



## 5 Oceans Fund

June 2017

### Performance Commentary

The 5 Oceans Fund was up 0.09% in May with mixed returns from the underlying strategies.

Locally the Australasian focused Ranger had a softer month, down 1.35%, and the global Acadian Fund was also down around 1.1% (in unhedged terms). Though as the Acadian loss was driven by currency (particularly the NZD strengthening against the USD), the foreign currency hedging in place mitigated this.

Bond yields continued to fall over May (i.e. prices rose) with the NZ 10 year yield finishing around 2.8%. Our bond managers had solid months with AMP up 0.55% and Kapstream up 0.39% (in AUD).

Volatility spiked slightly through May with Kohinoor recording a return of +1.8% (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.

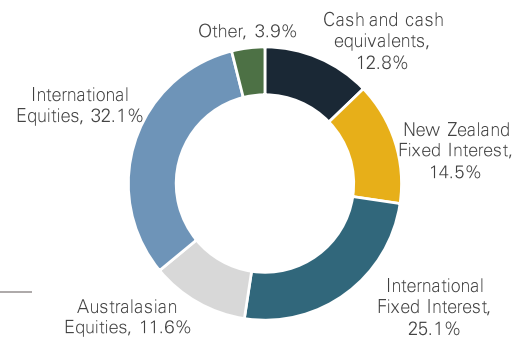
The Fund achieves this by carefully selecting managers that have flexible investment mandates and/or employ risk mitigation strategies. This gives the Fund a dynamic and flexible exposure to growth assets and greater focus on capital protection in the event of market crashes.

### Performance to 31 May 2017 (net of fees)

	Past Month	Past Quarter	Past Year	Since Inception (p.a.)*
5 Oceans Fund	0.09%	2.11%		5.59%
NZ Official Cash Rate plus 3%	0.39%	1.18%		2.82%
Over/Under Performance	-0.31%	+0.94%		+2.77%

\*Fund inception 25th October 2016

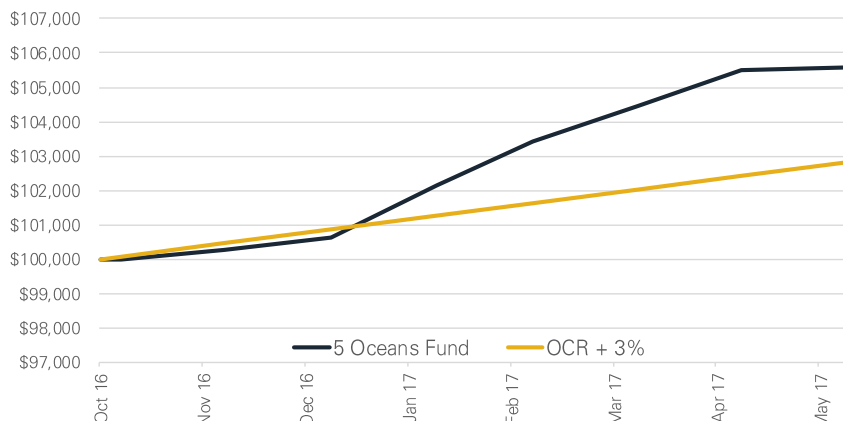
### Holdings by Asset Class



### 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	24.4%
Castle Point Ranger Fund	19.2%
AMP Capital NZ Short Duration Fund	12.4%
Kohinoor Pacific Fund	3.9%
Cash & Cash equivalents	7.4%

### 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.