



CASTLE POINT

Fund Update

for the quarter ending 30 June 2019

Castle Point Funds – Castle Point 5 Oceans Fund

This fund update was first made publicly available on 26 July 2019.

What is the purpose of this update?

This document tells you how Castle Point 5 Oceans Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Castle Point Fund Management Limited prepared this update in accordance with the [Financial Markets Conduct Act 2013](#). This information is not audited and may be updated.

Description of this fund

The Castle Point 5 Oceans fund is a diversified fund that provides exposure to a range of growth and defensive assets both globally and locally. The fund can invest both in direct securities and selected managed funds.

The objective of the fund is to generate a positive return above cash with a focus on protecting investors capital.

The performance objective of the fund is to outperform the NZ Official Cash Rate by 3% per annum over the medium to long-term, after all fees (and other expenses) but before tax.

Total value of the fund	NZ\$51,322,702
The date the fund started	25 October 2016

What are the risks of investing?

Risk indicator for Castle Point 5 Oceans Fund



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 www.sorted.org.nz/tools/investor-kickstarter.

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 5 years to 30 June 2019 (using market index returns prior to fund inception, in October 2016, and the fund’s actual returns since then). As a result of those returns being used, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund. 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.

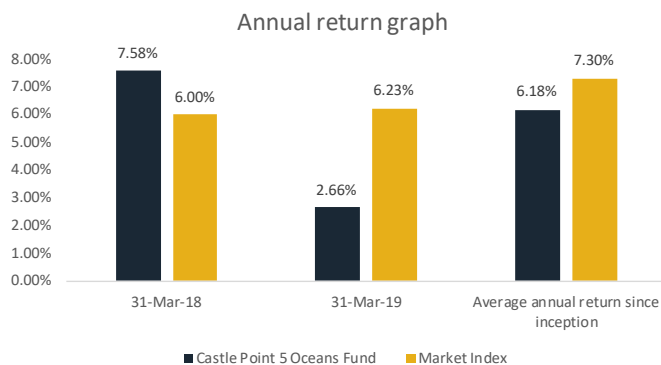
See the Castle Point 5 Oceans Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.



How has the fund performed?

	Past year
Annual return (after deductions for charges and tax)	3.57%
Annual return (after deductions for charges but before tax)	4.27%
Market index annual return (reflects no deduction for charges and tax)	5.97%

The market index annual return is based on composite returns, calculated using the target asset allocation as shown in the Statement of Investment Policy and Objectives (SIPO). The market index includes Imputation Credits where applicable. Additional information about the market index is available on the offer register at www.business.govt.nz/disclose under documents and "Further information on market index".



This shows the return after fund charges and tax for each year ending 31 March since the fund started. The last bar shows the average annual return since the fund started, up to 30 June 2019.

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

What fees are investors charged?

Investors in the Castle Point 5 Oceans Fund pay fund charges. In the year to 31 March 2019 these were (inclusive of applicable GST):

	% of net asset value
Total fund charges	1.25%
Which are made up of:	
Total management and administration charges	1.08%
Including:	
Manager's basic fee	1.07%
Other management and administration charges	0.01%
Total performance based fees	0.17%

See the PDS for more information about the basis on which performance fees are charged.

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 more information about fees.

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

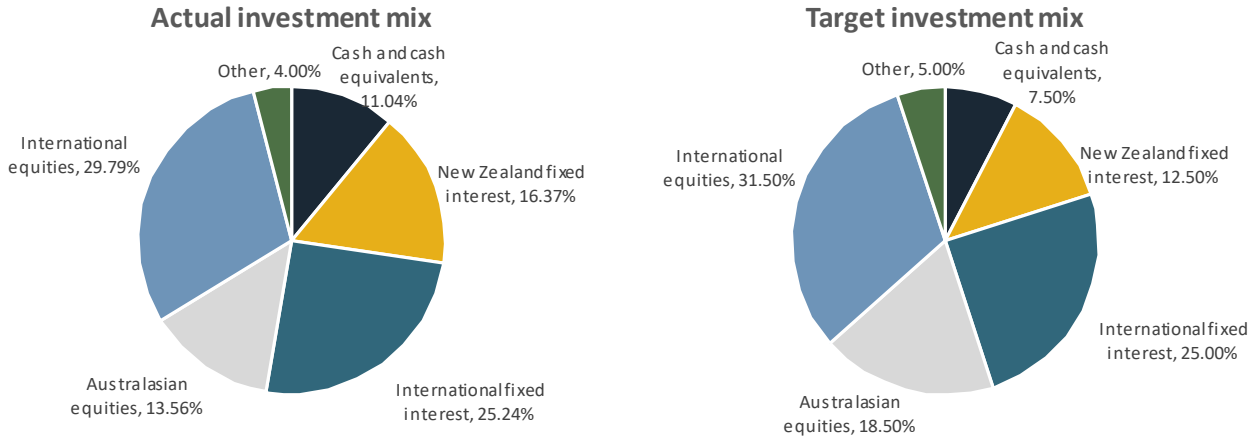
Example of how this applies to an investor

Zoe had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Zoe received a return after fund charges were deducted of \$357 (that is 3.57% of her initial \$10,000). This gives Zoe a total return after tax of \$357 for the period.



What does the fund invest in?

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



See Note 1

The target hedging levels as at 30 June 2019 were:

- International fixed interest - 100%
- International equities - 50-100%
- Australian equities - 90-100%
- Other 100%

The Fund's exposure to assets denominated in foreign currencies was 56.75%, of which 84.11% was hedged. This means the Fund's total unhedged foreign currency exposure was 9.02% of the net asset value of the Fund.

Please see the SIPO for further detail.

Top 10 investments

Name	% of fund net assets	Type	Country
Acadian Managed Volatility (via the Mercer Low Volatility Shares Portfolio)	19.20%	International equities	NZ
Daintree Core Income Trust NZD	12.70%	International fixed interest	AU
T. Rowe Price DYN GLB Bond FD AU	12.41%	International fixed interest	AU
Cash at Bank (NZD ANZ)	11.74%	Cash and cash equivalents	NZ
Schroder Glb Recovery Fund P Class	10.22%	International Equities	AU
AMP Capital NZ Short Duration	9.13%	New Zealand fixed interest	NZ
Kohinoor Pacific Fund Class A (AUD)	2.06%	Other	IE
Kohinoor Core Class B	1.91%	Other	IE
CNUNZ 4.12% 06/05/2021	1.52%	New Zealand fixed interest	NZ
Z Energy Ltd 6.50% 15/11/19	1.30%	New Zealand fixed interest	NZ

The top 10 investments make up 82.19% of the net asset value of the fund.



Information about key personnel

Name	Current Position	Time in current position	Previous/other position	Time in previous/other position
Richard Stubbs	Partner	6 years and 2 months	Head of Equities, Tower Asset Management	2 years and 8 months
Stephen Bennie	Partner	6 years and 2 months	Equities Manager, Tower Asset Management	2 years and 8 months
Jamie Young	Partner	6 years and 2 months	Equities Analyst, Tower Asset Management	2 years and 8 months
Gordon Sims	Partner	6 years and 2 months	Equities Analyst, Tower Asset Management	2 years and 8 months
Amanda Smith	Chair of board and investment committee	3 years and 5 months	Head of Equities, ANZ (NZ) Investments	14 years and 11 months

Further information

You can also obtain this information, the PDS for Castle Point 5 Oceans Fund, and some additional information from the offer register at www.business.govt.nz/disclose.

Notes

1. Other includes assets that are designed to provide downside protection in market crashes and increase diversification. Examples include options and hedge funds.

Contact us:

Phone: 09 300 6060

Email: info@castlepointfunds.com

Website: www.castlepointfunds.com