

Kernel NZ Small & Mid Cap Opportunities Fund

For the month ended 30 September 2020

Fund overview

The Fund provides investors with a diversified exposure to NZX-listed companies outside of the S&P/NZX 20 index, which normally have a market capitalisation of between \$100 million and \$1 billion and are part of the S&P/NZX Emerging Opportunities Index.

Key information

- **Index tracked:** [S&P/NZX Emerging Opportunities Index](#)
- **Number of constituents:** 42
- **Distribution frequency:** Quarterly
- **Management fee:** 0.39%
- **Inception:** 28th August 2019

How to use Kernel NZ Small & Mid Cap Opportunities Fund

The NZ Small & Mid Cap Opportunities fund can be used in a variety of investment strategies, for example:

- A low cost compliment to another NZ equity investment
- A tactical exposure to smaller growth companies
- Portfolio diversification

Performance

Period	Fund	Index	Net of fees Alpha
1 month	1.05%	1.09%	-0.04%
3 months	9.55%	9.73%	-0.18%
6 months	40.86%	41.07%	-0.21%
1 year	-1.79%	-1.56%	-0.24%
3 year		4.01%	
5 year		9.88%	

Fund returns after deductions for charges, before tax and assuming distributions reinvested. Returns for longer than one year are annualised. Index returns are gross. **Net of fees alpha as the tracking difference should be expected to be at least -0.39% p.a. for management fee.**

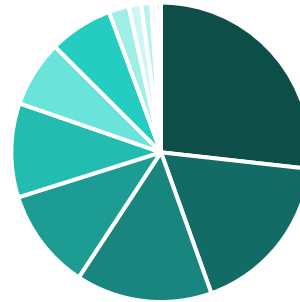
Risk profile



The risk indicator is based on the returns data for 5 years to 30 June 2020 or the index data for the time before fund inception. While risk indicators are usually relatively stable, they do shift from time to time. See the [Product Disclosure Statement](#) for the Kernel Funds for more information about the risks associated with investing in this fund.

What does the fund invest in?

This shows the sectors that the fund currently invests in:



- Real Estate 26.8%
- Healthcare 17.8%
- Consumer Staples 14.7%
- Consumer Disc. 10.9%
- Industrials 10.2%
- Financials 7.2%
- Info. Tech. 6.9%
- Cash 2.2%
- Communication Services 1.4%
- Utilities 1.1%
- Energy 0.6%
- Materials 0.5%

Top 10 investments

Company	% of fund's net asset value
Property for Industry	7.30%
Argosy Property	6.16%
Metlifecare	5.54%
Vital Healthcare Property Trust	5.51%
Arvida Group	5.00%
Kathmandu Holdings	4.49%
Stride Stapled Group	4.20%
Air New Zealand	4.03%
Oceania Healthcare	3.87%
Heartland Group	3.62%

Further information

You can also obtain further information in the Product Disclosure Statement for the Kernel Funds, and some additional information from the offer register at www.disclose-register.companiesoffice.govt.nz.

The information in this document is of a general nature and does not take into account your particular financial situation or goals. The information is not investment advice.

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