

28 February 2019

International Share Fund



Fund description

Invests mainly in international equities. Investments may include equities in companies that are listed on a recognised stock exchange, and cash and cash equivalents.

Market and fund review

The fund returned 5.80% in February, which together with its strong performance in January, means it has recovered most of its losses from late last year. Over one year the fund is up 5.0%.

The world's share markets continued their strong run in February, benefiting from an improvement in investor sentiment as company earnings were on the higher side of expectations, and as trade tensions eased. Two out of the fund's four underlying managers comfortably outperformed the market during the month, which helped the fund to deliver strong relative performance.

Growth manager Franklin was the best performer, as growth-style stocks have found themselves back in favour. Strong company selection within the Consumer Discretionary sector was of particular benefit, with solid performances from the likes of MercadoLibre (an online retailer in South America), TAL Education (an after-school tutoring company in China) and Just Eats (a UK company similar to Uber Eats).

The other strong performer was core manager MFS. Its overweight to the healthcare sector, and in particular, its long-standing holding in medical devices company Zimmer Biomet, was of particular benefit as its shares jumped by over 15% following a positive earnings announcement. Its holdings in cosmetics company Coty Inc and information technology company Visa were also strong relative performers.

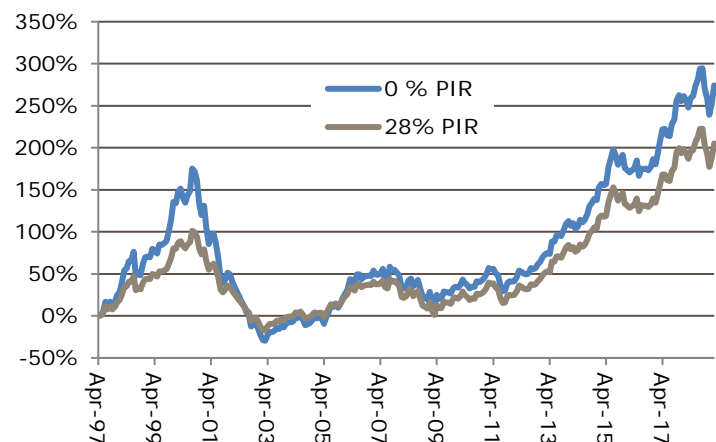
Holding back performance this month was core manager Vontobel. Even though the manager delivered a strong absolute gain, its return was behind that of the market. Some weak company selection within the healthcare sector proved to be the main drag on return.

Fund performance

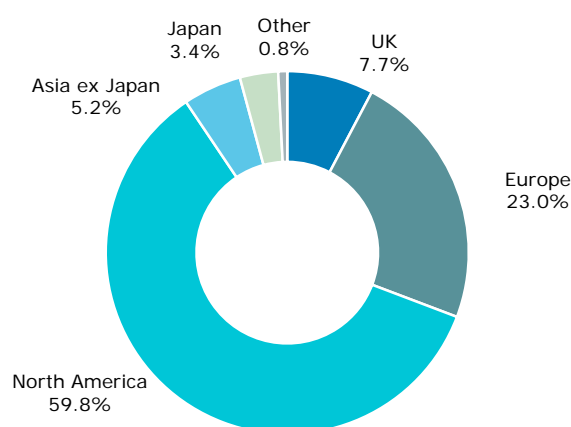
	1mth	3mth	6mth	1yr	3yrs (ann)	5yrs (ann)	Since Launch (ann)
At 0% PIR Tax	5.8%	4.4%	-4.9%	5.0%	11.5%	12.2%	6.2%
At 28% PIR Tax	5.6%	4.1%	-5.4%	3.7%	10.1%	10.9%	5.2%

Performance is after fund fees and stated PIR. The 28% PIR return series shows returns at the highest PIR at the time of the performance. The fund became a PIE fund on 1 October 2007. Performance of the 0% PIR prior to this date has been recalculated on a before tax basis. Performance of the 28% PIR prior to this date are reflective of the tax regime for that period. Performance for periods longer than one year are annualised.

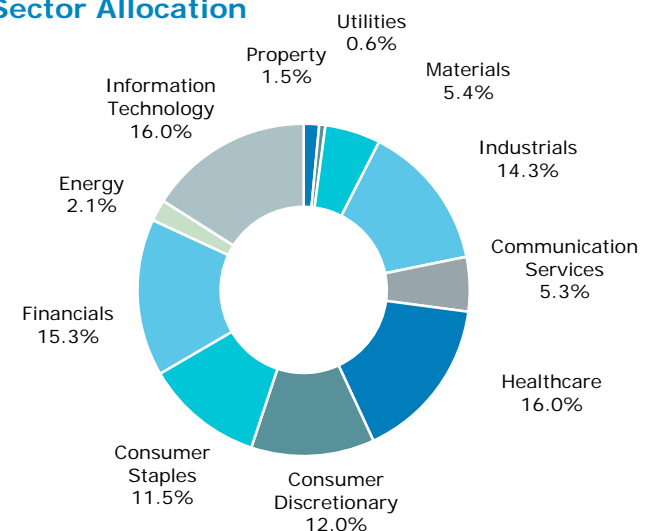
Fund performance since launch



Country Allocation



Sector Allocation



Top 10 Holdings

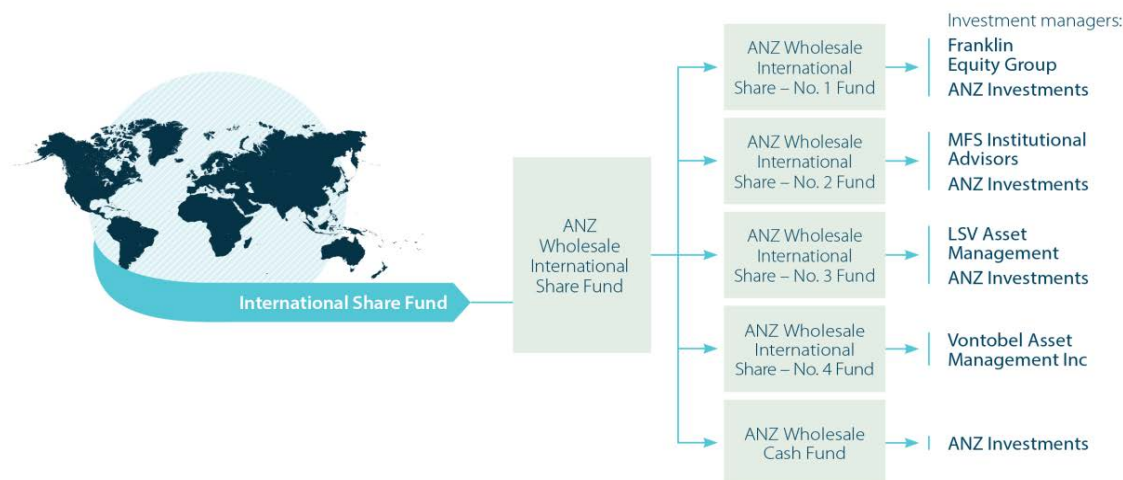
1	Visa Inc	2.4%
2	Medtronic PLC	1.6%
3	HDFC Bank Ltd	1.5%
4	Nestle SA	1.4%
5	Thermo Fisher Scientific Inc	1.3%
6	Comcast Corp	1.3%
7	Reckitt Benckiser	1.2%
8	Walt Disney Corporation	1.1%
9	Accenture PLC	1.0%
10	LVMH Moet Hennessy	1.0%
Total Top 10 Holdings		13.8%
# of Share Holdings		461

Hedging Levels

Benchmark hedging rate	Current Hedging
0%	0%

International Share Fund

Current fund structure



External fund managers

The Franklin Equity Group

The Franklin Equity Group (Franklin), a part of Franklin Templeton Investments, manages a portfolio of international equities. Franklin aims to invest in quality companies with the potential to produce sustainable earnings and cash flow growth.

MFS Institutional Advisors

MFS Institutional Advisors Inc. (MFSI) manages a portfolio of international equities. MFSI aims to invest in quality companies with sustainable, above-average growth and returns.

LSV Asset Management

LSV Asset Management (LSV) manages a portfolio of international equities. LSV aims to invest in out-of-favour or undervalued stocks that have the potential for near-term appreciation.

Vontobel

Vontobel Asset Management Inc (Vontobel) manages a portfolio of international equities. Vontobel aims to invest in sensibly priced, high-quality companies that can grow earnings faster than the market on a sustainable basis.

Additional fund information

Minimum transaction size

Lump sum withdrawals	\$500
Regular withdrawals	\$100

Fees

Annual fund charge	1.29%
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Launch date

8 April 1997

Detailed fund information

[Guide and product disclosure statement](#)

Forms to alter your investment

[See form section of product disclosure statement](#)

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