

NZ Funds KiwiSaver Scheme Security Listings

20 July 2018



Product Disclosure Statement

New Zealand Funds Management Limited is the issuer of the NZ Funds KiwiSaver Scheme.

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 KiwiSaver Scheme Product Disclosure Statement, please contact New Zealand Funds Management Limited or visit our website at 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.



KiwiSaver Income Strategy

Complete Strategy as at 20 July 2018

STRATEGY / SECURITY	ESTIMATED YIELD ¹	CREDIT RATING	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
CASH AND CASH EQUIVALENTS			11.2%	\$3,355,901
AUSTRALASIAN BONDS			44.7%	\$13,368,779
Vector 4.996% 14/03/2024	4.1%	BBB	4.8%	\$1,441,657
Insurance Australia Group 5.15% 15/06/2043	4.1%	BBB	4.0%	\$1,191,033
BlueScope Steel Finance USA 4.625% 05/25/2023	4.3%	BBB-	3.6%	\$1,085,474
Westpac Banking 4.695% 01/09/2026	3.9%	BBB	3.2%	\$967,668
Crown Subordinated Notes 23/04/2075	6.2%	NR	2.9%	\$855,742
Infratil 5.5% 15/06/2024	5.0%	NR	2.6%	\$775,502
Precinct Properties New Zealand 4.42% 27/11/2024	4.1%	NR	2.3%	\$693,769
NEXTDC 6% 09/06/2022	6.0%	NR	2.3%	\$683,297
Property for Industry 4.59% 28/11/2024	4.1%	NR	2.2%	\$645,157
Meridian Energy 4.88% 20/03/2024	3.8%	BBB+	2.0%	\$604,813
WEL Networks 02/08/2023	4.9%	NR	1.9%	\$574,440
Fletcher Building Industries 5.8% 15/03/2020	4.6%	NR	1.9%	\$572,190
Trustpower 4.01% 15/12/2022	3.8%	NR	1.9%	\$558,965
Qantas Airways 4.75% 12/10/2026	4.2%	BBB-	1.8%	\$534,391
Woodside Finance 3.7% 15/09/2026	3.9%	BBB+	1.8%	\$525,330
NEXTDC 6.25% 09/06/2021	4.6%	NR	1.6%	\$467,330
Fletcher Building Industries 4.75% 15/03/2021	4.4%	NR	1.4%	\$427,180
Powerco 4.67% 15/11/2024	4.3%	BBB	1.2%	\$366,411
Z Energy 4.01% 01/11/2021	3.7%	NR	0.5%	\$159,715
Nufarm Australia Ltd/Nufarm Americas 5.75% 30/04/2026	5.8%	BB-	0.5%	\$152,281
Mercury NZ 6.9% 11/07/2044	4.1%	BB+	0.3%	\$86,435

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KiwiSaver Income Strategy

Complete Strategy as at 20 July 2018 (continued)

STRATEGY / SECURITY	ESTIMATED YIELD ¹	CREDIT RATING	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
INTERNATIONAL BONDS			44.1%	\$13,200,478
HCA 4.75% 01/05/2023	4.2%	BBB-	4.9%	\$1,477,839
Valeant Pharmaceuticals International 5.5% 01/11/2025	5.2%	BB-	4.7%	\$1,401,559
First Data 5% 15/01/2024	4.6%	BB	4.6%	\$1,380,809
Flex 5% 15/02/2023	3.8%	BBB-	3.6%	\$1,072,835
Devon Energy 5.85% 15/12/2025	3.6%	BBB	3.4%	\$1,019,335
Verizon Communications 2.625% 15/08/2026	3.6%	BBB+	3.4%	\$1,014,130
NRG Energy 6.625% 15/01/2027	5.6%	BB-	3.3%	\$1,000,773
Constellation Brands 4.75% 01/12/2025	3.7%	BBB	3.1%	\$938,343
Seagate HDD Cayman 4.875% 01/03/2024	4.9%	BB+	3.1%	\$937,408
Southern Copper 7.50% 27/07/2035	5.0%	BBB	3.1%	\$923,773
Icahn Enterprises 5.875% 01/02/2022	5.2%	BB+	2.6%	\$767,790
EOG Resources 4.15% 15/01/2026	3.3%	BBB+	2.2%	\$663,570
Amcor Finance USA 3.625% 28/04/2026	4.0%	BBB	2.0%	\$592,982
United States bond futures (short)	n/a	n/a	0.0%	\$9,333
TOTAL ECONOMIC EXPOSURE²			100.0%	\$29,925,158
FOREIGN CURRENCY EXPOSURE			4.3%	\$1,293,103

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. 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.



KiwiSaver Inflation Strategy

Complete Strategy as at 20 July 2018

STRATEGY / SECURITY ¹	ESTIMATED YIELD ²	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
CASH AND CASH EQUIVALENTS		11.1%	\$5,109,274
INTERNATIONAL BONDS		22.0%	\$10,103,513
Floating Rate and Perpetual Bond Strategy	6.2%	21.2%	\$9,746,877
Credit default swaps - Market value ³	n/a	0.5%	\$237,068
United States bond futures (short)	n/a	0.2%	\$111,646
Inflation swaps	n/a	0.0%	\$7,923
AUSTRALASIAN SHARES		35.8%	\$16,466,310
Dividend and Growth Strategy	5.8%	35.8%	\$16,466,310
INTERNATIONAL SHARES		32.5%	\$14,949,498
Equity index futures (long)	n/a	20.2%	\$9,279,675
Global Banking & Finance Index Strategy	1.9%	5.8%	\$2,679,883
Impala Resource Fund	n/a	3.4%	\$1,567,979
Global Energy Index Strategy	1.8%	2.4%	\$1,105,706
Global Metal & Mining Index Strategy	3.0%	0.7%	\$316,255
ALTERNATIVE SECURITIES		0.4%	\$174,892
Universa Black Swan Protection Protocol	n/a	0.4%	\$174,892
TOTAL ECONOMIC EXPOSURE⁴		101.9%	\$46,803,487
FOREIGN CURRENCY EXPOSURE		12.8%	\$5,882,914

1. Where a strategy is shown, the asset class reflects the predominant assets in the strategy. The strategy may include other assets including cash.
2. 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.
3. Credit default swaps notional value is currently \$18,595,679.
4. 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.



KiwiSaver Growth Strategy

Complete Strategy as at 20 July 2018

STRATEGY / SECURITY ¹	ESTIMATED YIELD ²	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
CASH AND CASH EQUIVALENTS		1.0%	\$1,667,433
INTERNATIONAL BONDS		1.5%	\$2,553,223
Credit default swaps - Market value ³	n/a	1.5%	\$2,553,223
AUSTRALASIAN SHARES		30.9%	\$51,482,930
Dividend and Growth Strategy	5.8%	30.9%	\$51,482,930
INTERNATIONAL SHARES		79.9%	\$133,261,599
Equity index futures (long)	n/a	42.5%	\$70,863,152
LSV Global Concentrated Fund	0.8%	16.8%	\$28,068,581
Suvretta Offshore Fund	n/a	14.5%	\$24,136,649
Impala Resource Fund	n/a	6.1%	\$10,193,218
ALTERNATIVE SECURITIES		4.8%	\$8,016,545
ISAM Systematic Fund	n/a	4.3%	\$7,204,589
Universa Black Swan Protection Protocol	n/a	0.5%	\$811,956
TOTAL ECONOMIC EXPOSURE⁴		118.1%	\$196,981,732
FOREIGN CURRENCY EXPOSURE		38.2%	\$63,630,437

1. Where a strategy is shown, the asset class reflects the predominant assets in the strategy. The strategy may include other assets including cash.
2. 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.
3. Credit default swaps notional value is currently \$148,709,215.
4. 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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