

# WHAI RAWA

## INVESTMENT COMMENTARY



13 APRIL 2021

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/](http://www.whairawa.com/pds/).



## INVESTMENT COMMENTARY

### MARKET SUMMARY (As provided by Mercer at the end of January 2021)

Global equities (known as shares) were broadly positive to start the year, but closed the month negative as a result of weakness towards the end of January. Despite civil turmoil at the Capitol a week earlier, markets were supported by a smooth inauguration of Joe Biden as the 46th President of the United States and the quick unveiling of a USD1.9 trillion stimulus package, aimed at combating the pandemic and the economic crisis it has triggered in the USA.

The MSCI World Index fell 1.1% over the month in unhedged NZD (down 0.8 in local currency). Emerging markets continued their recent performance, returning +3.0% in unhedged NZD (+3.8% in local currency), while Small Caps also performed well in January, returning +2.0% (+2.4% in local currency). Domestic equities fell marginally in the last week of January but managed to finish the month up 0.3%, as news emerged of recently quarantined individuals testing positive for COVID-19. Bond markets saw outflows in January with domestic bonds returning -0.4% and global bonds returning -0.6%, while global corporate bonds saw the largest outflows, returning -0.9%.

### WHAI RAWA FUND UPDATE

Returns for the Whai Rawa Portfolios were muted as their socially responsible (SR) exclusions resulted in significantly reduced exposure to energy and oil sectors, which performed strongly over January. One way to assess a manager's performance is to measure actual fund performance against the return that would have been generated by specified market indices. This theoretical index based return calculation is called a benchmark return.

The Rātā-Growth Portfolio decreased by 0.1% over the month, but generated returns exceeding its benchmark by 0.3%. Mataī-Balanced and Tōtara-Conservative Portfolios returned -0.2%\* and -0.3%\*, however, led their benchmarks by +0.2% and +0.1%, respectively. Over a 12-month period, the Tōtara-Conservative continued to produce strong, absolute, and relative returns, generating returns of 4.9%\*, exceeding the benchmark by 1.7%.

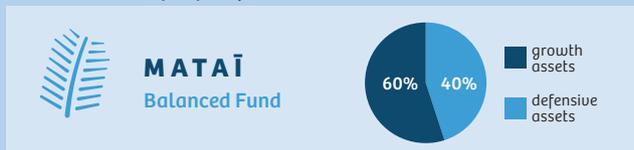
\*Returns are gross figures.

## WHAI RAWA FUNDS OVERVIEW

Whai Rawa Funds are invested in Mercer Investment Trusts New Zealand's Socially Responsible Conservative, Balanced and Growth Portfolio's. Each portfolio has a different level of risk and accordingly different return expectations.



**Tōtara-Conservative Fund:** This fund is considered a 'lower-risk' option than the other two with about 80% of your savings invested in defensive assets like fixed interest and cash. The remaining 20% is invested in growth assets such as shares, property, and infrastructure.



**Matai-Balanced Fund:** Sits in the middle of the fund options. Balanced is considered riskier than the conservative fund, but less risky than the growth fund. About 60% of your savings are invested in growth assets such as shares, property, and infrastructure. The remaining 40% is invested in defensive assets like fixed interest and cash.



**Rātā-Growth Fund:** Growth is considered a higher-risk option with about 80% of your savings invested in growth assets such as shares, property, and infrastructure. The remaining 20% is invested in defensive assets like fixed interest and cash.

**NOTE:** The returns you receive are dependent on the investment decisions of WRFL, the fund management decisions of the underlying Fund Manager and the performance of the investments. The value of those investments may go up or down. Even investing in the Tōtara-Conservative Fund does not mean a risk-free investment.

## 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.whairawa.com/riskquiz](http://www.whairawa.com/riskquiz)

**2. Need to withdraw money in the near future?** If you are thinking of withdrawing your money for education, your first whare 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 decisions.

More information about the Whai Rawa Unit Trust can be found in the Product Disclosure Statement and the latest fund updates which are available on the Whai Rawa website [www.whairawa.com](http://www.whairawa.com)

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

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