

NZ Funds Managed Superannuation Service Security Listings

21 January 2019



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.

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 21 January 2019

STRATEGY / SECURITY	ESTIMATED YIELD ¹	CREDIT RATING	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
CASH AND CASH EQUIVALENTS			21.2%	\$433,960
AUSTRALASIAN BONDS			55.5%	\$1,136,066
Vector 4.996% 14/03/2024	3.8%	BBB	5.7%	\$117,500
Insurance Australia Group 5.15% 15/06/2043	4.3%	BBB	4.7%	\$95,235
BlueScope Steel Finance USA 4.625% 25/05/2023	3.8%	BBB-	4.3%	\$87,834
Westpac Banking 4.695% 01/09/2026	3.8%	BBB	3.8%	\$77,913
WEL Networks 4.9% 02/08/2023	4.4%	NR	3.4%	\$69,409
Crown Subordinated Notes 23/04/2075	4.8%	NR	3.3%	\$68,111
Precinct Properties New Zealand 4.42% 27/11/2024	4.0%	NR	2.8%	\$56,633
Fletcher Building Industries 5.8% 15/03/2020	4.8%	NR	2.7%	\$54,377
NEXTDC 6% 09/06/2022	5.3%	NR	2.6%	\$54,162
Property for Industry 4.59% 28/11/2024	4.0%	NR	2.6%	\$52,323
Amcor Finance USA 3.625% 28/04/2026	3.5%	BBB	2.3%	\$47,993
Infratil 5.5% 15/06/2024	4.7%	NR	2.3%	\$46,547
Powerco 4.67% 15/11/2024	3.8%	BBB	2.2%	\$44,904
Meridian Energy 4.88% 20/03/2024	3.4%	BBB+	2.1%	\$42,831
Qantas Airways 4.75% 12/10/2026	3.9%	BBB-	2.1%	\$42,527
Woodside Finance 3.7% 15/09/2026	3.8%	BBB+	2.0%	\$41,537
NEXTDC 6.25% 09/06/2021	6.2%	NR	1.8%	\$36,580
Fletcher Building Industries 4.75% 15/03/2021	4.9%	NR	1.7%	\$34,127
Trustpower 4.01% 15/12/2022	3.5%	NR	1.6%	\$33,010
Property for Industry 4.25% 01/10/2025	4.0%	NR	1.6%	\$32,515

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ROPS GBP Income Strategy

Complete Strategy as at 21 January 2019 (continued)

STRATEGY / SECURITY	ESTIMATED YIELD ¹	CREDIT RATING	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
INTERNATIONAL BONDS			23.3%	\$476,936
HCA 4.75% 01/05/2023	3.4%	BBB-	4.1%	\$84,864
Icahn Enterprises 5.875% 01/02/2022	4.4%	BB+	3.9%	\$79,697
NRG Energy 6.625% 15/01/2027	4.8%	BB	2.8%	\$57,560
Devon Energy 5.85% 15/12/2025	3.7%	BBB	2.7%	\$55,845
Constellation Brands 4.75% 01/12/2025	3.5%	BBB	2.5%	\$52,177
Southern Copper 7.50% 27/07/2035	4.7%	BBB+	2.5%	\$50,905
First Quantum Minerals 7% 15/02/2021	6.5%	B	1.9%	\$39,259
Bausch Health 4.5% 15/05/2023	7.1%	B-	1.9%	\$38,411
Southern Copper 3.5% 08/11/2022	3.0%	BBB+	0.9%	\$18,218
TOTAL ECONOMIC EXPOSURE²			100.0%	\$2,046,961
GBP CURRENCY EXPOSURE			99.3%	\$2,031,966
OTHER FOREIGN CURRENCY EXPOSURE			4.2%	\$85,765

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.



Income Strategy

Complete Strategy as at 21 January 2019

STRATEGY / SECURITY	ESTIMATED YIELD ¹	CREDIT RATING	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
CASH AND CASH EQUIVALENTS			20.4%	\$797,422
AUSTRALASIAN BONDS			56.1%	\$2,196,447
Vector 4.996% 14/03/2024	3.8%	BBB	5.8%	\$227,172
Insurance Australia Group 5.15% 15/06/2043	4.3%	BBB	4.7%	\$184,126
BlueScope Steel Finance USA 4.625% 25/05/2023	3.8%	BBB-	4.3%	\$169,817
Westpac Banking 4.695% 01/09/2026	3.8%	BBB	3.8%	\$150,636
WEL Networks 4.9% 02/08/2023	4.4%	NR	3.4%	\$134,193
Crown Subordinated Notes 23/04/2075	4.8%	NR	3.4%	\$131,684
Precinct Properties New Zealand 4.42% 27/11/2024	4.0%	NR	2.8%	\$109,492
Fletcher Building Industries 5.8% 15/03/2020	4.8%	NR	2.7%	\$105,131
NEXTDC 6% 09/06/2022	5.3%	NR	2.7%	\$104,716
Property for Industry 4.59% 28/11/2024	4.0%	NR	2.6%	\$101,159
Amcor Finance USA 3.625% 28/04/2026	3.5%	BBB	2.4%	\$92,790
Infratil 5.5% 15/06/2024	4.7%	NR	2.3%	\$89,992
Powerco 4.67% 15/11/2024	3.8%	BBB	2.2%	\$86,816
Meridian Energy 4.88% 20/03/2024	3.4%	BBB+	2.1%	\$82,808
Qantas Airways 4.75% 12/10/2026	3.9%	BBB-	2.1%	\$82,220
Woodside Finance 3.7% 15/09/2026	3.8%	BBB+	2.1%	\$80,306
NEXTDC 6.25% 09/06/2021	6.2%	NR	1.8%	\$70,723
Fletcher Building Industries 4.75% 15/03/2021	4.9%	NR	1.7%	\$65,980
Trustpower 4.01% 15/12/2022	3.5%	NR	1.6%	\$63,821
Property for Industry 4.25% 01/10/2025	4.0%	NR	1.6%	\$62,865

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Complete Strategy as at 21 January 2019 (continued)

STRATEGY / SECURITY	ESTIMATED YIELD¹	CREDIT RATING	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
INTERNATIONAL BONDS			23.5%	\$922,098
HCA 4.75% 01/05/2023	3.4%	BBB-	4.2%	\$164,074
Icahn Enterprises 5.875% 01/02/2022	4.4%	BB+	3.9%	\$154,085
NRG Energy 6.625% 15/01/2027	4.8%	BB	2.8%	\$111,285
Devon Energy 5.85% 15/12/2025	3.7%	BBB	2.8%	\$107,970
Constellation Brands 4.75% 01/12/2025	3.5%	BBB	2.6%	\$100,877
Southern Copper 7.50% 27/07/2035	4.7%	BBB+	2.5%	\$98,419
First Quantum Minerals 7% 15/02/2021	6.5%	B	1.9%	\$75,902
Bausch Health 4.5% 15/05/2023	7.1%	B-	1.9%	\$74,263
Southern Copper 3.5% 08/11/2022	3.0%	BBB+	0.9%	\$35,223
TOTAL ECONOMIC EXPOSURE²			100.0%	\$3,915,966
FOREIGN CURRENCY EXPOSURE			4.2%	\$165,923

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Complete Strategy as at 21 January 2019

STRATEGY / SECURITY ¹	ESTIMATED YIELD ²	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
CASH AND CASH EQUIVALENTS		8.2%	\$451,088
INTERNATIONAL BONDS		23.6%	\$1,304,921
Floating Rate and Perpetual Bond Strategy	6.3%	23.1%	\$1,278,061
Inflation swaps - Market value ³	n/a	0.3%	\$14,473
United States bond futures (short)	n/a	0.2%	\$12,386
AUSTRALASIAN SHARES		34.8%	\$1,923,941
Dividend and Growth Strategy	4.7%	34.8%	\$1,923,941
INTERNATIONAL SHARES		33.8%	\$1,866,953
Equity index futures (long)	n/a	24.2%	\$1,335,952
Global Banking & Finance Index Strategy	1.9%	6.4%	\$352,385
Impala Resource Fund	n/a	3.2%	\$178,616
ALTERNATIVE SECURITIES		0.4%	\$19,742
Universa Black Swan Protection Protocol	n/a	0.4%	\$19,742
TOTAL ECONOMIC EXPOSURE⁴		100.8%	\$5,566,645
FOREIGN CURRENCY EXPOSURE		6.1%	\$338,397

- 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.
- Inflation swaps notional value is currently \$769,926.
- 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.

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Growth Strategy

Complete Strategy as at 21 January 2019

STRATEGY / SECURITY ¹	ESTIMATED YIELD ²	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
CASH AND CASH EQUIVALENTS		1.0%	\$125,177
AUSTRALASIAN SHARES		30.1%	\$3,771,659
Dividend and Growth Strategy	4.7%	30.1%	\$3,771,659
INTERNATIONAL SHARES		85.5%	\$10,697,006
Equity index futures (long)	n/a	48.8%	\$6,112,154
LSV Global Concentrated Fund	0.9%	18.3%	\$2,287,806
Suvretta Offshore Fund	n/a	13.0%	\$1,629,500
Impala Resource Fund	n/a	5.3%	\$667,546
ALTERNATIVE SECURITIES		4.4%	\$550,479
ISAM Systematic Fund	n/a	3.6%	\$453,405
Universa Black Swan Protection Protocol	n/a	0.8%	\$97,074
TOTAL ECONOMIC EXPOSURE³		121.0%	\$15,144,321
FOREIGN CURRENCY EXPOSURE		37.1%	\$4,645,366

1. Where a strategy is shown, the asset class reflects the predominant assets in the strategy. The strategy may include other assets including cash.
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