



## 5 Oceans Fund

January 2017

### Performance Commentary

The Fund was up 0.39% in December which coincidentally exactly matched its objective of OCR + 3% over the month.

The main moves this month came from the growth investments. The locally exposed Ranger Fund was down around 2.7% while the global focused Acadian Fund was up close to 4% on an unhedged basis. The currency hedging we have in place tempered some of this return as in particular the USD has been strong post the Trump win.

Bond yields continued to move around in December, first going higher then recovering somewhat towards the end of the month. Our bond managers though had uneventful months - Kapstream posting a modest positive return (+0.1%) and AMP a modest negative return (-0.1%).

### 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.

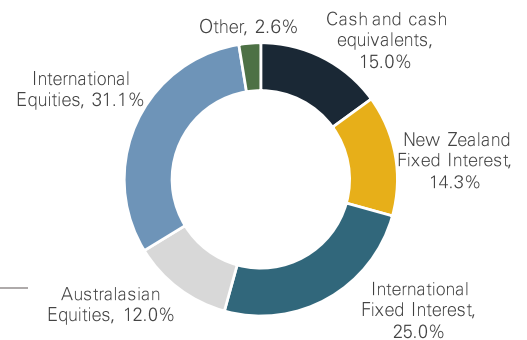
The Fund achieves this by carefully selecting managers that have flexible investment mandates and/or employ risk mitigation strategies. This gives the Fund a dynamic and flexible exposure to growth assets and greater focus on capital protection in the event of market crashes.

### Performance to 31 December 2016 (net of fees)

	Past Month	Past Quarter	Past Year	Since Inception (p.a.)*
5 Oceans Fund	0.39%			0.64%
NZ Official Cash Rate plus 3%	0.39%			0.87%
Over/Under Performance	+0.00%			-0.22%

\*Fund inception 25th October 2016

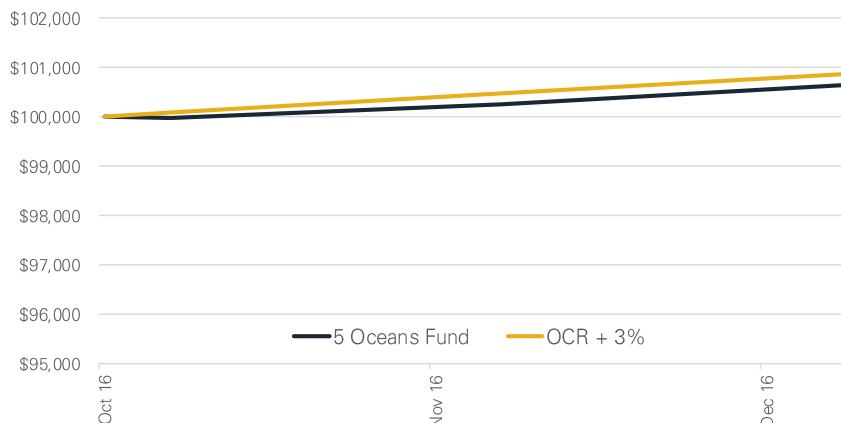
### Holdings by Asset Class



### 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	31.6%
Kapstream Absolute Return Income Fund	24.4%
Castle Point Ranger Fund	18.8%
AMP Capital NZ Short Duration Fund	12.2%
Kohinoor Core Fund	2.6%
Cash & Cash equivalents	10.3%

### 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.