

Russell Investments NZ Shares Fund

Report and Update

30 November 2017

Fund Commentary

The performance in this fact sheet is gross of fees and tax. Investors should also refer to the quarterly Fund Update, which is available on iisolutions.co.nz and business.govt.nz/disclose.

The Russell Investments NZ Shares Fund returned 0.86% in November, ahead of the benchmark return of 0.56%.

Market Commentary

The New Zealand equity market returned 0.56% for the month, led by companies in the aged care and property sectors. Within the Fund, the top performers included Serko, Gentrack, Z Energy, Vista Group and Trade Me. The inclusion of Fisher & Paykel Healthcare in the global MSCI index saw massive trading volumes on the last day of the month.

The most notable detractor from the index returns was Xero, whose share price fell by almost 7% after they announced their intention to delist from the NZX in early February 2018. Xero have said that they intend to keep their headquarters in New Zealand but will have a sole listing on the ASX.

The ANZ survey of New Zealand business confidence fell to an eight-year low, despite employment remaining strong and the prospect of fiscal stimulus. Evidence that the New Zealand housing market has begun to slow prompted the Reserve Bank to partly ease some lending restrictions.

In contrast, stronger global economic data continued to push some equity markets and commodity prices higher. Global equities rose 1.3%, led by the US and Japan. The US reporting season has bettered expectations and optimism has built around the progress of Trump's tax reform bill.

Investment Performance and Positions

The following information provides investment performance and positions within the underlying portfolio. Please note that this information is indicative only and is provided for general information purposes only.

Returns to 30 November 2017 (% gross of tax and fees)					
	Month	Quarter	1 Year	2 Years	3 Years
Fund	0.86%	3.93%	17.58%	17.11%	15.72%
Index*	0.56%	5.25%	20.22%	17.67%	16.98%

From 1 July 2016 this is S&P/NZX 50 Index (gross and including imputation credits). Prior to 30 June 2016 this was the Russell New Zealand Domestic Index including imputation credits (previously known as the Russell NZ Tradable Gross Index). Prior to 1 December 2014 the benchmark was the NZX50 Index including imputation credits.



Portfolio Information		
	Fund	Index
Number of equity issuers	48	50
Migrant Investor – Eligibility	Foreign Investment Variable Rate PIE	

Top 10 Holdings		Fund
Spark New Zealand		8.06%
Fisher & Paykel Healthcare		6.34%
Contact Energy		6.05%
Fletcher Building		5.86%
A2 Milk Company		5.71%
Auckland International Airport		5.58%
Meridian Energy		4.75%
Mainfreight		4.14%
Z Energy		3.51%
Trade Me Group		3.31%

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Disclaimer

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