

Harbour Enhanced Cash Fund

MONTHLY FUND FACT SHEET

Information as at 31 October 2021

Fund Description

The Fund principally holds cash or cash like securities and seeks to enhance returns through active interest rate management. It may also hold NZ dollar Government Stock, investment grade bonds and bank deposits.

Benchmark

S&P/NZX Bank Bills 90-Day Index

Fund Objective

The investment objective of the Fund is to outperform the benchmark by 85 basis points per annum over a rolling 3-year period.

Fund Update

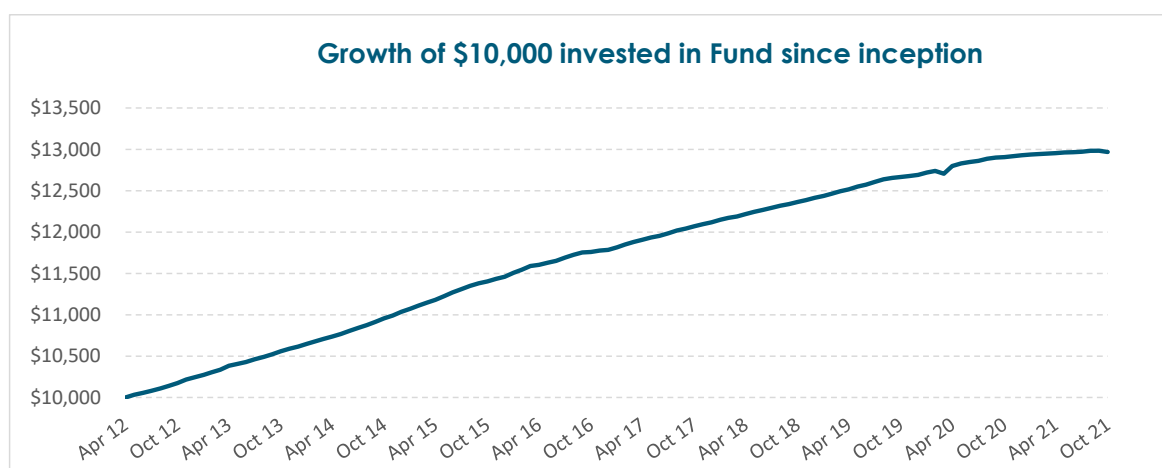
A larger-than-forecast rise in inflation triggered a sharp rise in cash and short-dated New Zealand bond yields, as expectations of Official Cash Rate hikes were revised higher. A similar theme flowed through global bond markets, reinforcing the weakness in the New Zealand market. The Fund posted a negative return, below the benchmark, as a moderate duration exposure detracted value.

[Click here for the Harbour Market Commentary for this month.](#)

Performance

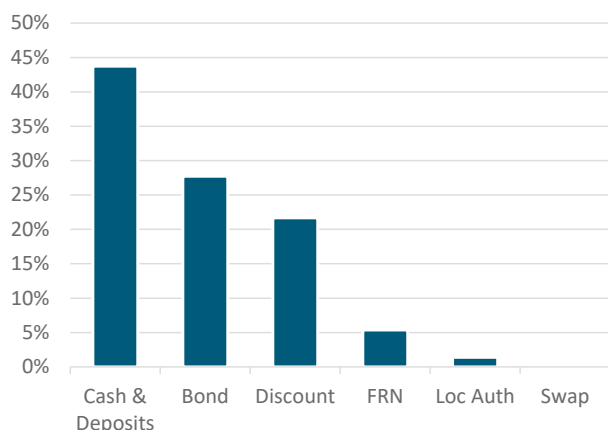
	1 mth	3 mth	1 yr (% p.a)	2 yr (% p.a)	3 yr(% p.a)	5 yr(% p.a)	Since inception (annualised)
Return (reflects no deductions)*	-0.09%	0.06%	0.76%	1.46%	1.87%	2.24%	3.04%
Benchmark return (reflects no deductions)	0.03%	0.11%	0.33%	0.56%	0.98%	1.39%	2.13%
Return (after deductions for charges, before tax)**	-0.11%	-0.01%	0.50%	1.19%	1.61%	1.98%	2.77%

*Returns prior to 31 July 2019 were for the wholesale Harbour NZ Short Duration Fund (inception 27 April 2012). This Fund transitioned to the Harbour Enhanced Cash Fund on 1 August 2019. Returns from 1 August 2019 onwards are a combination of both Funds.

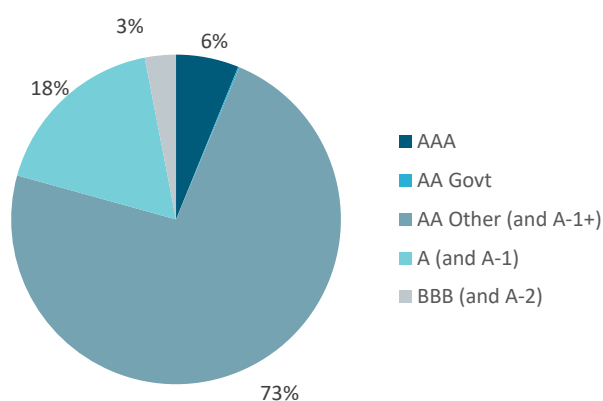


If you had invested \$10,000 in this Fund at inception, as at 31 Oct 2021 it would be worth: **\$ 12,969**
after deductions for charges but before tax.

Security Types



Ratings



Risk Profile

This Fund has a risk rating of 1, based on returns data from the 5 years to 31 October 2021. For more information on the risks associated with this Fund, please see our Product Disclosure Statement (PDS).

Top 10 Issuer Exposures

% Portfolio

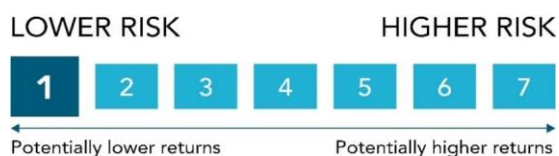
BNZ / NAB	18.3%
Westpac	17.1%
Cash	14.7%
ASB / CBA	11.4%
ANZ	8.9%
Kiwibank	5.2%
Transpower New Zealand	4.4%
Bank of China	3.9%
Mitsubishi UFJ Financial Group	3.0%
Fonterra	2.1%

Key Information

Unit Price	1.2968
Unit Pricing	Daily
Fund Size (GAV)	\$193,178,669
Fund Inception Date*	1/08/2019
Estimated Total Fund charge:	0.25%pa
Performance fee	None
Entry/exit fees	None
Distribution frequency	Does not distribute
Portfolio yield to maturity	1.25%
Yield above 90 day bank bills	0.45%
Modified duration** (years)	0.61
Credit duration (years)	0.49

* Fund transitioned from Harbour NZ Short Duration Fund (inception 27 April 2012) to Harbour Enhanced Cash Fund on 01 August 2019.

**Duration measures the sensitivity of the Fund's value to changes in interest rates. If interest rates rise by 1.0% then the Fund's percentage value will fall by approximately the duration (and vice versa for a fall in interest rates).



Investment Team for this Fund

Mark Brown
Head of Fixed Income



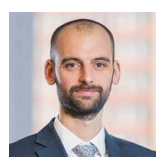
George Henderson, CFA
Portfolio Manager



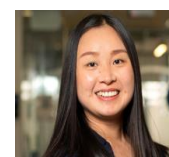
Hamish Pepper
Market Strategist



Simon Pannett, CFA
Senior Credit Analyst



Jenny Yang
Fixed Interest Analyst



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