

Monthly report

For the period ended 30 November 2025

Market performance summary

– November in a snapshot

- In November 2025 markets slowed after doing well earlier in the year as investors become more cautious during a period of unclear global economic news and questions about future interest rates. Safe and steady industries (like bonds) did better than more risky ones like technology as investors begin to worry the sector is overvalued.
- Investment returns were negative across all investment options, except for the Cash investment option, in the NZDF Savings Schemes.
- Before making any changes to your investment option(s) or making a decision to withdraw 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**.
- Over the holiday period, Mercer's administration and helpline teams will be available during the working days (closed on public holidays). If you are needing to update your contact details or investment strategy, you can do so by signing in online at www.nzdfsavings.mil.nz. Wishing you all a safe and joyful summer.



Monthly Commentary Ended 30 November 2025

The Reserve Bank of New Zealand (RBNZ) cut interest rates by 0.25% to 2.25%, on 26 November 2025 as anticipated.

The RBNZ noted that risks to the inflation outlook are balanced and that future interest rate moves will depend on the outlook for medium-term inflation and economic conditions.

In November, New Zealand shares dropped -0.4%, underperforming international shares despite positive local economic news. The best-performing sector was consumer discretionary spending, which returned 5.1%, led by SkyCity Entertainment. The information technology sector also did well, rising 3%. The biggest drop came from communication services, which fell -4.9%, largely driven by Spark NZ's shares dropping by -7.8%.

The US dollar strengthened, causing the NZ dollar to fall just over -1% against the US dollar, despite the RBNZ cutting interest rates by 0.25%. The NZ dollar had mixed results against other major currencies and recovered somewhat from its lowest levels in years.

Looking ahead, New Zealand's growth is expected to begin firming in 2026, as lower interest rates support both corporate investment intentions and household spending. Nevertheless, persistent geopolitical risks may keep market conditions volatile.





Monthly Commentary Ended 30 November 2025



United States

The US Government has proposed a Ukraine peace plan under which Ukraine would cede some territory to Russia, be barred from joining NATO, and limit its military, in exchange for Russia recognising Ukraine's sovereignty.

Global

Inflation is expected to remain low across most international economies. US inflation is likely to remain above target into 2026 as higher tariffs feed through to prices, with the Federal Reserve cutting rates further but probably less than markets expect. The Bank of Japan is likely to keep raising rates, while the Bank of England is expected to ease as inflation nears target.

New Zealand

The ANZ Business Outlook survey showed confidence jumped in November to 67.1 from 58.1 previously, the highest level in 11 years, indicating that confidence, which had been dented by trade tensions, is recovering.

Become Wealth Monthly Commentary Ended 30 November 2025

Is Now the Right Time to Invest?

Is now the right time to invest? If you're waiting for the "perfect" moment, you might be waiting forever. The truth is the best time to start was 20 years ago; the second-best time is today.

Many people get spooked by "market highs" or scary headlines about a bubble but trying to time the market is a losing game. A key data point to remember is that over the last 75 years, the most tracked investment measure in the world, the S&P 500 index, has delivered positive returns in roughly 75% of those years. If you stay on the sidelines waiting for a crash, you're statistically likely to miss out on significant growth.

Instead of stressing over daily price swings, focus on time in the market. This is where the "magic" of compounding happens. Your returns eventually start earning their own returns, supercharging your wealth over decades.

A great way to handle the "is it too expensive?" anxiety is through Dollar Cost Averaging (DCA). Think about your KiwiSaver: every payday, a set percentage of your salary goes into your fund regardless of whether the market is up or down.

- When prices are high, your contribution buys fewer units.
- When the market dips (a "sale"), that same contribution buys more units.

This automatic habit removes the emotional guesswork. You aren't trying to outsmart the global economy; you're just consistently building a stake in the world's most successful companies. Stop waiting for the stars to align, just get your money working.

Your future self will thank you for it.

What Next?

To help you navigate your way towards financial freedom, book your complimentary initial consultation today. This includes how you can make the most of investments with one-or-more of the NZDF Savings Schemes:

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Investment Returns For Periods Ended 30 November 2025

New Zealand Defence Force FlexiSaver Scheme

PIR	Fund	1 Month %	3 Months %	FYTD* %	1 Year %	5 Years %
28% prescribed investor rate (PIR)	Cash	0.13	0.50	1.51	2.49	2.23
	Conservative	-0.20	1.68	4.53	4.30	2.11
	Moderate	-0.21	2.80	7.38	6.63	3.66
	Balanced	-0.20	3.89	10.22	8.78	5.25
	Growth	-0.16	5.08	13.06	10.82	6.99
	High Growth	-0.23	5.91	15.54	12.89	8.29
	Shares	-0.29	6.57	17.07	13.81	8.77
PIR	Fund	1 Month %	3 Months %	FYTD* %	1 Year %	5 Years %
17.5% prescribed investor rate (PIR)	Cash	0.16	0.59	1.73	2.85	2.54
	Conservative	-0.21	1.83	5.03	4.81	2.32
	Moderate	-0.24	2.89	7.66	6.96	3.82
	Balanced	-0.14	4.04	10.67	9.24	5.50
	Growth	-0.16	5.19	13.43	11.11	7.33
	High Growth	-0.21	6.04	15.85	13.24	8.62
	Shares	-0.31	6.67	17.29	13.98	9.00
PIR	Fund	1 Month %	3 Months %	FYTD* %	1 Year %	5 Years %
10.5% prescribed investor rate (PIR)	Cash	0.17	0.62	1.86	3.06	2.76
	Conservative	-0.23	1.90	5.27	5.13	2.40
	Moderate	-0.17	3.04	8.00	7.32	4.01
	Balanced	-0.16	4.14	10.82	9.36	5.60
	Growth	-0.15	5.22	13.40	11.09	7.42
	High Growth	-0.21	6.08	15.97	13.15	8.73
	Shares	-0.29	6.74	17.47	14.04	9.16

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.

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

Investment Returns For Periods Ended 30 November 2025

New Zealand Defence Force KiwiSaver Scheme

PIR	Fund	1 Month %	3 Months %	FYTD* %	1 Year %	5 Years %
28% prescribed investor rate (PIR)	Cash	0.14	0.52	1.53	2.52	2.23
	Conservative	-0.24	1.95	5.28	5.23	2.46
	Moderate	-0.17	2.98	7.75	6.74	3.73
	Balanced	-0.18	4.21	10.79	8.87	5.20
	Growth	-0.20	5.18	13.15	10.24	6.81
	High Growth	-0.20	6.13	15.71	12.49	8.18
	Shares	-0.33	6.59	17.12	13.90	8.87
PIR	Fund	1 Month %	3 Months %	FYTD* %	1 Year %	5 Years %
17.5% prescribed investor rate (PIR)	Cash	0.16	0.58	1.73	2.88	2.56
	Conservative	-0.27	2.01	5.56	5.61	2.50
	Moderate	-0.18	3.04	8.02	7.09	3.79
	Balanced	-0.23	4.27	11.07	9.21	5.35
	Growth	-0.21	5.32	13.49	10.53	6.99
	High Growth	-0.21	6.24	15.95	12.69	8.33
	Shares	-0.32	6.76	17.60	14.34	9.15
PIR	Fund	1 Month %	3 Months %	FYTD* %	1 Year %	5 Years %
10.5% prescribed investor rate (PIR)	Cash	0.17	0.63	1.88	3.10	2.76
	Conservative	-0.28	2.20	5.90	5.94	2.93
	Moderate	-0.18	3.17	8.20	7.29	4.06
	Balanced	-0.24	4.25	11.06	9.26	5.40
	Growth	-0.21	5.28	13.79	10.92	7.23
	High Growth	-0.18	6.28	16.22	12.99	8.69
	Shares	-0.30	6.67	17.44	14.12	9.32

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Investment Returns For Periods Ended 30 November 2025

Defence Force Superannuation Scheme

PIR	Fund	1 Month %	3 Months %	FYTD [*] %	1 Year %	5 Years %
28% prescribed investor rate (PIR)	Cash	0.14	0.52	1.53	2.53	2.26
	Conservative	-0.25	1.96	5.23	5.21	2.44
	Moderate	-0.25	2.88	7.58	6.59	3.71
	Balanced	-0.19	4.19	10.78	8.86	5.26
	Growth	-0.21	5.16	13.14	10.20	6.82
	High Growth	-0.22	6.09	15.64	12.45	8.15
	Shares	-0.31	6.56	17.07	13.84	8.78
PIR	Fund	1 Month %	3 Months %	FYTD [*] %	1 Year %	5 Years %
17.5% prescribed investor rate (PIR)	Cash	0.17	0.59	1.62	2.73	2.49
	Conservative	-0.26	2.13	5.72	5.77	2.62
	Moderate	-0.19	3.08	8.03	7.14	3.94
	Balanced	-0.20	4.20	10.93	9.00	5.44
	Growth	-0.18	5.28	13.60	10.63	7.06
	High Growth	-0.13	6.25	16.07	12.79	8.48
	Shares	-0.32	6.67	17.36	14.18	9.24
PIR	Fund	1 Month %	3 Months %	FYTD [*] %	1 Year %	5 Years %
10.5% prescribed investor rate (PIR)	Cash	0.17	0.64	1.91	3.13	-
	Conservative	-0.28	2.11	5.77	5.81	2.60
	Moderate	-0.19	3.09	8.15	7.24	3.99
	Balanced	-0.19	4.32	11.26	9.43	5.46
	Growth	-0.19	5.35	13.65	10.71	7.19
	High Growth	-0.17	6.31	16.15	12.90	8.58
	Shares	-0.29	6.74	17.53	14.28	9.27

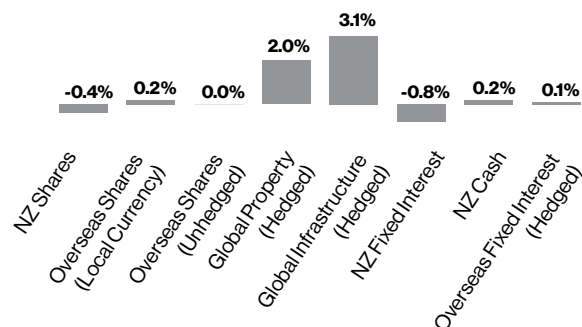
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- '-' indicates that investment option was not operating for the full period or did not have funds invested for the full period.

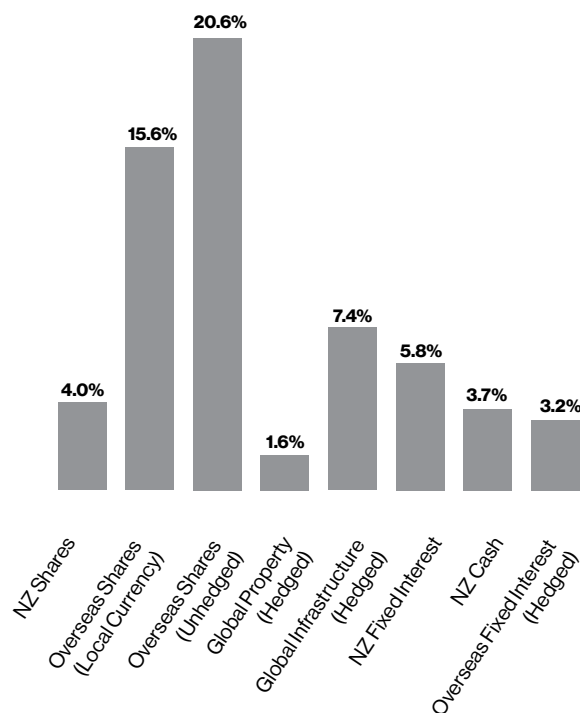
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Investment Returns For Periods Ended 30 November 2025

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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