

NZ Bond ETF Fund

30 November 2017

Objective

To invest in the Smartshares Exchange Traded Funds' NZ Bond Fund (NZB), which is listed on the NZX Main Board. The NZ Bond Fund invests in New Zealand fixed interest assets, with the objective of outperforming the S&P/NZX A-Grade Corporate Bond Index over rolling 3-year periods. The investment manager for the fund is Nikko Asset Management New Zealand Limited.

Investments

Details of the investments of the NZ Bond ETF Fund are:

Code	Holdings	Units	NTA	Value (NZD)	Percentage
NZB	NZ Bond Fund	733,015	3.02251	\$ 2,215,545	100.0%
	Cash			\$ 20	0.0%
	Total			\$ 2,215,565	100.0%

Issuer

Corporate bonds	83.0%
Government bonds	17.0%
Total	100.0%

Credit grade distribution

AAA	1.0%
AA- to AA+	40.9%
A- to A+	24.1%
BBB- to BBB+	34.0%
Not formally rated	0.0%
Total	100.0%

Characteristics

Duration	3.51 years
Current running yield	3.29%

Top 10 holdings

Name	Credit rating	Coupon	Maturity	Weight (%)
New Zealand Government 150521 6.0% GB	AA+	6.00%	15-May-21	10.2%
Insurance Australia Group Ltd 150643 5.15% CB	BBB	5.15%	15-Jun-22	4.6%
ASB Bank Ltd 260521 4.245% CB	AA-	4.25%	26-May-21	4.0%
ANZ Bank New Zealand Ltd 220321 4.0% CB	AA-	4.00%	22-Mar-21	3.7%
Fonterra Cooperative Group Ltd 250222 5.90% CB	A-	5.90%	25-Feb-22	3.3%
Powerco Ltd 280922 4.76% CB	BBB	4.76%	28-Sep-22	3.1%
Bank of Newzealand 150623 4.102% CB	AA-	4.10%	15-Jun-23	3.0%
ASB Bank Ltd 250220 4.4225% CB	AA-	4.42%	25-Feb-20	3.0%
Genesis Energy Ltd 030425 5.00% CB	BBB+	5.00%	3-Apr-25	2.9%
Bank of New Zealand 171225 5.314% CB	BBB	5.31%	17-Dec-20	2.9%
Total				40.8%

Notes

¹ Smartshares is the Manager of the SuperLife Invest, SuperLife workplace savings, SuperLife KiwiSaver and SuperLife UK pension transfer schemes ("SuperLife schemes"). Smartshares is also the Manager of the Smartshares Exchange Traded Funds scheme which the SuperLife schemes invest in. The product disclosure statements for the SuperLife schemes can be downloaded here www.superlife.co.nz/legal-doc

² For details of the ETF securities in the NZ Bonds Fund visit the following links www.smartshares.co.nz/types-of-funds/smartincome/nzbondtrust

³ "NTA" is the Net Tangible Assets per unit in the Smartshares NZ Bond Fund.