



5 Oceans Fund

July 2017

Performance Commentary

The 5 Oceans Fund was down 0.22% in June with mixed returns from the underlying strategies.

Locally, the Australasian focused Ranger Fund had a quiet month, up 0.14%. The global focused Acadian Fund was down around 2.9% in unhedged terms but the foreign currency hedging in place mostly mitigated this.

Bond yields started to move back up in June, particularly in the last week of the month. The NZ 10-year yield quickly moved out to 3.00%. Our bond managers performed well considering those moves with AMP up 0.01% and Kapstream up 0.12% (in AUD).

Volatility died down again in June, despite growing geo-political and macro concerns, which saw Kohinoor recording a flat 0.12% (in AUD).

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.

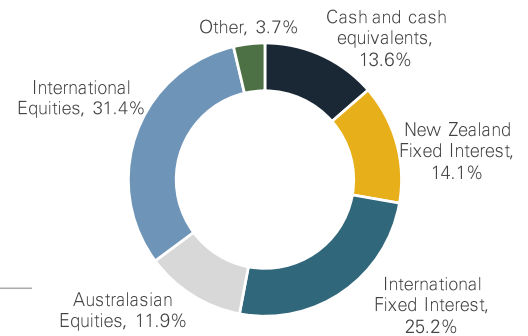
The Fund achieves this by carefully selecting managers that have flexible investment mandates and/or employ risk mitigation strategies. This gives the Fund a dynamic and flexible exposure to growth assets and greater focus on capital protection in the event of market crashes.

Performance to 30 June 2017 (net of fees)

	Past Month	Past Quarter	Past Year	Since Inception (p.a.)*
5 Oceans Fund	-0.22%	0.87%		5.35%
NZ Official Cash Rate plus 3%	0.38%	1.16%		3.21%
Over/Under Performance	-0.61%	-0.30%		+2.14%

*Fund inception 25th October 2016

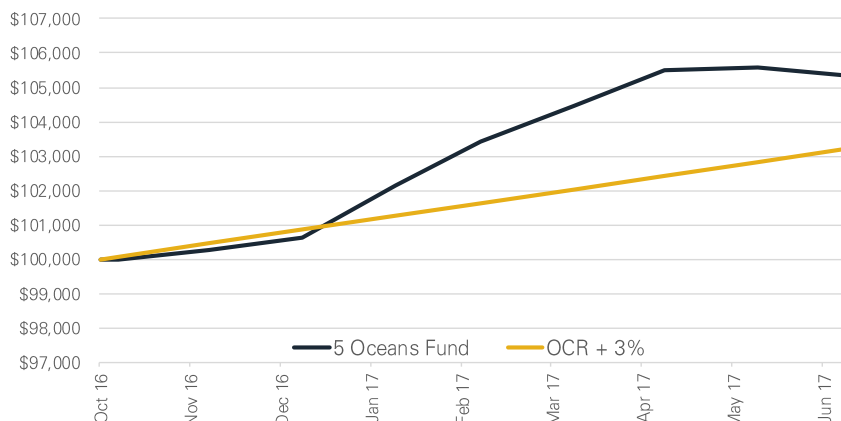
Holdings by Asset Class



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



Largest Holdings

Acadian Managed Volatility Fund	30.3%
Kapstream Absolute Return Income Fund	24.6%
Castle Point Ranger Fund	19.1%
AMP Capital NZ Short Duration Fund	12.2%
Kohinoor Pacific Fund	3.7%
Cash & Cash equivalents	8.3%

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.