lower interest rates should help businesses invest and households spend more. Important economic data, like price indexes and Gross Domestic Product, which is the total value of all goods and services produced in a country over a specific period, figures for late 2025, are expected soon and will provide more insight into the economy's health.

Global share markets rose modestly by 1.0% as the materials sector led gains, helped by rising commodity prices, which is basic good, raw material, or agricultural product that is traded, bought, and sold in bulk, typically with minimal differentiation between producers, while utilities also performed well. Emerging markets outperformed developed rising 6.3%, supported by attractive company valuations. Most major central banks, including New Zealand, the Bank of England and European Central Bank, held interest rates steady, but Australia raised rates by 0.25% to 3.85% due to inflation concerns.

Geopolitical tensions in the Middle East are affecting global oil prices and creating market volatility, causing higher oil prices for New Zealanders, and increasing costs for businesses and consumers alike. Despite these risks, the positive global economic outlook supports New Zealand's recovery, with strong consumer confidence and steady employment growth.

Overall, New Zealand's economy is on the mend, with steady jobs, a rising share market and stable interest rates for now. However, global events like tensions in the Middle East and changes in other countries' interest rates can affect New Zealand's economy and your everyday expenses, especially fuel and imported goods.





Monthly Commentary Ended 28 February 2026



 **USA
Israel
Iran**

 **New Zealand**

USA / Israel / Iran

Geopolitical tensions escalated after US and Israeli strikes on Iran, including the death of Iran's Supreme Leader, raising worries about oil supply disruptions through a key shipping route that handles about 20% of the world's oil.

New Zealand

The RBNZ decided to keep interest rates steady at 2.25%, showing confidence that inflation will ease back to around 2% over the next year.

Become Wealth Monthly Commentary Ended 28 February 2026

The Understudy

In every theatre production, there's someone standing in the wings, rehearsing every line, knowing every cue, waiting for their moment. The understudy rarely gets applause. But when the lead trips on their own cape, the understudy steps into the spotlight and, often, delivers a performance worth remembering.

February was the month the understudies took the stage.

The leaders stumble

For the better part of a decade, a handful of giant US technology companies have dominated global investment returns. Investors worldwide piled in, and for years the approach worked brilliantly. Then February arrived. The main US share market fell nearly 1%, with technology stocks down more than 3%. Doubts about whether enormous spending on artificial intelligence would ever produce matching revenue, combined with a hotter-than-expected inflation reading, took the shine off.

Enter the understudies

While US stocks were stumbling, the rest of the world put on a show. Share markets across Europe, Japan, and South Korea surged. Even within the US, "boring" sectors like utilities and energy led the way, while traditional value-oriented shares outperformed their flashier growth counterparts by a wide margin. On a global basis, the world share market still hit four new all-time highs during the month, despite the US pulling things sideways.

The lesson

Over the past decade, it became easy to treat "the share market" as a synonym for a handful of US tech giants. When one corner of the market dominates your portfolio, you're betting the entire production on a single performer.

A well-diversified portfolio didn't dodge every bump in February, but it captured gains from parts of the world many investors had forgotten existed. The best investors don't try to predict which performer will shine in any given month. They build a cast deep enough so when the lead stumbles, the show goes on.

What Next?

We are here to help ensure your scheme investments are working as hard as you do. Get in touch to make the most of this service:

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Joseph Darby
Chief Executive
Become Wealth



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Investment Returns For Periods Ended 28 February 2026

New Zealand Defence Force FlexiSaver Scheme

PIR	Fund	1 Month %	3 Months %	FYTD [*] %	1 Year %	5 Years %	10 Years %
28% prescribed investor rate (PIR)	Cash	0.13	0.39	1.90	2.12	2.31	1.60
	Conservative	0.86	0.59	5.15	4.30	2.37	2.89
	Moderate	1.08	0.94	8.39	6.91	3.79	4.17
	Balanced	1.28	1.22	11.56	9.18	5.26	5.73
	Growth	1.55	1.49	14.75	11.49	6.83	7.37
	High Growth	1.61	1.65	17.44	13.43	8.01	8.64
	Shares	1.47	1.39	18.70	13.71	8.36	9.61
PIR	Fund	1 Month %	3 Months %	FYTD [*] %	1 Year %	5 Years %	10 Years %
17.5% prescribed investor rate (PIR)	Cash	0.14	0.43	2.17	2.42	2.63	1.86
	Conservative	0.94	0.70	5.77	4.92	2.62	3.18
	Moderate	1.19	1.08	8.83	7.35	4.00	4.44
	Balanced	1.29	1.28	12.09	9.73	5.51	6.13
	Growth	1.56	1.56	15.20	11.98	7.14	7.80
	High Growth	1.66	1.71	17.83	13.90	8.32	9.03
	Shares	1.51	1.45	18.99	14.07	8.57	9.97
PIR	Fund	1 Month %	3 Months %	FYTD [*] %	1 Year %	5 Years %	10 Years %
10.5% prescribed investor rate (PIR)	Cash	0.16	0.49	2.36	2.63	2.85	1.98
	Conservative	1.00	0.74	6.05	5.21	2.72	3.36
	Moderate	1.21	1.10	9.18	7.75	4.19	4.64
	Balanced	1.37	1.33	12.29	9.95	5.61	6.32
	Growth	1.60	1.60	15.21	12.03	7.23	7.98
	High Growth	1.65	1.74	17.99	14.02	8.40	9.26
	Shares	1.51	1.49	19.22	14.30	8.73	10.25

Notes

- The investment returns shown on this page are based on the unit price movements of each investment portfolio and are after tax at the rate indicated and after fund charges that are charged within the unit prices.
- Each investor's returns within an investment portfolio will depend on timing of contribution payments and actual fees charged allowing for any fee rebates. The after tax and fees returns shown are therefore indicative of investment results but may differ from the actual after fees and tax returns achieved by individual investors.
- '-' indicates that investment option was not operating for the full period or did not have funds invested for the full period.
- Past performance should not be relied upon as an indicator of future performance.

* FYTD means Financial Year to Date, which is from 1 April 2025

Investment Returns For Periods Ended 28 February 2026

New Zealand Defence Force KiwiSaver Scheme

PIR	Fund	1 Month %	3 Months %	FYTD* %	1 Year %	5 Years %	10 Years %
28% prescribed investor rate (PIR)	Cash	0.13	0.39	1.93	2.15	2.31	1.67
	Conservative	0.93	0.76	6.09	5.14	2.75	3.16
	Moderate	1.34	1.19	9.03	7.34	3.91	4.30
	Balanced	1.48	1.40	12.34	9.68	5.23	5.81
	Growth	1.72	1.61	14.98	11.37	6.67	7.28
	High Growth	1.78	1.72	17.70	13.23	7.91	8.59
	Shares	1.49	1.42	18.79	13.79	8.47	9.67
PIR	Fund	1 Month %	3 Months %	FYTD* %	1 Year %	5 Years %	10 Years %
17.5% prescribed investor rate (PIR)	Cash	0.14	0.45	2.19	2.44	2.65	1.91
	Conservative	1.01	0.84	6.45	5.53	2.83	3.40
	Moderate	1.42	1.28	9.40	7.75	4.00	4.50
	Balanced	1.54	1.50	12.73	10.13	5.39	6.11
	Growth	1.69	1.64	15.35	11.79	6.82	7.63
	High Growth	1.85	1.84	18.08	13.69	8.06	8.92
	Shares	1.57	1.56	19.44	14.47	8.75	10.05
PIR	Fund	1 Month %	3 Months %	FYTD* %	1 Year %	5 Years %	10 Years %
10.5% prescribed investor rate (PIR)	Cash	0.15	0.48	2.37	2.65	2.86	2.07
	Conservative	1.05	0.88	6.83	5.90	3.27	3.74
	Moderate	1.47	1.36	9.67	8.04	4.29	4.81
	Balanced	1.60	1.55	12.79	10.23	5.44	6.20
	Growth	1.79	1.73	15.76	12.32	7.05	7.89
	High Growth	1.83	1.86	18.38	14.02	8.38	9.27
	Shares	1.47	1.53	19.24	14.32	8.88	10.28

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Investment Returns For Periods Ended 28 February 2026

Defence Force Superannuation Scheme

PIR	Fund	1 Month %	3 Months %	FYTD* %	1 Year %	5 Years %	10 Years %
28% prescribed investor rate (PIR)	Cash	0.13	0.40	1.94	2.15	2.35	1.69
	Conservative	0.91	0.73	6.00	5.06	2.72	3.15
	Moderate	1.33	1.18	8.86	7.16	3.90	4.32
	Balanced	1.49	1.39	12.32	9.66	5.28	5.87
	Growth	1.70	1.60	14.95	11.33	6.67	7.35
	High Growth	1.79	1.72	17.64	13.22	7.89	8.64
	Shares	1.50	1.42	18.72	13.74	8.37	9.66
PIR	Fund	1 Month %	3 Months %	FYTD* %	1 Year %	5 Years %	10 Years %
17.5% prescribed investor rate (PIR)	Cash	0.15	0.45	2.08	2.32	2.58	1.89
	Conservative	1.04	0.87	6.65	5.74	2.95	3.46
	Moderate	1.42	1.29	9.42	7.80	4.11	4.67
	Balanced	1.51	1.42	12.51	9.92	5.46	6.20
	Growth	1.74	1.63	15.45	11.91	6.89	7.72
	High Growth	1.78	1.84	18.20	13.78	8.20	9.12
	Shares	1.51	1.48	19.11	14.21	8.79	10.25
PIR	Fund	1 Month %	3 Months %	FYTD* %	1 Year %	5 Years %	10 Years %
10.5% prescribed investor rate (PIR)	Cash	0.15	0.48	2.39	2.67	-	-
	Conservative	1.08	0.91	6.73	5.77	2.95	-
	Moderate	1.47	1.33	9.59	7.93	4.20	-
	Balanced	1.55	1.49	12.92	10.33	5.49	6.29
	Growth	1.81	1.73	15.62	12.10	7.02	-
	High Growth	1.86	1.84	18.29	13.97	8.28	9.30
	Shares	1.53	1.55	19.36	14.43	8.82	10.37

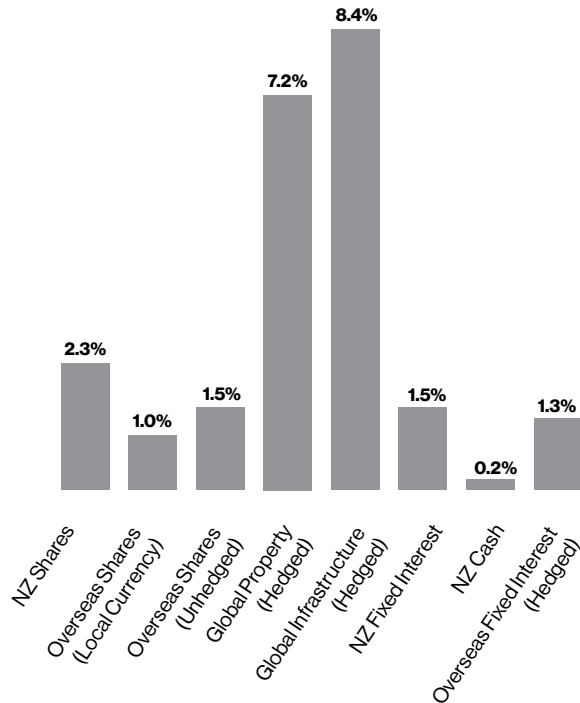
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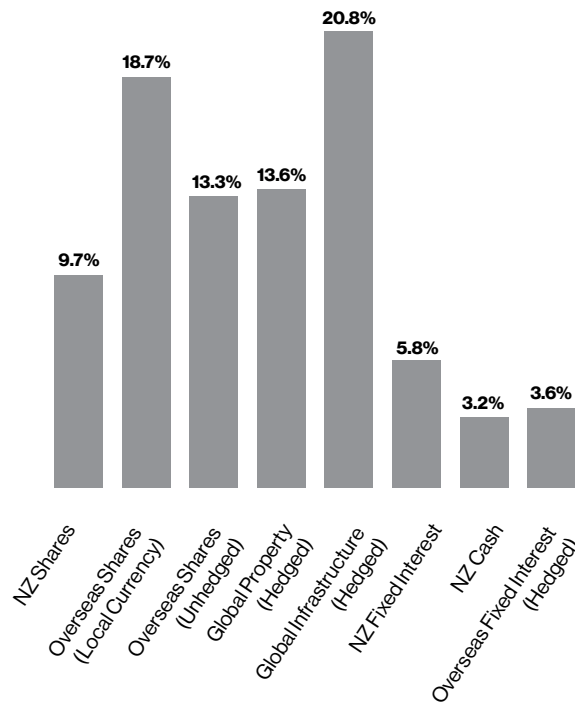
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Investment Returns For Periods Ended 28 February 2026

One Month



One Year



Key

NZ Shares

S&P/NZX 50 (with ICs)

Overseas Shares (Local Currency)

MSCI World (Local Currency)

Overseas Shares (Unhedged)

MSCI World (Unhedged)

Global Property (Hedged)

FTSE EPRA NAREIT Developed

Global Infrastructure (Hedged)

FTSE Global Core Infrastructure 50/50

NZ Fixed Interest

Bloomberg NZ Bond Composite

NZ Cash

ANZ 90 Day Bank Bills

Overseas Fixed Interest (Hedged)

Bloomberg Global Aggregate

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