

# QuayStreet Funds Quarterly Fund Update

## QuayStreet Balanced SRI Fund

QUARTER ENDED 30 SEPTEMBER 2017

This fund update was first made publicly available on 27 October 2017.

### 1. WHAT IS THE PURPOSE OF THIS UPDATE?

This document tells you how the QuayStreet Balanced SRI Fund (Balanced SRI Fund) has performed and what fees were charged. The document will help you to compare the Fund with other funds. QuayStreet Asset Management Limited has prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

### 2. DESCRIPTION OF THIS FUND

A diversified portfolio with a balance between income assets, growth assets and derivatives where investments are selected based on our environmental sustainability and socially responsible criteria targeting a return above the Fund's benchmark.

Total Value of the Fund	\$ 34,345,984
The date the Fund started	31 October 2007

### 3. WHAT ARE THE RISKS OF INVESTING?

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 [quaystreet.com/investor-basics](http://quaystreet.com/investor-basics).

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 a 5 year period to 30 September 2017. 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.

#### RISK INDICATOR FOR THE BALANCED SRI FUND

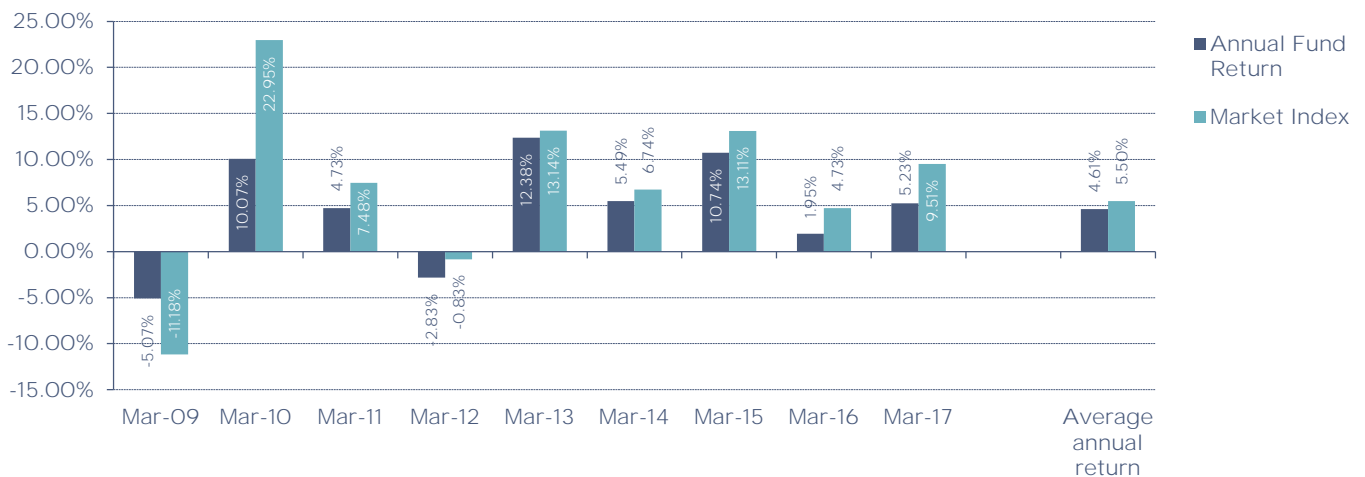


## 4. HOW HAS THE FUND PERFORMED?

	AVERAGE OVER PAST 5 YEARS	PAST YEAR (TO 30 SEPTEMBER 2017)
Annual Return (after deductions for charges and tax)	6.80%	5.49%
Annual Return (after deductions for charges but before tax)	7.80%	6.69%
Market Index Annual Return (reflects no deduction for charges and tax)	9.41%	10.15%

Market Index weighted 40% MSCI World Index Net Total Return (NZD), 10% S&P/NZX 50 Gross Index, 10% S&P/ASX Accumulation 200 Index, 30% S&P/NZX Investment Grade Corporate Bond Index Total Return and 10% NZ 90 day Bank Bill. For more information about the market index see the Offer register for the QuayStreet Funds at [business.govt.nz/disclose](http://business.govt.nz/disclose).

### ANNUAL RETURN GRAPH<sup>1</sup>



This shows the return after fund charges and tax for each full year ending 31 March since the fund started. The last bar shows the average annual return since the fund started, up to 30 September 2017.

**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) for an individual New Zealand resident. Your tax may be lower.

## 5. WHAT FEES ARE INVESTORS CHARGED?

Investors in QuayStreet Balanced SRI Fund are charged fund charges. In the year to 31 March 2017 these were:

	% OF NET ASSET VALUE
TOTAL FUND CHARGES <sup>2</sup> Which are made up of -	1.29%
Total management and administration charges including -	1.29%
Manager's basic fee	1.09%
Other management and administration charges	0.20%
Total performance-based fees	0.00%

OTHER CHARGES	DESCRIPTION OF HOW CHARGE IS CALCULATED
Brokerage	Up to 0.50% of the amount being traded when the Fund buys or sells securities.

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the PDS for the QuayStreet Funds on the offer register at [business.govt.nz/disclose](http://business.govt.nz/disclose).

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

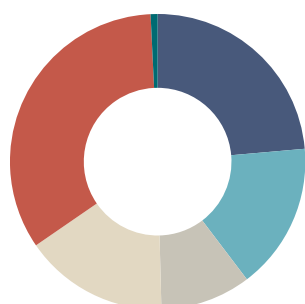
### EXAMPLE OF HOW THIS APPLIES TO AN INVESTOR

Emma has \$50,000 in the Fund at the start of the year and did not make any further contributions. At the end of the year, Emma received a return after fund charges were deducted of \$3,345.00 (that is 6.69% of her initial \$50,000). Emma did not pay any other charges. This gives Emma a total return after tax of \$2,745.00 for the year.

## 6. WHAT DOES THE FUND INVEST IN?

This shows the types of assets that the Fund invests in.

ACTUAL INVESTMENT MIX  
(AS AT 30 SEPTEMBER 2017)



- Cash and cash equivalents - 23.61%
- New Zealand fixed interest - 16.06%
- International fixed interest - 9.92%
- Australasian equities - 15.82%
- International equities - 33.83%
- Listed property - 0.76%

TARGET INVESTMENT MIX

	TARGET	RANGE
CASH AND CASH EQUIVALENTS	10%	0%-60%
NEW ZEALAND FIXED INTEREST	30%	0%-60%
INTERNATIONAL FIXED INTEREST	0%	0%-60%
AUSTRALASIAN EQUITIES	20%	0%-80%
INTERNATIONAL EQUITIES	40%	0%-80%
LISTED PROPERTY	0%	0%-40%
UNLISTED PROPERTY	0%	0%-40%
COMMODITIES	0%	0%-0%
OTHER	0%	0%-0%

### TOP 10 INVESTMENTS

ASSET NAME	% OF FUND NET ASSETS	TYPE	COUNTRY
Cash ANZ (NZD)	23.24%	Cash and cash equivalents	New Zealand
MSCI World ESG TRS	15.38%	International equities	United States
Ishares MSCI KLD 400 Social	9.18%	International equities	United States
BZLNZ Term Deposit 3.28% 27/04/2018	5.86%	Cash and cash equivalents	New Zealand
Cash Citibank (USD)	2.93%	Cash and cash equivalents	United States
Cash Citibank (AUD)	2.62%	Cash and cash equivalents	Australia
BZLNZ Term Deposit 3.33% 15/11/2017	2.38%	Cash and cash equivalents	New Zealand
Ishares MSCI Europe SRI ETF	1.92%	International equities	Germany
MSCI EMU SRI - UBS ETF	1.67%	International equities	Germany
Stockland (Nov 2022)	1.66%	International fixed interest	Australia

The Top 10 investments make up 66.84% of the net asset value of the Fund.

Currency hedging is material to the Balanced SRI Fund and can range from 0 - 100% of the total foreign nominated assets.

## 7. KEY PERSONNEL

NAME	CURRENT POSITION	TIME IN CURRENT POSITION	PREVIOUS POSITION	TIME IN PREVIOUS POSITION
James Ring	Investment Manager International Equities	3 year/s and 3 month/s	Investment Manager, Rank Group Limited	1 year/s and 0 month/s
Andrew South	Investment Manager Australasian Equities	3 year/s and 3 month/s	Chief Investment Officer, Brook Asset Management Limited	4 year/s and 1 month/s
Roy Cross	Senior Analyst	3 year/s and 3 month/s	Senior Analyst, Brook Asset Management Limited	8 year/s and 7 month/s
Stefan Stevanovic	Senior Analyst	3 year/s and 3 month/s	Research Analyst, Brook Asset Management Limited	6 year/s and 7 month/s

## 8. FURTHER INFORMATION

You can obtain further information from the PDS and Other Material information for the QuayStreet Funds from the offer register at [business.govt/disclose](http://business.govt/disclose).

## 9. NOTES

<sup>1</sup> Market Index returns do not reflect deductions of any Fund charges or taxes.

<sup>2</sup> Management fees in the QuayStreet Balanced SRI Fund of 1.25% include Supervisor, Custody and Registry charges which are shown here as other management and administration charges. Other management and administration changes also include expenses incurred within the Fund. This percentage will change from year to year.



QUAYSTREET®  
ASSET MANAGEMENT

P- 0800 782 900 // E. [INFO@QUAYSTREET.COM](mailto:INFO@QUAYSTREET.COM)

LEVEL 36 VERO CENTRE, 48 SHORTLAND STREET, AUCKLAND CENTRAL 1010 NZ // [QUAYSTREET.COM](http://QUAYSTREET.COM)

FUND MANAGERS: PO BOX 1196, SHORTLAND STREET, AUCKLAND 1140

CLIENT SERVICES: PO BOX 13155, TAURANGA CENTRAL, TAURANGA 3141