

QUAYSTREET NEW ZEALAND EQUITY FUND

Update as at 31 Mar 2017

FundSource Awards 2016 – New Zealand Equity Sector – Winner

Fund Description

The QuayStreet New Zealand Equity Fund invests in a diversified portfolio of New Zealand shares. The investment objective is to provide investors with a level of return consistent with the New Zealand sharemarket over the long term. Investment returns will vary substantially from year to year and may be negative.

Monthly Update

The New Zealand market had a mixed month with the S&P NZX 50 down over 1.5% at one point, however the index rallied in the last few days to end the month up 0.4%. Despite the strong finish the index still underperformed most global markets.

There were two outstanding performers in the index for March: A2 Milk (ATM) and Comvita (CVT), both returned over 20%. While ATM continued its good run into April, CVT gave up all the gains from March in the first week of April. The company reported a poor harvest and unpredictable sales in the unofficial trade channels into China would result in an operating loss for the financial year. The worst performer in the index over the month was Fletcher Building, down 11.8%, after a trading update where the company highlighted higher than expected losses from some of its construction projects.

The Fund returned 2.1% for March which was well above the benchmark return of 0.4%. The largest positive contributors to this result were our overweight positions in A2 Milk (+26.7%) and Gentrack (+9.9%) while the biggest detractors were underweight positions in Chorus (+6.9%) and Air New Zealand (+9.2%). The main change this month was to increase the Fund's weighting in utilities by adding to Tilt Renewables, Vector and Mercury positions. We also reduced positions in Auckland Airport and Fletcher Building.

Monthly Return before fees and tax*

New Zealand Equity Fund	2.13%
S&P/NZX 50 Index	0.41%

*Longer term returns on page 2.

New Zealand Equity Fund Facts

Launch Date	30-Nov-10
Management Fee	1.25%
Unit Price (31 Mar 17)	\$2.1609
Fund NAV (31 Mar 17)	\$51,170,072

Investment Ranges

NZ Equity	70-100%
Cash	0-30%

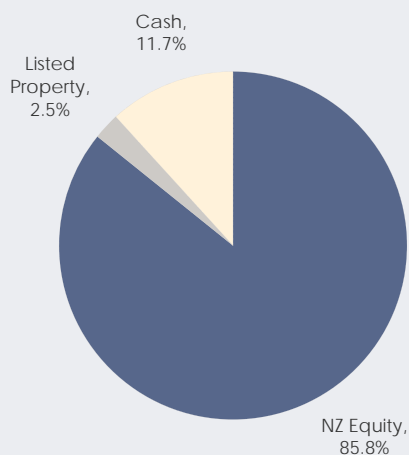
Benchmark

S&P/NZX 50 Index	100%
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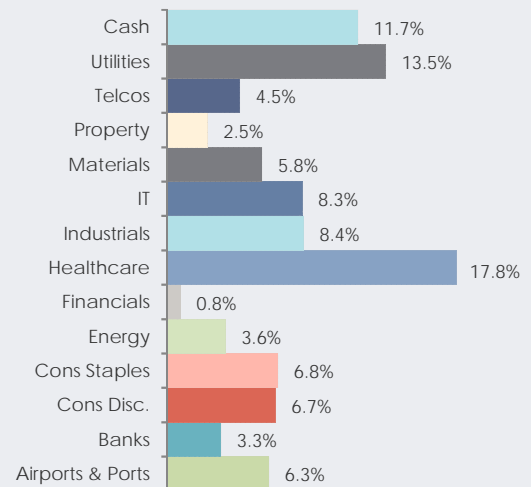
Top 5 Holdings

	Weight
Fisher & Paykel Healthcare	8.54%
Auckland International Airport	6.26%
Fletcher Building	5.85%
Mainfreight	5.75%
Meridian Energy	5.47%

Asset Class Allocation



Sector Allocation



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New Zealand Equity Fund Performance as at 31-Mar-2017

Returns before fees and tax	1 Month	3 Months	6 Months	1 Year	3 Years*	5 Years*	Inception*
New Zealand Equity Fund ¹	2.13%	5.96%	-0.82%	11.95%	14.85%	17.37%	15.82%
Benchmark Return ²	0.41%	4.59%	-2.23%	6.58%	11.86%	15.07%	12.98%
Returns after fees and tax³							
Highest PIR tax rate (currently 28%)	1.75%	5.35%	-1.75%	9.72%	12.13%	14.57%	13.08%
Medium PIR tax rate (currently 17.5%)	1.85%	5.46%	-1.63%	10.01%	12.59%	15.06%	13.56%
Low PIR tax rate (currently 10.5%)	1.92%	5.53%	-1.56%	10.23%	12.92%	15.40%	13.88%
Zero PIR tax rate	2.02%	5.63%	-1.45%	10.54%	13.38%	15.89%	14.36%

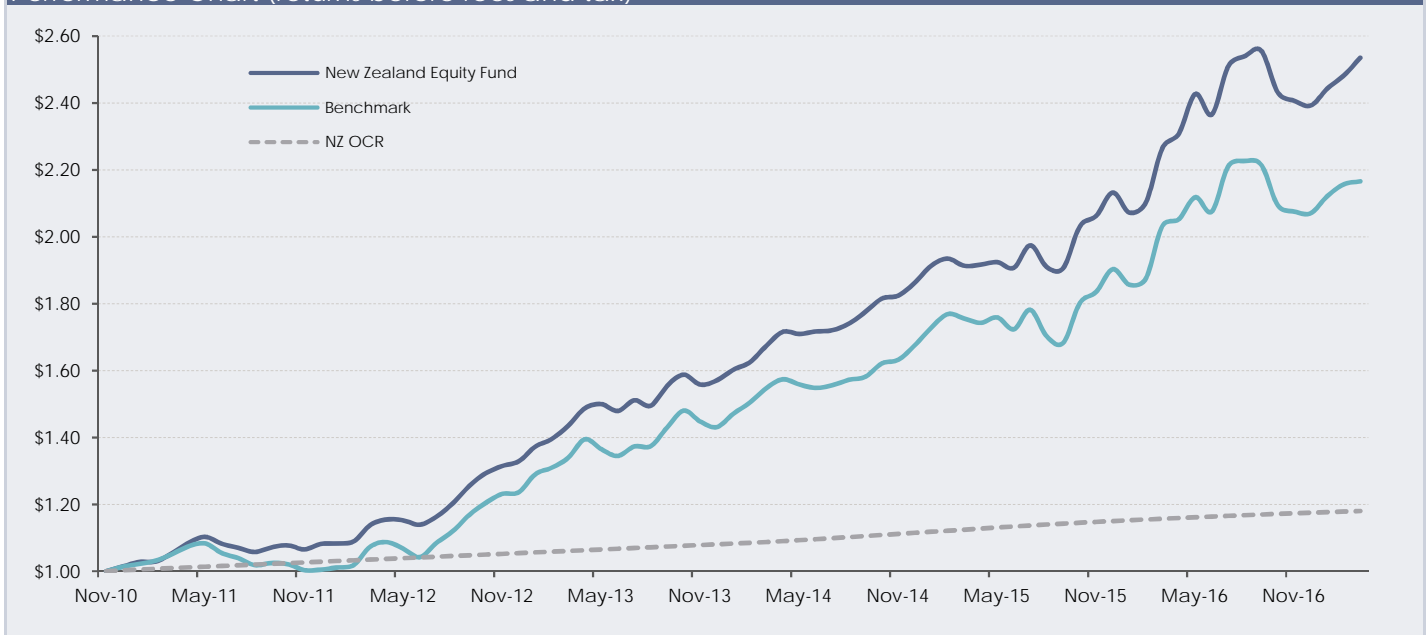
1. Includes imputation credits where applicable

2. Historic performance based on the benchmark that was effective at the time (currently the S&P/NZX 50 Index)

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 (OSAM) 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.

Past performance is not a reliable guide to future performance. Returns or performance are not guaranteed by OSAM, Craigs Investment Partners Limited, The New Zealand Guardian Trust Company Limited, any related companies or any other person. This information is not a substitute for professional advice and does not take into account the investment objectives, financial situation or particular needs of any particular person. We recommend you read the PDS and seek professional assistance from an Authorised Financial Adviser.

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