

Fund Information	
Description	Diversified fund targeting mid-range long-run returns by investing in a diversified portfolio with a balance of income and growth assets.
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)	\$2.9 million
Annual Fund Charges (Estimated, % of NAV)	0.37%
Performance Fee	Nil
Buy/Sell Spread	0.08%/0.11%
Unit Price	\$1.0791

Commentary

The Hunter Balanced Fund slightly underperformed its benchmark in May, returning 2.78% after fees and before tax versus the benchmark return of 2.96%.

Investment markets had a strong month in June on the back of ongoing central bank and government policy support. This was highlighted in the US with agreement reached on Biden's infrastructure deal and circa \$600 billion of additional spending flagged with no tax increases.

Global equities were up strong, the MSCI ACWI returning +5.6% in NZD terms. Some of this strong return was driven by a depreciating NZ dollar which slipped 3.5% versus USD.

New Zealand's equity market was also up strongly, with the S&P/NZX 50 Gross Index (including Imputation Credits) up 2.8% over the month.

Within global bond markets, the US experienced a higher than expected May CPI read, to see US core inflation hit 3.8% on a YoY basis, the highest level since 1992. In the UK, the BoE's Chief Economist warned colleagues that UK inflation was expected to end the year close to 4%.

These numbers would typically see bond yields rising, however, previously positive signs around the Covid 19 vaccine rollout took a hit with the rapid growth in the Delta variant postponing the lifting of restrictions and complicating global travel.

As a result, the Barclays Global Aggregate Index Hedged to NZD delivered +0.5% over the month and the Bloomberg NZ Bond Composite 0+ Yr Index returned +0.1%.

The Fund's strategy is to provide a well diversified portfolio targeting mid-range 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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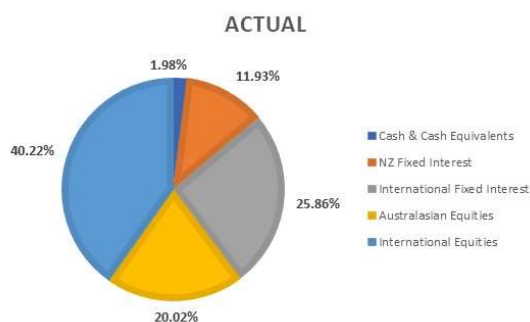
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Performance	1 Mth	3 Mths	Incept
Fund (no deductions)	2.81%	3.48%	8.44%
Benchmark (no deductions)	2.96%	3.84%	8.07%
Fund (after fees before tax)	2.78%	3.39%	8.11%
Fund (after fees and 28% PIR)	2.70%	3.23%	7.62%

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

Investment Mix



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