

## Market overview

With the exception of the US dollar, all major global markets were weak in April. Fixed Income markets again lead the weakness, with interest rates rising rapidly through the month as the market came to terms with an increasingly hawkish set of central bankers. US equities (-8.7%) reversed their ok March performance and lead global equities (-6.9%) lower. Meanwhile Chinese equities were relatively ok due to a late-month rally based on expectations of easing policy (because of Covid related lockdowns). The US dollar benefited from a flight to safety amid geopolitical risks and higher US rates (the US 10-year rate rose 0.56% to 2.89%).

Early in May, the Reserve Bank of Australia has joined the central bank hawks with a 0.25% rise in their cash rate. While they are late to the party and this only takes their cash rate to 0.35%, the signal of more to come and quantitative tightening to boot shows the degree of central banker consternation at the prospect of rising wage inflation. US job openings are now at an all-time high and, with a relatively low unemployment number, there are nearly twice as many job vacancies as there are people looking for work in the USA.

The ASX was down 0.9%, relatively outperforming global markets, with defensive groups like Utilities (+9.3%), Transport (+5.4%) and Consumer Staples (+4.6%) cushioning the ASX against global weakness. The best performer in Australia was Ramsay Healthcare (+24.5%) following an all-cash takeover bid from private equity. The NZ market fell 1.9%, with 17 positive returns and 33 negative. The best performing NZ stocks were Pushpay (+15.8%) on speculation of potential takeover activity, Air New Zealand (+12.0%) on border re-opening and progress in its recap, and Serko (+9.4%).

### For more information on our Funds, please contact:

**David Boyle**

Head of Sales & Marketing

Level 29, SAP Tower  
151 Queen Street, Auckland  
New Zealand

**P** 0800 646 833

**E** [info@mintasset.co.nz](mailto:info@mintasset.co.nz)

[www.mintasset.co.nz](http://www.mintasset.co.nz)

## Funds at a glance

		1 Month	3 Months	1 Year	5 Years
Mint Australasian Equity Fund	Net*	-1.42%	0.75%	-7.48%	9.24%
	Gross**	-1.33%	1.05%	-6.39%	10.74%
Mint NZ SRI Equity Fund	Net*	-1.44%	-0.03%	-7.20%	-
	Gross**	-1.36%	0.20%	-6.34%	-
Mint Australasian Property Fund	Net	-3.08%	-4.25%	-2.58%	7.79%
	Gross	-3.00%	-4.02%	-1.65%	9.14%

Performance returns greater than 3 months are per annum. \*Net returns are after fees and before investor tax. Net after tax performance can be found in the latest Quarterly Fund Update, available on our website. \*\*Gross returns are before fees and excluding imputation credits.

## Investment team



**Chief Investment Officer**

Anthony Halls



**Portfolio Manager**

David Fyfe



**Portfolio Manager**

John Middleton



**Senior Equities Analyst**

Michael Kenealy

As of 30 April 2022

SINGLE SECTOR FUND

# Mint Australasian Equity Fund

Our portfolio returned -1.42% for the month.

The main positive contributions to performance came from overweight positions in Corporate Travel, CSL and Serko and underweight positions in A2 Milk, partially offset by Air New Zealand and Port of Tauranga.

Again it was macro concerns (inflation and interest rates) that drove markets during the month with the RBNZ's decision to increase rates by 50bp a harbinger for the FED and RBA. This weighed on the New Zealand market. Positive comments from a number of the US airlines highlighting a rebound in domestic travel to above 2019 levels supported a rebound in reopening plays such as Corporate Travel, Air New Zealand and Serko, but defensive growth remained flavour of the month.

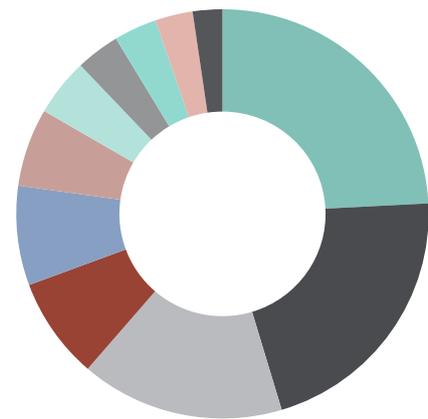
The Fisher and Paykel share price remained under pressure in April with last month's cautious trading update ostensibly supported by a guidance downgrade from US competitor Vapotherm. A2 Milk's share price also remained under pressure with Chinese cities going back into covid lockdowns and concerns about birth rates rising. While Pushpay's announcement that it "has recently received unsolicited non-binding and conditional expressions of interest" was enough to make it the best performer in the index.

We did not add or exit any stocks during the month, but we continued to take profit and remove risk from the portfolio while adding to defensive growth names where ongoing market volatility created opportunities.

<b>Unit price</b> <b>\$3.8152</b>		<b>Fund size</b> <b>\$248M</b>	
<b>1 month</b> <b>-1.42%</b>	<b>3 months</b> <b>0.75%</b>	<b>1 year</b> <b>-7.48%</b>	<b>5 years</b> <b>9.24%</b>

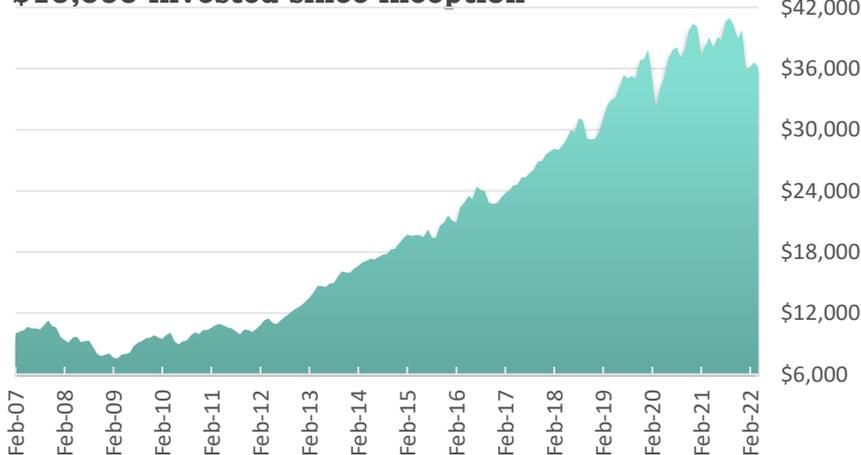
Net returns

## Sector Allocation



- Health Care – 24%
- Utilities – 21%
- Industrials – 16%
- Materials – 8%
- Communication Services – 8%
- Consumer Discretionary – 6%
- Real Estate – 5%
- Information Technology – 3%
- Financials – 3%
- Cash and cash equivalents – 3%
- Consumer Staples – 2%

## \$10,000 invested since inception



■ Mint Australasian Equity Fund

Cumulative performance. Returns are after fees and before investor tax. Fund inception: 15 February 2007.

## Top Holdings

- Auckland International Airport Limited
- Contact Energy Limited
- Fisher & Paykel Healthcare Corporation
- Infratil Limited
- Mainfreight Limited
- Meridian Energy Limited
- Spark New Zealand Limited

SINGLE SECTOR FUND

# Mint New Zealand SRI Equity Fund

<b>Unit price</b> <b>\$1.4994</b>		<b>Fund size</b> <b>\$92M</b>	
<b>1 month</b> <b>-1.44%</b>	<b>3 months</b> <b>-0.03%</b>	<b>1 year</b> <b>-7.20%</b>	<b>3 years</b> <b>6.55%</b>

Our portfolio returned -1.44% for the month.

Our top performers for the month were Spark, Pushpay and Serko.

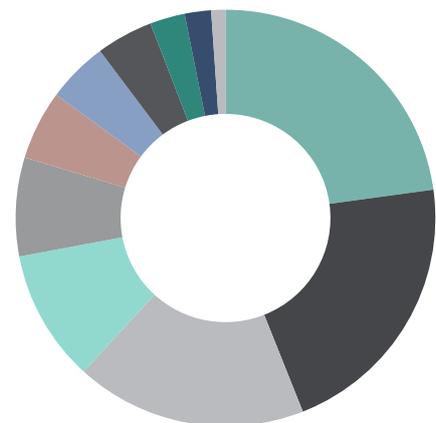
With the technology sector under pressure in this rising rate environment, an expression of interest (albeit non-binding and conditional) was well received for Pushpay after a period of underperformance for the name. Likewise, Serko traded better of lower levels as borders reopened and a few related Australian names, Qantas and Corporate Travel, talked a positive early travel recovery story.

The detractors of the month were Fisher & Paykel Healthcare (FPH), Meridian and a2 Milk Company.

FPH drifted down further on continued fears of its post Covid-19 earnings reversion as well as its elevated valuation when compared to many other sectors. Data points on a2 Milk continue to indicate market softness for infant formula sales as Chinese lockdowns limit any near term recovery. The desire for stable, predictable earnings seems to remain in favour and many of the Covid-19 beneficiaries not so much.

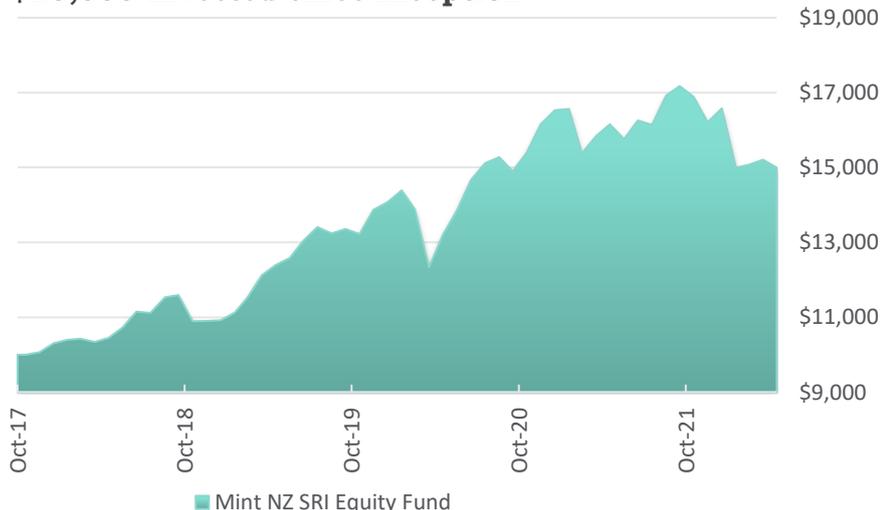
Over the month, we increased our positions in Pushpay and EBOS. We reduced our Stride Property holding. Cash levels remain elevated and continue to be reinvested as opportunities arise given the current volatility in markets.

### Sector Allocation



- Utilities – 23%
- Health Care – 21%
- Industrials – 18%
- Communication Services – 10%
- Cash and cash equivalents – 8%
- Information Technology – 5%
- Materials – 5%
- Real Estate – 4%
- Consumer Discretionary – 3%
- Consumer Staples – 2%

### \$10,000 invested since inception



Cumulative performance. Returns are after fees and before investor tax. Fund inception: 31 December 2007.

### Top Holdings

- Auckland International Airport
- Contact Energy Limited
- Fisher & Paykel Healthcare
- Infratil Limited
- Mainfreight Limited
- Meridian Energy Limited
- Spark New Zealand

SINGLE SECTOR FUND

# Mint Australasian Property Fund

Our portfolio returned -3.08% for the month over April, with the NZ Property sector down 3.5%.

The NZ 10-year bond yield rising from 3.3% to 3.6% during the month was unhelpful for yield sensitive sectors. Relative to the NZXProp index, our overweight in Goodman Group was the best attributor for the month, followed by our overweight in Centuria Industrial REIT and underweight in Vital Healthcare.

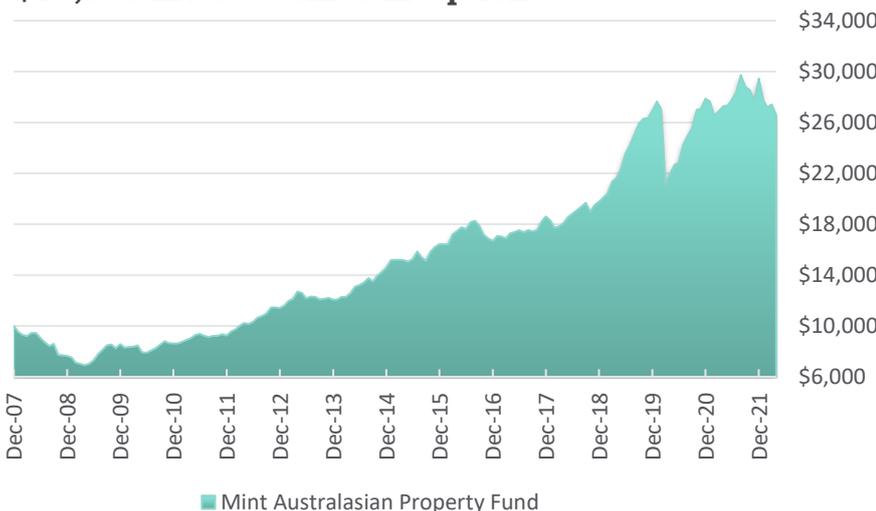
In April we added to Charter Hall and Summerset and reduced Property for Industry, Precinct Properties and Goodman Property Trust.

Stride announced that their Fabric office fund would sell four properties to Mansons for \$84mn, in effect part-funding their purchase from Mansons of the new building in Carlton Gore Road for \$213mn.

Vital Healthcare announced a \$200mn capital raise at the end of the month – replenishing the balance sheet for recent acquisitions and for near term development. In a busy year, acquisitions for the last 12 months have been above \$500mn for VHP.

With the rise in bond yields we expect the sector to remain under pressure for a while longer yet as rents will need to rise to offset higher funding costs – easier said than done, and higher quality locations should outperform.

## \$10,000 invested since inception

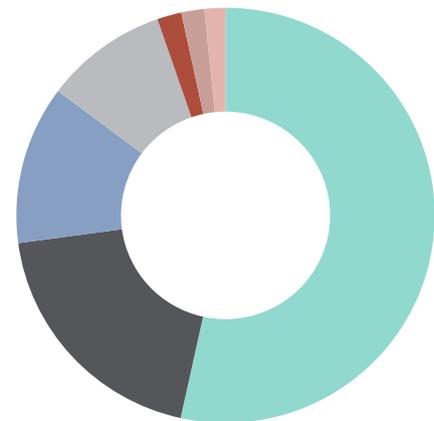


Cumulative performance. Returns are after fees and before investor tax. Fund inception: 31 December 2007.

Unit price <b>\$2.5133</b>		Fund size <b>\$58M</b>	
1 month <b>-3.08%</b>	3 months <b>-4.25%</b>	1 year <b>-2.58%</b>	5 years <b>7.79%</b>

Net returns

## Sub-Sector Allocation



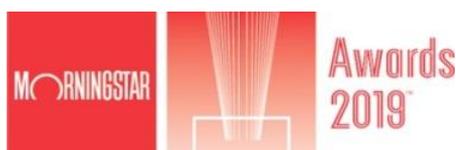
- Diversified REITs – 53%
- Real Estate Operating Companies – 19%
- Industrial REITs – 12%
- Specialised REITs – 10%
- Cash and cash equivalents – 2%
- Retail REITs – 2%
- Health Care – 2%

## Top Holdings

- Argosy Property Limited
- Goodman Property Trust
- Kiwi Property Group Ltd.
- Precinct Properties New Zealand Ltd.
- Property For Industry Limited
- Stride Property & Stride Invest Mgmt.
- Vital Healthcare Property Trust



Nominated for Best New Ethical Fund, the Mint New Zealand SRI Equity Fund, at the 2021 Mindful Money Awards.



Awarded to the Mint Australasian Equity Fund for New Zealand Fund Manager of the Year, Domestic Equities, New Zealand.

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Awarded to Mint Asset Management for Boutique Manager of the Year. Good Returns Powered by Research IP 2019 - Boutique Fund Manager of the Year.

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