

QUAYSTREET GROWTH FUND

Update as at 28 Feb 2017

Fund Description

The QuayStreet Growth Fund invests in a diversified portfolio of predominantly growth assets such as listed property, infrastructure and utility securities and equities, but will include a smaller allocation to defensive assets such as cash, term deposits and fixed interest securities. 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 substantially from year to year and may be negative.

Monthly Update

US GDP grew by 1.9% in the 4th quarter year on year. While under consensus, it demonstrated the economy is quite robust in the face of a mixed global economy. In Japan, Abenomics seems to be finally working. Domestic growth is improving, deflation pressures have eased and earnings revisions are the best in the world. Europe is likely to be entering a volatile period with the Dutch, French and Italian elections this year.

Relative to international peers the Australian and New Zealand share markets did not perform as strongly, however both the S&P/NZX 50 and S&P/ASX 200 still made reasonable returns of 1.7% and 2.2% (Local currency) respectively.

February was a good month for fixed interest markets both locally and globally. Bond yields in New Zealand fell slightly across most maturities and when combined with a continued tightening in credit spreads, resulted in solid returns for corporate bonds. The RBNZ left the OCR unchanged at 1.75% as expected but did highlight an improving global outlook for both growth and inflation.

The Fund returned 2.7% relative to its benchmark which returned 2.9%. Across all asset classes results were near or above the respective benchmarks with Australian equities having the best relative performance.

Monthly Return before fees and tax*

Growth Fund	2.65%
Benchmark	2.92%

*Longer term returns on page 2.

Growth Fund Facts

Launch Date	25-Oct-07
Management Fee	1.25%
Unit Price (28 Feb 17)	\$1.6685
Fund NAV (28 Feb 17)	\$136,971,647

Investment Ranges

Growth Assets	60-100%
Defensive Assets	0-40%

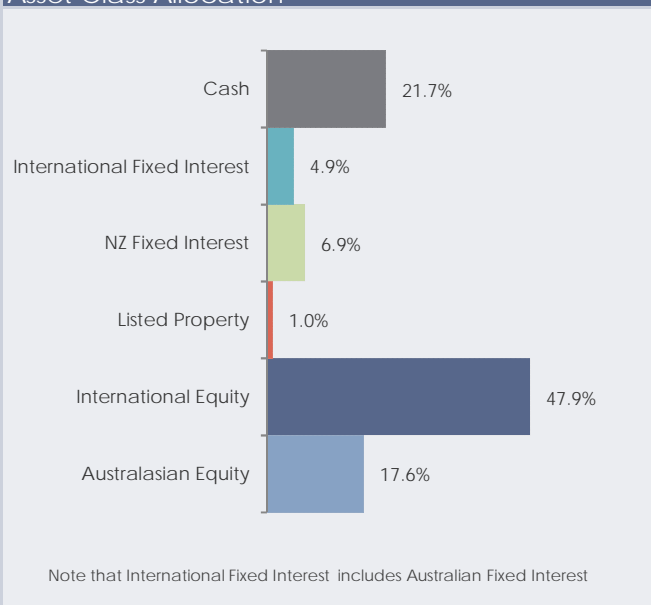
Benchmark

MSCI World Index (NZD)	55.0%
S&P/NZX 50 Index	12.5%
S&P/ASX 200 Index	12.5%
S&P/NZX Investment Grade Corp Bond Index	15.0%
NZX 90 day Bank Bill Index	5.0%

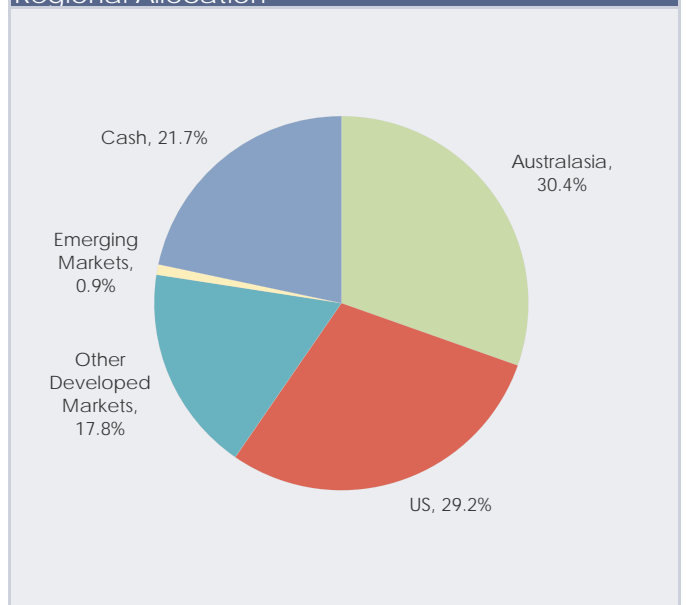
Top 5 Holdings

	Weight
Ishares Core S&P 500 ETF	24.51%
MSCI EAFE incl Canada TRS	17.16%
SPDR Gold Shares Fund	1.80%
CSL	1.17%
Fisher & Paykel Healthcare	1.09%

Asset Class Allocation



Regional Allocation



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Growth Fund Performance as at 28-Feb-2017

Returns before fees and tax	1 Month	3 Months	6 Months	1 Year	3 Years*	5 Years*	Inception*
Growth Fund ¹	2.65%	3.52%	3.41%	8.86%	9.27%	10.09%	7.05%
Benchmark Return ²	2.92%	4.48%	4.94%	11.11%	9.14%	10.48%	4.68%
Returns after fees and tax³							
Highest PIR tax rate (currently 28%)	2.36%	2.83%	2.29%	6.81%	7.11%	8.03%	4.81%
Medium PIR tax rate (currently 17.5%)	2.43%	2.98%	2.50%	7.14%	7.51%	8.42%	5.23%
Low PIR tax rate (currently 10.5%)	2.48%	3.09%	2.66%	7.36%	7.78%	8.67%	5.42%
Zero PIR tax rate	2.55%	3.24%	2.88%	7.71%	8.19%	9.07%	5.96%

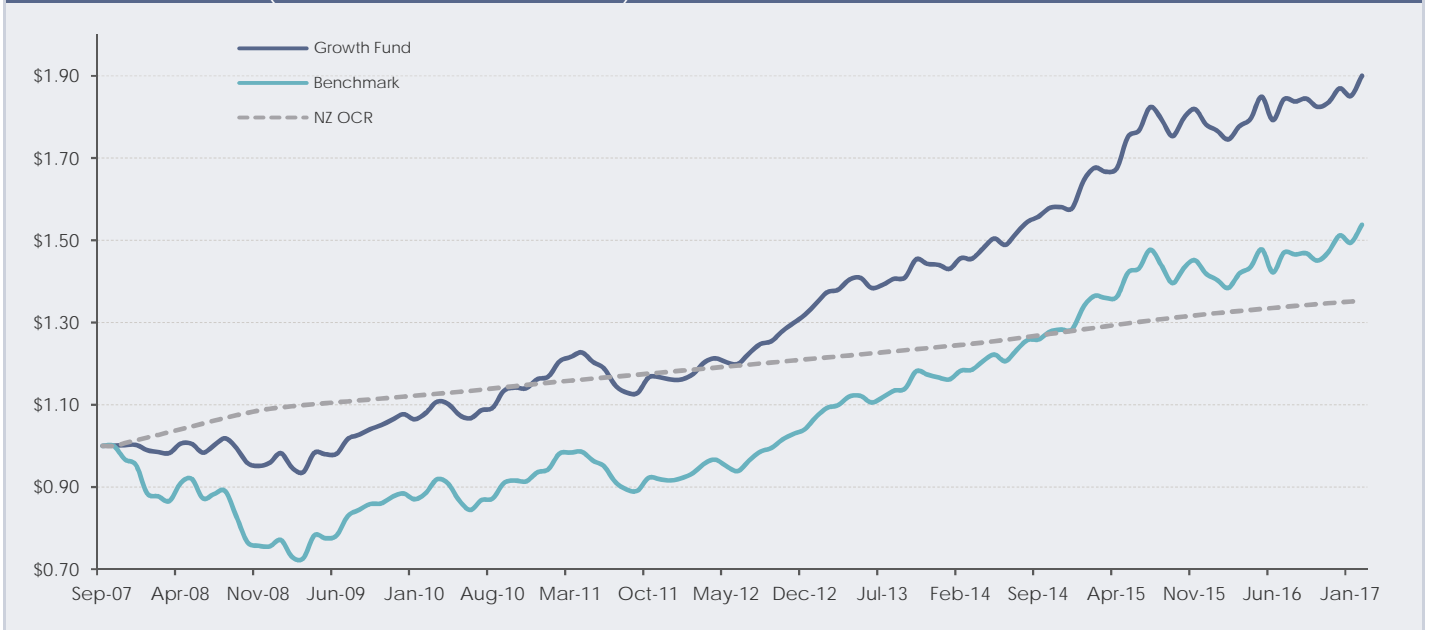
1. Includes imputation credits where applicable

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. 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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