

WHAI RAWA

INVESTMENT COMMENTARY



11 MAY 2020

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 and / or consult an appropriately **authorised** adviser.

Whai Rawa 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/.



INVESTMENT COMMENTARY: CORONAVIRUS UPDATE

WHAT DOES THIS MEAN FOR YOU, AND SHOULD YOU CHANGE FUNDS?

Members need to be aware that no one is able to predict the direction the investments markets will go next. News reporting on a market event such as novel Coronavirus resulting in subsequent sharp negative changes in market performance can prompt concerned members to check their Whai Rawa investment fund balance and change funds without considering long-term trends. The same member reaction could be said for any event resulting in sharp positive changes in market performance.

Accordingly, it's important for you to understand the available Whai Rawa investment fund options and the level of risks involved in each investment fund. In general, fund changes ought to be driven by changes in personal circumstances and financial objectives rather than market events impacting market performance. As an example, if your circumstances have changed, say, you are nearing retirement, then you should take a moment to review your Whai Rawa investment fund option. In other words, for some members who have changing circumstances and objectives, their Whai Rawa investment fund selection should reflect that change. However, for other members, who have just made an investment choice, market history indicates that those investors that hold their course and stay invested in the market tend to outperform those that try to time the market.

WHAT IS THE CURRENT IMPACT OF CORONAVIRUS?

As the spread of COVID-19 gathered pace during March, so did the impact on financial markets. Defensive assets held up better than their higher-growth counterparts, although also experienced negative returns as a sharp liquidity squeeze left very few places to hide. The Socially Responsible Conservative Fund returned -3.5% over the month, while the Socially Responsible Growth Fund returned -9.0%. The Socially Responsible Balanced Fund sat between the two with a -6.9% return.

WHAT IS THE CURRENT OUTLOOK FOR GLOBAL ECONOMIC GROWTH?

Global markets continue to experience historic moves as a result of the COVID-19 Virus. While we have seen market shocks before, each one is unique in origin and evolution. Mercer believe certain market dynamics leading up to this crisis compounded market moves and the speed of reaction. Namely, it came on the heels of one of the longest and strongest bull markets in history, fuelled by Government policy and the resulting excessive risk taking, much of it in the form of passive investment.

We're very focused on getting returns back into positive territory, we will continue to adopt the same diversified approach that has proven so successful in the past. We continue to stress the long term nature of equity investments and the opportunities that are likely to materialise as some paths to a resolution unfold. Active management is likely to be a key tool in helping to navigate these volatile periods, while ensuring diversified exposure to multiple return drivers is key to ensuring portfolios are sufficiently robust for the short term.

WHAT FUND SHOULD YOU BE INVESTED IN?

Here are some ways you can be confident your Whai Rawa investment is working the way you want.

1. Are you a risk taker or do you like to play it safe? You can access online tools to help you work out what fund you should be in and understand the impact markets may have on your investment. Take a moment to consider what sort of investor you are by taking a risk quiz at www.purl.co.nz/wr/riskquiz

2. Need to withdraw money in the near future? If you are thinking of withdrawing your money for education, your first where or retirement, it's important that you understand your investment savings may be reduced if investment markets weaken. As you approach a life milestone you may wish to alter your Whai Rawa investment fund options to better reflect your risk profile. To help you make the right decision, discuss your circumstances with a financial adviser.

This information does not take into account your personal objectives, financial situation or needs. Historical market performance may not be indicative of future market performance. Therefore, you should not act on this information if you have not considered the appropriateness of this information to your personal objectives, financial situation and needs. You should consult a financial adviser before making any investment decision.



Te Rūnanga o NGĀI TAHU

Whai Rawa NGĀI TAHU

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 www.whairawa.com

Information contained in this document has been obtained from a range of third-party sources. While the information is believed to be reliable, Whai Rawa Fund Limited has not sought to verify it and makes no representations or warranties as to the accuracy or completeness of the information presented and takes no responsibility for, nor has any liability (including for indirect, consequential or incidental damages), in respect of any error, omission or inaccuracy in the information.

Whai Rawa Fund Limited is the issuer of the Whai Rawa Unit Trust. A copy of the Product Disclosure Statement is available at www.whairawa.com/pds.

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

DAVID TIKAO

Whai Rawa Executive Director
david.tikao@ngaitahu.iwi.nz
+64 3 974 0132

- A** Te Whare o Te Waipounamu
15 Show Place, Addington
PO Box 13 046, Christchurch 8024
- P** 0800 WHAI RAWA (0800 942 472)
+64 3 974 0229
- E** whairawa@ngaitahu.iwi.nz
- W** www.whairawa.com
- f** Like us on Facebook to stay up to date
www.facebook.com/whairawa



Te Rūnanga o NGĀI TAHU

Whai Rawa NGĀI TAHU

