



# Fund Update

for the quarter ended 30 September 2022

This fund update was first made publicly available on 31 October 2022

## What is the purpose of this update?

This document tells you how the Macquarie Income Generator Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. AMP Wealth Management New Zealand Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

## Description of this fund

The fund invests in an underlying fund that invests in a diversified mix of growth and defensive assets, with a focus on reliable income generation. The fund aims to provide a gross fixed monthly income in excess of bank deposit rates, along with a positive return on capital over the long term.

|                                 |              |
|---------------------------------|--------------|
| Total value of the fund         | \$2,889,544  |
| Number of investors in the fund | 83           |
| The date the fund started       | 28 July 2016 |

## What are the risks of investing?

Risk indicator for the Macquarie Income Generator Fund:



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.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at [sorted.org.nz/tools/investor-profiler](https://sorted.org.nz/tools/investor-profiler).

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

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the past 5 years. 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.

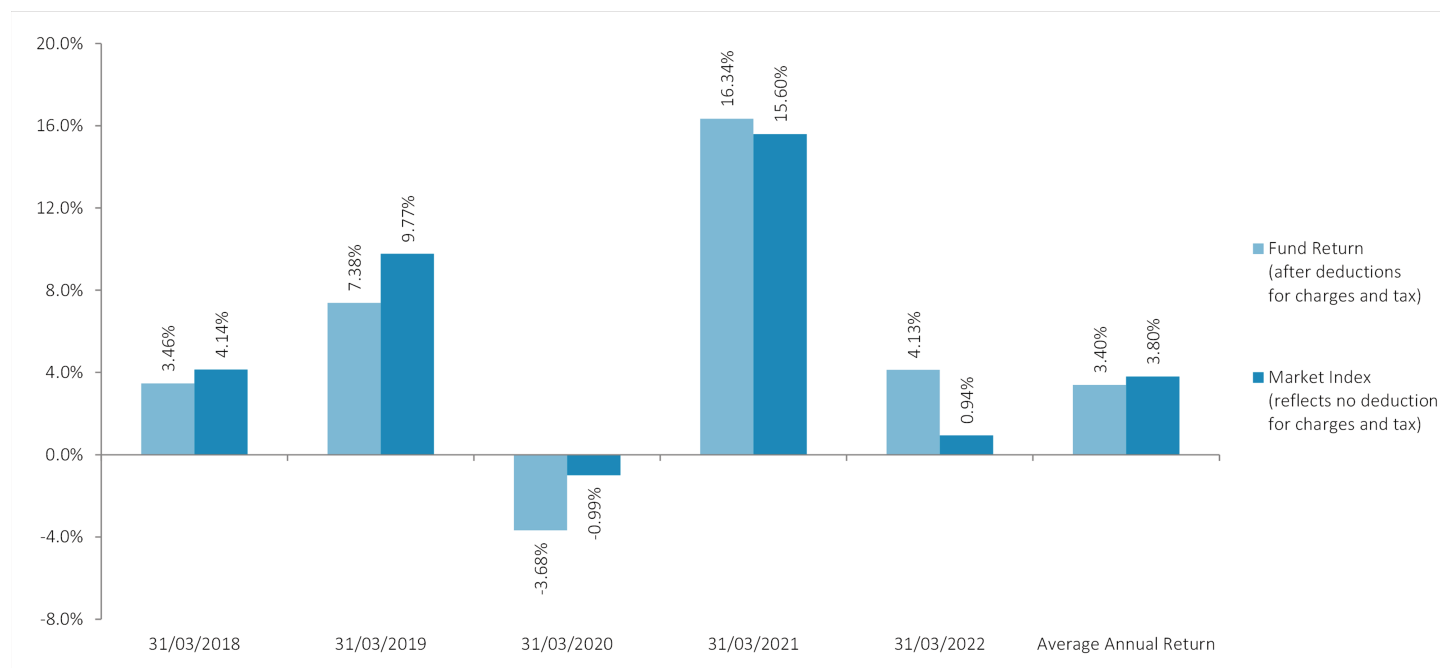
See the product disclosure statement (PDS) for more information about the risks associated with investing in this fund.

## How has the fund performed?

|   | Average over past 5 years <sup>1,2</sup> | Past year <sup>1,2</sup> |
|---|--|--------------------------|
| Annual return<br>(after deductions for charges and tax)                   | 3.46%                                    | -5.92%                   |
| Annual return<br>(after deductions for charges but before tax)            | 4.08%                                    | -6.37%                   |
| Market index annual return<br>(reflects no deduction for charges and tax) | 3.57%                                    | -8.92%                   |

The market index annual return is based on a composite index, calculated using the target investment mix weightings of the underlying market indices that the fund invests into. Additional information about the market index is available on the offer register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz). Index disclaimers can be found on the AMP website at [amp.co.nz/indexdisclaimers](https://amp.co.nz/indexdisclaimers).

## 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 September 2022.<sup>1</sup>

**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?

Investors in the Macquarie Income Generator Fund are charged fund charges. In the year to 30 June 2022 these were:

|   | % of net asset value   |
|---|--|
| <b>Total fund charges (estimated)<sup>3</sup></b>                       | 0.93%*   |
| Which are made up of -  |  |
| <b>Total management and administration charges (estimated)</b>          | 0.93%  |
| Including -   |  |
| Manager's basic fee (estimated) <sup>4</sup>                            | 0.73%  |
| Other management and administration charges (estimated) <sup>4, 5</sup> | 0.20%  |
| <b>Total performance-based fees</b>                                     | 0.00%  |
| <b>Other charges</b>  | <b>Dollar amount per investor or description of how charge is calculated</b> |
| Member fee <sup>6</sup>   | \$107.52   |

\* Based on an increase in other expenses and underlying fund manager expenses, the Manager estimates that the total fund charges for the next scheme year will increase to 0.98% of the net asset value

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the 'fees and other charges' document on the entry relating to the offer of interests in the New Zealand Retirement Trust maintained on the offer register ([disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz)) for more information about those fees.

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

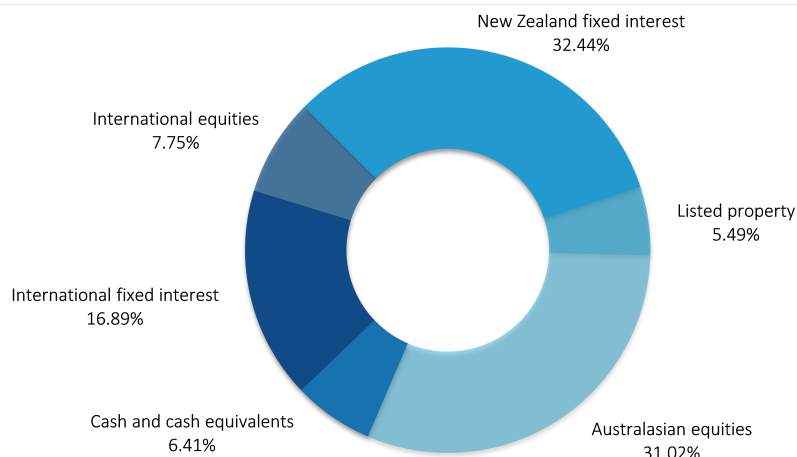
## Example of how this applies to an investor

Craig had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Craig incurred a loss after fund charges were deducted of \$592.00 (that is -5.92% of his initial \$10,000). Craig also paid \$107.52 in other charges. This gives Craig a total loss after tax of \$699.52 for the year.

## What does the fund invest in?

### Actual investment mix<sup>7</sup>

This shows the types of assets that the fund invests in.



### Target investment mix

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

| Asset Type                   | Allocation |
|------------------------------|------------|
| Cash and cash equivalents    | 10.00%     |
| New Zealand fixed interest   | 25.00%     |
| International fixed interest | 25.00%     |
| Australasian equities        | 30.00%     |
| International equities       | 5.00%      |
| Listed property              | 5.00%      |
| Unlisted property            | 0.00%      |
| Commodities                  | 0.00%      |
| Other                        | 0.00%      |

### Top 10 investments<sup>7</sup>

| Name                              | Percentage of fund net assets | Asset Type                     | Country     | Credit rating (if applicable) |
|-----------------------------------|-------------------------------|--------------------------------|-------------|-------------------------------|
| 1 Macquarie Income Generator Fund | 100.00%                       | Interest in a diversified fund | New Zealand | N/A                           |
| 2 -                               | -                             | -                              | -           | -                             |
| 3 -                               | -                             | -                              | -           | -                             |
| 4 -                               | -                             | -                              | -           | -                             |
| 5 -                               | -                             | -                              | -           | -                             |
| 6 -                               | -                             | -                              | -           | -                             |
| 7 -                               | -                             | -                              | -           | -                             |
| 8 -                               | -                             | -                              | -           | -                             |
| 9 -                               | -                             | -                              | -           | -                             |
| 10 -                              | -                             | -                              | -           | -                             |

The top 10 investments make up 100.00% of the fund.

## Currency hedging

The fund will (or will invest in underlying funds that will) fully hedge foreign currency exposure arising from International equities – Listed infrastructure, Listed property asset classes and International fixed interest. Where active currency management is being employed in accordance with the Active Currency Management Policy set out in the Statement of Investment Policy and Objectives, the result may be something other than a fully-hedged position for International fixed interest. The fund will (or will invest in underlying funds that will) not hedge foreign currency exposure arising from Australian dollar equities.

## Key personnel

This shows the directors and employees who have the most impact on the investment decisions of the fund.

| Name                  | Current position            | Time in current position | Other current position                               | Time in other current position |
|-----------------------|-----------------------------|--------------------------|--|--------------------------------|
| Jeffery Darren Ruscoe | Investment Committee Member | 3 years and 6 months     | Managing Director, AMP Wealth Management New Zealand | 0 years and 5 months           |
| Mark David Ennis      | Investment Committee Member | 2 years and 2 months     | Managing Director, AdviceFirst Limited               | 2 years and 7 months           |

## Further information

You can also obtain this information, the PDSs for the New Zealand Retirement Trust, and some additional information from the offer register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz). The information in this fund update forms part of each PDS for the New Zealand Retirement Trust.

## Notes

- 1 The returns include an estimated administration and service fee, which has been determined by using the average fee charged for the entire NZRT. Individual returns will depend on the administration and service fee applicable to the individual member. For more information relating to the administration and service fee applicable to you, please see the applicable PDS or the Member Booklet for your employer plan.
- 2 AMP Capital Investors (New Zealand) Limited (AMP Capital) was renamed Macquarie Asset Management (NZ) Limited (Macquarie) and on 25 March 2022, AMP Limited divested ownership of Macquarie. The fund performance in the table therefore shows fund performance which relates to both Macquarie and AMP Capital. As part of these changes to the underlying fund manager, this fund was also renamed with effect from 1 April 2022. For more information, see [amp.co.nz/transforming-amp](https://amp.co.nz/transforming-amp).
- 3 The total fund charges are inclusive of any applicable GST.
- 4 The management and administration charges are made up of the 'Manager's basic fee' (comprising the investment management fee and administration fee) and the 'other management and administration charges' (service fee and costs and expenses). Administration fees and service fees, while calculated by reference to investment balances, are not allocated to specific funds. As the actual amount of the fees charged to the fund can't be reported, estimates have been used. The estimated administration fee is 0.28% and the estimated service fee is 0.04%. The estimates represent the percentage of the fees deducted from the Scheme for the year over the average funds under management for the Scheme for the year. Fees payable by a member will depend on the section of the Scheme they are a member of (including whether they are a member of an employer plan) and whether any reduction of the fee amount has been agreed. Please see the NZRT - Fees and Other Charges document at [amp.co.nz/amp/forms](https://amp.co.nz/amp/forms) or on the Offer Register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz), and your Member Booklet (if you are a member of an employer plan), to work out your fees.
- 5 The other management and administration charges include estimates of underlying fund charges provided by underlying fund managers. The balance dates of the underlying fund(s) do not align with the balance date of the fund. To estimate the charges, AMP includes the underlying fund charges as at the relevant underlying fund(s) balance date, adjusted (where required) to reflect any material changes advised to AMP by the relevant underlying manager as having occurred during the intervening period.
- 6 You may receive the benefit of reduced member fees. For details of any discounts, please speak with your adviser or see your Member Booklet (if you are a member through an employer plan). Members of the NZRT Personal Superannuation Section are not currently charged member fees. Therefore the impact of these fees on you could be less than that set out in the example.
- 7 The actual investment mix and top ten investments have been calculated excluding cash and cash equivalents held for operational purposes.

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