

# NZ Funds Managed Superannuation Service Security Listings

30 April 2018

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## Product Disclosure Statement

New Zealand Funds Management Limited is the issuer of the NZ Funds Managed Superannuation Service.

The Product Disclosure Statement and the Disclose Register contain important information to help you to understand how your money is managed and the risks associated with investing.

For further information or to request a copy of the NZ Funds Managed Superannuation Service Product Disclosure Statement, please contact New Zealand Funds Management Limited or visit our website at [www.nzfunds.co.nz](http://www.nzfunds.co.nz).

Even if you have invested with NZ Funds for many years, please take the time to read these documents regularly as the content is frequently updated.

## Important Legal Information

Please note that these Security Listings have been provided for information purposes only. The content of this document is not intended as a substitute for specific professional advice on investments, financial planning or any other matter.



# ROPS GBP Income Strategy

Complete Strategy as at 30 April 2018

STRATEGY / SECURITY	ESTIMATED YIELD	CREDIT RATING	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
<b>CASH AND CASH EQUIVALENTS</b>			<b>18.0%</b>	<b>\$134,883</b>
<b>AUSTRALASIAN BONDS</b>			<b>40.5%</b>	<b>\$303,972</b>
Westpac Banking 4.695% 01/09/2026	4.0%	BBB	4.0%	\$29,791
BlueScope Steel Finance USA 6.5% 15/05/2021	4.4%	BBB-	3.9%	\$29,216
Insurance Australia Group 5.15% 15/06/2043	4.2%	BBB	3.8%	\$28,770
Woodside Finance 3.7% 15/09/2026	3.9%	BBB+	3.2%	\$24,199
Meridian Energy 4.88% 20/03/2024	4.1%	BBB+	3.1%	\$23,217
Mercury NZ 6.9% 11/07/2044	4.0%	BB+	2.8%	\$20,786
Crown Subordinated Notes 23/04/2075	6.0%	NR	2.7%	\$20,051
Infratil 5.5% 15/06/2024	4.8%	NR	2.5%	\$18,742
Trustpower 4.01% 15/12/2022	4.1%	NR	1.8%	\$13,351
Z Energy 4.01% 01/11/2021	3.9%	NR	1.8%	\$13,265
Fletcher Building Industries 5.8% 15/03/2020	4.9%	NR	1.7%	\$12,909
Bank of New Zealand 4.102% 15/06/2023	3.7%	AA-	1.7%	\$12,606
Qantas Airways 4.75% 12/10/2026	4.3%	BBB-	1.7%	\$12,546
NEXTDC 6.25% 09/06/2021	4.7%	NR	1.5%	\$11,351
Fletcher Building Industries 4.75% 15/03/2021	4.8%	NR	1.3%	\$10,108
Property for Industry 4.59% 28/11/2024	4.3%	NR	1.2%	\$8,999
Precinct Properties New Zealand 4.42% 27/11/2024	4.3%	NR	1.0%	\$7,727
University of Canterbury 7.25% 15/12/2019	4.1%	NR	0.8%	\$6,338
<b>INTERNATIONAL BONDS</b>			<b>43.1%</b>	<b>\$323,974</b>
HCA 4.75% 05/01/23	4.2%	BBB-	4.6%	\$34,842
Flex 5% 15/02/2023	3.7%	BBB-	4.6%	\$34,628
First Data 5% 15/01/2024	4.4%	BB	4.4%	\$32,805
Valeant Pharmaceuticals International 5.5% 01/11/2025	5.3%	BB-	3.6%	\$26,809

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# ROPS GBP Income Strategy

Complete Strategy as at 30 April 2018 (continued)

STRATEGY / SECURITY	ESTIMATED YIELD	CREDIT RATING	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
<b>INTERNATIONAL BONDS (CONTINUED)</b>				
Devon Energy 5.85% 15/12/2025	3.7%	BBB	3.2%	\$24,041
NRG Energy 6.625% 15/01/2027	5.7%	BB-	3.1%	\$23,625
Verizon Communications 2.625% 15/08/2026	3.8%	BBB+	3.1%	\$23,147
Constellation Brands 4.75% 01/12/2025	3.8%	BBB-	2.9%	\$21,974
Southern Copper 7.50% 27/07/2035	4.8%	BBB	2.9%	\$21,814
Seagate HDD Cayman 4.875% 01/03/2024	0.0%	BB+	2.9%	\$21,445
Wells Fargo Co 3.55% 29/09/2025	3.8%	A-	2.6%	\$19,775
Icahn Enter/Fin lep 5.875% 02/01/2022	4.9%	NR	2.3%	\$17,639
EOG Resources 4.15% 15/01/2026	3.5%	BBB+	2.1%	\$15,420
Credit default swaps - Market value <sup>1</sup>	n/a	n/a	0.8%	\$5,891
United States bond futures (short)	n/a	n/a	0.0%	\$118
<b>TOTAL ECONOMIC EXPOSURE</b>			<b>101.6%</b>	<b>\$762,829</b>
<b>GBP CURRENCY EXPOSURE</b>			<b>99.6%</b>	<b>\$748,009</b>
<b>OTHER FOREIGN CURRENCY EXPOSURE</b>			<b>10.7%</b>	<b>\$80,705</b>

1. Credit default swaps notional value is currently \$74,804.

Note: Rounding may affect any subtotals and totals.



# Income Strategy

Complete Strategy as at 30 April 2018

STRATEGY / SECURITY	ESTIMATED YIELD <sup>1</sup>	CREDIT RATING	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
<b>CASH AND CASH EQUIVALENTS</b>			<b>18.2%</b>	<b>\$469,745</b>
<b>AUSTRALASIAN BONDS</b>			<b>40.4%</b>	<b>\$1,041,087</b>
Westpac Banking 4.695% 01/09/2026	4.0%	BBB	4.0%	\$102,034
BlueScope Steel Finance USA 6.5% 15/05/2021	4.4%	BBB-	3.9%	\$100,065
Insurance Australia Group 5.15% 15/06/2043	4.2%	BBB	3.8%	\$98,537
Woodside Finance 3.7% 15/09/2026	3.9%	BBB+	3.2%	\$82,879
Meridian Energy 4.88% 20/03/2024	4.1%	BBB+	3.1%	\$79,516
Mercury NZ 6.9% 11/07/2044	4.0%	BB+	2.8%	\$71,190
Crown Subordinated Notes 23/04/2075	6.0%	NR	2.7%	\$68,673
Infratil 5.5% 15/06/2024	4.8%	NR	2.5%	\$64,189
Trustpower 4.01% 15/12/2022	4.1%	NR	1.8%	\$45,726
Z Energy 4.01% 01/11/2021	3.9%	NR	1.8%	\$45,433
Fletcher Building Industries 5.8% 15/03/2020	4.9%	NR	1.7%	\$44,213
Bank of New Zealand 4.102% 15/06/2023	3.7%	AA-	1.7%	\$43,176
Qantas Airways 4.75% 12/10/2026	4.3%	BBB-	1.7%	\$42,968
NEXTDC 6.25% 09/06/2021	4.7%	NR	1.5%	\$38,878
Fletcher Building Industries 4.75% 15/03/2021	4.8%	NR	1.3%	\$34,619
Property for Industry 4.59% 28/11/2024	4.3%	NR	1.2%	\$30,822
Precinct Properties New Zealand 4.42% 27/11/2024	4.3%	NR	1.0%	\$26,463
University of Canterbury 7.25% 15/12/2019	4.1%	NR	0.8%	\$21,706
<b>INTERNATIONAL BONDS</b>			<b>43.0%</b>	<b>\$1,109,591</b>
HCA 4.75% 05/01/2023	4.2%	BBB-	4.6%	\$119,333
Flex 5% 15/02/2023	3.7%	BBB-	4.6%	\$118,600
First Data 5% 15/01/2024	4.4%	BB	4.4%	\$112,355
Valeant Pharmaceuticals International 5.5% 01/11/2025	5.3%	BB-	3.6%	\$91,820
Devon Energy 5.85% 15/12/2025	3.7%	BBB	3.2%	\$82,340

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# Income Strategy

## Complete Strategy as at 30 April 2018 (continued)

STRATEGY / SECURITY	ESTIMATED YIELD <sup>1</sup>	CREDIT RATING	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
<b>INTERNATIONAL BONDS (CONTINUED)</b>				
NRG Energy 6.625% 15/01/2027	5.7%	BB-	3.1%	\$80,915
Verizon Communications 2.625% 15/08/2026	3.8%	BBB+	3.1%	\$79,276
Constellation Brands 4.75% 01/12/2025	3.8%	BBB-	2.9%	\$75,260
Southern Copper 7.50% 27/07/2035	4.8%	BBB	2.9%	\$74,712
Seagate HDD Cayman 4.875% 01/03/2024	0.0%	BB+	2.8%	\$73,447
Wells Fargo Co 3.55% 29/09/2025	3.8%	A-	2.6%	\$67,729
Icahn Enter/Fin lep 5.875% 02/01/2022	4.9%	NR	2.3%	\$60,412
EOG Resources 4.15% 15/01/2026	3.5%	BBB+	2.0%	\$52,811
Credit default swaps - Market value <sup>2</sup>	n/a	n/a	0.8%	\$20,175
United States bond futures (short)	n/a	n/a	0.0%	\$405
<b>TOTAL ECONOMIC EXPOSURE<sup>3</sup></b>			<b>101.6%</b>	<b>\$2,620,424</b>
<b>FOREIGN CURRENCY EXPOSURE</b>			<b>10.7%</b>	<b>\$276,486</b>

1. The yield calculation represents an estimate of the yield on the Strategy, calculated using the most recent information provided by the external investment managers involved in managing the Strategy, hedged back to New Zealand dollars where appropriate. It is not calculated 'as at' any particular date as different external investment managers provide data at varying dates. As a result, in some instances the yields may lag the date of this Strategy summary. The yield is not the actual return on the Strategy, nor is it a projection or forecast. The Strategy's return could be less than the Strategy's yield. Details of the yield calculation are available on request from NZ Funds.

2. Credit default swaps notional value is currently \$256,200.

3. Total economic exposure represents the total economic value of a Strategy, which is the net asset value of the Strategy adjusted for the effect of direct derivative positions taken by the Strategy and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.



Complete Strategy as at 30 April 2018

STRATEGY / SECURITY <sup>1</sup>	ESTIMATED YIELD <sup>2</sup>	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
<b>CASH AND CASH EQUIVALENTS</b>		<b>13.6%</b>	<b>\$458,978</b>
<b>INTERNATIONAL BONDS</b>		<b>19.7%</b>	<b>\$661,234</b>
Floating Rate and Perpetual Bond Strategy	6.4%	19.1%	\$641,563
Credit default swaps - Market value <sup>3</sup>	n/a	0.6%	\$19,670
<b>AUSTRALASIAN SHARES</b>		<b>34.0%</b>	<b>\$1,143,465</b>
Dividend and Growth Strategy	5.3%	34.0%	\$1,143,465
<b>INTERNATIONAL SHARES</b>		<b>34.5%</b>	<b>\$1,161,487</b>
Equity index futures (long)	n/a	21.8%	\$732,634
Global Banking & Finance Index Strategy	1.8%	5.9%	\$199,934
Impala Resource Fund	0.0%	3.6%	\$119,776
Global Energy Index Strategy	4.8%	2.5%	\$82,735
Global Metal & Mining Index Strategy	3.3%	0.8%	\$26,408
<b>ALTERNATIVE SECURITIES</b>		<b>0.5%</b>	<b>\$16,330</b>
Universa Black Swan Protection Protocol	n/a	0.5%	\$16,330
<b>TOTAL ECONOMIC EXPOSURE<sup>4</sup></b>		<b>102.3%</b>	<b>\$3,441,494</b>
<b>FOREIGN CURRENCY EXPOSURE</b>		<b>16.3%</b>	<b>\$547,367</b>

- Where a strategy is shown, the asset class reflects the predominant assets in the strategy. The strategy may include other assets including cash.
- The yield calculation represents an estimate of the yield on the Strategy, calculated using the most recent information provided by the external investment managers involved in managing the Strategy, hedged back to New Zealand dollars where appropriate. It is not calculated 'as at' any particular date as different external investment managers provide data at varying dates. As a result, in some instances the yields may lag the date of this Strategy summary. The yield is not the actual return on the Strategy, nor is it a projection or forecast. The Strategy's return could be less than the Strategy's yield. Details of the yield calculation are available on request from NZ Funds.
- Credit default swaps notional value is currently \$1,886,135.
- Total economic exposure represents the total economic value of a Strategy, which is the net asset value of the Strategy adjusted for the effect of direct derivative positions taken by the Strategy and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.



# Growth Strategy

Complete Strategy as at 30 April 2018

STRATEGY / SECURITY <sup>1</sup>	ESTIMATED YIELD <sup>2</sup>	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
<b>CASH AND CASH EQUIVALENTS</b>		1.0%	\$80,789
<b>INTERNATIONAL BONDS</b>		1.6%	\$130,626
Credit default swaps - Market value <sup>3</sup>	n/a	1.6%	\$130,626
<b>AUSTRALASIAN SHARES</b>		29.3%	\$2,370,425
Dividend and Growth Strategy	5.3%	29.3%	\$2,370,425
<b>INTERNATIONAL SHARES</b>		76.9%	\$6,210,477
Equity index futures (long)	n/a	40.6%	\$3,276,146
LSV Global Concentrated Fund	0.8%	17.1%	\$1,377,535
Suvretta Offshore Fund	0.0%	12.8%	\$1,035,153
Impala Resource Fund	0.0%	6.5%	\$521,642
<b>ALTERNATIVE SECURITIES</b>		5.6%	\$455,127
ISAM Systematic Fund	n/a	5.0%	\$404,331
Universa Black Swan Protection Protocol	n/a	0.6%	\$50,796
<b>TOTAL ECONOMIC EXPOSURE<sup>4</sup></b>		114.5%	\$9,247,444
<b>FOREIGN CURRENCY EXPOSURE</b>		57.0%	\$4,606,183

- Where a strategy is shown, the asset class reflects the predominant assets in the strategy. The strategy may include other assets including cash.
- The yield calculation represents an estimate of the yield on the Strategy, calculated using the most recent information provided by the external investment managers involved in managing the Strategy, hedged back to New Zealand dollars where appropriate. It is not calculated 'as at' any particular date as different external investment managers provide data at varying dates. As a result, in some instances the yields may lag the date of this Strategy summary. The yield is not the actual return on the Strategy, nor is it a projection or forecast. The Strategy's return could be less than the Strategy's yield. Details of the yield calculation are available on request from NZ Funds.
- Credit default swaps notional value is currently \$8,095,577.
- Total economic exposure represents the total economic value of a Strategy, which is the net asset value of the Strategy adjusted for the effect of direct derivative positions taken by the Strategy and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.



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