Monthly Fund Fact Sheet
Diversified Funds

mint
ASSET MANAGEMENT

As of 31 October 2023

Market overview

All major global markets were again down in October with the NZX 50 down -4.8% and the ASX200 down -3.8%. This was driven by further volatility at the long end of the yield curve with the US 10-year yield breaching 5% twice in the month. Although it ended only +33bps higher than last month after worse than expected unemployment data saw the market reprice the risk of additional rate increases sharply downwards. The Israeli-Hamas war also heightened market anxieties with WTI/Brent oil price increasing as investors repriced the risk of contagion within the Middle East. The conflict still has potential to keep oil prices elevated though slowing global demand is increasingly offsetting this factor.

In ANZ, the RBNZ kept the OCR at 5.5% and recent data (unemployment rate +30bps to 3.9%) supports the view that OCR increases are likely done. In Australia the 10-year bond yield was up ~160bps over the last 6 months. More than 80% of this was driven by the rise in real yields as the market has pivoted from pricing RBA cuts to the risk that more hikes may be needed. In line with expectations, the RBA hiked 25bps to 4.35% in November. Market pricing suggests about 50% chance of another hike by May 2024.

Funds at a glance

	1 Month	3 Months	1 Year	3 Years	Since inception
Mint Diversified Income Fund	-0.92%	-3.01%	0.36%	-1.17%	3.06%
Composite Index	-1.14%	-3.37%	1.71%	-2.25%	4.13%
Mint Diversified Growth Fund	-2.57%	-6.96%	1.50%	2.10%	5.97%
Composite Index	-2.57%	-7.20%	4.67%	3.06%	5.69%

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 31 October 2023

DIVERSIFIED FUND

Mint Diversified Income Fund

Unit Price		Fund Size	
$0.9614		$89M	
1 month	3 months	1 year	5 years
-0.92%	-3.01%	0.36%	1.43%

Net returns and prices.

Last Month Review

Our portfolio returned -0.92% for the month. Asset Class performance was mostly negative, as capital markets were battered further by a volatile interest rate environment. Cash & Derivatives were the strongest performing asset class contributing (+0.2%), with Fixed Income coming in flat for October. Global Equities was the largest detractor contributing (-0.3%), followed by an Australasian Equities contribution of (-0.8%).

Domestically, Stride Property Group (+7.1%) was the top contributor with a better-than-expected valuation update on their underlying property assets in October. Spark NZ (+3.3%) also performed well after completing a buyback and announcing their acquisition of Adroit the environmental IoT (Internet of Things) solution provider. Within Global Equities, Cigna Group (+8.1%) and Novo Nordisk (+5.1%) were the top contributors in October (continuing their strength from September). With Cigna, markets reacted positively to news that they had expanded its Medicare Advantage program to Nevada.

Within Fixed Income, bonds had a wild month as yield curve volatility surged with the yield curve steepening further, led by the long end (short rates ended down for the month). The bellwether US 10Y breached the 5% during October but was only up +36bps by month end. The NZ yield curve followed global yields and drifted higher. As the curve steepened with the short end dropping and long end rising, Fixed Income came in flat as our short end bond returns offset any losses from the longer duration names.

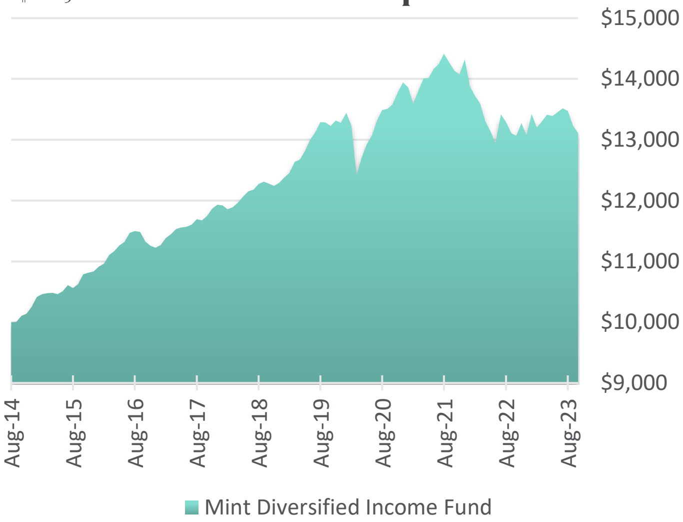
The largest detractor within Global Equities was Danaher Corp (-12.7%). Investors reacted negatively to their Q3 earnings call in which they detailed weaker performance from their Life Science business unit. Within Australasian Equities, Tourism Holdings (-12.4%) struggled after news of their CFO leaving was released and confirmation that guidance was unchanged for 2024. During the month, we added two new issues - Auckland Airport 2029 and Kiwibank 2029 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:	6.37%
Effective Duration:	4.53
Latest bond grade:	100% Senior
Latest FX hedging:	101%
Total fund fee:	0.94%

Risk Indicator

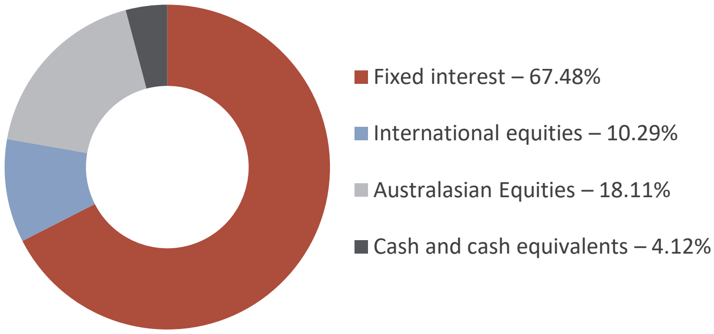
Potentially lower returns | Potentially higher returns

1	2	3	4	5	6	7

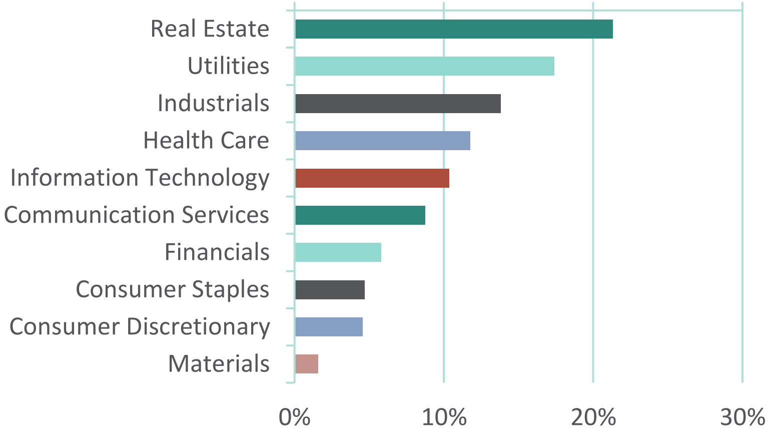
Lower risk | Higher risk

As of 31 October 2023

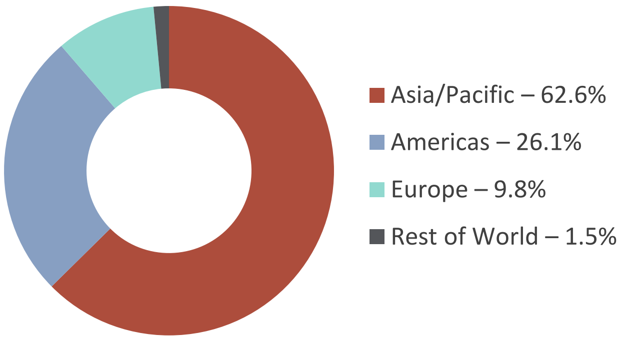
Current Asset Allocation



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	1.62%
Contact Energy Limited	Utilities	1.59%
Meridian Energy Limited	Utilities	1.50%
Stride Property Group	Real Estate	1.20%
Spark New Zealand Limited	Communication Service	1.16%
Summerset Group Limited	Health Care	1.14%
Skellerup Holdings Limited	Industrials	1.08%
Goodman Property Trust	Real Estate	1.08%
Precinct Properties NZ Limited	Real Estate	1.06%
Kiwi Property Group Limited	Real Estate	1.02%

5 Largest bond issuers

Name	Weight
Government of New Zealand	6.11%
Auckland International Airport Limited	4.27%
Meridian Energy Limited	4.11%
Chorus Limited	3.93%
Spark Finance Limited	3.80%

As of 31 October 2023

DIVERSIFIED FUND

Mint Diversified Growth Fund

Unit Price		Fund Size	
$1.3281		$40M	
1 month	3 months	1 year	5 years
-2.57%	-6.96%	1.50%	n/a

Net returns and prices.

Last Month Review

Our portfolio returned -2.57% for the month. Asset Class performance was mostly negative, as capital markets were battered further by a volatile interest rate environment. Cash & Derivatives were the strongest performing asset class contributing (+0.2%), with Fixed Income coming in flat for October. Global Equities was the largest detractor contributing (-1.7%), followed by an Australasian Equities contribution of (-0.9%).

Within Global Equities, Netflix Inc was the top contributor (+9%) on the back of an upbeat Q3 earnings report in which they announced stronger consumer growth than expected after their password sharing crackdown. Cigna Group (+8.1%) continued where they left off in September with another positive month, markets reacted positively to news that Cigna had expanded its Medicare Advantage program to Nevada. In Australasian Equities, Stride Property Group (+7.1%) was the top contributor with a better-than-expected valuation update on their underlying property assets in October. Within Fixed Income, our shorter dated bonds had a positive month as the short end of the yield curve fell (2Y yield on NZ Gov -0.16%), these offset some of the longer dated bonds movements and left the asset class flat for October.

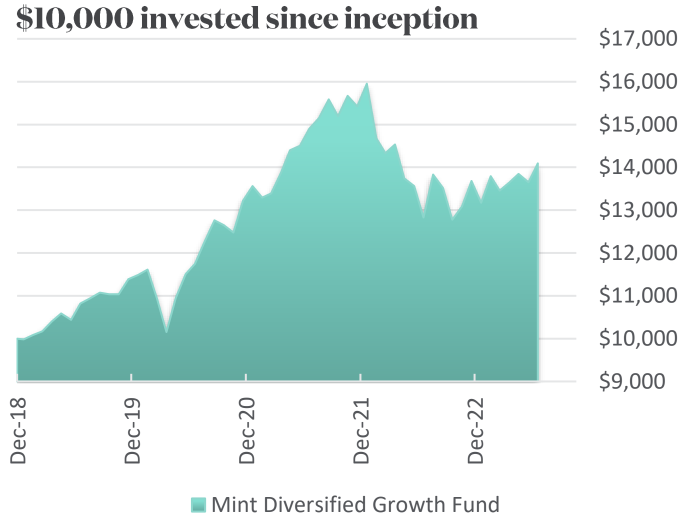
On the other end of the return spectrum, Thermo Fisher Scientific (-12.1%) was the largest negative contributor during the month within Global Equities, following its cut to forward guidance based on a weaker outlook within China. Among the domestic names, CSL Limited (-7.4%) struggled, on some weakness in the sector as well as shareholders querying management on their latest acquisition of kidney disease treatments maker, Vifor.

During the month, we added two new issues - Auckland Airport 2029 and Kiwibank 2029 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: 10 December 2018.

Key Fund Facts

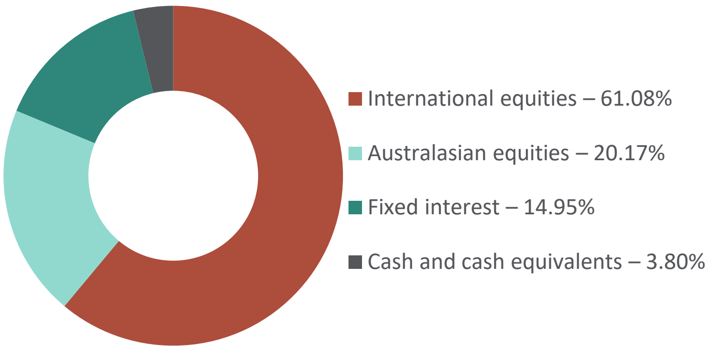
Key features:	Capital growth
Strategic Asset Allocation:	80% Growth 20% Income
Return objective:	CPI + 4.5%
Date of inception:	10 December 2018
Latest bond grade:	100% Senior
Latest FX hedging:	101%
Total fund fee:	1.18%

Risk Indicator

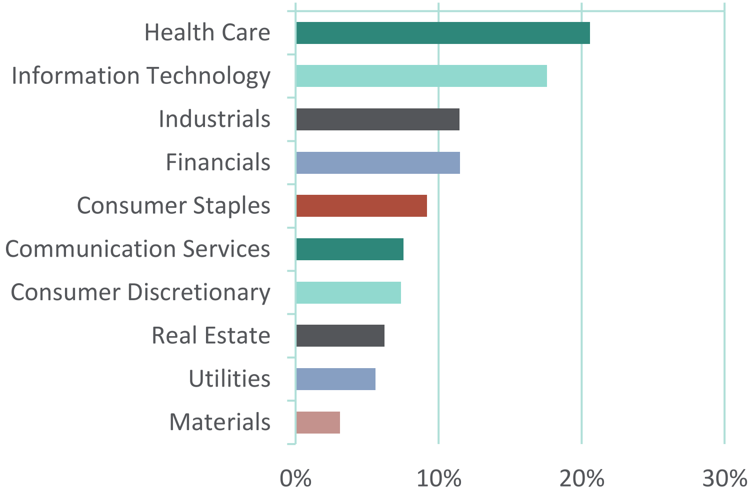
Potentially lower returns						Potentially higher returns
1	2	3	4	5	6	7
Lower risk						Higher risk

As of 31 October 2023

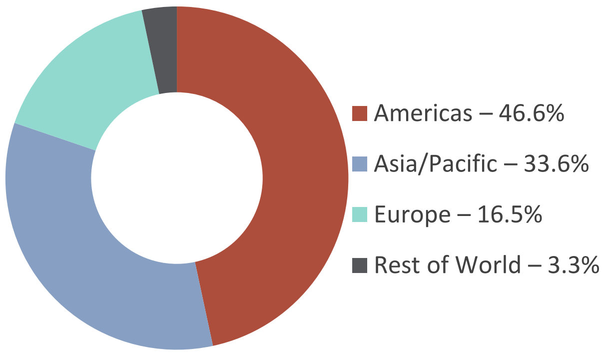
Current Asset Allocation



Equity Sectors



Geographic Diversification (1)



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

10 Largest equity positions

Name	Sector	Weight
Accenture Plc Class A	Information Technology	1.92%
Summerset Group Holdings Limited	Health Care	1.90%
Microsoft Corporation	Information Technology	1.88%
SAP SE	Information Technology	1.75%
Infratil Limited	Utilities	1.70%
Visa Inc. Class A	Financials	1.70%
LVMH Moet Hennessy Louis Vuitton SE	Consumer Discretionary	1.70%
Boston Scientific Corporation	Health Care	1.62%
Novo Nordisk A/S Class B	Health Care	1.60%
Amazon.com, Inc.	Consumer Discretionary	1.59%

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riaa
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.