

# JMIS Investment Management Funds Quarterly Fund Update

For the quarter ended 30 September 2016

## JMIS A FUND

This fund update was first made publicly available on 28 October 2016

### What is the purpose of this update?

This document tells you how the JMIS A Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. JMIS Investment Management 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 JMIS A Fund aims to achieve returns over the medium term by investing in a well-diversified portfolio of Australasian equities. It may also invest in listed property shares and alternative assets. The Fund is actively managed. The actual holdings may differ considerably from the target mix of 95% Australasian equities (50:50 mix of Australian and New Zealand equities) and 5% cash.

Total value of the fund	\$105,997,391.58
The date the fund started	1 November 2007

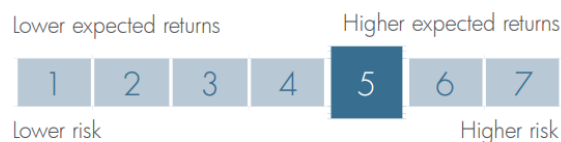
### How has the fund performed?

	Average over past 5 years	Past year
Annual return (after deductions for charges and tax)	11.74%	16.40%
Annual return (after deductions for charges but before tax)	12.23%	16.89%
Market index annual return (reflects no deduction for charges and tax)	12.36%	19.12%

We calculate the market index annual return from 1 April 2013 by using 50% of the NZX50 Portfolio Index and 50% of the ASX200 Accumulation Index in NZ dollars. Between 1 November 2007 and 31 March 2013 the market index return was based on 50% NZSE50 Portfolio Index and 50% ASX 200 Index in NZ dollars. Additional information about the market index is available on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

### What are the risks of investing?

Risk indicator for the JMIS A 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. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

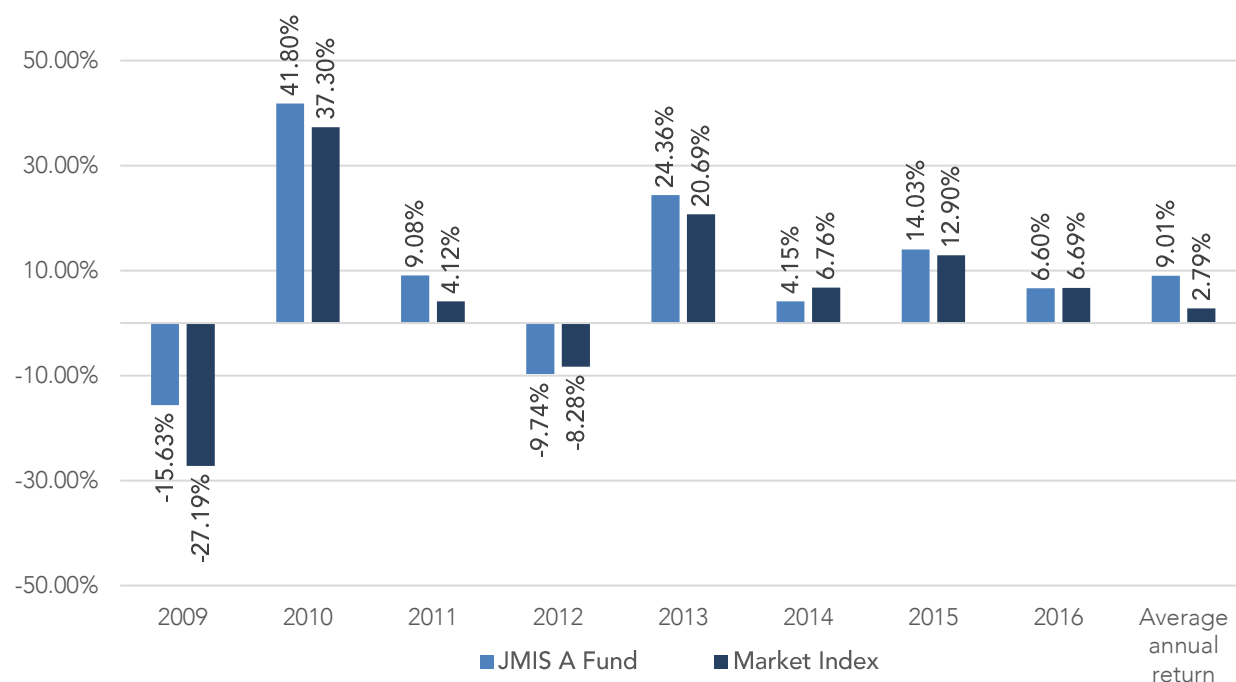
To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at [www.sorted.org.nz/tools/investor-kickstarter](http://www.sorted.org.nz/tools/investor-kickstarter).

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 the five year period to 30 September 2016. 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 Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

## Annual return graph<sup>1</sup>



This 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 31 March 2016.

**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.

## What fees are investors charged?

Investors in the JMIS A Fund are charged fund charges. In the year to 31 March 2016 these were:

	% of net asset value
<b>Total fund charges</b>	0.99%
Comprising management and administration charges which are made up of:	
Manager's basic fee	0.65%
Other management and administration charges	0.34%

There are no performance fees charged in relation to any of the JMIS Funds.

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the PDS for more information about those fees.

## Example of how this applies to an investor

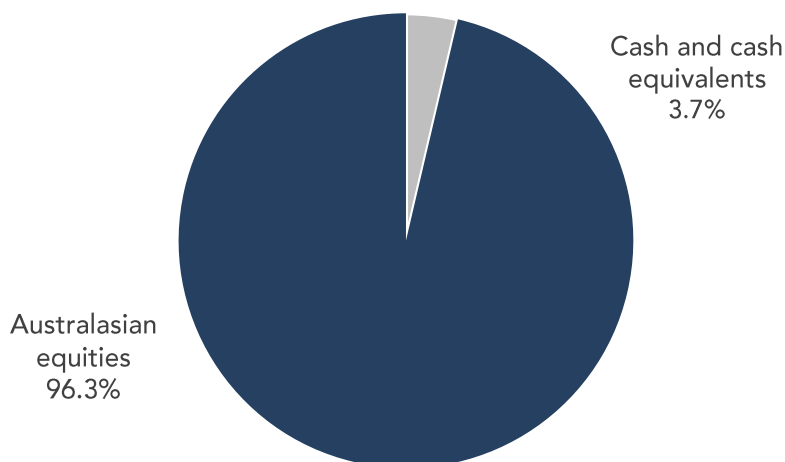
Small differences in fees and charges can have a big impact on your investment over the long term.

Sarah had \$10,000 in the JMIS A Fund at the start of the year and did not make any further contributions. At the end of the year, Sarah received a return after fund charges were deducted of \$1,689 (that is 16.89% of her initial \$10,000). Sarah does not pay any other charges. This gives Sarah a total return after tax of \$1,640 for the year.

## What does the fund invest in?

This shows the types of assets that the JMIS A Fund invests in.

### Actual investment mix



### Target investment mix

Asset Sector	Target Asset Allocation %	Range %
Cash and cash equivalents	5	0 - 60
Australasian Equities	95	40 - 100
International Equities	0	0 - 5
Listed Property	0	0 - 10
Other Assets	0	0 - 10
<b>Total Asset Allocation</b>	<b>100</b>	

### Top 10 investments

	Name	Country	Type	Credit rating (if applicable)	% of net asset value
1	Fletcher Building	New Zealand	Australasian equities		6.22%
2	Metro Performance Glass	New Zealand	Australasian equities		5.25%
3	Heartland Bank	New Zealand	Australasian equities		5.11%
4	Mainfreight	New Zealand	Australasian equities		5.02%
5	Westpac Banking Corporation	Australia	Australasian equities		4.91%
6	Rio Tinto	Australia	Australasian equities		4.80%
7	Contact Energy	New Zealand	Australasian equities		4.68%
8	Airwork Holdings	New Zealand	Australasian equities		4.65%
9	BHP Billiton	Australia	Australasian equities		4.59%
10	Pact Group Holdings	Australia	Australasian equities		4.16%

The top 10 investments make up 49.39% of the net asset value of the Fund.

## Key personnel

Name	Current position	Time in current position	Previous position	Time in previous position
Alan Lee	Director, JMIS Limited and subsidiaries	11 years 3 months	Director, Jarden Morgan Investment Services Limited	4 years 0 months
Andrew Kelleher	Director, JMIS Limited and subsidiaries	8 years 5 months	Acting Managing Principal, ASB Securities Limited and Investment Consultant, ASB Limited	3 years 5 months
Ross Jewell	Director, JMIS Limited and Senior Executive, JMIS Investment Management Limited	11 years 3 months	Director, Jarden Morgan Investment Services Limited	15 years 11 months
Ian Arkle	Investment Executive, JMIS Limited	5 years 2 months	Investment Manager, NZ Guardian Trust	6 years 0 months
Jonathan Westoby	Investment Executive, JMIS Limited	10 years 6 months	Stockbroker, Macquarie Group	12 years 8 months

## Further information

You can also obtain this information, the PDS for the JMIS Funds, and some additional information from the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

## Notes

1. The Market Index used to calculate the returns on the bar chart from 1 April 2013 is 50% of the NZX50 Portfolio Index and 50% of the ASX200 Accumulation Index in New Zealand dollars. Between 1 November 2007 and 31 March 2013 the market index used was 50% NZSE50 Portfolio Index and 50% ASX 200 Index in New Zealand dollars.

If you have any questions please contact us on +64 09 308 1450 or visit our website [www.jmis.co.nz](http://www.jmis.co.nz)