

31 December 2017

## 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 returned 10.2% over the quarter, extending its return over the year to 16.2%.

The Australian share market was one of the better-performing markets this quarter, helped by improving business conditions and a recovery in retail sales. In addition, materials and energy stocks – which make up a large proportion of its market – did well on the back of firmer commodity prices.

The fund's holding in Nextdc Limited, Australia's largest data centre operator and one of the fund's biggest overweights, had the biggest impact on performance during the quarter. Its shares hit an all-time high following a positive trading update. The demand for cloud-based storage looks set to outstrip supply and Nextdc appears to be best placed to take advantage of this.

Vocus Group continued its strong run. It announced that it would sell its New Zealand assets and rumours of local interest in the company sent its share price higher. Meanwhile, building material supplier James Hardie also did well following a first-half update that came ahead of expectations, helping to send its shares to a new high for the year.

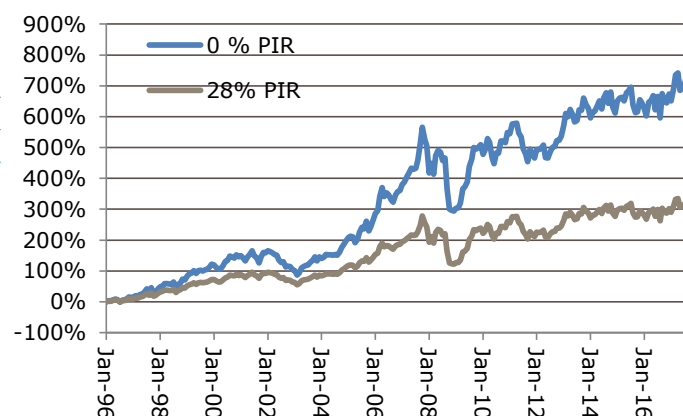
Financial planning software company IRESS was one of the weaker performers. Its share price fell on the back of a weak trading update. That said, the manager believes the fundamental backdrop for the company is strong as it continues to make inroads in key international markets. National Australia Bank was also a slight detractor. While it delivered a solid result, banking stocks were generally weaker as news of a senate enquiry into the banking sector came to light.

### Fund performance

	1mth	3mth	6mth	1yr	3yrs (ann)	5yrs (ann)	Since Launch (ann)
At 0% PIR Tax	1.3%	10.2%	13.6%	16.2%	6.8%	6.3%	10.4%
At 28% PIR Tax	1.3%	9.8%	12.8%	14.9%	5.6%	5.2%	7.1%

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.

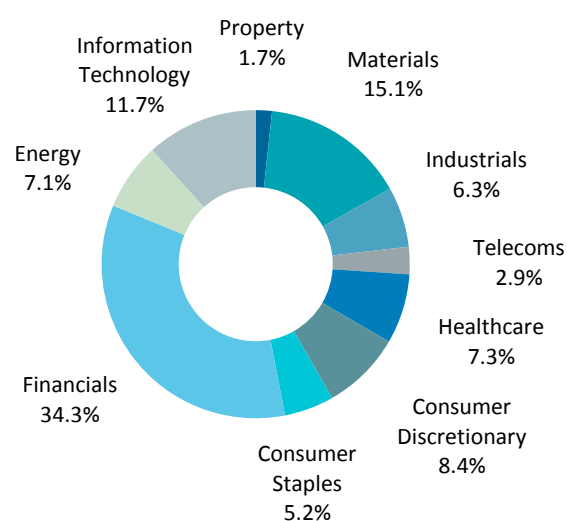
### Fund performance since launch



### Top 10 holdings

1	Westpac Banking Corporation	8.1%
2	Commonwealth Bank of Australia	7.2%
3	BHP Billiton Ltd	6.3%
4	National Australia Bank Ltd	5.7%
5	Wesfarmers Limited	4.7%
6	Macquarie Group Ltd	3.6%
7	NextDC Ltd	3.0%
8	Trade Me Ltd	2.9%
9	Origin Energy Ltd	2.9%
10	Rio Tinto Ltd	2.8%
Total Top 10 Holdings		47.2%
# of Share Holdings		34

### Sector allocation



# Australian Share Fund

## Hedging levels

Benchmark hedging rate	Current Hedging
0%	0%

## External fund manager

### Arnhem Investment Management

Arnhem Investment Management Pty Limited (Arnhem), a delegate of BNP Paribas Investment Partners (Australia) Limited, manages a portfolio of Australian equities. Arnhem aims to invest in companies with above-average, sustainable earnings growth.

## Additional fund information

<b>Minimum transaction size</b>		<b>Detailed fund information</b>
Lump sum payments	\$500	<a href="#">Guide and product disclosure statement</a>
Regular payments	\$50	
Lump sum withdrawals	\$500	<b>Forms to alter your investment</b>
Regular withdrawals	\$100	<a href="#">See form section of product disclosure statement</a>
Withdrawal size	\$500	
<b>Fees</b>		<b>Contact information</b>
Annual fund charge	1.29%	0800 736 034
		<a href="mailto:service@anzinvestments.co.nz">service@anzinvestments.co.nz</a>
		<a href="http://investments.anz.co.nz">investments.anz.co.nz</a>
<b>Launch date</b>		
26 January 1996		

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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