

# Forsyth Barr New Zealand Equities Fund

## Forsyth Barr Investment Funds

### Fund Update as at 30 June 2018



This fund update was first made publicly available on 27 July 2018.

#### What is the purpose of this update?

This document tells you how the Forsyth Barr New Zealand Equities Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Forsyth Barr Investment Management 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

The Forsyth Barr New Zealand Equities Fund invests in selected New Zealand shares. We aim for positive long-term returns. These kinds of investments will typically have moderate to high levels of movement up and down in value.

<b>Total value of the fund</b>	\$29,200,259
<b>The date the fund started</b>	26 June 2008

#### What are the risks of investing?

##### Risk indicator for Forsyth Barr New Zealand Equities Fund:



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/tools/investor-kickstarter](http://www.sorted.org.nz/tools/investor-kickstarter).

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 the five years to 30 June 2018. 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.

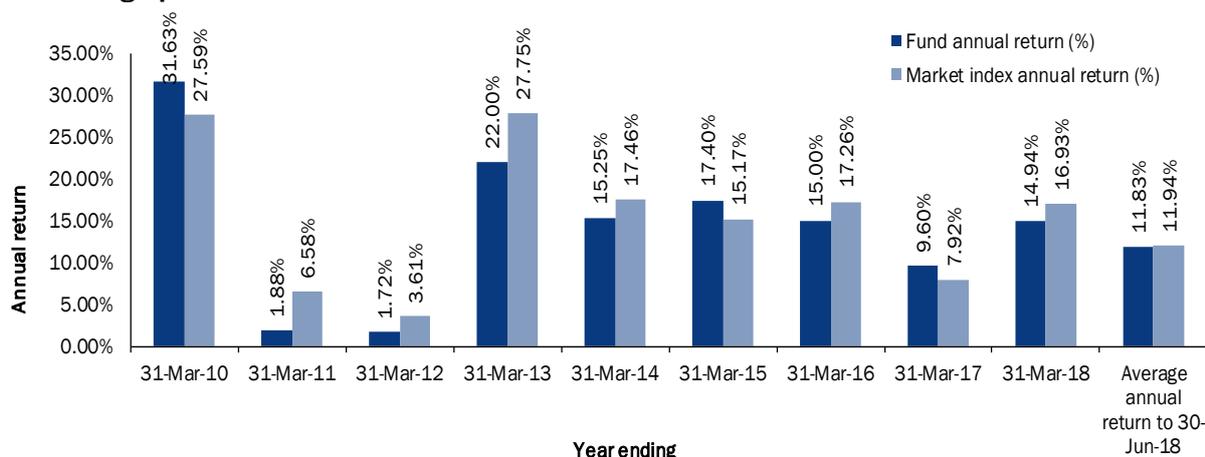
See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

#### How has the fund performed?

	Average over past 5 years	Past year
<b>Annual return</b> (after deductions for charges and tax)	16.37%	18.48%
<b>Annual return</b> (after deductions for charges but before tax)	17.53%	19.63%
<b>Market index annual return</b> (reflects no deduction for charges and tax)	16.48%	18.87%

The market index return is based on the S&P/NZX 50 Gross with Imputation Index. In the last fund update, the market index return was based on the S&P/NZX 50 Gross Index. We changed the market index on 23 May 2018 to better reflect the effect of imputation credits on returns. Additional information about the market index is available on the Forsyth Barr Investment Funds' entry on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

#### Annual return graph



This shows the return after fund charges and tax for each year ending 31 March since the fund started. The last bar shows the average annual return since the fund started, up to 30 June 2018.

**Important:** This does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

## What fees are investors charged?

Investors in the Forsyth Barr New Zealand Equities Fund are charged fund charges. In the year to 31 March 2018 these were:

	% of net asset value <sup>1</sup>
<b>Total fund charges</b>	1.32%
<i>Which are made up of:</i>	
<b>Total management and administration charges including</b>	1.32%
Manager's basic fee	1.27%
Other management and administration charges	0.05%
<b>Total performance-based fees</b>	0.00%
	<b>Dollar amount per investor</b>
<b>Other charges</b>	\$0.00

Investors may also be charged individual action fees for specific actions or decisions (for example entry fees). See the PDS for more information about those fees.

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

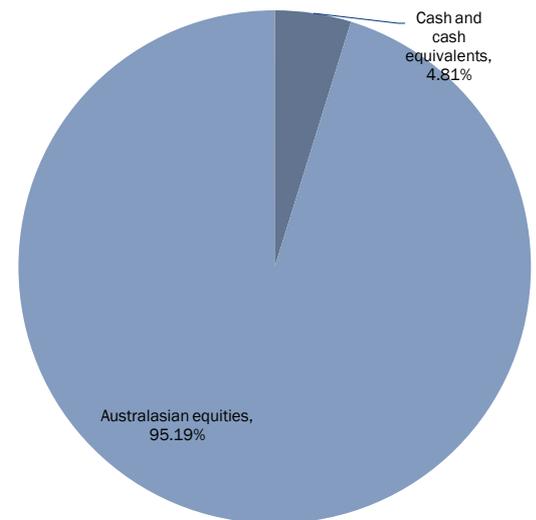
### Example of how this applies to an investor

Jane had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Jane received a return after fund charges were deducted but before tax of \$1,963 (that is 19.63% of her initial \$10,000). This gives Jane a total return after tax of \$1,848 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

Cash and cash equivalents	5.00%
New Zealand fixed interest	0.00%
International fixed interest	0.00%
Australasian equities	85.00%
International equities	0.00%
Listed property	10.00%
Unlisted property	0.00%
Commodities	0.00%
Other	0.00%

## Top 10 investments

	Name	Percentage of fund net assets	Type	Country	Credit rating (if applicable)
1	Meridian Energy Limited	8.30%	Australasian equities	New Zealand	
2	Fisher & Paykel Healthcare Corporation Limited	7.16%	Australasian equities	New Zealand	
3	Ryman Healthcare Limited	7.14%	Australasian equities	New Zealand	
4	The a2 Milk Company Limited	6.74%	Australasian equities	New Zealand	
5	Spark New Zealand Limited	5.92%	Australasian equities	New Zealand	
6	Z Energy Limited	5.78%	Australasian equities	New Zealand	
7	Mainfreight Limited	5.68%	Australasian equities	New Zealand	
8	Ebos Group Limited	5.35%	Australasian equities	New Zealand	
9	Genesis Energy Limited	5.14%	Australasian equities	New Zealand	
10	ANZ Cash Deposit	4.78%	Cash and cash equivalents	New Zealand	AA-

The top 10 investments make up 61.99% of the fund.

As at 30 June 2018, the fund had an Australian dollar exposure associated with its investment in Xero Limited which represented 1.41% of the value of the fund and was unhedged.

## Key personnel

<b>Name</b>	<b>Current position</b>	<b>Time in current position</b>	<b>Previous or other current position</b>	<b>Time in previous or other current position</b>
Kevin Stirrat	Head of Investment Strategy, Forsyth Barr Limited	12 years and 10 months <sup>2</sup>	Director, Deutsche Bank	11 years and 2 months
Craig Alexander	Head of Funds Management, Forsyth Barr Limited	5 years <sup>2</sup>	Head of Fixed Interest, Tower Investments	5 years and 2 months
Malcolm Davie	Equity Portfolio Manager, Forsyth Barr Limited	4 years and 3 months <sup>2</sup>	Head of Investment Management, First NZ Capital	7 years and 3 months
Neil Paviour-Smith	Director	10 years and 4 months <sup>2</sup>	Managing Director, Forsyth Barr Limited (current)	12 years
Rob Mercer	Head of Private Wealth Research, Forsyth Barr Limited	6 years and 1 month <sup>2</sup>	Head of Research, Forsyth Barr Limited	11 years and 3 months

## Further information

You can also obtain this information, the PDS for the Forsyth Barr Investment Funds, and some additional information from the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

## Notes

<sup>1</sup> Including GST.

<sup>2</sup> These personnel are employees of Forsyth Barr Limited, which carries out investment management and daily administration of the Forsyth Barr Investment Funds (and is an authorised body under our licence as a manager of registered schemes).