

# NIKKO AM WHOLESALE BALANCED FUND

## Monthly Fact Sheet

### Why Nikko Asset Management NZ?

As a dedicated global investment manager Nikko AM NZ pairs local knowledge and experience with significant global resources. The Nikko group manages over US\$200 billion globally, including around NZ\$5 billion in New Zealand.

### Fund overview

The fund has a diversified portfolio across income, growth and alternative assets which aim to generate a return while minimising potential losses

### Benchmark

Weighted composite of the benchmarks for the underlying sector funds. See overleaf.

### Performance objective

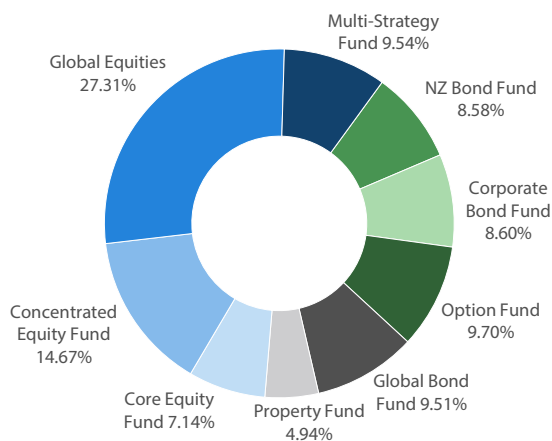
The aim is to outperform the benchmark return by 1.5% per annum before fees, expenses and taxes over a rolling three year period.

### Risk indicator

Based on the standard deviation of gross returns over a rolling 5 years to the last calendar quarter



### Asset allocation



### Portfolio management

**George Carter** is Managing Director of Nikko AM New Zealand, he joined in 2015. He has over 15 years of experience in the financial services industry and was previously Head of Distribution and a Director at AMP Capital.



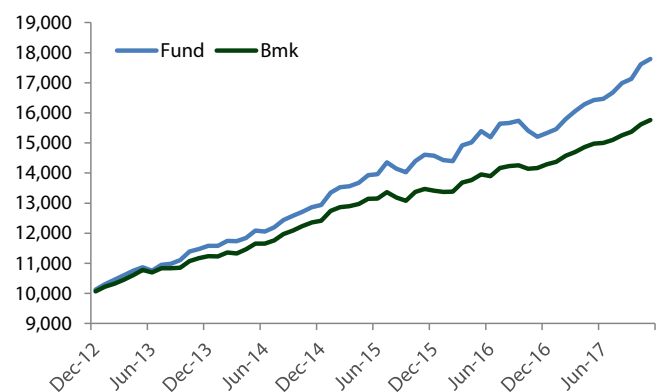
George is Chair of the Investment Committee, responsible for the strategic asset allocation of the Nikko AM NZ diversified funds.

### Performance returns

	Gross <sup>1</sup>	Benchmark
1 month	1.04%	0.94%
3 months	4.70%	3.36%
1 year	17.00%	11.25%
2 years (pa)	10.35%	8.17%
3 years (pa)	11.40%	8.46%
5 years (pa)	12.21%	9.53%
10 years (pa)	8.10%	6.59%

1. Gross Returns are before tax and before the deduction of fees

### Five year cumulative performance (gross) <sup>1</sup>



## Sector performance (NZD gross returns)

	1 month		3 months		1 year		3 years p.a.		5 years p.a.	
	Fund	B'mark	Fund	B'mark	Fund	B'mark	Fund	B'mark	Fund	B'mark
NZ Bond Fund	0.78%	0.80%	1.55%	1.33%	5.94%	4.41%	5.88%	5.06%	5.34%	3.91%
Corporate Bond Fund	0.65%	0.80%	1.62%	1.33%	6.59%	4.41%	6.38%	5.06%	6.05%	3.91%
Option Fund	1.33%	0.49%	2.35%	1.50%	12.66%	6.15%	9.84%	6.85%	9.45%	6.97%
Global Bond Fund	0.21%	0.22%	0.47%	0.31%	4.09%	4.15%	5.21%	4.97%	5.71%	5.49%
Core Equity Fund	0.27%	0.56%	7.38%	5.25%	27.56%	20.22%	19.39%	16.14%	19.19%	16.58%
Property Fund	4.47%	3.64%	5.05%	4.04%	9.88%	9.19%	11.54%	11.25%	11.91%	11.40%
Concentrated Equity Fund	1.09%	0.54%	8.96%	1.64%	32.68%	6.75%	20.98%	7.41%	19.95%	7.55%
Global Equity Funds	1.45%	1.49%	7.79%	7.87%	26.91%	24.72%	13.63%	11.80%	16.03%	15.29%
Multi-Strategy Fund	-0.23%	0.37%	0.23%	1.12%	4.96%	4.57%	4.31%	5.27%	7.19%	5.39%

### Indices used:

NZ Bond Fund – Bloomberg NZ Bond Govt 0+ Yr Index

Option Fund – Bloomberg NZBond Bank Bill Index+ 4.0% p.a.

Core Equity Fund – S&P/NZX 50 Index Gross with Imputation Credits

Property Fund – S&P/NZX All Real Estate (Industry Group) Gross Index with Imputation Credits

Concentrated Equity Fund – RBNZ Official Cash Rate plus 5.0% p.a.

Global Bond Fund – Bloomberg Barclays Global Aggregate Index (100% hedged into NZD)

Global Equities – MSCI ACWI, with net dividends reinvested unhedged in NZD and MSCI ACWI, with net dividends reinvested 139% hedged to NZD

NZ Corporate Bond Fund – Bloomberg NZ Bond Govt 0+ Yr Index

Multi-Strategy Fund – Bloomberg NZBond Bank Bill Index + 2.5% p.a.

## Key fund facts

### Strategy launch date

October 2007

### Strategy FUM

\$264.9m

### Fund structure

PIE Fund

### Performance Fees

Performance fees (if any) are recognised in the unit price of the Balanced Fund for the following sector funds:

- Nikko AM Wholesale Concentrated Equity Fund – 10% of excess return over benchmark, accrued on a daily basis, payable annually, subject to recovery of any previous period negative returns before entitlement.
- Nikko AM Wholesale Option Fund – 15% of returns in excess return over benchmark, accrued on a daily basis, payable annually, subject to recovery of any previous period negative returns before entitlement.
- Nikko AM Wholesale Multi-Strategy Fund (indirectly via investment in JPM Multi-Strategy Fund II, Ltd). A performance fee of 10% of US dollar returns above US 3-month T-Bill + 3% after all fees accrued on a monthly basis, payable annually, subject to recovery of any previous

period negative returns before entitlement, is charged by JP Morgan Alternative Asset Management Inc in the JPM Multi-Strategy Fund II, Ltd. There are no direct charges or fees in the Nikko AM Wholesale Multi-Strategy Fund.

### Buy/sell spread

0.105% / 0.105%

### Distributions

Generally does not distribute

### Benchmark

Benchmark performance is calculated on a weighted composite of the relevant sector indices.

### Hedging

Currency hedging contracts, if any, are held in the sector funds listed in the asset allocation.

Currently the fund's foreign currency exposure is 17.20%

## Compliance

The Fund complied with its investment mandate and Trust Deed during the month

## Contact us

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### Important Information

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