

Kernel NZ 20 Fund

For the month ended 30 September 2020

Fund overview

The Fund provides investors with a diversified exposure across a range of sectors including utilities, real estate, telecommunication and healthcare to 20 of the largest companies listed in New Zealand. Large and liquid, many of these companies export globally and collectively account for over 80% of the value of the entire investable NZ stockmarket.

Key information

- **Index tracked:** [S&P/NZX 20 Index](#)
- **Number of constituents:** 20
- **Distribution frequency:** Quarterly
- **Management fee:** 0.39%
- **Inception:** 28th August 2019

How to use Kernel NZ 20 Fund

The NZ 20 fund can be used in a variety of investment strategies, for example:

- A core allocation to NZ equities
- A tactical exposure to NZ blue-chips
- A low cost alternative to other active managers

Performance

Period	Fund	Index	Net of fees alpha
1 month	-1.99%	-1.96%	-0.03%
3 months	1.47%	1.59%	-0.12%
6 months	16.73%	16.62%	+0.11%
1 year	9.60%	9.76%	-0.16%
3 years p.a.		16.53%	
5 years p.a.		17.50%	

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

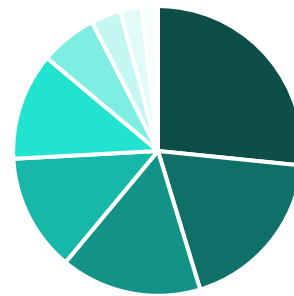


The risk indicator is based on the returns data for 5 years to 30 June 2020 or the index data for the time before fund inception. While risk indicators are usually relatively stable, they do shift from time to time. See the [Product Disclosure Statement](#) for the Kernel Funds for more information about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

What does the fund invest in?

Sector mix

This shows the sectors that the fund currently invests in:



■ Health Care	26.6%
■ Utilities	18.7%
■ Industrials	15.7%
■ Communication Services	13.1%
■ Consumer Staples	12.0%
■ Real Estate	6.4%
■ Materials	3.3%
■ Consumer Discretionary	2.4%
■ Energy	1.5%
■ Cash	0.3%

Top 10 investments

Company	% of fund's net asset value
Fisher & Paykel Healthcare	14.93%
a2 Milk Company	11.96%
Auckland International Airport	9.24%
Spark New Zealand	9.07%
Meridian Energy	6.53%
Ryman Healthcare	6.14%
Contact Energy	5.01%
Mainfreight	4.09%
Chorus	4.04%
Infratil	3.79%

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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