

# Cash Fund

Private Wealth Series

## Fund Update

For quarter ending 30 June 2021

This Fund Update was first made publicly available on 27 July 2021.

### What is the purpose of this update?

This document tells you how the Cash Fund (Fund) has performed and what fees were charged. The document will help you to compare the Fund with other funds. BNZ Investment Services Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

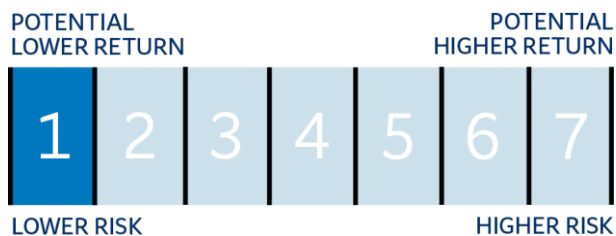
### Description of this Fund

The Cash Fund invests in New Zealand short-term cash securities (on-call bank deposits) and cash equivalent securities (bank term deposits, bonds, bills and floating-rate notes with a maximum term of 365 days). It aims to achieve stable returns over the short term and provide a gross return in excess of its benchmark index.

Total value of the Fund	\$197,542,221.70
Date the Fund started	2 March 2017

### What are the risks of investing?

Risk indicator<sup>1</sup> for the Cash Fund



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the Fund's assets goes up and down (volatility). A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at [sorted.org.nz](https://sorted.org.nz)

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for 30 June 2016 to 30 June 2021. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future Fund Updates.

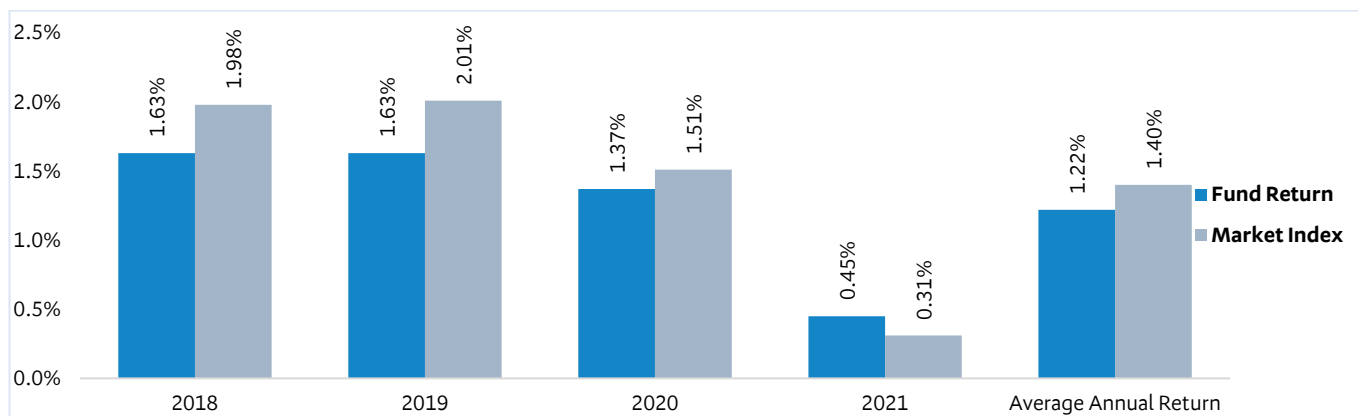
See the Private Wealth Series Product Disclosure Statement (PDS) for more information about the risks associated with investing in this Fund.

### How has the Fund performed?

	Past year
Annual return (after deductions for charges and tax)	0.27%
Annual return (after deductions for charges but before tax)	0.37%
Market index annual return (reflects no deductions for charges and tax)	0.30%

The market index (benchmark) return is based on the Bloomberg NZBond Bank Bill Index, as described in the Statement of Investment Policy and Objectives (SIPO). Additional information about the benchmark is available on the offer register (search for Private Wealth Series) at [companiesoffice.govt.nz/disclose](https://companiesoffice.govt.nz/disclose)

## Annual return graph



The graph shows the return after Fund charges and tax for each year ending 31 March since the Fund started. The last bar shows the average annual return since the Fund started, up to 30 June 2021.

**Important:** This does not tell you how the Fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

Market index returns do not include Fund charges or deductions for tax.

## Example of how this applies to an investor

John had \$10,000 in the Fund at the start of the year and did not make any further contributions. At the end of the year, John received a return after Fund charges were deducted of \$27.00 (that is 0.27% of his initial \$10,000). John also paid \$0.00 in other charges. This gives John a total return of \$27.00 for the year.

## What fees are investors charged?

Investors in the Cash Fund are charged Fund charges. In the year to 31 March 2021 these were (excluding GST):

	% of net asset value
<b>Total fund charges</b>	<b>0.27%</b>
<i>Which are made up of:</i>	
<b>Total management and administration charges</b>	<b>0.27%</b>
<i>Including:</i>	
Manager’s basic fee	0.27%
Other management and administration charges	0.00%
<b>Total performance-based fees</b>	<b>0.00%</b>

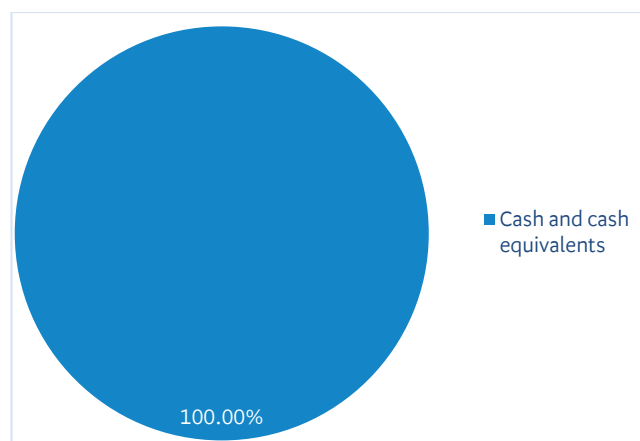
See the Private Wealth Series PDS for more information about these fees. This can be accessed from the Disclose Register at [companiesoffice.govt.nz/disclose](https://companiesoffice.govt.nz/disclose)

Small differences in fees and charges can have a big impact on your investment over the long term.

## What does the Fund invest in?

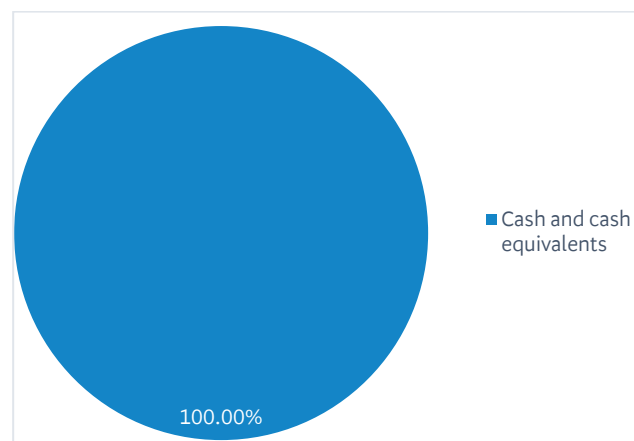
This shows the types of assets the Fund invests in.

### Actual investment mix<sup>2</sup>



This shows the mix of assets the Fund generally intends to invest in.

### Target investment mix



## Top 10 investments<sup>3</sup>

	Name	% of fund net assets	Type	Country	Credit rating (if applicable)
1	ASB Bank Ltd Enhanced +8bps 26/08/2021	6.62%	Cash and cash equivalents	New Zealand	AA-
2	Bank of New Zealand (BNZ) Registered Certificate of Deposit 05/08/2021	4.85%	Cash and cash equivalents	New Zealand	AA-
3	Hongkong & Shanghai Banking Co Floating Rate Note 26/11/2021	4.78%	New Zealand fixed interest	New Zealand	AA-
4	New Zealand Local Government Funding Agency Ltd PNote 13/09/2021	3.53%	Cash and cash equivalents	New Zealand	AA-
5	IRD Deposit Tax Traders 1% 27/07/2021	3.18%	Cash and cash equivalents	New Zealand	
6	Westpac New Zealand Ltd Registered Certificate of Deposit 28/09/2021	2.20%	Cash and cash equivalents	New Zealand	AA-
7	Westpac New Zealand Ltd Registered Certificate of Deposit 02/07/2021	1.77%	Cash and cash equivalents	New Zealand	AA-
8	Bank of New Zealand (BNZ) Registered Certificate of Deposit 20/07/2021	1.77%	Cash and cash equivalents	New Zealand	AA-
9	Westpac New Zealand Ltd Registered Certificate of Deposit 27/07/2021	1.77%	Cash and cash equivalents	New Zealand	AA-
10	Westpac New Zealand Ltd Registered Certificate of Deposit 17/08/2021	1.76%	Cash and cash equivalents	New Zealand	AA-

The top 10 investments make up 32.23% of the net asset value of the Fund.

## Key personnel

This shows the directors and employees who have the most influence on the investment decisions of the Fund.

Name	Current position	Time in current position	Previous or other position	Time in previous position
Richard Morath	Director, BNZ Investment Services Limited	8 years, 0 months	Non-Executive Director, BNZ Life Insurance Limited (current position)	17 years, 7 months
Richard Ansell	Director, BNZ Investment Services Limited	2 years, 4 months	Member, BNZ Investment Review Committee (current position)	2 years, 4 months
Hayley Cassidy	Director, BNZ Investment Services Limited	2 years, 2 months	Executive, Chief General Counsel, BNZ (current position)	0 years, 4 months
Paul Richardson	Director, BNZ Investment Services Limited	1 year, 7 months	Managing Director, Carina Capital Limited (current position)	2 years, 11 months
Daniel Huggins	Director, BNZ Investment Services Limited	0 years, 11 months	Executive - Customer Products & Services, BNZ (current position)	1 year, 3 months

## Further information

You can also obtain this information, the PDS for the Private Wealth Series, and some additional information from the offer register at [companiesoffice.govt.nz/disclose](https://companiesoffice.govt.nz/disclose)

## Contact details

If you have any questions about this Fund or the Private Wealth Series, please call us on 0800 477 077 or visit our website at [bnz.co.nz/private-banking](https://bnz.co.nz/private-banking)

## Notes

1. As the Fund has not been in existence for 5 years, we have used a mix of actual and market index returns for the 5-year period to 30 June 2021 to calculate the risk indicators. Therefore, the risk indicators may provide a less reliable indicator of the potential future volatility of the Fund. The inception date for the Fund was in March 2017. We have calculated the risk indicators using market index returns from 1 July 2016 to 31 March 2017 and actual returns from 1 April 2017 until 30 June 2021.
2. The calculation of cash and cash equivalents within the actual investment mix allocation may include investor flows not yet unitised, liquidity cash and fund accruals but excludes cash and cash equivalents held by our investment managers for operational and hedging purposes which are categorised within the asset class to which they apply.
3. Investor flows not yet unitised, unsettled trades, currency hedging gains (or losses) and any operating accruals are excluded from the Top 10 investments.