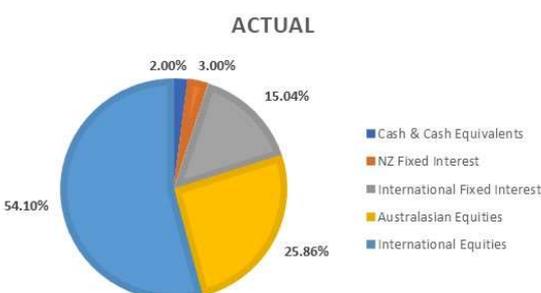


Fund Information	
Description	Diversified fund targeting high long-run returns by investing in a portfolio weighted towards growth assets but with some income asset exposure.
Objective	To perform broadly in line with the return of the weighted average return of the asset class benchmark indices on a before fees and tax basis.
Inception	2 September 2020
Fund Type	PIE
Fund Size (NAV)	\$3.9 million
Annual Fund Charges (Estimated, % of NAV)	0.37%
Performance Fee	Nil
Buy/Sell Spread	0.10%/0.11%
Unit Price	\$1.0805

Performance	1 Mth	3 Mths	Incept
Fund (no deductions)	-0.54%	6.36%	8.59%
Benchmark (no deductions)	-0.50%	6.46%	7.50%
Fund (after fees before tax)	-0.57%	6.26%	8.29%
Fund (after fees and 28% PIR)	-0.64%	5.96%	7.60%

Investors should also refer to the Quarterly Fund Update, which is available at hunterinvestments.co.nz and business.govt.nz/disclose.

Investment Mix



Commentary

The Hunter Growth Fund slightly underperformed its benchmark in May, returning -0.57% after fees and before tax versus the benchmark return of -0.50%.

Market news was mostly dominated by concerns around inflation, as the United States reported headline inflation data increased 0.8% for the month of April, versus expectations of +0.2%. This prompted investors to rotate into cyclical stocks at the expense of growth, with the broad MSCI ACWI Index firming 1.6% in USD terms.

New Zealand's equity market fared less well, finishing down 3.2%, as measured by the S&P/NZX 50 Gross Index (including Imputation Credits). The poor performance of the NZ market was mostly due to stock specific news as two heavyweights, a2 Milk and Fisher & Paykel Healthcare, reported earnings downgrades.

Also of note in New Zealand, was the RBNZ's changed stance around its monetary policy, as it stated that it planned to start raising the Official Cash Rate in the second half of 2022. The NZ Government 10-year bond yield rose 0.15% over the month, resulting in the Bloomberg NZ Bond Composite 0+ Yr Index declining 0.71%.

Like their equity counterparts, global fixed interest markets performed better than NZ and the Barclays Global Aggregate Index Hedged to NZD delivered +0.23% over the month.

The Fund's strategy is to provide a well diversified portfolio targeting high long-run returns by reweighting back to the Fund's benchmark/target investment mix within a cost-effective and tax appropriate investment structure.

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