



## Fund update for the quarter ended 31 March 2017

This Fund update was first made publicly available on the 3 May 2017 and can be viewed online at [www.disclose.govt.co.nz](http://www.disclose.govt.co.nz)

### GLOBAL THEMES FUND

## What is the purpose of this update?

This document provides key information about the Global Themes Fund. It tells you how the Fund has performed and what fees it charged, and will help you to compare it with other funds. Devon Funds Management Limited prepared this statement in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

## Description of this Fund

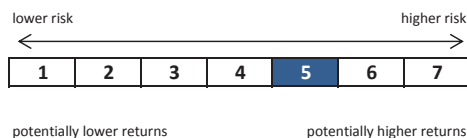
The Global Themes Fund will hold an investment portfolio of global financial assets and cash. These assets may include Exchange Traded Funds, listed equity securities, index funds, futures contracts, currency positions and derivative securities. The Global Themes Fund is actively managed, which means the holdings and investment returns may differ considerably from its benchmark.

For the quarter ended at 31 March 2017

|                         |              |
|-------------------------|--------------|
| Total value of the fund | \$48,196,118 |
| Date the fund started   | 17-Oct-14    |

## What are the Risks of Investing?

The risk indicator for the Devon Global Themes Fund is below:



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the Fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way. This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for 31 March 2017. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at:

[www.sorted.org.nz/tools/investor-kickstarter](http://www.sorted.org.nz/tools/investor-kickstarter)

NB: Even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

See the Devon Product Disclosure Statement (PDS) for more information about the risks associated with investing in this Fund.

## How has the Fund performed?<sup>1</sup>

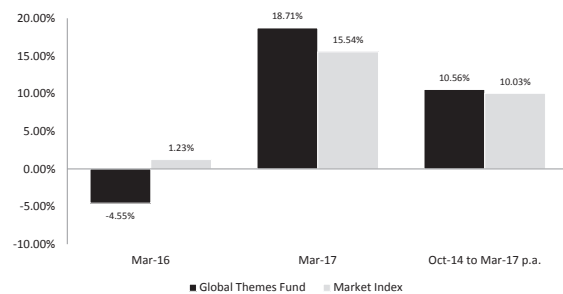
| Global Themes Fund  | Past Year | Past 2 years pa |
|---|-----------|-----------------|
| Fund Return<br>(after deduction for fund fees and tax)              | 18.26%    | 6.04%           |
| Fund Return<br>(after deduction for fund fees but before tax)       | 18.71%    | 6.44%           |
| Market index* return<br>(reflects no deduction for charges and tax) | 15.54%    | 8.15%           |

\* The iShares MSCI All Country World Index ETF 50% hedged to NZD. For details on the calculation of the Market Index Return please refer to [www.disclose.govt.co.nz](http://www.disclose.govt.co.nz)

<sup>1</sup> Please refer to Further Information on the bottom of page 2. Additional information about the market index is available on the offer register.

## How has the Fund performed in the past?

### Annual Return Graph<sup>2</sup>



This shows the return after fund charges and tax for each year ending 31 March since the Fund started. The last bar shows the average annual return since the Fund started, up to 31 March 2017. **Important:** This does not tell you how the Fund will perform in the future. Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

## What fees are investors charged?<sup>3</sup>

Investors in the Global Themes Fund are charged Fund charges. In the year to 31 March 2017 these were:

| Global Themes Fund   | % of Net Asset Value |
|--|----------------------|
| <b>Total Fund Charges</b>  | 1.20%                |
| These are comprised of the below management, administration and performance charges: |                      |
| Manager's basic fee:   | 0.90%                |
| Other management and administration charges:   | 0.30%                |
| Performance fees (if applicable):  | 0.00%                |

Investors are not charged individual action fees for specific actions or decisions at this time (for example, withdrawing, switching, buy/sell spread or entry/exit fees). See the [product disclosure statement](#) for more information about those fees and the basis on which performance fees are charged.

## Example of how this applies to an investor

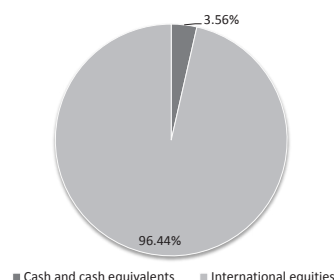
Small differences in fees and charges can have a big impact on your investment over the long term.

Chris had \$10,000 in the Global Themes Fund at the start of the year and did not make any further contributions. At the end of the year, Chris received a return after fund charges were deducted of \$1,871 (that is 18.71% of his initial \$10,000). Chris does not pay any other charges. This gives Chris a total return after tax of \$1,826 for the year.

## What does the Fund invest in?

Actual investment mix:

This shows the types of assets that the Fund is invested in as at 31 March 2017.



Target investment mix:

This shows the mix of assets that the fund aims to invest in.

|                            |         |
|----------------------------|---------|
| International Equities     | 80-100% |
| Cash and cash equivalents  | 0-20%   |
| New Zealand fixed interest | 0%      |
| Other                      | 0%      |

The Fund's currency exposure is actively managed. 46.9% of the overseas currency is currently hedged to NZD.

## Top 10 investments

| Asset name                                     | % of fund net assets | Type                      | Country | Credit rating |
|--|----------------------|---------------------------|---------|---------------|
| North American Tech ETF                        | 19.47%               | International equities    | US      |               |
| S&P Bank ETF                                   | 18.24%               | International equities    | US      |               |
| Currency Hedged MSCI EMU                       | 13.44%               | International equities    | US      |               |
| Japan Hedged Equity Fund                       | 12.68%               | International equities    | US      |               |
| US Medical Devices                             | 10.14%               | International equities    | US      |               |
| ST.Eu.600 Telecom.U.ETF DEInhaber-Anlageaktien | 7.02%                | International equities    | EU      |               |
| U.S. Oil Equipment & Services ETF              | 5.32%                | International equities    | US      |               |
| MSCI India                                     | 5.07%                | International equities    | US      |               |
| STOXX Europe 600 Health Care UCITS ETF DE      | 5.04%                | International equities    | EU      |               |
| Cash and cash equivalents                      | 3.56%                | Cash and cash equivalents | NZ      |               |
| Total value of top 10 assets                   | 100.00%              |                           |         |               |

## Key personnel

| Name                   | Current position   | Years | Months |
|------------------------|--------------------|-------|--------|
| Bernard Dolye (JBWere) | Investment Adviser | 2     | 5      |

## Further information

You can also obtain this information, the [PDS](#) for the Devon Investment Funds and some additional information from the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

Notes: (1) After tax performance assumes an investor is taxed at the highest Prescribed Investor Rate of 28%. (2) Fund returns are after deduction of fees. (3) Fund fees are charged as a percentage of an investor's interest in the Fund. (4) For more information on performance fees, please refer to the PDS found at [www.devonfunds.co.nz](http://www.devonfunds.co.nz) or [www.disclose.govt.co.nz](http://www.disclose.govt.co.nz)