



## Trans-Tasman Fund

31 October 2020

### Performance Commentary

The Trans-Tasman Fund was up 2.61% in October versus the S&P/NZX50 benchmark, which was up 2.87%.

Coventry Group was the biggest positive contributor for the fund following a solid trading update midway through the month. Coventry is an Australasian industrial services and supplies business (nuts and bolts and hydraulic fluids) which has proven to be resilient to the impacts of COVID-19. The trading update confirmed that the turnaround in the business is proceeding well with revenue continuing to improve. Group revenue for the first quarter of the new financial year was up nearly 8% on the same time last year. The share price rose 22% on the back of this positive update.

Capral, Australia's largest extruder and distributor of aluminium, is also in turnaround mode and proving to be COVID-19 resilient. During October they issued new guidance that confirmed increased profitability and raised the potential for an interim dividend. Its share price rose 26% on this news.

Corporate Travel Management was a drag on performance as its share price consolidated after strong recent gains, its share price was down 14%. The other drag on performance was the relative underweight in Summerset Group which was up 18% for the month.

### Portfolio Strategy

The Castle Point Trans-Tasman Fund invests in New Zealand and Australian Listed Companies and is benchmarked to the S&P/NZX 50 Index. The objective of the portfolio is to outperform the benchmark over rolling three year periods. With its high active share the portfolio targets a tracking error of between 3-6% and will typically have less than 5% in cash at any time.

### Performance to 31 October 2020 (Net of fees & excl ICs)\*

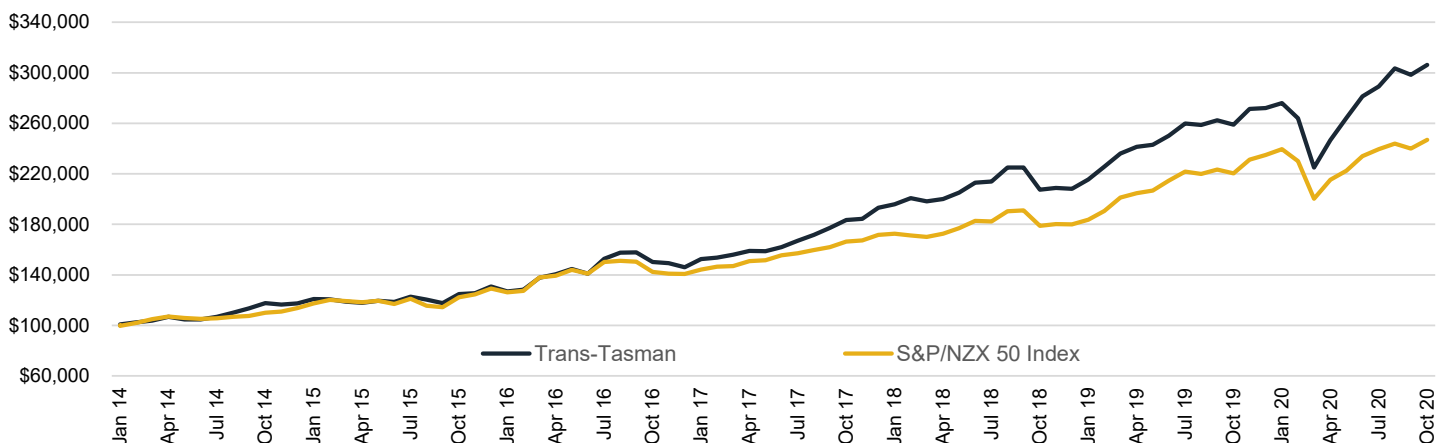
	Past Month	Past Quarter	Past Year	Past 3 Years (p.a.)	Past 5 Years (p.a.)	Since Inception (p.a.)
Trans-Tasman Portfolio	2.61%	5.92%	18.29%	18.61%	19.65%	17.93%
S&P/NZX50 Index excluding IC's	2.87%	3.04%	12.02%	14.05%	15.08%	14.25%
Out/Under Performance	-0.26%	+2.88%	+6.27%	+4.56%	+4.57%	+3.68%

\*The inception date of the PIE fund is 20 November 2018. The performance numbers from 17 January 2014 to 20 November 2018 are from a Wholesale Individually Managed Account with the same strategy.

### Key Facts

Supervisor	Public Trust	Distribution	Quarterly
Custodian	MMC limited	Return Target	S&P/NZX50 Index
Administrator	MMC limited	Recommended Investment Horizon	Long term (at least 5 years)
Auditor	Deloitte	Minimum Initial Investment	\$10,000
Liquidity	Daily	Minimum Additional Investment	\$1,000

### Growth of \$100,000 (Net of fees & excl ICs)





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### Largest Overweight Positions

Redbubble	AUD	2.9%
AFT Pharmaceuticals	NZD	2.0%
Contact Energy	NZD	1.9%
Fletcher Building	NZD	1.9%
Retail Food Group	AUD	1.7%
Macmahon Holdings	AUD	1.6%
OFX Group	AUD	1.5%
AMA Group	AUD	1.5%
IVE Group	AUD	1.5%
Corporate Travel Management	AUD	1.4%

### Largest Underweight Positions

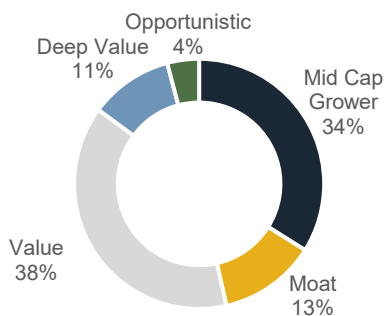
Summerset Group	NZD	-1.9%
Spark New Zealand	NZD	-1.7%
Ebos Group	NZD	-1.7%
Fisher & Paykel Healthcare	NZD	-1.6%
Chorus	NZD	-1.6%
Pushpay Holdings	NZD	-1.6%
Auckland International Airport	NZD	-1.5%
A2 Milk Company	NZD	-1.5%
Port of Tauranga	NZD	-1.5%
Freightways	NZD	-1.1%

### Distribution History

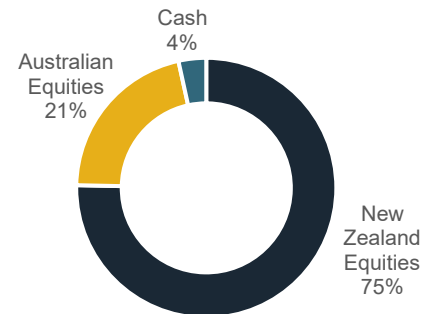
Date	Dollars per Share (\$)	Unit Price (\$)	Yield per distribution
20/10/2020	0.025	3.0118	0.83%
20/07/2020	0.01	2.7249	0.37%
20/04/2020	0.018	2.3790	0.76%
20/01/2020	0.013	2.6805	0.48%
21/10/2019	0.025	2.5637	0.98%
25/07/2019	0.013	2.551	0.51%

Distributions are paid quarterly in January, April, July and October

### Equity Overweights by Category



### Holdings by Country



### Fees

1.05% capped management fee which covers our management fee 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.



- Zenith FundSource Australasian Equities Manager of the Year 2019
- Zenith FundSource Boutique Manager of the Year 2019

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