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 around US$200 billion globally, including around NZ$5 billion in New Zealand.

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

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.

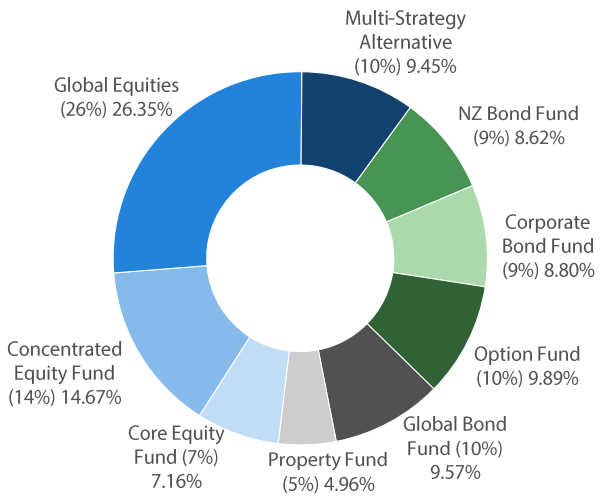
George is Chair of the Investment Committee, responsible for the strategic asset allocation of the Nikko AM NZ diversified funds.

Performance returns

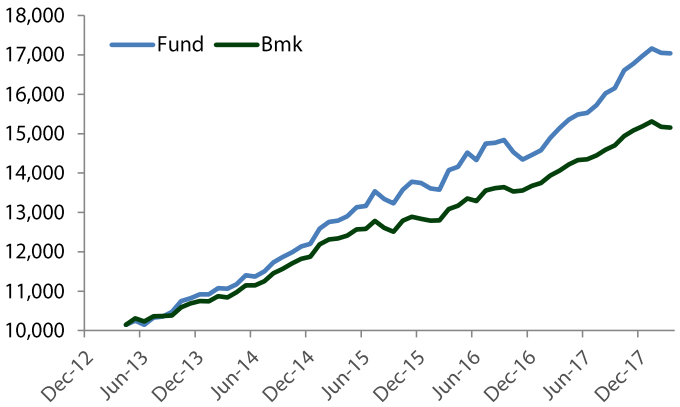
	Gross[1]	Benchmark
1 month	-0.07%	-0.14%
3 months	0.39%	-0.22%
1 year	12.54%	7.78%
2 years (pa)	10.04%	7.60%
3 years (pa)	10.03%	7.09%
5 years (pa)	11.25%	8.67%
10 years (pa)	8.82%	7.11%

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

Asset allocation (benchmarks in brackets)



Five year cumulative performance (gross) [1]



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	0.59%	0.86%	0.76%	0.45%	5.69%	4.49%	5.01%	4.00%	5.26%	3.88%
Corporate Bond Fund	0.36%	0.86%	0.91%	0.45%	6.27%	4.49%	5.64%	4.00%	5.95%	3.88%
Option Fund	3.66%	0.49%	-0.09%	1.47%	8.50%	6.10%	9.23%	6.64%	8.75%	6.92%
Global Bond Fund	0.83%	0.86%	0.17%	0.02%	3.20%	3.24%	4.21%	3.75%	5.41%	5.23%
Core Equity Fund	-0.41%	-0.30%	1.77%	-0.58%	25.50%	16.93%	18.33%	13.96%	17.91%	14.89%
Property Fund	1.08%	1.06%	-2.90%	-3.72%	9.23%	7.93%	8.44%	7.82%	10.81%	10.20%
Concentrated Equity Fund	-0.41%	0.56%	3.46%	1.62%	28.06%	6.75%	20.00%	7.22%	19.14%	7.50%
Global Equity Funds	-1.82%	-2.13%	-0.86%	-1.97%	15.47%	12.04%	11.22%	9.38%	14.13%	12.99%
Multi-Strategy Alternative	0.01%	0.40%	1.91%	1.21%	4.23%	4.83%	3.46%	5.16%	6.21%	5.40%

Indices used:

NZ Bond Fund – Bloomberg NZ Bond Govt 0+ Yr Index
NZ Corporate Bond Fund – Bloomberg NZ Bond Govt 0+ Yr Index
Option Fund – Bloomberg NZBond Bank Bill Index+ 4.0% p.a.
Multi-Strategy Alternative – ICE Libor USD 1m hedged to NZD.
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

Key fund facts

Strategy launch date
October 2007

Strategy FUM
$265.73m

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.

Buy/sell spread
0.10% / 0.10%

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 17.18%

Compliance

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

Contact us

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