



SIL Mutual Fund (SIL)

May 2026

Monthly Report

Investor sentiment improved in May, as the markets were shaped by a mix of easing geopolitical concerns, resilient global equity performance, and growing expectations that interest rates may need to remain higher for longer.

Overseas shares delivered a solid return during the month, rising about 4.7%, supported by renewed strength in technology stocks, especially in South Korea and Taiwan, and optimism following a ceasefire in the Middle East. Emerging markets performed particularly well, supported by strong demand linked to AI and semiconductor-related growth themes, particularly in technology-focused markets such as South Korea and Taiwan. These gains helped offset lingering concerns about inflation and the path of global interest rates.

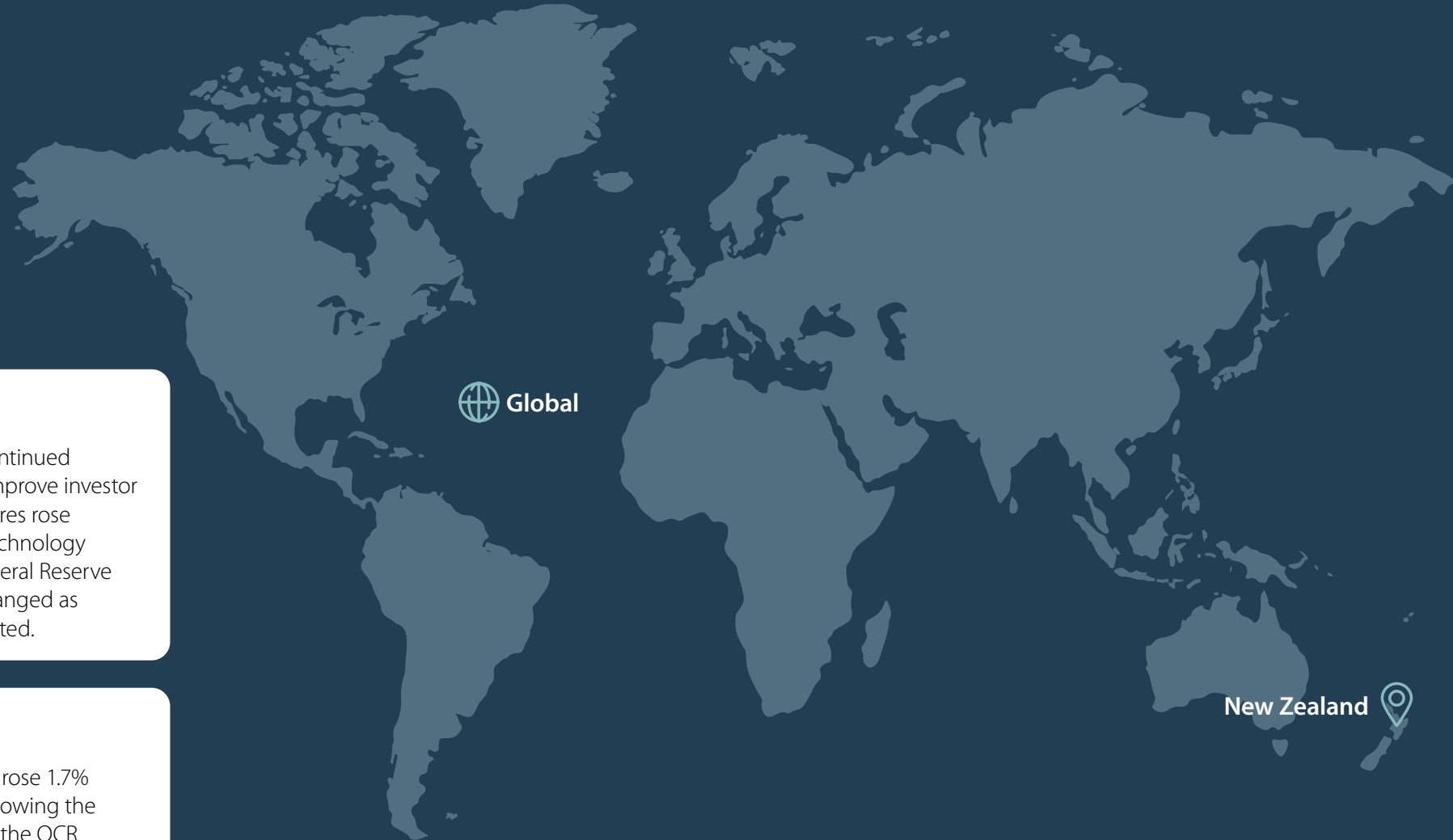
New Zealand shares also moved higher, gaining 2.7% for the month, although they lagged offshore markets. Domestic market sentiment was tempered by the RBNZ's decision to keep the OCR unchanged at 2.25%, while signalling that further interest rate increases may be required to contain inflation pressures, alongside the government's larger-than-expected deficit in Budget 2026. These developments reinforced concerns that the local recovery may remain uneven.

Markets are expected to remain influenced by the interplay between inflation, monetary policy, and geopolitical events. Should inflation remain stubborn, central banks may be forced to keep interest rates higher for longer, which could lead to continued volatility across share and bond markets. At the same time, a backdrop of ongoing global growth, sustained momentum in technology-related sectors, and signs of greater stability in some areas of geopolitical tension may help underpin investment returns in the period ahead.



Significant developments include:

May 2026



Global

The US-Iran ceasefire continued through May, helping improve investor sentiment. Overseas shares rose strongly, led again by technology stocks, while the US Federal Reserve kept interest rates unchanged as inflation remained elevated.

 Global

New Zealand

The New Zealand dollar rose 1.7% against the US dollar following the announcement to keep the OCR unchanged, while Budget 2026 projected a return to surplus by 2028-29.

New Zealand 

Personal Scheme

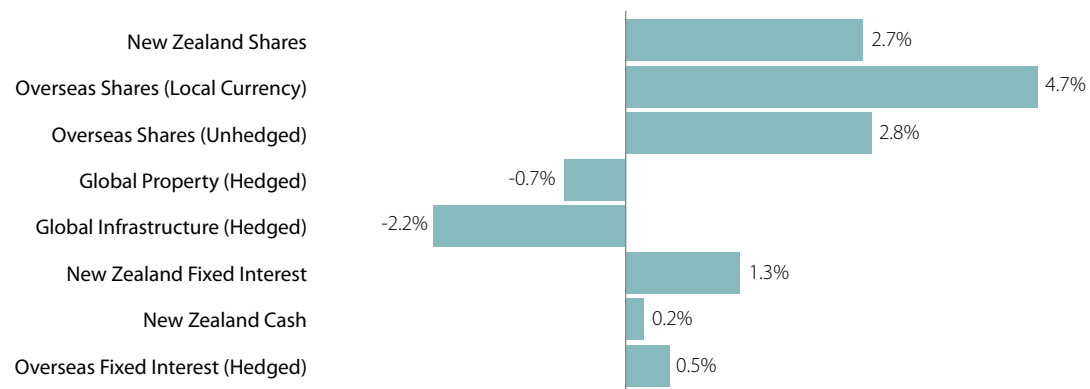
	1 month	3 months	1 year	5 years	10 years
Cash Plus	0.21%	0.49%	2.78%	3.46%	2.56%
New Zealand Fixed Interest	1.20%	0.87%	4.06%	0.99%	2.05%
Balanced Plus	2.36%	4.73%	14.39%	5.20%	7.15%
New Zealand Share	2.85%	1.36%	7.35%	1.47%	6.39%
International Share	2.73%	9.96%	29.25%	11.53%	12.52%

Employer Scheme

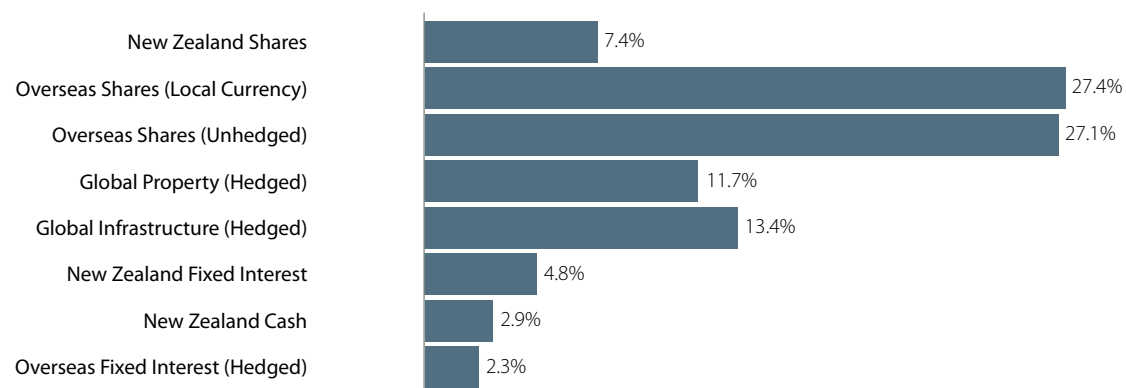
	1 month	3 months	1 year	5 years	10 years
Employer Cash	0.21%	0.49%	2.67%	3.32%	2.21%
Cash Plus	0.21%	0.49%	2.78%	3.46%	2.56%
Employer Conservative	1.25%	1.48%	5.25%	1.98%	3.26%
Employer Conservative Balanced	1.82%	2.90%	7.85%	2.91%	4.48%
Employer Balanced	2.35%	4.51%	11.49%	4.05%	5.77%
Balanced Plus	2.36%	4.71%	14.37%	5.19%	7.15%
Employer Balanced Growth	2.36%	4.73%	14.24%	5.01%	6.97%
Employer Growth	2.87%	6.23%	17.47%	6.06%	8.16%
New Zealand Fixed Interest	1.19%	0.86%	4.05%	0.99%	2.05%
New Zealand Share	2.84%	1.34%	7.34%	1.46%	6.39%
International Share	2.71%	9.92%	29.20%	11.52%	12.51%

The investment returns shown are after fees and before tax. The investment management fees are charged within unit prices.

1 month



1 year



Key

New Zealand 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
New Zealand Fixed Interest	Bloomberg NZ Bond
New Zealand Cash	S&P/NZX 90 Day Bank Bills
Overseas Fixed Interest (Hedged)	Bloomberg Global Agg

Monthly Report – for more information, call 0800 405 845 or visit www.silfunds.co.nz.

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