



5 Oceans Fund

September 2017

Performance Commentary

The 5 Oceans Fund was up 1.47% in August with positive contributions from the majority of underlying strategies.

The Australasian focused Ranger Fund continued on from its strong July, up another 3.0%. The global Acadian Fund was up around 4.8% (in unhedged terms), due in part to a weakening New Zealand dollar so the currency hedging in place tempered some of these gains.

The bond managers had solid months with AMP and Kapstream both up around 0.3%.

Short-term volatility spiked higher during the month before settling down towards the end, this meant Kohinoor had little impact on returns in August.

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.

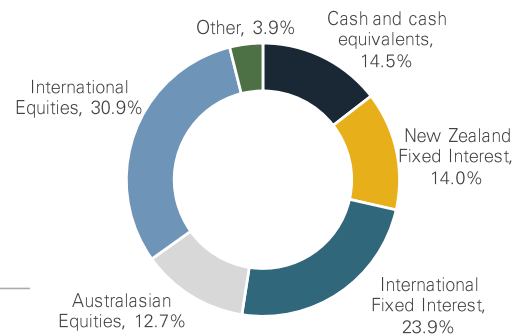
The Fund achieves this by carefully selecting managers that have flexible investment mandates and/or employ risk mitigation strategies. This gives the Fund a dynamic and flexible exposure to growth assets and greater focus on capital protection in the event of market crashes.

Performance to 31 August 2017 (net of fees)

| | Past Month | Past Quarter | Past Year | Since Inception (p.a.)* |
|-------------------------------|------------|--------------|-----------|-------------------------|
| 5 Oceans Fund | 1.47% | 2.41% | | 8.13% |
| NZ Official Cash Rate plus 3% | 0.39% | 1.18% | | 4.03% |
| Over/Under Performance | +1.08% | +1.23% | | +4.1% |

*Fund inception 25th October 2016

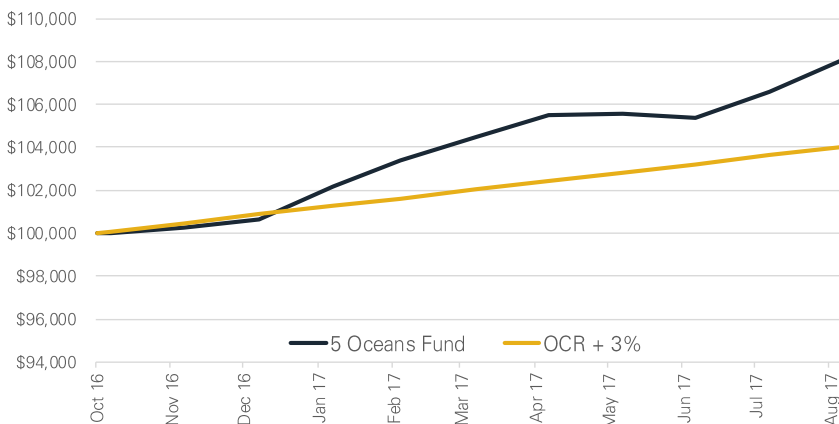
Holdings by Asset Class



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 | 31.4% |
| Kapstream Absolute Return Income Fund | 24.5% |
| Castle Point Ranger Fund | 19.8% |
| AMP Capital NZ Short Duration Fund | 12.5% |
| Kohinoor Pacific Fund | 3.9% |
| Cash & Cash equivalents | 8.9% |

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.