



Qualitative Fund Research

Pathfinder Asset Management Global Property Fund

January 2017

About the Manager

Pathfinder Asset Management Limited (the Manager, PFAM) was founded in 2009, and is built on the premise that the Manager is the custodian of a client's investment, not the owners of it. While subtle this is very much a different starting point to the client relationship. The Manager has provided a brief profile available [here](#).

PFAM's philosophy is based on the belief that "factor based", passive and/or "rules based" exposures over the long run tend to outperform most managers. They think of their strategies in terms of "active macro", "smart indexing" or enhanced beta. PFAM's approach to investing is unique in the New Zealand market, where the market is dominated by actively managed strategies.

PFAM extends this passion to transparency and good governance, outlined [here](#) and actively contributes back to the local communities, available [here](#). FundSource Ltd views corporate citizenship and governance frameworks as extremely important foundations from which a manager starts to engage with the clients' experiences.

Using this Fund

This is General Advice only and should be read in conjunction with the Disclaimers, Disclosures and Warnings at the end of this document.

The PFAM Global Property Fund ("the Fund") is a largely quantitative rules based investment strategy, comprising a portfolio of 50-100 global property stocks. As such, the Fund will generally sit within the growth component of a balanced portfolio, more specifically within the property allocation.

The Fund is subject to equity market risk and both positive and negative movements in the share prices of the underlying securities in the portfolio. Investors should therefore be aware that the Fund may experience periods of negative returns and that there is a risk of potential capital loss being incurred on their investment.

The Fund intends to be generally fully invested, and is expected to have a minimal cash holding.

PFAM manages four funds:

- PFAM Commodity Plus Fund
- PFAM Global Equity Fund
- [PFAM Global Property Fund](#)
- PFAM Global Water Fund

These funds are managed by a team of three investment professionals, who are generalists focused on "top down" macro research, as opposed to "bottom up" security selection. Operations consists of two people. The Board comprises two independent directors and two executive directors averaging over 20 years' experience each in financial services. For the number of funds being managed the team is adequately resourced, having well tenured and experienced personnel. Individual bios for the team at PFAM can be found [here](#).

However the Manager has the ability to implement portfolio protection and reduce equity exposure in certain circumstances. The Fund can also allocate up to 20% of the Fund to New Zealand property stocks.

To redeem units in the Fund, the Manager requires a three business days' notice period, and investors can expect to be paid within 10 business days post the notice period.

The Fund is a Portfolio Investment Entity (PIE). The Fund currently does not pay distributions to investors. This means that any income received by the Fund is retained, and is reflected in the unit price.

Question	What the Manager says	What FundSource think										
What are the Manager's assets under management - in total and in this Fund?	<p>PFAM has in excess of \$128 million of funds under management (FUM). PFAM manages four PIE funds with a focus on international (not domestic) assets. The funds and FUM are below:</p> <p><i>As at 31 December 2016:</i></p> <table><tr><td>Commodity Plus Fund:</td><td>\$74.2M</td></tr><tr><td>Global Water Fund:</td><td>\$10.3M</td></tr><tr><td>World Equity Fund:</td><td>\$31.1M</td></tr><tr><td>Global Property Fund:</td><td>\$12.9M</td></tr><tr><td>Total in PIE Funds:</td><td>\$128.5M</td></tr></table>	Commodity Plus Fund:	\$74.2M	Global Water Fund:	\$10.3M	World Equity Fund:	\$31.1M	Global Property Fund:	\$12.9M	Total in PIE Funds:	\$128.5M	<p>The Manager commenced business in 2009, and can therefore substantiate its proven longevity with a 7-year track record. For the types (and number) of strategies the business has relatively low levels of funds under management. This is, however, reflective of the boutique nature of the business and the focus on alternative assets or alternative ways to cost efficiently access traditional asset classes.</p> <p>The Fund commenced on 22 July 2015, being the most recent fund the Manager has released to the market. At \$13M the Fund remains small in nature.</p> <p>The Funds FUM is considered to be less than what is typically required for an institutional manager to be profitable. The size of FUM is reflective of the boutique nature of the Manager, which is profitable at current FUM levels. The Manager operates a largely rules based quantitative approach to investing across its products that typically reduces the resources required and costs involved in managing a fund.</p>
Commodity Plus Fund:	\$74.2M											
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World Equity Fund:	\$31.1M											
Global Property Fund:	\$12.9M											
Total in PIE Funds:	\$128.5M											
Who is accountable for managing the Fund, and how long has the investment team worked together?	<p>Paul Brownsey is the Chief Investment Officer (CIO) of Pathfinder. The direct investment team is Brownsey, John Berry and Karl Geal-Otter. Brownsey and Berry have managed funds at Pathfinder together since May 2009. Geal-Otter joined the team in November 2015.</p> <p>An investment committee comprising Brownsey, Berry and Kent Fraser (an independent consultant) set operational limits and review overall fund strategy. Fraser has a strong background in risk, treasury and financial markets.</p>	<p>Brownsey has been the Manager's CIO for over seven years, and has strong experience in managing index and rules based strategies. Berry is focused on the operational aspects of investing, and also has a solid knowledge of the investment process and implementation of it. Each of Brownsey and Berry have over 20 years industry experience, covering a range of investment structures and products.</p> <p>FundSource notes that there is a higher degree of key person risk, with respect to the Manager. This is in part mitigated by Brownsey and Berry holding a significant equity stake in the Manager.</p>										
What objective is the Manager trying to achieve?	<p>The Fund's objective is to:</p> <ul style="list-style-type: none">provide cost efficient access to the growth and income potential of listed global property investments; andachieve a return higher than the Fund's benchmark (after fees but before tax) over medium to long term (3-year +) horizons <p>Monitoring whether the Fund is achieving its objective involves the following metrics measured over 3 year periods:</p> <ul style="list-style-type: none">returns after fees and before tax vs the Fund benchmarkvolatility vs the Fund benchmarkreturns after fees and before tax vs the average of a sample of global property PIE funds	<p>The performance history since inception of the Fund is attributable to both Brownsey and Berry. With an inception date of July 2015, the performance history is too short to determine if the process can deliver consistent risk managed performance.</p> <p>The use of an ETF, ticker FFR, as the Fund's benchmark is not the norm. Despite being a different approach, the ETF does track an index widely used as a global REIT benchmark. The targeted 75% hedge on the benchmark is unusual as most global REIT funds are unhedged or fully hedged. The Manager can significantly vary the hedging amount, should the Manager hold a particular view on the NZ dollar.</p> <p>The objective is to achieve a higher return than the Fund's benchmark over 3 years,</p>										

	<p>The Fund benchmark is US listed global property stock ETF (ticker: FFR) applying 75% currency hedging to NZ dollars. This ETF tracks the FTSE EPRA/NAREIT Developed Market Index.</p>	<p>net of fees, but before taxes, please refer to the Manager's factsheet. FundSource notes the Fund is benchmark aware and investors can expect the tracking error to remain at or less than 3%. Investors should remain abreast of the Funds' performance, to ensure it still meets the investors needs and objectives. Reporting on a net of fee basis is considered to be reflective of an investor's experience.</p>
<p>What does the Manager invest your money into?</p>	<p>The Fund invests in listed property stocks and real estate investment trusts that are traded on OECD member stock exchanges.</p> <p>The property stocks are expected to predominantly own industrial, office and retail property but can include other activities (such as trading and development) and other types of real estate assets (such as residential property, medical facilities and storage units).</p> <p>The Fund directly holds property stocks and is not a "fund of funds" structure ("fund of funds" structures are typically less transparent and more expensive with 2 layers of management fees). The fund targets 50-100 direct property stock holdings (as at 31 December 2016 there were 86).</p>	<p>The Fund is suitable for investors who want an actively managed, benchmark aware, global property strategy offering a mix of income and growth.</p> <p>The OECD Membership consists of 35 countries, providing a broad scope of countries for the Manager to invest. Some of the OECD member countries may have different liquidity profiles of their REITs than the liquidity of larger member countries.</p> <p>FundSource believes the Manager's transparency, courtesy of publishing the Fund's holdings on the FMC Register, to be a strong positive. The underlying stock holdings are long only equity positions. However, derivatives can be used to assist in hedging market risks.</p>
<p>What are the inherent risks imbedded in the Fund?</p>	<p>The Fund invests in a global, diversified portfolio of property stocks. The normal risks inherent in this type of investment apply, such as:</p> <ol style="list-style-type: none"> 1) global equity and property market risk 2) individual company risk 3) liquidity risk 4) single asset class risk 5) counterparty risk 6) currency risk. <p>PFAM believes that the role of a good investment manager includes understanding, quantifying and managing risks that may impact the Fund, and communicating these to investors.</p>	<p>The Manager is aware of the broad range of risks and is mindful of them when constructing and managing the Fund. Key decisions by the Manager are macro related decisions related to the country of listing for the REIT, currency hedging and sector selection.</p> <p>The process of determining the asset allocation is largely quantitative in nature, although it does rely on the Manager's "active macro" asset allocation research. This should not undermine the importance of the team, as FundSource believes the investment team, led by Brownsey, has appropriate experience, insight and tenure to identify discrepancies within the quantitative data.</p> <p>Investors should consider the Fund as having a minimum investment horizon of at least five years. Over shorter periods, there is potential for material movement in value, based on market movements. The Fund's short track record inhibits any meaningful evaluation of the Funds risk characteristics from being conducted.</p>
<p>Why do they believe the future prices of the Fund's investments will vary?</p>	<p>Global equities are a key component of diversified portfolios. Prices of equities will go down as well as up, requiring a medium to long term investment horizon. The value of the Fund's portfolio as a whole will move as equity markets globally trend up and down.</p> <p>In addition, the Fund is a specialist equity fund focused on 50-100 listed property</p>	<p>The Fund is a benchmark aware global property fund, and as such performance will result from the prices of property assets and rental income.</p> <p>Listed property is expected to be lowly correlated to other listed companies. FundSource highlights that the Fund has a moderate correlation to its benchmark,</p>

	stocks. It is also likely to experience price increases and decreases that reflect changes in property prices globally.	indicating that the Manager actively implements its securities selection process.
Why does the Manager believe you should give them your money rather than to someone else or to an inexpensive index fund?	<p><u>Inexpensive index exposures:</u> The obvious choice for cheap exposures is to select an ETF. There are, however, no similar ETF exposures available which provide:</p> <ul style="list-style-type: none"> ▪ Currency: Variable NZD currency hedging ▪ NZ weighting: Global property exposure with a NZ home country bias (current weighting 10% to NZ property stocks) ▪ "Active macro" allocations: Ability to implement under/over-weight positions at a macro level (implementing a top down view of the markets seeking those offering the best risk adjusted return). <p><u>Other NZ PIE fund options:</u> There is a limited universe of international listed property PIE funds available in NZ. Comparing to other global property PIEs:</p> <ul style="list-style-type: none"> ▪ <u>Fee:</u> Pathfinder's all in 1.0% + GST fee is at the low end of the NZ range. As well, Pathfinder does not charge investors a performance fee. ▪ <u>Direct holdings:</u> Pathfinder holds international property stocks directly (rather than employing a fund of funds approach) ▪ <u>NZ weighting:</u> Pathfinder maintains an overweight to NZ property stocks reflecting NZ investor's typical home country bias. ▪ <u>Currency:</u> Pathfinder has a target 75% hedge but can deviate from this if it believes there is an opportunity to add value. 	<p>The Manager provides investors with an opportunity to invest in a sector where there are few other options from a PIE structure perspective. The sector universe does expand quickly when Australian Unit Trusts available to New Zealand Investors are included. The FE Analytics sector includes 36 funds (being the total of AUTs plus PIEs), removing some of the Fund's uniqueness.</p> <p>The Manager is very clear in outlining what assets an investor is investing in, predominantly global property with some home bias. The use of a macro overlay, as a core decision making process, is not widely used by global property managers (most managers preferring a fundamental bottom up, security selection approach).</p> <p>The top down macro focus potentially provides some diversification benefits, in that key decisions will have a different set of inputs compared to peers. Typically holding circa 50-100 stocks in the portfolio, this is more than most active fundamental global property funds.</p> <p>With an inception date of June 2015 the current performance history is too short to form a view on the Manager's ability to consistently produce a solid investment return for investors. Investors should expect the Fund to be generally fully invested with a targeted cash weight of 0%.</p> <p>Despite the short track record, this Fund may be attractive to investors seeking a macro driven quantitative rule based diversified exposure to the global property sector. The team size compared to other Managers is smaller, which reflects the fact that much of the heavy lifting is quantitatively driven.</p>
How does the Manager decide to buy or sell investments?	<p>The Fund's investment style is "active macro". This means PFAM implements investment themes with a medium to long term horizon.</p> <p>PFAM selects stocks through a largely structured process. This involves the following steps:</p> <ol style="list-style-type: none"> 1) Identify the universe of property stock indices (currently 33 indices) 2) Categorise eligible indices by geography and sector. 3) Score indices based on factors such as dividend yield, return and volatility. Select preferred indices from each geography/sector based on scoring. 	<p>FundSource notes that the Fund employs a structured, systematic, macro driven process to categorise and rank indices for their suitability for incorporating in to the portfolio.</p> <p>FundSource believes the proprietary system employed by the manager relies heavily on the skills of Brownsey, highlighting the keyperson risk in the model. It is important to highlight that Brownsey is ultimately responsible determining the buy and sell decisions.</p>

	<p>4) Weight the indices based on PFAM's macro research. This can include inputs such as market yield, price/NTA, employment trends and GDP growth</p> <p>5) Blend the selected indices into one single portfolio. Stocks can be excluded based on a number of factors including market cap / liquidity thresholds. Each stock is initially capped at 10%.</p> <p>The Fund can also allocate to cash or use derivatives for downside protection. While this is implemented very sparingly PFAM is permitted to reduce equity market exposure to 30%. This decision is based on PFAM's market valuation scoring, which in turn is derived from a series of objective measures, including (a) Market cap to GDP ratio (b) Tobin's Q ratio (c) long term market trend (d) forward P/E vs 5-year average and (e) St Louis Fed Stress Index.</p>	
Has the CIO/ PM personally invested in the Fund? If so, paying the same fees as other investors?	<p>Part of the core philosophy is that managers should invest alongside their investors to align interests. The principals of Pathfinder (Berry and Brownsey) both invest in all funds managed by Pathfinder. Their investment is on the same terms and conditions (including fees) as other Pathfinder investors.</p>	<p>FundSource believes that 'eating your own cooking' should be an aspect potential investors consider, when deciding to invest in any financial product.</p> <p>Investing in funds alongside investors aligns the interests of investment personnel with those of the investors, particularly when the investment is on the same fees.</p> <p>The Manager believes alignment of interest is an important aspect as well, to the point that not only are Brownsey and Berry significant shareholders in the Manager, but are significantly invested in all PFAM funds. Importantly, Brownsey and Berry pay the same fees as other investors, enhancing the alignment of interest with an investor's experience.</p>
How much latitude does the Manager have to deviate from the weightings of the Benchmark portfolio?	<p>PFAM takes a "top down" macro approach to building the portfolio. This means the Manager can (and does) take significant positions away from the benchmark when believed to be justified. The allocations reflect Pathfinder's views on, among other things, the outlook for global markets, relative value between markets, market valuations and event risk.</p> <p>Tracking Error +/-3% Cash Allocation: typically 0%-10% Sector Limits: n/a Regional Limits: up to 20% to NZ</p>	<p>As the Manager states, the top down influence can lead to material portfolio differences to the benchmark. The top down macro input does require manager insight, and accordingly increases the reliance on the investment personnel, and key person risk. The core process looks to identify property indices from a rule based system, which determines an index ranking score. The property stock indices can be global, regional, themed or specialty. The macro overlay is then complemented with a rule based quantitative filter to identify candidate stocks, based on the macro outputs.</p> <p>It is noted that Cash can range as high as 70%, which the Manager indicates is very unlikely to be utilised, but in extreme circumstances investors need to be aware they could be heavily invested in cash.</p> <p>The key restriction is the Manager limiting the home bias to New Zealand to 20% of the portfolio. FundSource consider this to be generous, given the small number of</p>

		domestic REITs (9) available, versus the global universe of REITs (300+). The Manager proposes to be invested in a minimum of 10 countries, however, outside the home bias, the portfolio is expected to be dominated by its USA exposure.
On what basis does the Manager believe the fees they charge are justified?	<p>PFAM believe the fees are justified because they provide good value for a low fee. The base management fee is 0.79% which PFAM believe is at the lower end of international property management fees in NZ. In addition to this base fee, the Fund incurs costs of trustee, registry and fund accounting which are an additional 0.21%. This gives a total fund fee of 1.0% (plus GST). The total fee is capped at this level.</p> <p>Trading costs (i.e. brokerage costs) are paid by the Fund. All other costs (i.e. legal, audit etc.) are paid for by Pathfinder. PFAM do not recharge these to the Fund meaning the total expense ratio for the Fund is fixed at 1.0%.</p> <p>In addition, PFAM do not charge performance fees to the Fund. PFAM believe that true alignment of investor and manager interests comes from Pathfinder's management team investing alongside investors.</p>	<p>FundSource believes the Manager is very transparent from a fees perspective, noting the administration and underlying manager fees are disclosed in the Product Disclosure Statement (PDS) available here. The New Zealand Disclose website provides further details on fees are available here.</p> <p>Compared to other funds in the FE Analytics New Zealand Global Property Sector, the Managers fees are below the average basic fee and investment cost ratio charged by global property managers.</p>
How would you describe the quality of your organisational and investment governance processes?	<p>PFAM believe their organizational and governance structures are very high quality. The governance structure is led by independent directors Sandy Maier and Catherine Savage. Sandy and Catherine are both high profile, deeply experienced directors with considerable governance expertise at financial firms. For example, Catherine is Chair of the Guardians of the NZ Super Fund.</p> <p>From the inception of Pathfinder the independent directors have overseen implementation of robust compliance and risk policies. Berry has a strong legal background in financial markets. Berry is functionally responsible for ensuring the governance, risk and compliance procedures meet the standards that are required by the independent directors and are expected by investors.</p> <p>Pathfinder Asset Management Limited is licensed under the Financial Markets Conduct Act 2013 as a manager of registered schemes.</p> <p>Some functions are outsourced to reputable firms, e.g. Custodian – Public Trust, Audit – PWC (funds) and Deloitte (Manager), Fund Accounting and Registry – MMC, Legal – Russell McVeagh.</p>	<p>The Manager has a solid governance framework. FundSource believes this could be strengthened by increasing the number of Non-Executive Directors, and managing the tenure that non-executive personnel serve. FundSource notes that the two Non-Executive directors form the Audit Committee. Separating Committee functions is considered good governance, however, expanding this to include remuneration, would be viewed favourably.</p> <p>FundSource views the implementation of a formal Investment Committee in 2015, which includes independent member Kent Fraser, positively. This could be further improved, by expanding the number of external advisers, which would align with global best practice.</p> <p>The Manager does outsource some functions. External providers are reviewed annually which for key providers includes a face to face meeting with the Audit Committee. FundSource note that all providers are large well-resourced providers in the New Zealand Market.</p>
Is there alignment of interests through; ownership of the Manager, and remuneration of the investment team?	Aligning Pathfinder's interests with those of the client is an important focus for Pathfinder. PFAM see this as achieved through several factors:	FundSource observes that to preserve capital and generate a long-term positive return for investors, the Manager must remain operational.

	<ul style="list-style-type: none"> ▪ <u>Manager ownership</u>: Berry and Brownsey own 92% of the equity of Pathfinder. The equity ownership ensures Berry and Brownsey are highly incentivised to build a successful long run track record for investors in the funds. ▪ <u>Co-investment</u>: Berry and Brownsey both invest in Pathfinder's funds. This gives the strongest possible alignment of interests with investors. ▪ <u>No performance fees</u>: Pathfinder does not charge performance fees (Pathfinder see performance fees as generally a poor alignment of manager and investor interests – performance fees are an asymmetric reward which may skew manager risk performance and fail to align in falling markets). 	<p>Being substantially owned by the Founders / Principals, including key investment personnel, there is strong buy-in from the team to work hard for the firm's long-term success. FundSource considers this a positive alignment with investors.</p> <p>This means that, unlike institutional managers, the Manager's primary duty is not to an external shareholder.</p>
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Conclusion and Rating

The Fund provides an investor with exposure to an index based strategy that uses a macro based decision process to invest in Global REITs. FundSource observes that overall, the Managers process is complex, and the index selection process and resulting portfolio of individual companies may result in a portfolio that is materially different to the Funds reference benchmark. This is, to some degree reflected in the Funds lower correlation to its reference benchmark.

Pathfinder have shown that by employing quantitatively focused macro based strategies each fund achieves its breakeven point at lower levels of funds under management than typically required by active fundamental based strategies.

Key and critical to FundSource's conviction in the manager is the significant ownership of Brownsey and Berry. Any change in key personnel will likely have a material impact on FundSource's conviction in the Manager.

FundSource observes the investment team has strong industry experience and have remained together, despite the challenges in raising funds under management to the point of break even. Importantly, the interests of the investment team are strongly aligned to those of the investor via the investment team's shareholding in the company and their investment in the Fund, and paying the same fees as retail investors. FundSource view the degree of alignment positively.

The Fund takes a complex, differentiated approach to identifying stocks to invest in, making the fund difficult for an investor to replicate. FundSource recommends that investors carefully consider that the Managers approach meet their investment needs and objectives.

FundSource Rating: **AA**

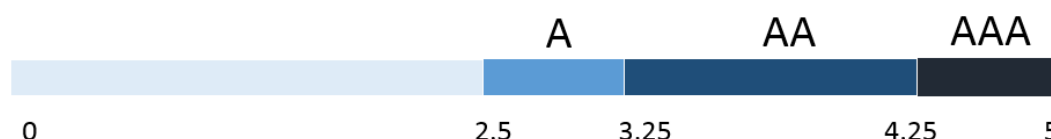
Fund ratings are current as at the date of publication of this report. FundSource reserve the right to review and update fund ratings from time to time.

Research Factor Weighting

Research Process Category	Model Factor Weight	Analyst Average Score
Corporate & Investment Governance	15%	3.88 / 5
Investment Philosophy & Process	20%	3.80 / 5
People	25%	2.67 / 5
Portfolio Construction & Implementation	15%	3.25 / 5
Risk Management	15%	3.10 / 5
Investment Fees	10%	3.07 / 5
Overall Average Score:		3.30 / 5

FundSource Rating Guide

The qualitative rating of a fund is a function of the FundSource Research Factor Weighting process, which is built around the six core qualitative research process categories. The weighted scores result in an overall score, out of five, which is then matched to the following rating:



AAA: Highly Recommended

Funds that have superior average scores in all six underlying qualitative factors. This recognises aspects about the Manager and Fund in question that includes, but is not limited to, significantly experienced and stable senior personnel, a sound track record over a full market cycle, a clearly defined investment philosophy and process, and a portfolio consistent with that philosophy and process. The management company will also have established effective controls to maintain that philosophy.

AA: Recommended

Funds that have strong average scores in all six underlying qualitative factors. This recognises aspects about the Manager and Fund in question that includes, but is not limited to, experienced and stable personnel, a sound track record over a full market cycle, a clearly defined investment philosophy and process, and a portfolio consistent with that philosophy and process. The management philosophy must be coherent and consistent with existing portfolios and processes.

A: Investment Grade

Funds that have good average scores in all six underlying qualitative factors. This recognises aspects about the Manager and Fund in question that includes, but is not limited to, experienced personnel, a sound track record a defined investment philosophy and process, and a portfolio consistent with that philosophy and process.

FW: Fund Watch

There has been a material change with either the manager, this may include, but is not limited to, departures, new hires, process changes, changes to the investment philosophy. This is considered to be an interim measure, to enable further investigation, re-evaluation and an appropriate course of action to be determined.

S: Sell

This category covers previously recommended funds that are no longer recommended because of some material change. Removal from recommended status might be for a variety of reasons such as a fundamental change in the fund management company or in the manager's investment strategy, or because a fund did not meet its original expectations. The implications for ongoing service are that the fund should be reviewed on an individual client basis to ensure it still matches their original investment objective.

NR: Not Rated – Screened/ Not Rated

Funds in the Not Rated – Screened category have provided information and/or FundSource has conducted an initial analysis of the fund, but has chosen not to provide a recommendation at this stage. FOR Not Rated funds the manager may have provided information, but no review meeting has been conducted

Disclaimers, Disclosures and Warnings

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FundSource delivers high quality quantitative and qualitative fund research to financial advisors and the broader financial services industry. FundSource works with a number of expert providers to source this data. Quantitative data is supplied by FE Australia, while qualitative research is provided by Research IP.

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FundSource's qualitative research is conducted by independent research company, Research IP Pty Ltd. Research IP was founded in 2015 as a special purpose financial services vehicle, licensing or contracting the services of specialist advisers and analysts. The rationale behind contracting, as opposed to employing staff, is to provide flexibility, and allow Research IP to leverage the skills of specialists on an as required basis, to best meet the brief and scope of the work required to be completed. Research IP is able to leverage executive, corporate, funds management, compliance, administration, operational, quantitative analytics, qualitative research, data collection, interpretation and analysis, and database technology specialists, to deliver client focused solutions.

By leveraging the skills of specialists, Research IP is able to provide innovative and tailored financial services solutions to the market place. Client focused outcomes are underpinned by the belief that the role of business model innovation and accelerating technological change opens up new possibilities, to put client interests at the centre of the financial services industry focus, based on John Hagel's work on the possibilities for "Disruption by Trusted Advisors" and John Kay's "Other People's Money: Masters of the Universe or Servants of the People".



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