

## Fund Description

The QuayStreet Balanced Fund invests in a diversified portfolio of defensive and growth assets. The investment objective is to provide a level of return consistent with the target asset allocation and risk profile of the Fund. Investment returns will vary considerably from year to year and may be negative.

## Monthly Update

Most major share markets had positive returns for August in local currency terms. However continued strength in the NZD resulted in the MSCI World Index returning -0.5% when translated to NZD. Across the Australasian markets it was a busy month as news flow was dominated by corporate earnings announcements. The Australian market underperformed as the S&P/ASX200 returned -1.6% where the New Zealand market continued its upward trajectory in August with the S&P/NZX 50 Index rising by 0.7%.

It was another good month for Australasian bond markets with yields down slightly and credit spreads continuing to contract. As has been the case for the last few months, investor appetite for yield remains very strong and has led to an increased willingness to invest in riskier assets. This is a global trend and has led to the relative outperformance of corporate bonds to government bonds.

The Fund was flat for the month and in line with its benchmark which returned -0.1%. Top contribution in terms of relative performance came from Fixed Interest and New Zealand equity exposures. International and Australian equity exposures slightly underperformed. During the month there were no significant changes applied to the Fund.

## Monthly Return before fees and tax\*

Balanced Fund	-0.06%
Benchmark	-0.12%

\*Longer term returns on page 2.

## Balanced Fund Facts

Launch Date	25-Oct-07
Management Fee	1.00%
Unit Price (31 Aug 16)	\$1.6099
Fund NAV (31 Aug 16)	\$139,560,250

## Investment Ranges

Growth Assets	40-80%
Defensive Assets	20-60%

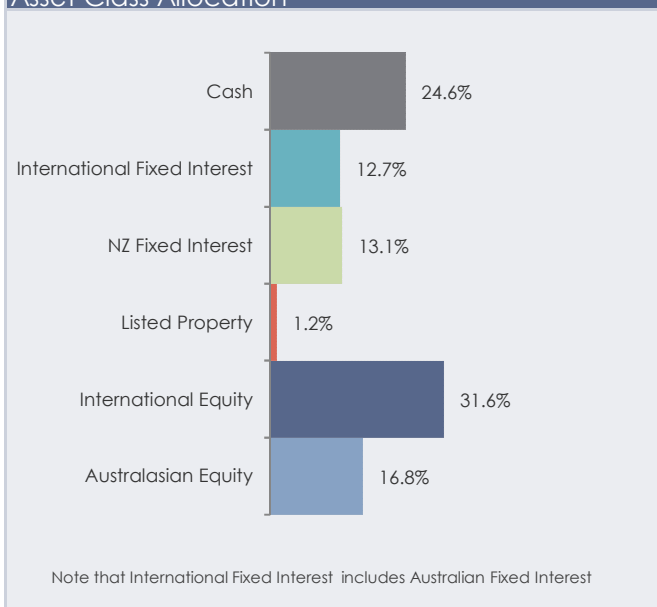
## Benchmark

MSCI World Index (NZD)	40.0%
S&P/NZX 50 Index	10.0%
S&P/ASX 200 Index	10.0%
S&P/NZX Investment Grade Corp Bond Index	30.0%
NZX 90 day Bank Bill Index	10.0%

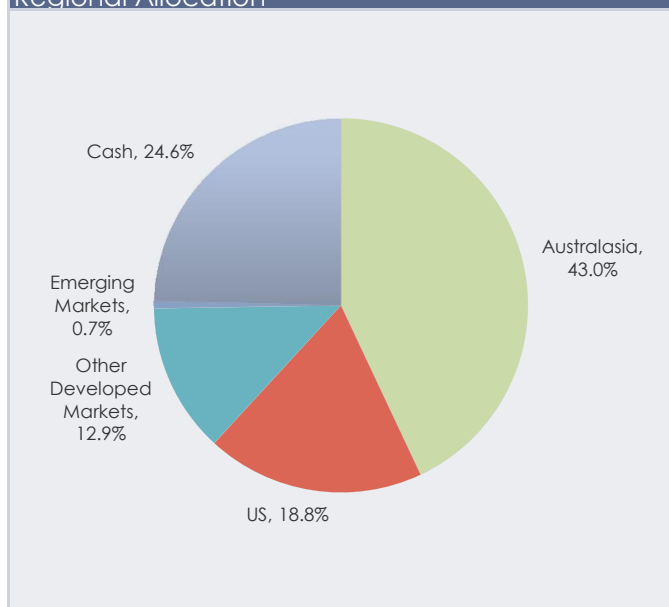
## Top 5 Holdings

	Weight
Ishares Core S&P 500 ETF	15.32%
MSCI EAFE incl Canada TRS	11.95%
SPDR Gold Shares Fund	1.37%
Contact Energy	1.00%
Mayne Pharma Group	1.00%

## Asset Class Allocation



## Regional Allocation



## Balanced Fund Performance as at 31-Aug-2016

Returns before fees and tax	1 Month	3 Months	6 Months	1 Year	3 Years*	5 Years*	Inception*
Balanced Fund <sup>1</sup>	-0.06%	0.17%	5.00%	3.77%	8.75%	9.36%	6.70%
Benchmark Return <sup>2</sup>	-0.12%	-0.08%	5.39%	3.05%	8.35%	9.45%	4.97%
<b>Returns after fees and tax<sup>3</sup></b>							
Highest PIR tax rate (currently 28%)	-0.24%	-0.12%	4.10%	2.64%	6.76%	7.40%	4.53%
Medium PIR tax rate (currently 17.5%)	-0.21%	-0.10%	4.26%	2.72%	7.21%	7.83%	4.99%
Low PIR tax rate (currently 10.5%)	-0.19%	-0.08%	4.37%	2.79%	7.53%	8.13%	5.20%
Zero PIR tax rate	-0.16%	-0.07%	4.53%	2.85%	7.96%	8.56%	5.82%

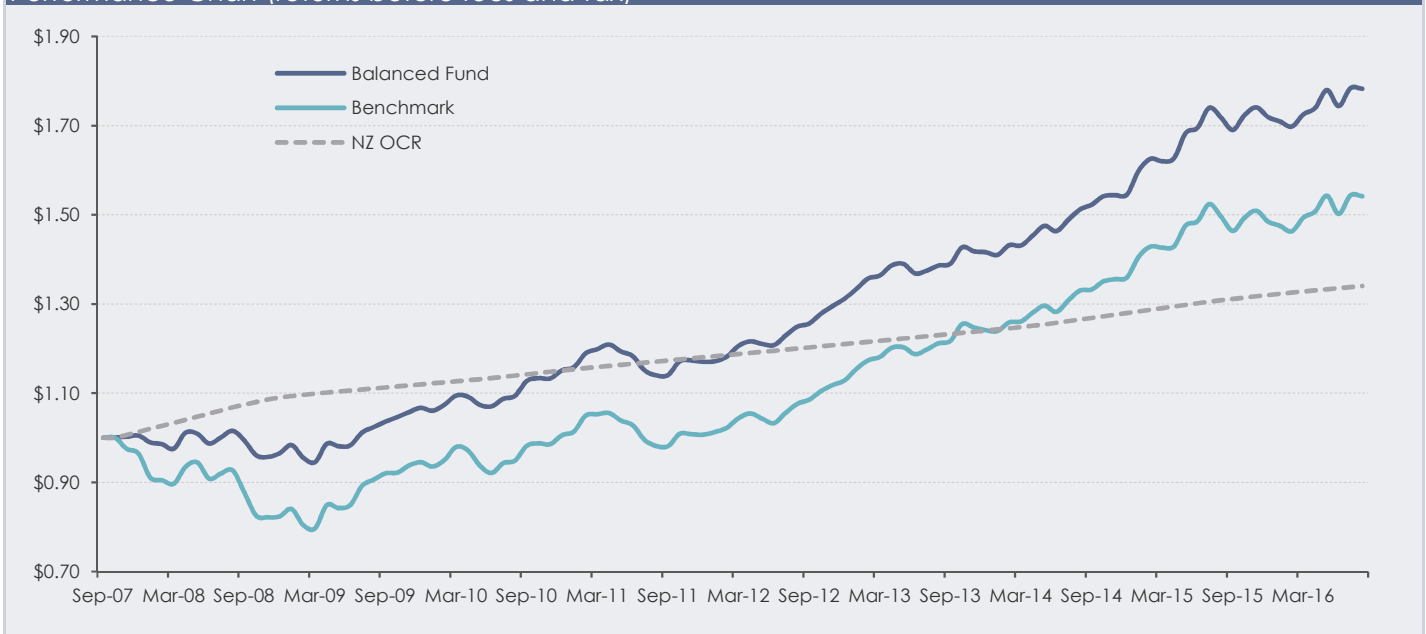
1. Includes imputation credits where applicable

2. Historic performance based on the benchmark that was effective at the time

3. Includes all fees and tax deducted at the Fund level but not advisory or any other third party expenses

\* Return calculations are annualised

## Performance Chart (returns before fees and tax)



QuayStreet Asset Management Limited (QSAM) is the Manager and Issuer of the QuayStreet Funds. A Product Disclosure Statement (PDS) is available by contacting our Client Services team on 0800 782 900 or visit [www.quaystreet.com](http://www.quaystreet.com). Disclosure statements are available on request and free of charge.

This information is intended to provide a general overview of the fund and whilst the information is believed to be accurate and complete at the time of issue no guarantee or warranty is given nor responsibility accepted in this respect. Asset allocations can be changed from time to time and may be different because of factors such as market conditions and our ability to buy or sell assets at that time. Investments are subject to risks, the values can go down as well as up and investors may not get back the full amount invested.

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