

Factsheet 30 April 2021

NIKKO AM WHOLESALE MULTI STRATEGY FUND

The factsheet covers the MMAF ordinary share class and not the A & C share class units which are side-pocketed.

Performance

	1 month	3 months	1 year	3 years (p.a)	5 years (p.a)	10 years (p.a)
Wholesale ¹	1.49%	2.61%	14.77%	6.03%	5.53%	6.22%
Benchmark ²	0.27%	0.81%	3.29%	4.27%	4.50%	5.04%

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

2. Current Benchmark: Bloomberg NZBond Bank Bill Index plus 3.0% per annum. No tax or fees

Applications and Redemption Schedule

Application and redemption requests can be made on a daily basis and they will be processed within 12 working days.

Investment Manager

The Wholesale Multi-Strategy Fund invests into the JP Morgan Alternative Asset Management Hedge Fund Solutions JP Morgan Multi Manager Alternatives Fund (MMAF).

JPMAAM HFS is led by CIO Paul Zummo who co-founded the business in 1994 and is still head of the Portfolio Management Group and chairs the JPMAAM HSF Investment Committee. Paul has over 25 years industry experience and is a member of the CFA Institute.

Overview

The fund provides access to a multi-manager, multi-strategy investment fund designed to generate returns over the long term.

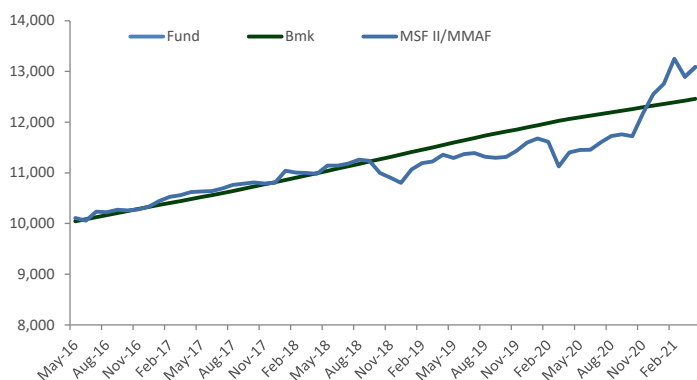
The portfolio has a diversified risk profile with low to medium volatility.

Objective

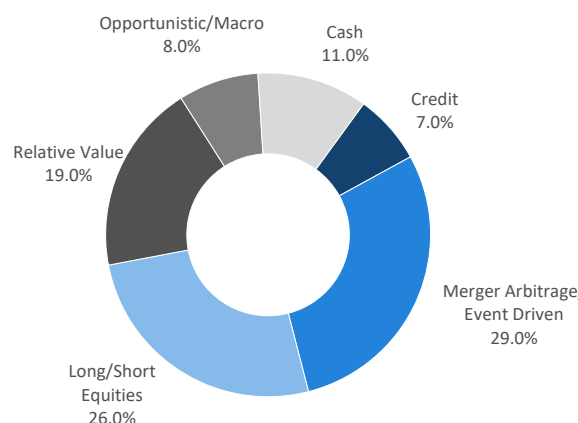
The fund aims to outperform the benchmark return before fees, expenses and taxes over a rolling three year period.

Five Year Cumulative Performance, \$10,000 invested^{1,2}

Performance is for JPMAAM MSF II strategy up to 30.06.20 and for MMAF from 01.07.20



Strategy Allocations (by value of fund)



Fund Commentary (source: JPMAAM for underlying USD share class)

As the reopening of economies continued during the month, developed markets extended their positive performance. Overall, global equities increased +4.69% in April in USD terms according to the MSCI World Index. Global fixed income returns rebounded slightly, the Barclays Global Aggregate Bond Index was up +1.26%. In the month marked by a strong rebound in both equity and fixed income markets, JPM Multi-Manager Alternatives Fund returned 1.49%.

The **Relative Value Strategy** was positive in April with returns being driven by Closed-End Funds and trades in Communication Services.

The **Macro/Oppportunistic Strategy** also delivered a positive return, which was driven by Global and European trades that outweighed slight losses from North American positions. The **Long/Short Equity Strategy** contributed to returns also. The strategy saw dispersion of returns amongst subadvisors and sectors within the strategy which was a result of remnants of the factor rotation from momentum to non-momentum parts of the equity market. Most of the key drivers during the month were a result of a very strong earning season for key positions in the fund. The **Merger Arbitrage/Event Driven Strategy** had a positive month, with returns driven by several Merge Arbitrage trades and a recovery in the SPAC market, as did **Credit Strategy** with slight gains attributed to North American positions primarily in Credit Index Securities, Asset Backed Securities, Financials and Communication Services.

There continue to be three key areas of focus where we find interesting returns with limited downside. Long/Short Equity remains a core allocation, in which we are focused on strategies with lower levels of net equity exposure to maintain the fund’s low beta profile. Through the implementation of Concentrated Conviction Trades we have been pointing the portfolio to high conviction, asymmetric trades that also screen as non-momentum factor exposure. Lastly, we maintain significant exposure to less correlated strategies with natural downside protection but upside optionality such as SPACs and convertible bond arbitrage.

Performance Contribution by Strategy

Strategy	No. of funds	Cal YTD
Relative Value	1	1.78%
Long / Short Equities	5	0.15%
Opportunistic / Macro	1	0.22%
Credit	2	0.38%
Event Driven	4	1.85%

Information shown in the table above is for the month prior to the date of this fact sheet

Key Fund Facts

Distributions			Estimated annual fund charges
Generally does not distribute			Wholesale: None
Buy / Sell spread:	Strategy Launch	Strategy size	Management fee to JPMAAM 2.20% p.a. includes underlying JPMAAM fund expenses and underlying manager fees.
0.00% / 0.00%	June 2008	\$32.6m	
Hedging JPMAAM hedges all currency exposure back to NZ dollars.			

Compliance

The Fund complied with its investment mandate and trust deed during the month.

Contact Us

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All information and data is based on the most recently available, chart data is typically based on one month prior to the date shown at the top of this fund summary, performance by strategy and commentary is based on the current month using month end estimates. Index comparisons within the commentary are based on the relevant Index as determined by JP Morgan Alternative Assets Management Inc. they are not the Benchmark of the Nikko AM Multi-Strategy Fund which is determined on page 1. This document is issued by Nikko Asset Management New Zealand Limited (Company No. 606057, FSP No. FSP22562), the investment manager of the Nikko AM NZ Investment Scheme, the Nikko AM NZ Wholesale Investment Scheme and the Nikko AM KiwiSaver Scheme. This information is for the use of researchers, financial advisers and wholesale clients. This material has been prepared without taking into account a potential investor’s objectives, financial situation or needs and is not intended to constitute personal financial advice, and must not be relied on as such. Recipients of this document, who are not wholesale investors (in accordance with Schedule 1, Clause 3 Financial Markets Conduct Act 2013), or their duly appointed agent, should consult a Financial Advice Provider and the relevant Product Disclosure Statement. Past performance is not a guarantee of future performance. While we believe the information contained in this presentation is correct at the date of presentation, no warranty of accuracy or reliability is given and no responsibility is accepted for errors or omissions including where provided by a third party. For full details on the fund, please refer to our Product Disclosure Statement on nikkoam.co.nz.