Monthly Fund Fact Sheet Diversified Funds

mint ASSET MANAGEMENT

As of 30 September 2023

Market overview

All major global equity markets (except the UK and Japan) were negative in September. The NZX50 was down -2.2% with the ASX200 -2.8%. Front and centre were more unwelcome news from the long end of the yield curve where the US 10-year yield increased +48bp, approaching the 5% level which would mark the highest level in almost 20 years. In addition, WTI/Brent were up +9%/+6% respectively which added to fears around persistent inflation, though October to-date has seen some of this revert as demand side fears brought on by the upward march of the US 10Y year yield appeared to bring more rationality into that market.

As expected, both RBA and RBNZ policy meetings resulted in no change to official cash rates with hawkish commentary continuing. Both also expressed confidence that tighter monetary policy is working to slow growth. While recent strength in services CPI, wage inflation and strong net migration across both sides of the Tasman gives policy makers something to think about, market moves on the back of both announcements suggested lower likelihood of further rate increases though rates should remain elevated for some time to ensure inflation has been quashed. In NZ, there was a strong GDP read (+0.9%) compared to market consensus and a weak Pre-Election fiscal update from the NZ government.

While sectoral and thematic trends were mixed across ANZ, Real Estate and Healthcare were consistently the worst sectors in September, with one helping and one hurting performance across our funds.

Responsible Investing Update

It has been another busy month in the responsible investing space. We attended the Climate Change & Business Conference which provided plenty of reminders on how much work still needs to be done to reduce New Zealand's impact on the climate. In line with that, Mint continues to build our climate-reporting capability internally, and the analysis will be used to engage with our investee companies. For Mint's company emissions, we have achieved two years of Toitū net carbonzero certification, and we continue working on the reduction goals we have set. The increase in our responsible investing activities means these monthly updates are no longer sufficient. Going forward, we will publish quarterly sustainability reports which contain details on Mint's voting, engagements, scoring and carbon data for the prior quarter.

Funds at a glance

	1 Month	3 Months	1 Year	3 Years	Since inception
Mint Diversified Income Fund	-1.78%	-1.64%	0.92%	-0.67%	3.19%
Composite Index	-1.40%	-1.52%	3.22%	-1.58%	4.30%
Mint Diversified Growth Fund	-3.27%	-3.27%	6.66%	2.51%	6.66%
Composite Index	-2.77%	-2.57%	11.56%	3.76%	6.37%

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.

Investment Team

Portfolio Manager

Marek Krzeczkowski

Senior Analyst

Ryan Falls

As of 30 September 2023

DIVERSIFIED FUND

Mint Diversified Income Fund

Unit Price		Fund Size	
$0.9815		$107M	
1 month	3 months	1 year	5 years
-1.78%	-1.64%	0.92%	1.57%

Net returns and prices.

Last Month Review

Our portfolio returned -1.78% for the month. Asset Class performance was negative, as markets struggled in September against a backdrop of interest rates continuing to march higher. Fixed Income was the largest detractor contributing (-0.8%), followed by Global Equities (-0.4%). Closer to home; Australasian Equities were also strained by interest rate gyrations and contributed (-0.4%) for September.

Domestically, Serko (+10.3%) continued its strong performance from August into September as investors were optimistic on the corporate travel environment. Skellerup (+8.1%) recovered well this month following a drawdown in August, benefitted in part by a weaker NZDUSD cross. Within Global Equities, Cigna Group (+4%) and Novo Nordisk (+1.1%) were the top contributors in September, with Cigna management confirming with analysts they were confident in meeting their projected FY23 adjusted income target.

Within Fixed Income, most bonds took a hit as yield curve volatility continued unabated and yields (led by the long end) marched higher again in September. The bellwether US 10Y hit 4.6% by month end as markets priced in a ‘higher for longer’ interest rate environment post the Fed’s release of economic forecasts at its September meeting. The NZ yield curve followed global and drifted higher, with markets digesting the ‘higher for longer’ message along with domestic data releases of a hot GDP print (+0.9%) and a worsening fiscal situation for the NZ government in the PREFU. Our longer dated bonds were worse off as a result of these movements (relative to short dated).

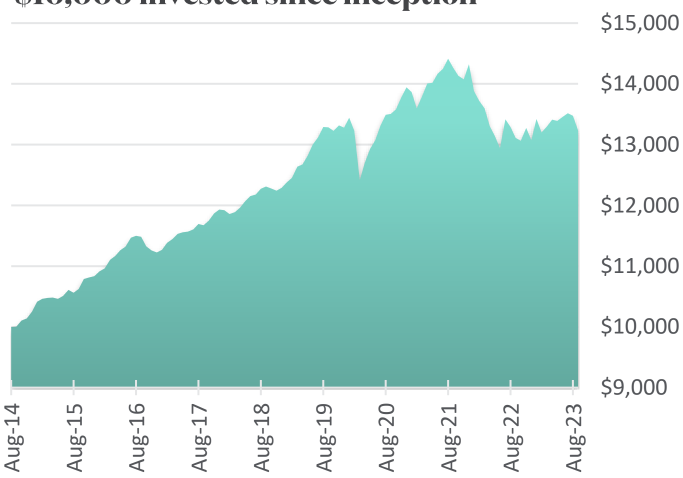
The largest detractor within Global Equities was LVMH (-8.4%) with investors grappled with data on reduced spending on luxury goods in the US and weak Chinese consumer news. Within Australasian equities the real estate sector got hit hard by higher interest rates, with Charter Hall Group (-12.5%) falling the most as they also announced resignation of their CFO. During the month, we added Auckland Council 2028 (Green) Bond to the Fixed Income portfolio.

Outlook and Asset Allocation

- Growth has remained resilient this year, in spite of recent developments, including tighter monetary policy and stresses in the banking system. As central banks continue to indicate a “higher for longer” approach, we recognise that the probability of additional negative growth shocks remains elevated. However, with inflation rapidly retreating, we expect central bank policy to turn more favourable should any shocks to growth materialise. This optionality should allow positive returns for both equities and bonds over a 12-month horizon.

- We believe that the current level of interest rates offers an attractive risk/return profile for bonds. For equities, we continue to prefer high-quality growth names with strong balance sheets and pricing power.

$10,000 invested since inception



Cumulative performance. Returns are after fees and before investor tax. Fund inception: 31 August 2014.

Key Fund Facts

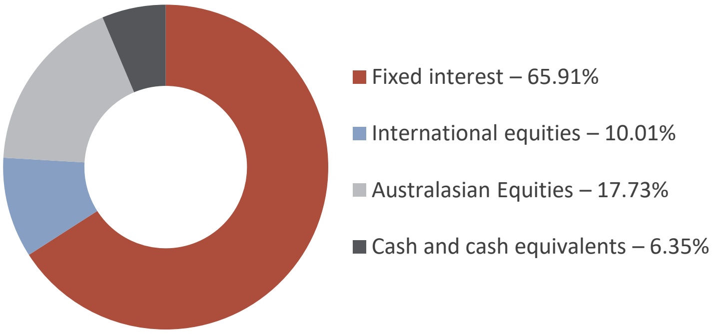
Key features:	Combination of income and capital growth
Strategic Asset Allocation:	30% Growth 70% Income
Return objective:	CPI + 3.0%
Date of inception:	31 August 2014
Yield to Maturity:	6.31%
Effective Duration:	4.39
Latest bond grade:	100% Senior
Latest FX hedging:	93%
Total fund fee:	0.94%

Risk Indicator

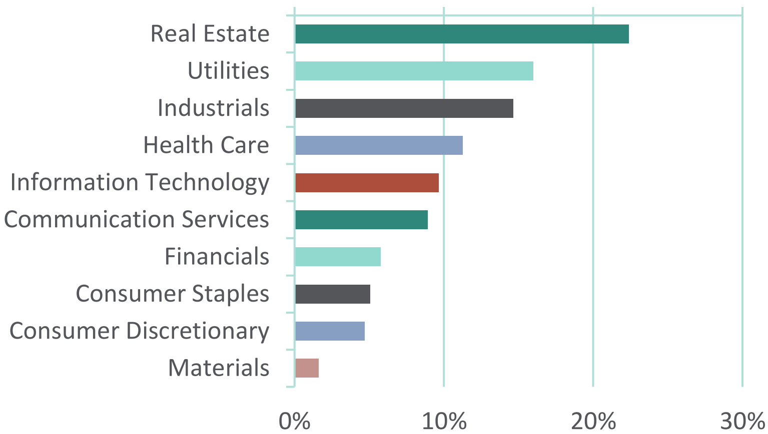
Potentially lower returns						Potentially higher returns
1	2	3	4	5	6	7
Lower risk						Higher risk

As of 30 September 2023

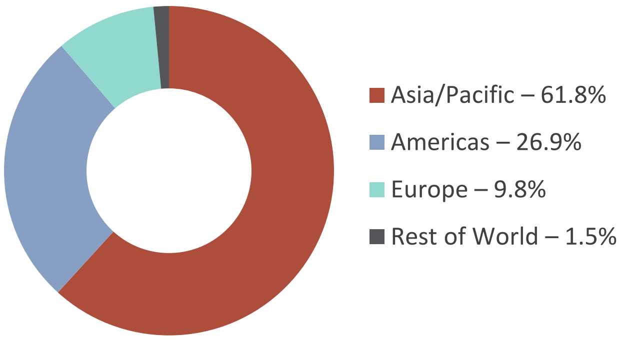
Current Asset Allocation



Equity Sectors



Geographic Diversification (1)



(1) Based on the revenue exposure of all equity holdings.

10 Largest equity positions

Name	Sector	Weight
Infratil Limited	Utilities	1.7%
Meridian Energy Limited	Utilities	1.4%
Contact Energy Limited	Utilities	1.3%
Spark New Zealand Limited	Communication Services	1.2%
Summerset Group Holdings Limited	Health Care	1.1%
Goodman Property Trust	Real Estate	1.1%
Kiwi Property Group Limited	Real Estate	1.1%
Precinct Properties NZ Limited	Real Estate	1.1%
Stride Property Group	Real Estate	1.1%
Skellerup Holdings Limited	Industrials	1.1%

5 Largest bond issuers

Name	Weight
Government of New Zealand	5.54%
Mercury Limited	4.15%
Spark Finance Limited	4.01%
Meridian Energy Limited	3.87%
Chorus Limited	3.86%

As of 30 September 2023

DIVERSIFIED FUND

Mint Diversified Growth Fund

Unit Price		Fund Size	
$1.3631		$42M	
1 month	3 months	1 year	5 years
-3.27%	-3.27%	6.66%	n/a

Net returns and prices.

Last Month Review

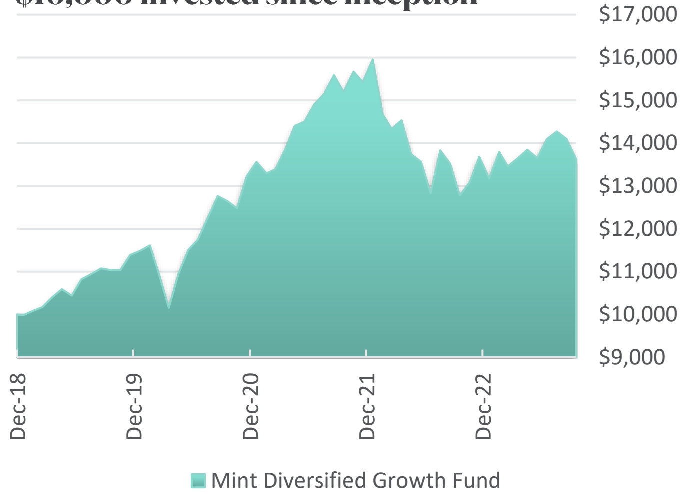
Our portfolio returned -3.27% for the month. Asset Class performance was negative, as markets struggled in September against a backdrop of interest rates continuing to march higher. Global Equities was the largest detractor contributing (-2.6%), followed by Australasian Equities (-0.4%). Fixed Income were most directly affected by increased interest rates and contributed (-0.2%).

Within Global Equities, RELX PLC (+6.4%) was the standout name, with several analysts raising price targets for the analytics company in September. Cigna Group (+4%) followed suit with management confirming with analysts they were confident in meeting their projected FY23 adjusted income target. In Australasian Equities, Serko (+10.3%) continued its strong performance from August into September as investors were optimistic on the corporate travel environment. Skellerup (+8.1%) recovered well this month following a drawdown in August, benefitted in part by a weaker NZDUSD cross.

On the other end of the return spectrum, Netflix (-12.9%) was the largest negative contributor during the month within Global Equities, following comments from management on growing operating margins more gradually than previously indicated and that advertising revenue business is still in early stages of ramping up. Additionally, LVMH (-8.4%) came in negative as investors grappled with data on reduced spending on luxury goods in the US and weak Chinese consumer news. Among the domestic names, CSL (-7.6%) struggled, on wider weakness in the sector. Finally, with the yield curve continuing to rise (led by the long end), causing a negative return for bonds – with longer dated bonds worse off.

During the month, we added Auckland Council 2028 (Green) Bond to the Fixed Income portfolio.

$10,000 invested since inception



Cumulative performance. Returns are after fees and before investor tax. Fund inception: 10 December 2018.

Key Fund Facts

Key features:	Capital growth
Strategic Asset Allocation:	80% Growth 20% Income
Return objective:	CPI + 4.5%
Date of inception:	10 December 2018
Latest bond grade:	100% Senior
Latest FX hedging:	99%
Total fund fee:	1.18%

Risk Indicator

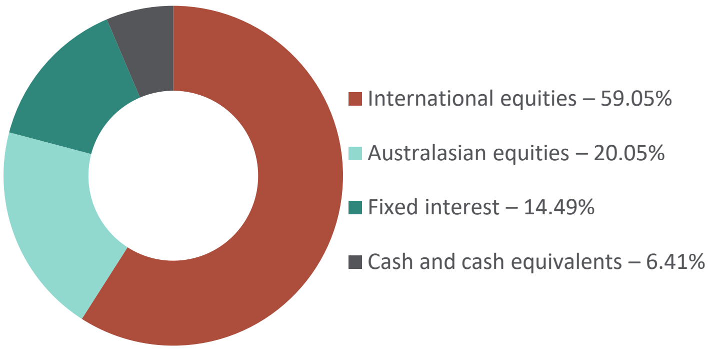
Potentially lower returns						Potentially higher returns
1	2	3	4	5	6	7
Lower risk						Higher risk

Outlook and Asset Allocation

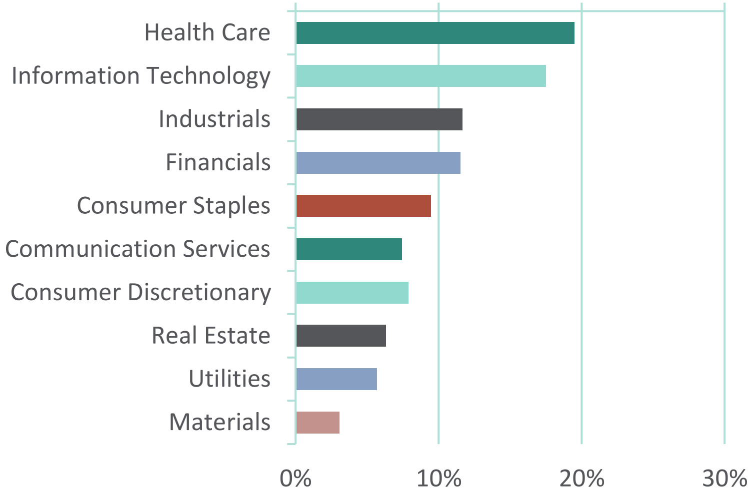
- Growth has remained resilient this year, in spite of recent developments, including tighter monetary policy and stresses in the banking system. As central banks continue to indicate a "higher for longer" approach, we recognise that the probability of additional negative growth shocks remains elevated. However, with inflation rapidly retreating, we expect central bank policy to turn more favourable should any shocks to growth materialise. This optionality should allow positive returns for both equities and bonds over a 12-month horizon.
- We believe that the current level of interest rates offers an attractive risk/return profile for bonds. For equities, we continue to prefer high-quality growth names with strong balance sheets and pricing power.

As of 30 September 2023

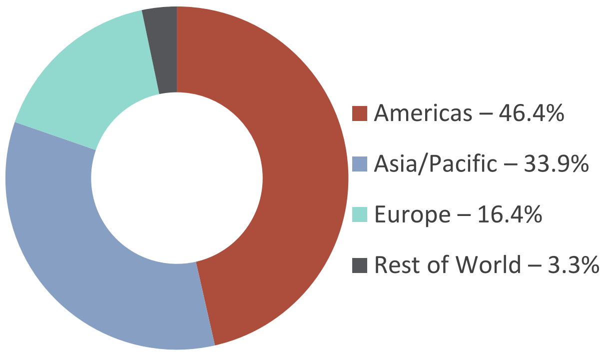
Current Asset Allocation



Equity Sectors



Geographic Diversification (1)



(1) Based on the revenue exposure of all equity holdings.

10 Largest equity positions

Name	Sector	Weight
Summerset Group Holdings Limited	Health Care	1.9%
Microsoft Corporation	Information Technology	1.8%
Accenture Plc Class A	Information Technology	1.8%
Advanced Micro Devices, Inc.	Information Technology	1.7%
LVMH Moet Hennessy Louis Vuitton SE	Consumer Discretionary	1.7%
Infratil Limited	Utilities	1.7%
Visa Inc. Class A	Financials	1.6%
CSL Limited	Health Care	1.6%
Comcast Corporation Class A	Communication Services	1.5%
SAP SE	Information Technology	1.5%

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Responsible Investment Association Australasia

Became members of RIAA in March 2023

TOITŪ NET CARBON ZERO ISO 14064-1 ORGANISATION

Achieved our Toitū net carbonzero certification in June 2022

Signatory of: PRI Principles for Responsible Investment

The Principles for Responsible Investment (PRI) is the world's leading proponent of responsible investment.

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