

# WHAI RAWA

## INVESTMENT COMMENTARY



MARCH 2019

As with any investment, it is important that it is suitable for your personal circumstances. It is important that you seek advice from an appropriately authorised financial adviser.

You can find information about Whai Rawa Unit Trust on the Disclose register managed by the Registrar of Financial Service Providers. We encourage investors to take an interest, review their own investment choices and ask questions about where and how their money is invested.

The information contained in this document is intended for general guidance and information only and is **not personalised** to you. It does not take into account your particular financial situation or goals. Before making any investment decision, you should refer to the Product Disclosure Statement or consult an appropriately **authorised** adviser.

**WhaiRawa** NGĀI TAHU

Whai Rawa Fund Limited is the issuer of the Whai Rawa Unit Trust. A Product Disclosure Statement for the Whai Rawa Unit Trust is available at [www.whairawa.com/pds/](http://www.whairawa.com/pds/).

## MARKET SUMMARY

February delivered more good news to investors, including members of the Whai Rawa Fund.

Most asset classes posted positive returns (apart from Government bonds) for the second consecutive month. In most cases, share market gains in January and February 2019 have been sufficient to hide the falls experienced in the last quarter of 2018. The US Federal Reserve has reiterated its position that there will be no further short-term interest rate hikes for the foreseeable future and combined with signs of easing trade tensions between the United States and China, helped support investment markets over the month.

Positive returns in the New Zealand and Australian share markets continued into February. The NZX 50 and ASX 200 Indices rose +3.8% and +6.0% respectively over the month. In Australia, banking shares climbed - along with the wider ASX 200 Index - on the conclusion of the Royal Commission which looked into the conduct of the Banking and Financial Services sector and the assessment that the recommendations would be less damaging than originally expected.

Developed share markets such as US, UK, Canada and others returned +3.3% in February. Emerging Markets lagged their developed counterparts, returning +1.1%; rising US interest rates and a strong US dollar have weighed on the sector over the last year.

## THE WHAI RAWA UNIT TRUST

Whai Rawa funds are invested in Mercer Investment Trusts New Zealand's Conservative Fund (the Fund), which has a mix of defensive and growth assets. The benchmark split is 80% defensive assets, such as bonds (50%) and cash (30%) and 20% growth assets, such as shares (16%) and real assets (4%). The Fund is expected to achieve slightly higher returns over the medium term (at least 3 years) than those expected from investing solely in bank term deposits, but there is a possibility of some fluctuations in returns in any one year.

In stark contrast to December, growth assets performed better in January and February as wider markets recovered. Most asset classes posted positive performance. Off the back of a negative quarter at the end of 2018, the Whai Rawa Conservative fund returned a positive position in February, delivering a return of 0.96% for the month, +0.16% above its benchmark. Whai Rawa members will be eagerly anticipating the March investment commentary based on the positive returns achieved in both January and February.

The fund is spread across many investments and managed by other professionals. This way of investing means that you don't buy shares directly in companies, but are exposed to these indirectly through pooled funds.

More information about the Whai Rawa Unit Trust can be found in the Product Disclosure Statement and the latest fund update which is available on the Whai Rawa website.

If you have any pātai/questions please get in touch with:

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Te Rūnanga o NGĀI TAHU

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