



5 Oceans Fund

February 2017

Performance Commentary

The Fund was up 1.50% in January which means it finishes its first full 3 months up 2.16% which is nearly 1% ahead of its OCR + 3% objective.

In a reversal of last month the locally exposed Ranger Fund had a very strong month, up over 6%. The global focused Acadian Fund was down around 2.5% on an unhedged basis, largely due to currency as the NZD strengthened (particularly against the USD) over the month. The currency hedging we have in place therefore produced a positive return largely offsetting these losses.

Bond yields continued to move around in January but finished at similar levels to where they started. Our bond managers had solid months, both up around 0.35%.

Fund Strategy

The 5 Oceans Fund is designed to have a diversified asset and geographic exposure. The exposure to growth assets can be varied between 30% and 70% of the Fund depending on the underlying managers' assessment of market risk. This is quite different from traditional diversified funds which often target a set growth allocation and invest accordingly.

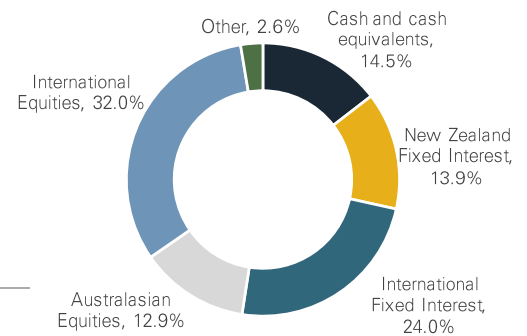
The Fund achieves this by carefully selecting managers that have flexible investment mandates and/or employ risk mitigation strategies. This gives the Fund a dynamic and flexible exposure to growth assets and greater focus on capital protection in the event of market crashes.

Performance to 31 January 2017 (net of fees)

	Past Month	Past Quarter	Past Year	Since Inception (p.a.)*
5 Oceans Fund	1.50%	2.16%		2.15%
NZ Official Cash Rate plus 3%	0.39%	1.18%		1.26%
Over/Under Performance	+1.11%	+0.98%		+0.89%

*Fund inception 25th October 2016

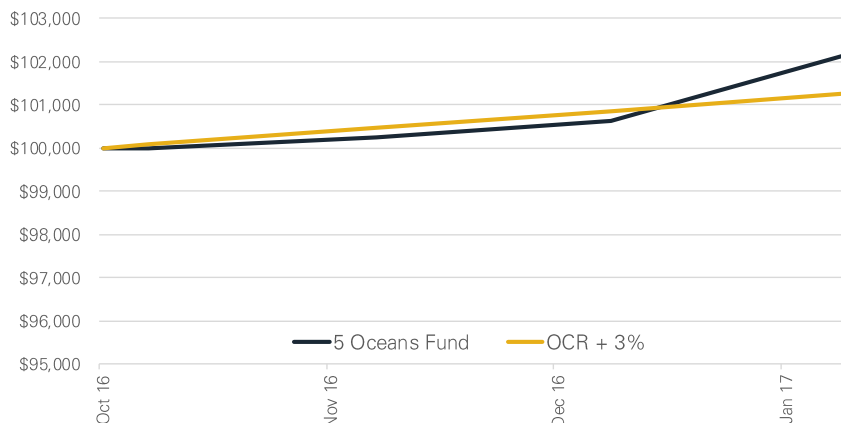
Holdings by Asset Class



Key Facts

Supervisor	Public Trust	Distribution	0.35c per month
Custodian	Public Trust	Return Target	NZ OCR + 3%
Administrator	MMC limited	Recommended Investment Horizon	Medium term (at least 3 years)
Auditor	Deloitte	Minimum Initial Investment	\$10,000
Liquidity	Daily	Minimum Additional Investment	\$1,000

Growth of \$100,000 after fees



Fund Holdings

Acadian Managed Volatility Fund	31.4%
Kapstream Absolute Return Income Fund	23.5%
Castle Point Ranger Fund	20.2%
AMP Capital NZ Short Duration Fund	11.9%
Kohinoor Core Fund	2.6%
Cash & Cash equivalents	9.3%

Fees

1.05% capped management fee which covers our management fee, the management fees of the underlying funds and normal operating expenses of the fund. No entry or exit fees are currently charged but there is a buy/sell spread of 0.30% of each investment / withdrawal.