

15 July 2020

Tern Point Recreation & Conservation Society Inc  
PO Box 141  
Mangawhai 0540

Dear Bryan and Kevin,

### Portfolio Reports and Update to 30 June 2020

If a week is a long time in politics - as the saying goes, the last 6 months have certainly felt like a lifetime for investment markets. With a continuing barrage of information surrounding Covid19 and with global economies at varying stages of either lockdown or relaxation of social distancing, its doubtful many would have predicted the strong bounce back in markets during the June quarter. Yet that's exactly what happened which just goes to show how difficult it is to time markets and why we remind clients of the importance of focusing on time in the market and not timing of the market.

What may seem surprising in the midst of the market rebound is the extent to which reported cases of Covid19 continue to grow worldwide having reached 12 million, more than 12 times the figure we reported in our March update. However, markets have reacted positively to the unprecedented central bank and government stimulus of their economies. To learn more, read our market update for the quarter accompanying your June 2020 portfolio report pack, now available in your client portal. This includes a;

- A portfolio performance summary
- A portfolio performance report (by asset)
- A portfolio valuation
- A cash transaction report
- An asset transaction summary report, and
- An amount contributed (and withdrawn) report

To view you reports, log in to the Client Portal and click on the "Adviser Publications" tab. If you have forgotten how to log in, please contact us.

### **Changing the way we work**

One thing Covid19 showed us is we can work effectively away from the office for extended periods, with the entire Saturn Advice team working from home between 23<sup>rd</sup> March through to 2<sup>nd</sup> June. We were able to work remotely because of the technology we've invested in over the years and are now trialing a combination of in the office and remote working on an ongoing basis. We believe the benefits of this more flexible working arrangement include higher productivity, a better work/life balance for staff, a guard against the spread of colds and flus (including Covid19) and doing our bit to relieve traffic congestion.

This won't affect the service we provide to you, our clients. You can still contact us the way you do today and we'll be available by email, over the phone, through face to face meetings and now video calls. The latter is a relatively new tool for us and already a number of clients are embracing having their meetings with us via a video link from the comfort of their own home. They are particularly effective when there are multiple people involved in a meeting residing in different locations. If you'd like to give it a go, get in touch with your Saturn financial adviser.

### **Licensing of Financial Advice Finally Confirmed**

Regulatory change for financial advice has been on the horizon for some time now and was pushed out to 2021 as a result of Covid19. It has now been confirmed that new regulations requiring financial advice businesses to be licensed will come into effect on 15 March 2021. We will let you know more about what this means as we get closer to that date, suffice to say Saturn already has significant experience with financial market licenses (having two of them) and has already been granted a transitional Financial Advice Provider License by the Financial Markets Authority.

### **Monthly e-newsletter**

In June we launched our inaugural monthly e-newsletter. The purpose of this is to keep you informed with what's going on in financial markets and at Saturn Advice in between receiving your quarterly reports from us. If you'd like to give us some feedback on this, please get in touch.

### **New Saturn Website Articles**

We've been busy adding articles to the Saturn Advice website over the last 3 months including:

- Is now a good time to invest during Covid19?
- Short term behaviours can negatively affect long term returns
- Financial Pandemonium? How the past provides insights on managing the financial impact of Covid19
- Saturn's approach to responsible investing
- Are fees stopping you from getting financial advice?, and
- How's your financial resilience? – A reality check.

You can read these articles by going to the Saturn website home [page](#).

### **Moving Investment Administration Platforms**

We've mentioned this a number of times in previous quarterly updates and its now getting closer to reality with Saturn planning to move to the NZX owned Wealth Technologies platform in the December quarter. Planning is well underway for this with the Saturn team getting weekly training on the new platform. You don't need to do anything as part of the move but if you are using the existing client portal, we'll provide details on how to access the new one closer to the time.

### **Alistair Pirie Retires from Saturn**

Alistair retired from Saturn Advice at the end of April, after a highly successful financial services career spanning more than 55 years across banking and financial advice. AP, as he is known to the Saturn team, founded the business now known as Saturn Advice back in 1988 after the share market crash of 1987. An invaluable member of the Saturn team, he is well known for his "straight shooting" and no-nonsense advice honed from years of practical experience. We know AP's clients will miss him, as will we but after 55 years, I'm sure we all agree he deserves the opportunity to enjoy his retirement! We've been working with AP over the last few months on transitioning clients to their new Saturn adviser, but AP won't be completely lost to us, agreeing to stay on as a member of the Saturn Investment Committee for now. All the best AP.

As always we appreciate your feedback so if you'd like to share your thoughts with us, please contact your Saturn financial adviser or get in touch by [phone or email](#).

Yours sincerely



Peter Dine  
General Manager

## markets summary – June 2020

Asset class	Review	Outlook
<b>International equities</b>	All major international sharemarkets experienced a sharp rebound over the quarter. This was primarily driven by investors buying the March lows and optimism around unprecedented policy support from governments and central banks to counter the COVID-19 economic fallout.	The outlook remains uncertain near term. The markets are expected to experience persistent volatility over the coming months due to a tug-of-war between the economic fundamentals in combination with resurfaced geo-political tensions pulling the markets down and central banks providing a backstop through continued support.
<b>Australasian equities</b>	New Zealand equities followed suit from global share markets and rebounded sharply for the quarter due to comparatively better management of the COVID-19 outbreak. Australian equities outperformed New Zealand equities bouncing off lows from the March quarter.	Relatively better management of the health crisis has presented the New Zealand and Australian economies an opportunity to recover sooner than most developed economies. However, the path to recovery is dependent on avoiding a resurgence of the health crisis and a recovery in consumer confidence.
<b>International infrastructure</b>	International infrastructure underperformed the wider share markets for the quarter against the backdrop of continued shutdowns caused by the COVID-19 outbreak affecting infrastructure assets, particularly cyclical assets e.g. airports.	The outlook for international infrastructure remains mixed with the more cyclical subsectors such as airports expected to continue to see lower aeronautical revenues until the international travel restrictions are loosened. Significant infrastructure spending as promised by governments may result in investing opportunities and higher revenues over the medium term.
<b>Property</b>	New Zealand listed property recovered somewhat over the quarter but is still weighed down by investor expectations of revenue losses and tenancy defaults. Australian listed property was the best performing asset class for the quarter due to a sharp rebound in the retail subsector.	Falling interest rates provide support for property asset valuations while making the property yields look more attractive. Directly affected subsectors including hospitality and tourism may continue to struggle over the short to medium term. Industrials offer a defensive appeal during the current volatile environment due to the accelerated advent of e-commerce.
<b>International fixed interest</b>	Bond yields were flat to lower across most major economies on the back of quantitative easing programmes implemented by respective central banks. Accordingly, international fixed interest provided a positive return for the quarter.	The major central banks have taken extensive measures to support their respective economies as the COVID-19 economic fallout unfolds. Highest quality assets may see persistently lower yields due to investor demand and the quantitative easing measures by the central banks.
<b>New Zealand cash and fixed interest</b>	The RBNZ maintained the OCR at its historically low level while intensifying its quantitative easing programme. This pushed the yields lower and helped the asset class provide a positive return for the quarter. The New Zealand dollar appreciated against the US dollar due the more aggressive quantitative easing measures by the later and an improvement in investor sentiment supporting commodity currencies.	The RBNZ has indicated that the OCR may be maintained at least till the end of this year. The historically low OCR in combination with the RBNZ's quantitative easing programme to buy government bonds from investors means interest rates will likely stay lower for longer. Term deposit rates may go even lower and stay lower for longer. The New Zealand dollar, being considered a commodity currency may again fall out of favour if the COVID-19 outbreak or the global economic outlook turns for the worse.

## world and local economies & markets

### the almost too strong rebound

The unprecedented equity markets sell-off in the March quarter has been followed by a near unprecedented rebound during the June quarter. The strength and magnitude of the rebound seemed somewhat a disconnect with the underlying economic and health reality.

At the time of writing, COVID-19 had infected more than 12 million people across more than 180 countries and territories and had caused more than 550,000 deaths. Sadly, these numbers are still expected to be much higher by the time the COVID-19 outbreak subsides.

Governments across the globe implemented social distancing measures to slowdown the spread of COVID-19. While these measures had some success in slowing the number of daily new cases, the economic costs of keeping entire regions locked down and businesses shut began to stack up. Over recent weeks, some governments have been slowly reopening their economies while others have pushed out such plans due to a resurgence of new cases.

As mentioned in our March commentary, governments and central banks pulled on a wide range of levers in supportive fiscal and monetary policies to mitigate COVID-19's economic impact. These measures have been, so far, successful in keeping most businesses alive, many of which were forced to shut often with no or heavily reduced revenues. However, the sustainability of these supportive policies is in question if the outbreak and the accompanying social distancing measures linger for longer.

Over the quarter, all asset classes produced positive returns. After being the worst performer during the March quarter, Australian REITs provided the best return over the June quarter while New Zealand cash provided the lowest return for the period driven by low interest rates dropping even further.

### Asset Returns (NZD)

Asset Class	QTR	1yr	3yr	5yr
New Zealand Cash	0.1	1.2	1.7	2.0
New Zealand Fixed Income	2.6	5.7	5.9	5.2
Global Fixed Income	2.4	5.7	5.0	5.2
New Zealand REITs	6.7	-8.3	9.4	9.1
Australian REITs	24.5	-18.8	3.0	3.5
Global Infrastructure	4.6	-11.8	2.5	2.7
New Zealand Equities	16.9	9.0	14.6	14.9
Australian Equities	21.0	-5.4	6.0	4.7
Global Equities	9.9	7.3	11.4	8.0

*Returns are shown as %. 3yr and 5yr returns are per annum (annualised). As at 30 June 2020.*

## international equities

### review

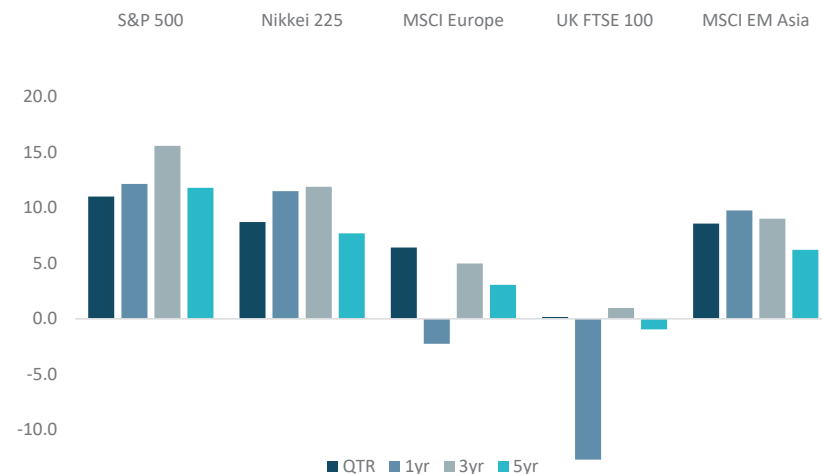
Equity markets world over were strongly positive through April to early June. Thereon, the equity markets gave up some of their gains and moved sideways swayed by the growing concerns surrounding the resurgence of new COVID-19 cases and optimism from policy support announcements by central banks.

Despite the higher volatility towards the end, the quarter ended as one of the best in history for most major sharemarkets.

Over the quarter, in NZD terms, the S&P 500 was up 11.0%, the Nikkei 225 rose by 8.7% while the MSCI Europe returned 6.4%. The FTSE 100 Index underperformed for the quarter returning just 0.2% driven by concerns that the region may experience its worst recession ever.

The emerging markets also had a firmly positive quarter despite some of the Asian countries (e.g. India and Pakistan) witnessing a sharp rise in new cases. The MSCI EM Asia rose by 8.6% for the quarter, mainly due to support from China having successfully contained the COVID-19 outbreak and having made a start towards resuming normal economic activity.

### Regional Indices (NZD) – Trailing Returns (%)



*As at 30 June 2020*

## outlook

COVID-19 has effectively forced most economies into a recession around the globe. While no two recessions have been similar in the past, most have been either limited geographically or to an economic sector with the larger ones causing ripple effects across other regions and sectors. COVID-19 has been unique at pushing most economies into a recession almost simultaneously and directly affecting most sectors albeit with varying severity. While this may seem scary it is worth noting that most major economies were experiencing GDP growth and businesses among most sectors were enjoying profit growth before being abruptly halted by COVID-19. This means that in theory, GDP and profit growth should return as soon as the health crisis is contained.

In reality though, the path for recovery is not so straightforward. To simplify, there are two sides of the economic equation, the supply side and the demand side. Largely, the supply side is represented by the businesses providing goods and services and the demand side is dependent on consumer spending.

Governments and central banks, using a myriad of supportive policy measures, have done a successful job of mitigating the risk of permanent loss to productive capacity i.e. supply. That said, businesses cannot be sustained through policy support for a prolonged period and need consumer spending to return for sustained survival.

Consumer spending is driven by consumer confidence about their financial future which is significantly affected by the level of unemployment among other factors. COVID-19 has introduced another factor to the mix, being health and safety.

Unemployment levels have seen some improvement over recent weeks. However, there is an argument that survivors amongst businesses include those with inefficiencies or high debt levels which have only been sustained by government support and may not be able to survive once support is withdrawn. Therefore, there is a risk unemployment may rise over the coming months. It can also be argued that consumers may not be keen to return to their normal lives and spending levels whilst elevated numbers of new COVID-19 cases keep making the headlines.

The silver lining may be that with the unprecedented level of investment into developing a successful vaccine for COVID-19, there is a fair chance one may be developed this year. While any such vaccine may not be available to the masses until well into 2021 due to logistical challenges over production and supply, the sheer knowledge that a cure has been found could lead to euphoria and encourage consumers to spend. Additionally, many countries have seen consumer debt levels drop (e.g. repayment of credit card balances) and savings increase over recent months. This suggests that when consumer confidence eventually returns, consumers will have higher than usual capacity to spend which may provide the needed support for businesses and the economies to recover.

In the meantime, we may see persistent volatility in equity markets due to a tug-of-war between the economic fundamentals in combination with re-surfacing geopolitical

tensions (US-China, fallout from a no-deal Brexit, China-Australia) pulling the markets down and central banks providing a backstop through continued support.

## australasian equities

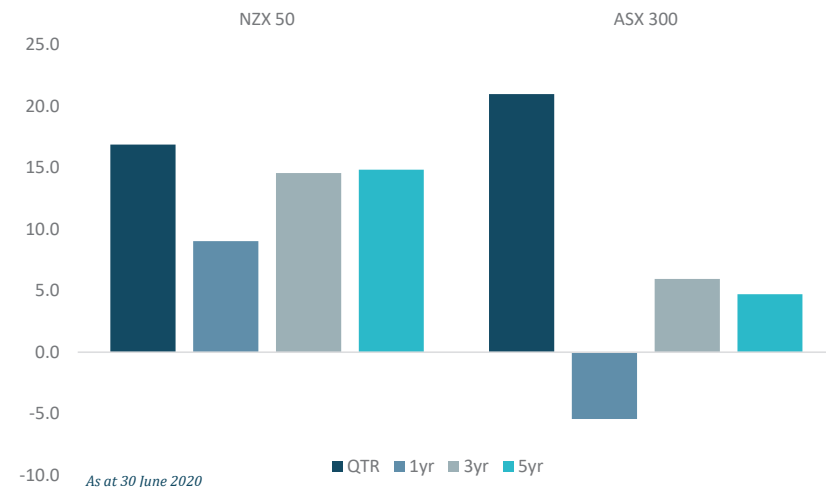
### review

The New Zealand share market rebounded strongly from the lows of the March quarter following the COVID-19 sell-off. The S&P/NZX50 Index rose by 16.9% for the quarter. While most companies had a positive quarter, the best performers included Tourism Holdings Ltd (+81.7%) and Air New Zealand (+55.3%) largely due to bouncing off low bases respectively after being among the worst performers in the March quarter. Both benefited from improvement in investor sentiment and expectations that domestic travel may fill some of the void from the loss of international tourism.

Across the Tasman, the Australian sharemarket outperformed New Zealand with the S&P/ASX300 Index returning 21.0% over the quarter. The best performing sectors included those that were hit the hardest in the March quarter. These were mining, industrials and late in the quarter, financials saw a strong rally.

Both the New Zealand and the Australian sharemarkets continue to take support from historically low interest rates and quantitative easing programmes implemented by their respective central banks, which are supportive for asset valuations.

### Australasian Equities (NZD) – Trailing Returns (%)





## outlook

New Zealand has managed the COVID-19 outbreak very well due to a combination of aggressive social distancing measures and extensive testing and contact tracing. This better than expected outcome is reflected in an earlier than expected rebound in business confidence as reported by ANZ's June Business Confidence Outlook. However, the broader theme remains in line with a typical recession where employment expectations remain firmly negative. While there have been some job losses already, there may be further job losses after the government's wage subsidy scheme expires on 1 September. High job losses could subdue consumer spending which may result in yet more weakness for businesses thereby forcing even more job cuts. That said, a number of other more targeted support schemes are expected to provide some cushioning. There are also concerns about pricing, particularly for the agriculture sector. This is primarily driven by expectations of lower demand for New Zealand's food exports amidst widespread closures of restaurants and bars in key overseas markets. All in all, the New Zealand economy is expected to experience negative GDP growth for 2020 with stronger growth expected in 2021 driven by pent-up demand powering consumer spending.

The outlook in Australia is similar to New Zealand albeit still somewhat dependent on the management of the COVID-19 outbreak. While the country seems to be largely past the outbreak, the state of Victoria has seen a resurgence in new cases over the past few days with Melbourne forced into a lockdown again. The Reserve Bank of Australia expects GDP growth to start recovering in the second half of 2020, led by consumer spending. That said, the economy is expected to experience a recession for the first time in three decades. Unemployment levels are expected to reach historically high levels before dropping closer to pre-COVID levels in two years' time.

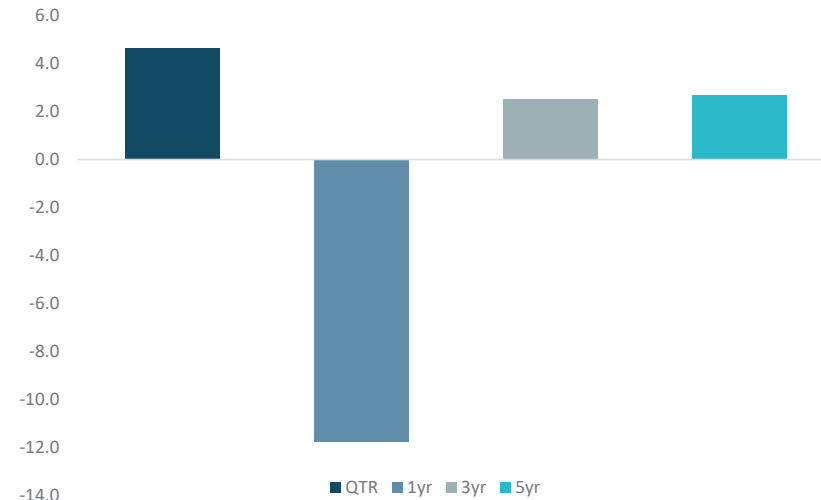
The comparatively better management of the health crisis in New Zealand and Australia has certainly provided the respective economies an opportunity to recover earlier than other developed economies. However, the path to recovery is dependent on avoiding a resurgence of the outbreak and more crucially a sooner than later return of consumer confidence to help businesses resume activity. Cyclical sectors such as consumer discretionary and financials can be expected to benefit in the early part of the economic recovery.

## international infrastructure

### review

International infrastructure remained out of favour with investors compared to the wider share markets for the quarter. The S&P Global Infrastructure Index reported a return of 4.6% over the quarter against the backdrop of continuing economic shutdowns, particularly for the more cyclical assets e.g. airports.

### International Infrastructure (NZD) – Trailing Returns (%)



As at 30 June 2020

### outlook

The outlook for international infrastructure as an asset class is mixed. Some cyclical assets such as airports may continue to feel the pain from a loss of aeronautical revenues as long as international travel bans remain in place. Toll roads and bridges are beginning to see some recovery in traffic as countries slowly ease social distancing measures and people prefer driving over public transport until the health crisis is contained.

The OPEC+ reached an agreement on supply cuts to match lower demand in a bid to stabilise the oil price, which briefly turned negative for the first time ever. Although some demand is returning with the economies slowly reopening, the oil price may remain under pressure until the demand fully recovers. This may mean that energy infrastructure assets continue to see lower revenues over the short term.

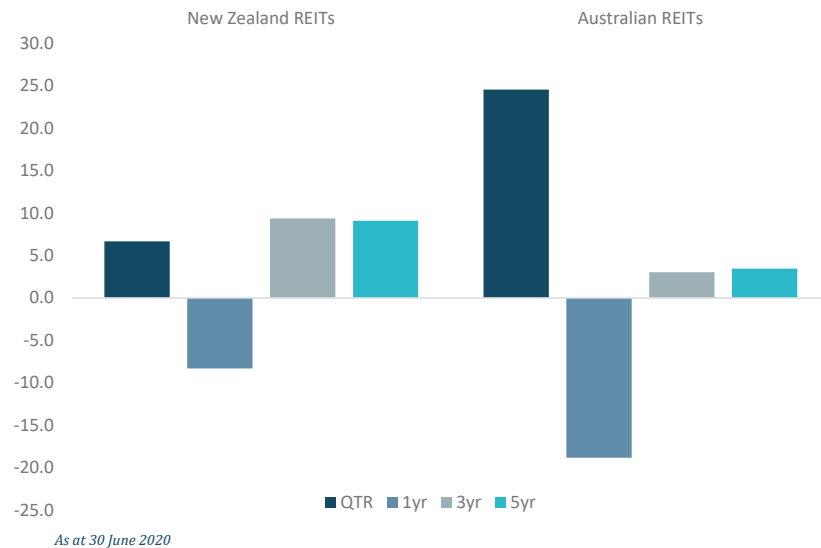
It is worth noting that governments of many developed economies have announced significant infrastructure spending in a bid to create more jobs and help their respective economies recover from the fallout of the outbreak. This may result in new infrastructure assets for investment once complete as well as potentially better revenues from renovated infrastructure assets.

## Property

### review

The New Zealand listed property recovered some ground while remaining under the cloud of potential defaults by struggling commercial tenants affected by the COVID-19 outbreak. The NZX All Real Estate Index registered a gain of 6.7% over the quarter.

### Australasian Listed Property (NZD) – Trailing Returns (%)



The Australian listed property market was the best performing asset class for the quarter. The S&P/ASX300 A-REITs Index recorded a gain of 24.5% for the period. This was driven by a sharp rebound in the retail subsector following successful containment of the outbreak across most of the country.

### outlook

In principle, low interest rates provide support to property asset valuations as well as compare less favourably to the higher property yields.

That said, hospitality and tourism-oriented subsectors are likely to continue to struggle until international tourism recovers. While retail is still witnessing markedly lower demand than pre-COVID levels, it has seen some recovery due to the relatively better containment of the outbreak across Australasia. The office space subsector faces a structural headwind with a material part of the workforce preferring to work from home for some of the week versus working full-time at the physical office. This may result in reduced demand for office space as businesses realise they do not need as much space

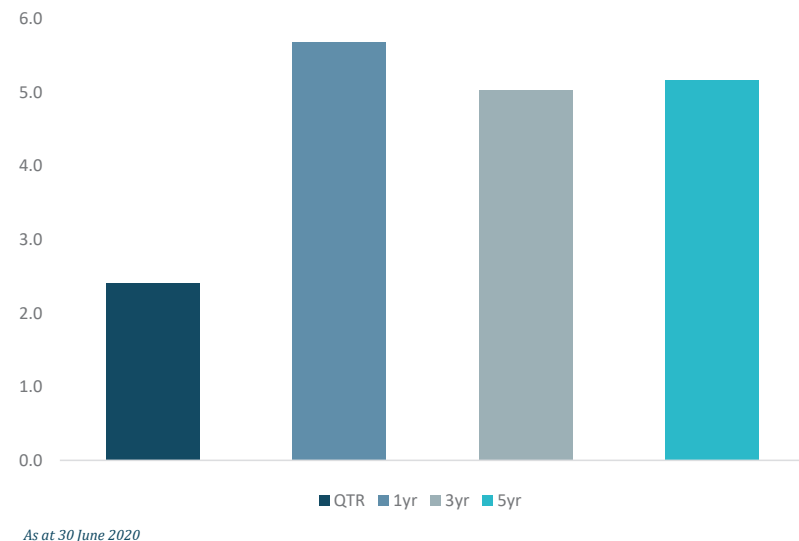
to accommodate their employees. Lastly, the industrial subsector is expected to benefit from greater demand for logistics, partly driven by an accelerated advent of e-commerce.

## international fixed interest

### review

Bond yields in most major developed global economies were flat to lower during the quarter due to most central banks implementing quantitative easing programmes via purchasing bonds, which theoretically should push yields lower. The US 10-year treasury rate decreased from 0.70% to 0.66% during the quarter while the yield on the 10-year German Bunds, despite some fluctuations during the quarter, remained at -0.46%. This was one of the lowest 10-year yields among the major developed economies. The 10-year treasury rate in Japan marginally increased from 0.03% to 0.04%, however, the yield on the British 10-year Gilt declined from 0.35% to 0.17% as investors preferred the safety of bonds amidst expectations of the worst ever recession for the country as well as ramifications from a no-deal Brexit. Relatively lower yields support bond prices. Accordingly, the Barclays Global Aggregate Index provided a total return of 2.4% for the quarter.

### International Fixed Interest (NZD) – Trailing Returns (%)





## outlook

Having already dropped interest rates to historic lows, central banks have rather limited capacity to assist with the economic fallout from the COVID-19 outbreak through monetary policy manoeuvres. However, as previously mentioned central banks can and many already have implemented quantitative easing programmes of purchasing bonds. The US Fed has further extended its quantitative easing programme to include buying individual corporate bonds, something that it had never done before. This environment is supportive for bond prices.

While the big picture for the bond markets still revolve around the duration and the extent of the COVID-19 outbreak, it is safe to expect that yields will remain low over the medium term due to a combination of investor demand for capital safety and the central banks' quantitative easing programmes.

## new zealand fixed interest and cash

### review

In the face of challenging economic conditions globally, central banks of major global economies have maintained an easing bias. While the RBNZ did not cut the official cash rate further during the quarter from its historically low level of 0.25%, it intensified its quantitative easing programme to buy government bonds worth up to \$60 billion (previously \$30 billion) over 12 months. Accordingly, the New Zealand 10-year government bond yield dropped from 1.12% to 0.94% over the quarter. A decrease in bond yields positively impacts bond valuations. Accordingly, the New Zealand Government Bond Index returned 1.6% for the quarter while the New Zealand A-grade Corporate Bond Index returned 3.4% for the period.

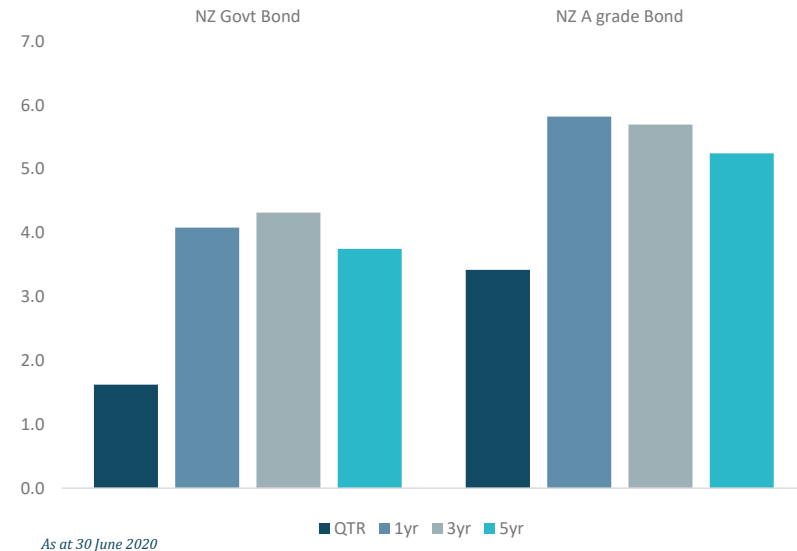
The New Zealand dollar appreciated materially against the US dollar due to the US Fed's more aggressive quantitative easing programme as well as an improvement in investor sentiment from the lows of the March quarter supporting commodity currencies such as the New Zealand dollar.

## outlook

At its latest monetary policy review, the RBNZ cited that the OCR will remain at 0.25% at least till year end. While this may suggest that the RBNZ may not cut the OCR further this year, as mentioned the RBNZ is maintaining an easing bias by further intensifying its quantitative easing programme.

All in all, the RBNZ appears determined to keep the interest rates lower for longer to encourage consumer spending, business investment and thereby economic recovery. For term deposit holders, this means that bank deposit rates may go even lower and stay lower for longer.

## New Zealand Fixed Interest (NZD) – Trailing Returns (%)



The outlook for the New Zealand dollar is uncertain. Being considered a commodity currency, the local currency may fall out of favour against the US dollar if the COVID-19 outbreak or the global economic outlook were to get worse.

---

# Tern Point Recreation & Conservation Society Inc

ID: 990057316

## PORTFOLIO REPORTS

From 1 April 2020 to 30 June 2020

### Adviser

Shahrukh Abdali

Phone 09 379 5501

Fax 093795502

Email [shahrukh@saturnadvice.co.nz](mailto:shahrukh@saturnadvice.co.nz)

### Date Issued

15 July 2020

	Net Return for Period 01 Apr 2020 to 30 Jun 2020	Net Return for Period 01 Jul 2019 to 30 Jun 2020	Net Return Since Inception 01 Sep 2018 to 30 Jun 2020
Opening Portfolio Value	\$33,676.62	\$35,414.51	\$0.00
Capital Contributed	\$0.00	\$0.00	\$34,654.93
Capital Withdrawn	(\$0.00)	(\$0.00)	(\$0.00)
Security Transfers	\$0.00	\$0.00	\$0.00
Closing Capital Value	\$33,676.62	\$35,414.51	\$34,654.93
Closing Portfolio Value	\$36,894.05	\$36,894.05	\$36,894.05
Gain or (Loss)	\$3,217.43	\$1,479.54	\$2,239.12
Net Portfolio Return * per annum	9.55%	4.17% *	3.57% *

Please note: The net portfolio return is money weighted and after any tax deducted at source and after all fees. For periods greater than 12 months, the Net Portfolio Return is calculated using the Geometric Average method.

## PORTFOLIO PERFORMANCE REPORT

From 01 Jul 2019 to 30 Jun 2020

	Value at 1/07/2019	Amount Contributed	Reinvested Income	Amount Withdrawn	Gain/ Loss	Value at 30/06/2020	Distributions & Rebates	Gross Return
<b>Australasian Equities</b>								
Bennelong Concentrated Australian Equities Fund (W) (Cash Dist)	3,316	0	0	0	278	3,594	66	10.38%
Harbour Australasian Equity Fund (PIE) (Cash Dist)	4,173	0	0	0	428	4,601	0	10.26%
	7,489	0	0	0	706	8,195	66	10.31%
<b>International Equities</b>								
Magellan Global Fund (Unhedged) (W) (Cash Dist)	4,270	0	0	0	264	4,534	200	10.87%
Magellan Infrastructure Fund (Unhedged) (W) (Cash Dist)	1,681	0	0	0	-159	1,522	84	-4.46%
OneAnswer International Share Fund (PIE) (Cash Dist)	5,096	0	0	0	324	5,420	8	6.51%
Platinum International Fund - C Class Units (W) (Cash Dist)	3,904	0	0	0	-366	3,538	297	-1.77%
	14,951	0	0	0	63	15,014	589	4.36%
<b>International Fixed Interest</b>								
Bentham Global Income Fund - NZD (W) (Cash Dist)	1,445	0	0	0	-114	1,331	114	0.00%
Russell Investments Global Fixed Interest Fund (PIE) (Cash Dist)	923	0	0	0	26	949	31	6.17%
	2,368	0	0	0	-88	2,280	145	2.41%
<b>Listed Property</b>								
APN AREIT Fund (W) (Cash Dist)	586	0	0	0	-153	433	34	-20.31%
OneAnswer Property Securities Fund (PIE) (Cash Dist)	1,061	0	0	0	-80	981	3	-7.26%
Resolution Capital Global Property Securities Fund - Class A (W) (Cash Dist)	1,235	0	0	0	-131	1,104	33	-7.93%
	2,882	0	0	0	-364	2,518	70	-10.20%
<b>New Zealand Fixed Interest</b>								
AMP Capital NZ Short Duration Fund (AIF Y) (PIE) (Cash Dist)	2,723	0	0	0	36	2,758	59	3.45%
Harbour NZ Core Fixed Interest Fund (PIE) - XR (Cash Dist)	0	938	0	0	17	955	16	3.52%
Harbour NZ Core Fixed Interest Fund (PIE) (Cash Dist)	928	0	0	938	10	0	0	1.08%
Nikko AM NZ Corporate Bond Fund (PIE) - XR (Cash Dist)	1,027	0	0	0	47	1,075	18	6.43%
	4,678	938	0	938	110	4,788	93	4.07%
<b>Other</b>								
Milford Diversified Income Fund (PIE) (Cash Dist)	1,891	0	0	0	-53	1,838	52	-0.05%
	1,891	0	0	0	-53	1,838	52	-0.05%
<b>Cash</b>								
AUD Call Account	0	709	2	67	14	658		0.04%
NZD Call Account	1,155	365	13	-69	0	1,602		0.35%
	1,155	1,074	15	-2	14	2,260	0	0.19%

\* Indicates that the asset has an amount received from the sale/transfer out of Nil Paid rights in the calculation

\*\* Indicates free units from Rights Issue which are incorporated in Parent asset value.

	Value at 1/07/2019	Amount Contributed	Reinvested Income	Amount Withdrawn	Gain/ Loss	Value at 30/06/2020	Distributions & Rebates	Gross Return
Gross Performance (by Asset)								4.47%

The returns for the period are gross of tax and fees (where known) and are money weighted for all assets other than cash. The returns are for the period selected and not expressed as a per annum return. The returns for cash accounts are the closing interest rates for the period. Values for all assets are expressed in New Zealand dollars and reflect gains and losses due to foreign exchange fluctuations.

\* Indicates that the asset has an amount received from the sale/transfer out of Nil Paid rights in the calculation

\*\* Indicates free units from Rights Issue which are incorporated in Parent asset value.

## PORTFOLIO VALUATION

As at 30 Jun 2020

	Issuer	Units	Current Unit Price	Current Value	Current (NZD)	% of Portfolio
<b>Australasian Equities</b>						
Bennelong Concentrated Australian Equities Fund (W) (Cash Dist)	Bennelong Australian Equity Partners Pty Ltd	1,524	2.2044	3,360 AUD	3,594	9.7%
Harbour Australasian Equity Fund (PIE) (Cash Dist)	Harbour Asset Management Limited	1,370	3.3584	4,601 NZD	4,601	12.5%
					\$8,195	22.2%
<b>International Equities</b>						
Magellan Global Fund (Unhedged) (W) (Cash Dist)	Magellan Financial Group	1,616	2.6236	4,239 AUD	4,534	12.3%
Magellan Infrastructure Fund (Unhedged) (W) (Cash Dist)	Magellan Financial Group	787	1.8083	1,423 AUD	1,522	4.1%
OneAnswer International Share Fund (PIE) (Cash Dist)	ANZ New Zealand Investments Limited	2,065	2.6243	5,420 NZD	5,420	14.7%
Platinum International Fund - C Class Units (W) (Cash Dist)	Platinum Asset Management	1,795	1.8427	3,308 AUD	3,538	9.6%
					\$15,014	40.7%
<b>International Fixed Interest</b>						
Bentham Global Income Fund - NZD (W) (Cash Dist)	Bentham Asset Management	1,453	0.9165	1,331 NZD	1,331	3.6%
Russell Investments Global Fixed Interest Fund (PIE) (Cash Dist)	Russell Investments	775	1.2247	949 NZD	949	2.6%
					\$2,280	6.2%
<b>Listed Property</b>						
APN AREIT Fund (W) (Cash Dist)	APN Property Group	317	1.2771	405 AUD	433	1.2%
OneAnswer Property Securities Fund (PIE) (Cash Dist)	ANZ New Zealand Investments Limited	253	3.8730	981 NZD	981	2.7%
Resolution Capital Global Property Securities Fund - Class A (W) (Cash Dist)		668	1.5452	1,032 AUD	1,104	3.0%
					\$2,518	6.8%
<b>New Zealand Fixed Interest</b>						
AMP Capital NZ Short Duration Fund (AIF Y) (PIE) (Cash Dist)	AMP Investment Management (N.Z.) Limited	2,105	1.3102	2,758 NZD	2,758	7.5%
Harbour NZ Core Fixed Interest Fund (PIE) - XR (Cash Dist)	Harbour Asset Management Limited	806	1.1844	955 NZD	955	2.6%
Nikko AM NZ Corporate Bond Fund (PIE) - XR (Cash Dist)	Nikko Asset Management New Zealand Limited	850	1.2637	1,075 NZD	1,075	2.9%
					\$4,788	13.0%
<b>Other</b>						
Milford Diversified Income Fund (PIE) (Cash Dist)	Milford Funds Limited	1,060	1.7338	1,838 NZD	1,838	5.0%
					\$1,838	5.0%

**PORTFOLIO VALUATION**

As at 30 Jun 2020

	Issuer	Units	Current Unit Price	Current Value	Current (NZD)	% of Portfolio
Cash and Cash Equivalents						
AUD Call Account				616 AUD	658	1.8%
NZD Call Account				1,602 NZD	1,602	4.3%
					\$2,260	6.1%

**Total** **\$36,894 100%**

Portfolio Investment Entity (PIE) Estimated Tax Liability : NZD 0.00 As At Date : 30/06/2020

Exchange Rates: AUD = 0.9350

This Portfolio Valuation is current at the time it is generated. The valuation may change due to changes in prices and exchange rates and should not be regarded as a firm quotation to buy or sell the assets.

The Current NZD value is calculated per asset as follows: Units Held x Unit Price/Exchange Rate. The total value of the asset may also include any declared distributions and/or interest accruals.

The Unit Price is the most recent end of day market price available at report date. The Exchange Rate is the most recent end of day rate available at report date.

## CASH TRANSACTIONS

From 01 Apr 2020 to 30 Jun 2020

## NZD Cash Account

Date	Interest Date	Particulars	Activity	Debit	Credit	Balance
01/04/2020			Beginning Balance			1,532.55
01/04/2020		Aegis Client (Ongoing) Mar 2020	Ongoing Fee	7.41		1,525.14
01/04/2020	26/03/2020	AMP Capital NZ Short Duration Fund (AIF Y) (PIE) (Cash Dist)	Distribution		27.13	1,552.27
02/04/2020	01/04/2020	Cash Account	Interest		0.93	1,553.20
02/04/2020			NZ Resident With. Tax	0.31		1,552.89
09/04/2020	07/04/2020	Russell Investments Global Fixed Interest Fund (PIE) (Cash Dist)	Distribution		15.50	1,568.39
09/04/2020	31/03/2020	Bentham Global Income Fund - NZD (W) (Cash Dist)	Distribution		14.31	1,582.70
14/04/2020	03/04/2020	OneAnswer Property Securities Fund (PIE) (Cash Dist)	Manager Fee Rebate		0.25	1,582.95
14/04/2020	03/04/2020	OneAnswer International Share Fund (PIE) (Cash Dist)	Manager Fee Rebate		0.63	1,583.58
15/04/2020	09/04/2020	Bentham Global Income Fund - NZD (W) (Cash Dist)	Distribution		4.59	1,588.17
24/04/2020	22/04/2020	Harbour NZ Core Fixed Interest Fund (PIE) - XR (Cash Dist)	Manager Fee Rebate		0.10	1,588.27
01/05/2020		Saturn Advice (Ongoing) Apr 2020	Ongoing Fee	7.12		1,581.15
02/05/2020	30/04/2020	AMP Capital NZ Short Duration Fund (AIF Y) (PIE) (Cash Dist)	Manager Fee Rebate		0.69	1,581.84
04/05/2020	30/04/2020	Cash Account	Interest		0.52	1,582.36
04/05/2020			NZ Resident With. Tax	0.17		1,582.19
09/05/2020	04/05/2020	OneAnswer International Share Fund (PIE) (Cash Dist)	Manager Fee Rebate		0.63	1,582.82
09/05/2020	04/05/2020	OneAnswer Property Securities Fund (PIE) (Cash Dist)	Manager Fee Rebate		0.22	1,583.04
11/05/2020	07/05/2020	Bentham Global Income Fund - NZD (W) (Cash Dist)	Distribution		4.07	1,587.11
20/05/2020	18/05/2020	Nikko AM NZ Corporate Bond Fund (PIE) - XR (Cash Dist)	Manager Fee Rebate		0.78	1,587.89
21/05/2020	19/05/2020	Harbour NZ Core Fixed Interest Fund (PIE) - XR (Cash Dist)	Manager Fee Rebate		0.10	1,587.99
22/05/2020	21/05/2020	Milford Diversified Income Fund (PIE) (Cash Dist)	Distribution		11.66	1,599.65
01/06/2020		Saturn Advice (Ongoing) May 2020	Ongoing Fee	7.66		1,591.99
03/06/2020	31/05/2020	Cash Account	Interest		0.62	1,592.61
03/06/2020			NZ Resident With. Tax	0.20		1,592.41
10/06/2020	09/06/2020	Bentham Global Income Fund - NZD (W) (Cash Dist)	Distribution		4.17	1,596.58
11/06/2020	03/06/2020	OneAnswer Property Securities Fund (PIE) (Cash Dist)	Manager Fee Rebate		0.24	1,596.82
11/06/2020	03/06/2020	OneAnswer International Share Fund (PIE) (Cash Dist)	Manager Fee Rebate		0.68	1,597.50
22/06/2020	19/06/2020	Harbour NZ Core Fixed Interest Fund (PIE) - XR (Cash Dist)	Distribution		3.02	1,600.52
24/06/2020	19/06/2020	Nikko AM NZ Corporate Bond Fund (PIE) - XR (Cash Dist)	Distribution		1.28	1,601.80
25/06/2020	22/06/2020	Harbour NZ Core Fixed Interest Fund (PIE) - XR (Cash Dist)	Manager Fee Rebate		0.10	1,601.90
30/06/2020			Ending Balance			1,601.90

CASH TRANSACTIONS

From 01 Apr 2020 to 30 Jun 2020

AUD Cash Account

Date	Interest Date	Particulars	Activity	Debit	Credit	Balance
01/04/2020			Beginning Balance			608.21
02/04/2020	01/04/2020	Cash Account	Interest		0.12	608.33
02/04/2020			NZ Resident With. Tax	0.04		608.29
15/04/2020	09/04/2020	APN AREIT Fund (W) (Cash Dist)	Distribution		2.56	610.85
13/05/2020	11/05/2020	APN AREIT Fund (W) (Cash Dist)	Distribution		2.56	613.41
12/06/2020	10/06/2020	APN AREIT Fund (W) (Cash Dist)	Distribution		2.12	615.53
30/06/2020			Ending Balance			615.53