



## Fund update for the quarter ended 30 June 2018

This Fund update was first made publicly available on 27 July 2018. The Fund Update from 31 March 2018 was revised on 23 July to correct the market index annual return under How has the Fund performed?

### 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 30-Jun-2018

Total value of the fund	\$68,543,272
Date the fund started	17 Oct 2014

### 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 30 June 2018. 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>

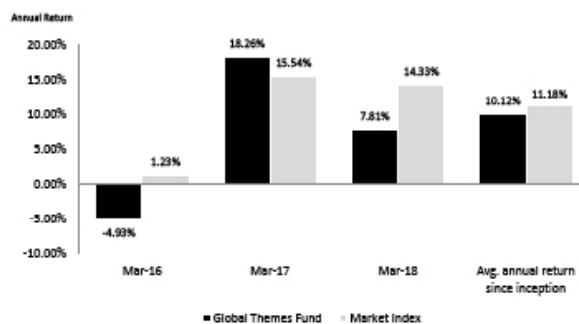
Global Themes Fund	Past Year
Annual Fund Return (after deduction for fund fees and tax)	13.64%
Annual Fund Return (after deduction for fund fees but before tax)	14.74%
Market index* annual return (reflects no deduction for charges and tax)	15.74%

\* 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.companiesoffice.govt.nz/disclose](http://www.companiesoffice.govt.nz/disclose)

<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 30 June 2018. **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 30 June 2018 these were:

Global Themes Fund	% of Net Asset Value
Total Fund Charges <small>These are comprised of the below management, administration and performance charges:</small>	1.20%
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

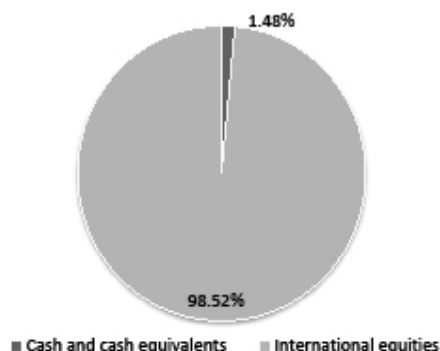
Small differences in fees and charges can have a big impact on your investment over the long term.

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 \$1,474 (that is 14.74% of his initial \$10,000). Chris does not pay any other charges. This gives Chris a total return after tax of \$1,364 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 30 June 2018.



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. 49.7% 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	22.35%	International equities	US	
S&P Bank ETF	19.97%	International equities	US	
XTR.MSCI EMU 1D	17.56%	International equities	EU	
Japan Hedged Equity Fund	9.77%	International equities	US	
U.S. Oil Equipment & Services ETF	7.66%	International equities	US	
US Medical Devices	7.61%	International equities	US	
MSCI India	4.70%	International equities	US	
ST.Eu.600 Telecom.U.ETF DEInhaber-Anlageaktien	4.59%	International equities	EU	
ST.Eu.600 Automobiles and Parts	4.31%	International equities	EU	
Cash and cash equivalents	1.48%	Cash and cash equivalents	NZ	
Total value of top 10 assets	100.00%			

## Key personnel

Name	Current position	Years	Months	Previous position	Previous Employer	Years	Months
Bernard Doyle	Executive Director/CIO (JBWere)	22	5	N/A	N/A	N/A	N/A
Andrew Thompson	Investment Associate (JBWere)	2	7	Investment Analyst	BNZ Private Bank	4	0
Hayden Griffiths	Executive Director (JBWere)	9	0	Executive Director	Goldman Sachs	12	10
Slade Robertson	Managing Director (Devon)	1	5	Portfolio Manager	Devon	6	10
Niall Hartigan	COO/CFO (Devon)	1	6	Head of Operations	Devon	6	9

## 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.companiesoffice.govt.nz/disclose](http://www.companiesoffice.govt.nz/disclose)