

28 February 2019



Australian Share Fund

Fund description

Invests mainly in Australian equities. Investments may include equities in companies that are listed or in the process of listing on the Australian stock exchange, and cash and cash equivalents.

Market and fund review

The fund gained 6.3% over the month, well ahead of the return of its benchmark.

Australian shares were sharply higher as the ASX 200 Index gained 5.2%, making it one of the better performing major markets. Its market benefited from hopes that the US and China will reach a trade agreement – given Australia’s reliance on China as a key trading partner. The market managed to post strong gains despite a disappointing earnings season for Australian companies.

The fund’s holding in financial services company IOOF had the biggest positive contribution to relative performance. Its shares skyrocketed by 35% after it posted a solid interim result. A number of the fund’s other holdings within this sector were also beneficial, including those in QBE Insurance and Australian & New Zealand Banking Group, which rose 14% and 11% respectively.

The fund’s holding in Viva Energy Group was another positive, as its shares rose over 30%. This was on the back of news that it had agreed to strengthen the terms of its Fuel & Convenience Alliance with Coles Group, the Australian supermarket chain. The new alliance should deliver a more competitive customer offer and an opportunity to expand the network.

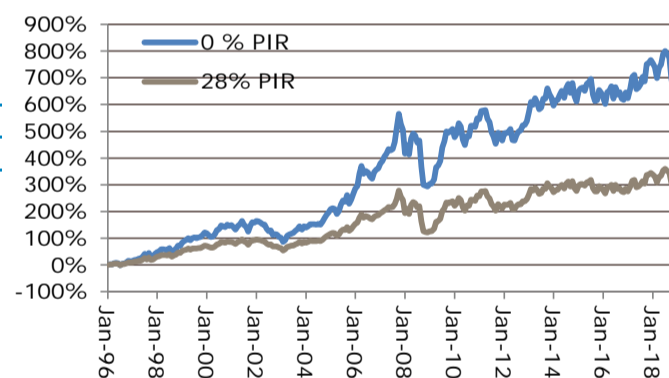
Interestingly, one of the fund’s weaker holdings was Coles Group, despite the strengthening of its alliance with Viva Energy Group. This was because the news was accompanied by a weak trading update for its Convenience division, which has been impacted by higher oil prices and a weaker Australian dollar.

Fund performance

	1mth	3mth	6mth	1yr	3yrs (ann)	5yrs (ann)	Since Launch (ann)
At 0% PIR Tax	6.3%	5.4%	-11.5%	-6.4%	3.8%	1.9%	9.4%
At 28% PIR Tax	6.0%	5.0%	-11.9%	-7.4%	2.7%	0.9%	6.2%

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.

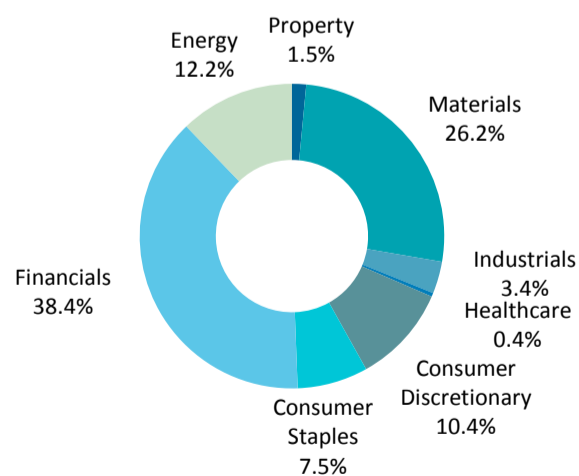
Fund performance since launch



Top 10 holdings

1	ANZ Banking Group Ltd	9.2%
2	National Australia Bank Ltd	6.0%
3	Westpac Banking Corporation	5.5%
4	Iluka Resources Ltd	5.1%
5	Aristocrat Leisure	5.0%
6	Woodside Petroleum Ltd	4.8%
7	Coles Group Ltd	4.3%
8	QBE Insurance Group	4.2%
9	Oil Search Ltd	4.1%
10	Bluescope Steel Ltd	3.6%
Total Top 10 Holdings		51.8%
# of Share Holdings		33

Sector allocation



The sector allocation of this fund is based on the GICS sector of the stocks held in the underlying fund, in which the fund invests.

Australian Share Fund

Hedging levels

Benchmark hedging rate	Current Hedging
0%	0%

Current fund structure



External fund manager

Nikko AM Limited

Nikko AM Limited (Nikko AM) is a Sydney based manager who manages a portfolio of Australian equities. Nikko uses an investment style that seeks to identify good value stocks that offer the best compromise between risk and expected return.

Additional fund information

<p>Minimum transaction size</p> <p>Lump sum withdrawals \$500</p> <p>Regular withdrawals \$100</p> <p>Fees</p> <p>Annual fund charge 1.29%</p> <p>Launch date</p> <p>26 January 1996</p>	<p>Detailed fund information</p> <p>Guide and product disclosure statement</p> <p>Forms to alter your investment</p> <p>See form section of product disclosure statement</p> <p>Contact information</p> <p>0800 736 034</p> <p>service@anzinvestments.co.nz</p>
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Information is current as at the date of this document and may change on a daily basis.

Past performance does not indicate future performance. The actual performance any given investor realises will depend on many things, is not guaranteed and may be negative as well as positive.

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The Morningstar Analyst Rating for OneAnswer Australian Share Fund assigned on 8 October 2018 is Silver. See investments.anz.co.nz/awards (Morningstar) for full disclaimer. For more awards information, including the full Morningstar awards disclaimer, visit investments.anz.co.nz/awards.