

Harbour Income Fund

MONTHLY FUND FACT SHEET

Information as at 28 February 2019

Fund Description

The Fund is designed to give a favourable level of income. The Fund invests predominantly in New Zealand investment grade fixed interest securities and Australasian equities which pay a sustainable dividend yield. Other tools, such as active management and scope to invest in sub investment grade securities may also be used to enhance returns.

Fund Benchmark

68% S&P/NZX A Grade Corporate Bond Total Return Index; 16% S&P/ASX200 Industrials Index (100% hedged to NZ dollars); and 16% S&P/NZX Portfolio Index.

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)	1.38%	2.37%	7.45%	6.27%	6.14%	na	5.73%
Benchmark return (reflects no deductions)	1.80%	3.26%	6.41%	7.15%	7.29%	na	6.95%
Return (after deductions for charges, before tax)	1.33%	2.22%	6.76%	5.46%	5.35%	na	4.93%

Inception: 28 October 2015.

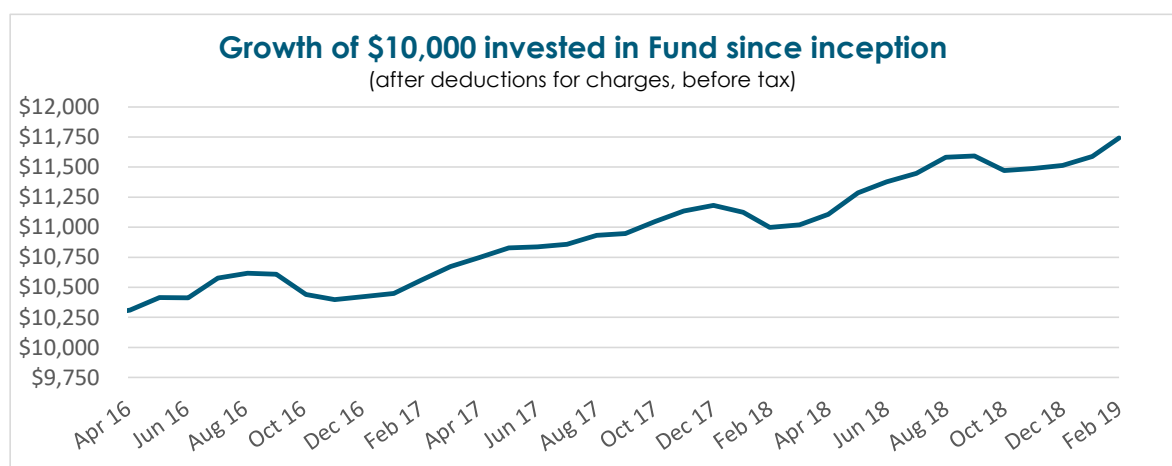
Fund Objective

The investment objective of the Fund is to exceed the Official Cash Rate (OCR) plus 3.5% pa over rolling three year periods.

Fund Update

A strong recovery in equity markets, plus steady bond returns, underpinned a strong monthly performance. Equities and fixed income securities have both had a strong run lately, taking the Fund's gross return to 7.45% over the last 12 months. With valuations now elevated, we are wary about extrapolating these returns throughout the rest of the year.

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



If you had invested \$10,000 in this Fund at inception, as at 28 Feb 2019 it would be worth: **\$ 11,743**
after all fund charges but before tax.

Yield

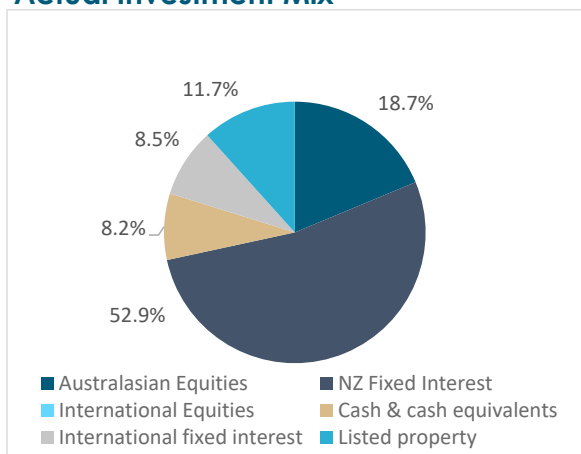
INCOME FUND COMBINED RUNNING YIELD (including imputation credits)	3.23%
Running Yield on Corporate Bonds	3.25%
S&P Corporate A Grade Index Running Yield	2.49%
12m Fwd Dividend Yield on Australasian Equities (including imputation credits)	5.34%
12m Fwd Dividend Yield on Australasian Equities (excluding imputation credits)	4.59%
NZX 50 Index 12m Fwd Dividend (including imputation credits)	4.91%

Top 10 Issuer Exposures

% Portfolio

New Zealand Government	12.1%
Cash	8.2%
Westpac Banking Group Limited	5.8%
Harbour Real Estate Investment Fund PIE	5.3%
Genesis Energy Limited	3.3%
Contact Energy Limited	3.0%
New Zealand Local Government	2.9%
NAB Low Carbon Shared Portfolio	2.6%
Realm Capital Series Fund	2.5%
Precinct Properties New Zealand Limited	2.3%

Actual Investment Mix

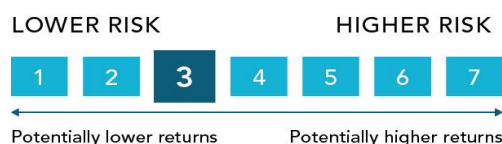


Key Information

Unit Price	0.9821
Unit Pricing	Daily
Fund Size (GAV)	\$86,395,399
Fund Inception Date	October 2015
Currency	NZD
Estimated Total Fund charge:	0.63%pa
Performance fee	None
Entry/exit fees	None
Distribution frequency	Monthly
Last distribution CPU	0.41

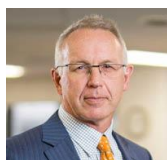
Risk Profile

This Fund has a risk rating of 3, based on returns data from the 5 years to 28 February 2019. For more information on the risks associated with this Fund, please see our Product Disclosure Statement (PDS).



Investment Team for this Fund

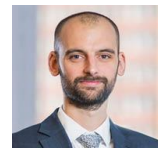
Mark Brown
Director,
Head of Fixed Income



Craig Stent
Executive Director,
Head of Equities



Simon Pannett
Director, Senior Credit Analyst



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