

QUAYSTREET INTERNATIONAL EQUITY FUND

Update as at 28 Feb 2017

Fund Description

The QuayStreet International Equity Fund invests in a diversified portfolio of shares selected from global markets. The investment objective is to provide investors with a long run level of return consistent with international share markets as well as diversification away from New Zealand dollar denominated investments. Investment returns will vary substantially from year to year and may be negative.

Monthly Update

The US GDP growth for the 4th quarter came in at 1.9% year on year. While under consensus, it demonstrated the economy is quite robust in the face of a mixed global economy. The biggest contributor to growth in 2016 was the US consumer, with personnel consumption expenditure up 3%. The hope in 2017 is the lagging manufacturing sector will pick up and this is certainly being indicated by recent forward looking surveys.

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. Even Japanese companies are starting to spend the mountains of cash they hold on their balance sheets via share buy-backs which will have the added benefit of underpinning the stock market.

Europe is likely to be entering a volatile period with the Dutch, French and Italian elections this year. The Fund remains fully hedged against the Euro as we think heightened political uncertainty will be transmitted mainly through the Euro rather than equity markets.

The Fund had a strong month rising 4.1% although fractionally under the benchmark which rose 4.2%. We remain predominately exposed to developed markets with our only emerging market investment being in India.

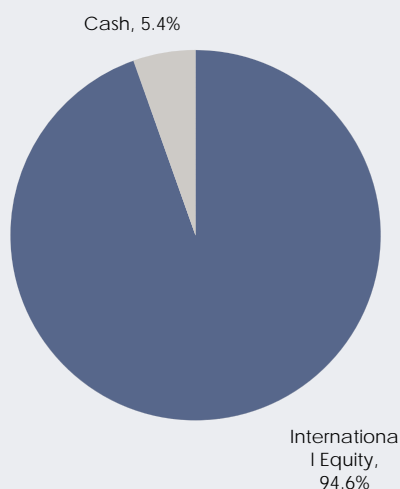
Monthly Return before fees and tax*

International Equity Fund	4.10%
MSCI World Net Index (NZD)	4.19%
*Longer term returns on page 2.	

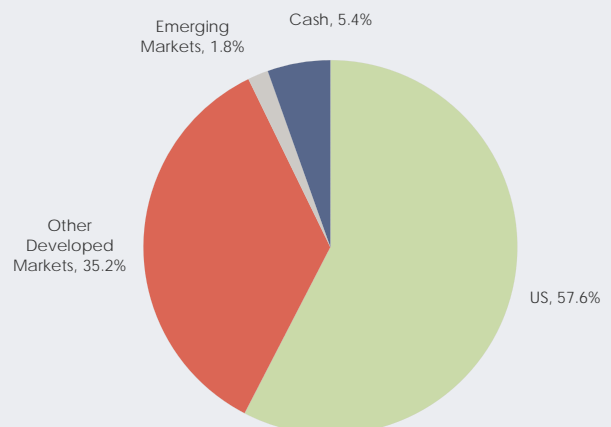
International Equity Fund Facts

Launch Date	31-Oct-09
Management Fee	1.25%
Unit Price (28 Feb 17)	\$1.6790
Fund NAV (28 Feb 17)	\$172,219,581
Investment Ranges	
Australasian Equity	0-50%
International Equity	0-100%
Cash	0-80%
Benchmark	
MSCI World Net Index (NZD)	100%
Top 5 Holdings	
	Weight
Ishares Core S&P 500 ETF	48.35%
MSCI EAFE incl Canada TRS	33.86%
SPDR Gold Shares Fund	3.54%
Ishares MSCI INDIA ETF	1.79%
Google Inc-CI A	0.71%

Asset Class Allocation



Regional Allocation



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International Equity 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*
International Equity Fund ¹	4.10%	5.72%	7.54%	9.08%	9.93%	11.32%	8.89%
Benchmark Return ²	4.19%	5.62%	8.11%	10.55%	9.46%	11.53%	8.52%
Returns after fees and tax³							
Highest PIR tax rate (currently 28%)	3.70%	4.69%	5.99%	6.63%	7.60%	9.16%	6.71%
Medium PIR tax rate (currently 17.5%)	3.81%	4.96%	6.32%	7.05%	8.02%	9.57%	7.09%
Low PIR tax rate (currently 10.5%)	3.89%	5.13%	6.53%	7.28%	8.28%	9.82%	7.32%
Zero PIR tax rate	4.00%	5.39%	6.87%	7.71%	8.70%	10.22%	7.70%

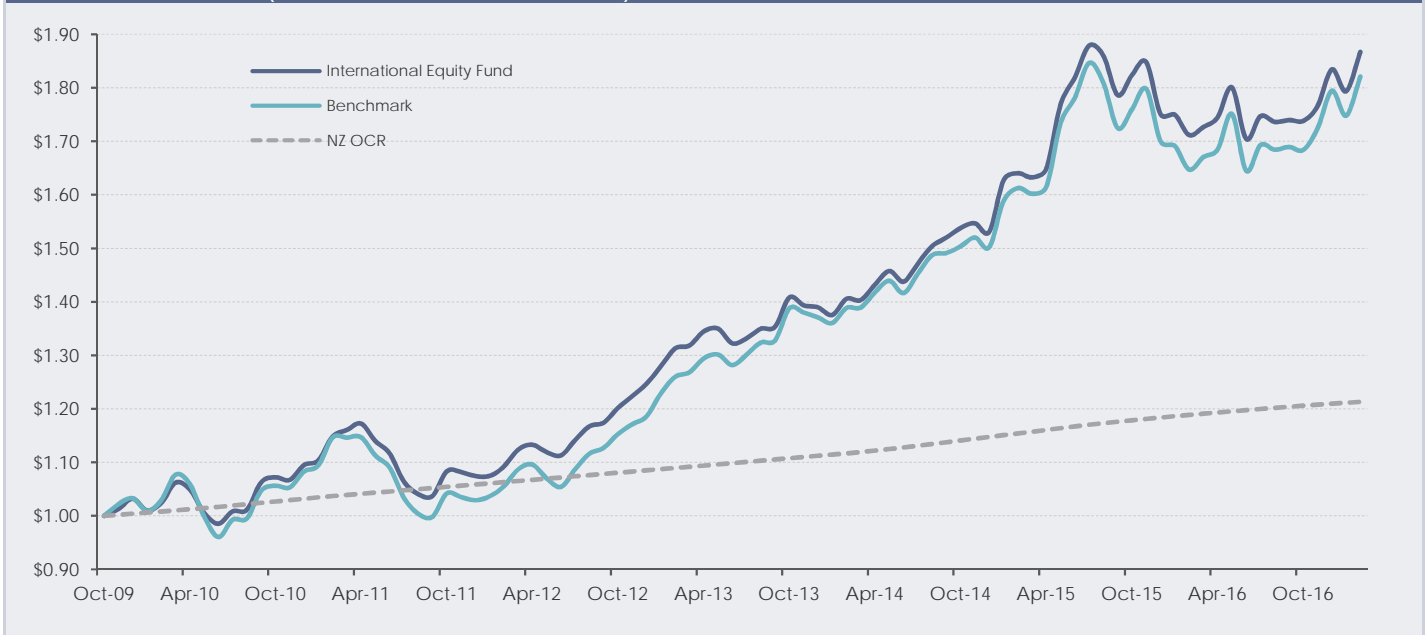
1. Includes imputation credits where applicable

2. Historic performance based on the benchmark that was effective at the time (currently the MSCI World Net Index in NZD)

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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