

# Fund Update

For the quarter ended 30 June 2021

- **Hunter Diversified Funds**
- **Hunter Growth Fund**

This fund update was first made publicly available on: 27 July 2021

## What is the purpose of this update?

This document tells you how the Hunter Growth Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Implemented Investment Solutions Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

## Description of this fund

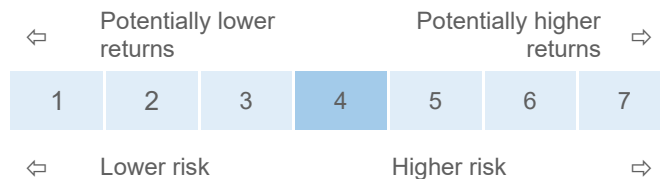
Objective: to perform broadly in line with the return of its investment benchmark before fees and tax over the long-term.

Strategy: aims for high long-run returns by investing in a diversified portfolio weighted towards growth assets but with some income asset exposure.

Total value of the fund	\$NZ 5,227,874
The date the fund started	2 September 2020

## What are the risks of investing?

Risk indicator for the Hunter Growth Fund<sup>1</sup>.



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at [www.sorted.org.nz](http://www.sorted.org.nz).

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for 5 years to 30 June 2021. While risk indicators are usually

relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

See the product disclosure statement (PDS) for more information about the risks associated with investing in this fund.

## How has the fund performed?

	Past year
Annual return (after deductions for charges and tax)	Not Applicable
Annual return (after deductions for charges but before tax)	Not Applicable
Market index annual return (reflects no deduction for charges and tax)	17.74%

The market index return is the weighted returns (before tax, fees and other expenses) of the Fund's various benchmark asset class indices. This has been the market index since the inception of the fund. Additional information about the market index is available on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

## What fees are investors charged?

Investors in the Hunter Growth Fund are charged fund charges which are:

	% of net asset value (including GST)
Total fund charges (estimate) <sup>2</sup>	0.37%
Which are made up of:	
Total manager and administration charges	0.37%
Including:	
Manager's basic fee (including GST)	0.37%
Other management and administration charges	0.00%

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the PDS for the Hunter Diversified Funds on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) for more information about those fees.

## Example of how this applies to an investor<sup>3</sup>

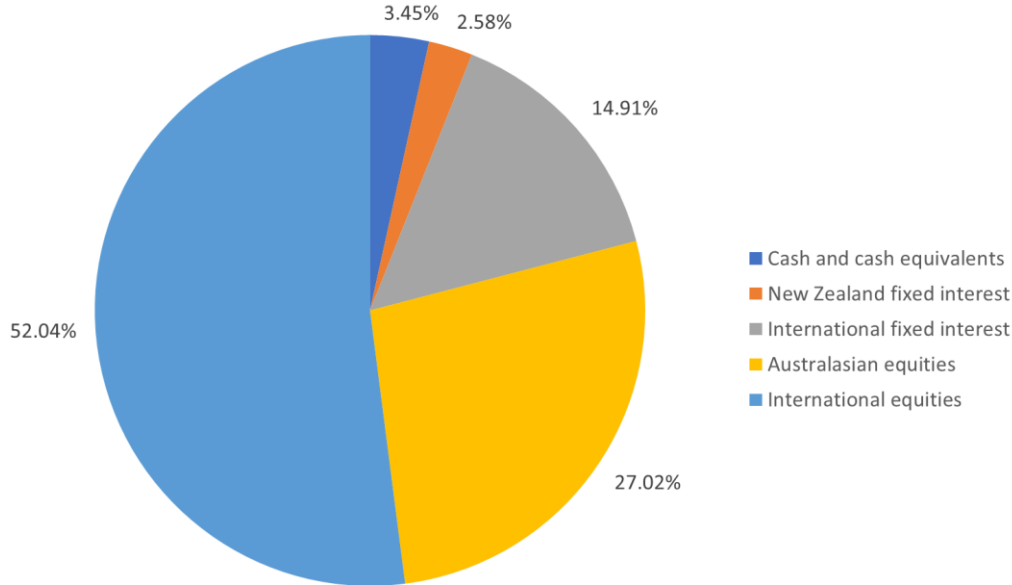
Small differences in fees and charges can have a big impact on your investment over the long term.

Anthony had \$10,000 in the fund when the fund received its first contribution, on 2 September 2020, and did not make any further contributions. At the end of the period to 30 June 2021, Anthony received a return after fund charges were deducted of \$1,227 (that is 12.27% of his initial \$10,000). This gives Anthony a total return after tax of \$1,146 for the year.

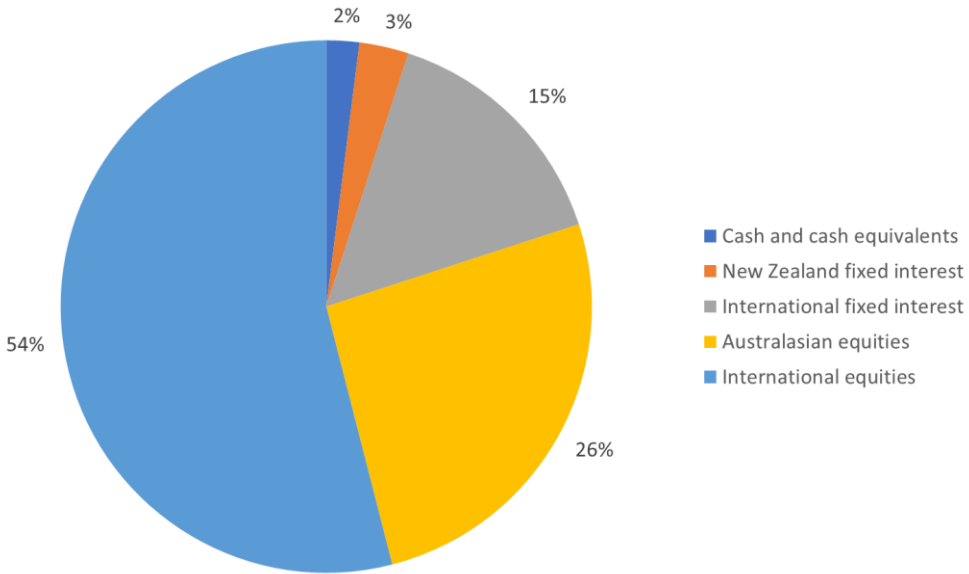
**What does the fund invest in?**

This shows the types of assets that the fund invests in.

**Actual investment mix**



**Target investment mix**



The Fund has foreign currency exposure and targets currency positions being fully hedged on international fixed interest assets and unhedged on international equity assets.

## Top 10 investments

	Name	% of Fund net assets	Type	Country	Credit rating (if applicable)
1	AMP Wholesale Unit Trust MSCI Global Index Shares	53.35%	International equities	NZ	N/A
2	AMP Capital NZ Shares Index Fund	25.89%	Australasian equities	NZ	N/A
3	AMP Capital NZ Fixed Interest Fund	2.98%	New Zealand fixed interest	NZ	N/A
4	FEDERAL NATIONAL MORTGAGE ASSOCIATION 150845 4.0 TBA	1.39%	International fixed interest	US	AAA
5	AMP Capital NZ Cash Fund	1.22%	Cash and cash equivalents	NZ	N/A
6	Current Asset - Applications	0.95%	Cash and cash equivalents	NZ	N/A
7	Cash	0.79%	Cash and cash equivalents	NZ	N/A
8	JAPAN GOVERNMENT 130921 0.00 GB	0.74%	International fixed interest	JP	A1
9	UNITED STATES TREASURY 010721 0.03 REPO	0.66%	International fixed interest	US	AAA
10	FNMA 30YR CONV LOAN 150840 0.00 TBA	0.37%	International fixed interest	US	AAA

The top 10 investments make up 88.34% of the net asset value of the fund.

## Key personnel

This shows the directors and employees who have the most influence on the investment decisions of the fund.

Name	Current position	Time in current position	Previous or other current position	Time in previous or other current position
<b>Tony Hildyard</b>	Managing Director, Hunter Investment Management Limited	4 years 9 months	Country Head New Zealand, PIMCO Australia Pty Ltd	7 years 5 months
<b>Anthony Edmonds</b>	Director, Hunter Investment Management Limited	4 years 9 months	Managing Director, Implemented Investment Solutions	10 years 7 months
<b>Anthony Sowerby</b>	Chief Operating Officer, Hunter Investment Management	0 years 4 months	Commercial Manager, InvestNow	0 years 8 months

## Further information

You can also obtain this information, the PDS for the Hunter Growth Fund, and some additional information from the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

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Notes

<sup>1</sup> A combination of actual fund returns and market index returns have been used to determine the risk indicator as the fund has not been operating for the required five years. The risk indicator may therefore provide a less reliable indicator of the fund's future volatility. Market index returns have been used until 2 September 2020 and fund returns thereafter.

<sup>2</sup> As the fund only started accepting contributions on 2 September 2020, historical fee information is not available.

<sup>3</sup> As the fund has not existed for a full year, figures in this example are based on returns from the date of the first fund contribution (2 September 2020).