

AMP KiwiSaver Scheme

AMP New Zealand Fixed Interest Fund



Fund Update

for the quarter ended 31 December 2017

This fund update was first made publicly available on 13 February 2018

What is the purpose of this update?

This document gives you information about the AMP New Zealand Fixed Interest Fund, including its target investment mix and what fees are 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

This is a single sector fund which may have exposure to fixed interest securities. The fund may also have exposure to financial derivative instruments for hedging or as part of its investment strategy. The fund aims to primarily preserve the value of investment with some capital growth by investing predominantly in New Zealand fixed interest assets. It may contain some exposure to Australian fixed interest.

Total value of the fund	\$417,822	
Number of investors in the fund	42	
The date the fund started	28 July 2016	

What are the risks of investing?

Risk indicator for the AMP New Zealand Fixed Interest Fund¹:

Potentially lower returns		Pot	entially hi	gher retu	rns 🗪	
1	2	3	4	5	6	7
Lowe	er risk				Higher	risk 📥

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 today.amp.co.nz/risk-profile-calculator.

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.

Specific risk

In addition to the general investment risks, you should be aware this fund is concentrated in a particular asset class and not diversified across multiple asset classes. At any given point, market conditions that cause one asset class to perform well may cause another asset class to perform poorly. This could result in negative or lower than expected returns compared to a fund which is diversified across multiple asset classes.

How has the fund performed?

	Past year
Annual return (after deductions for charges and tax)	3.69%
Annual return (after deductions for charges but before tax)	5.17%
Market index annual return (reflects no deduction for charges and tax)	5.43%

The market index annual return is based on the Bloomberg NZBond Govt 0+ Yr Index (100% hedged to NZD). Additional information about the market index is available on the offer register at companiesoffice.govt.nz/disclose. Index disclaimers can be found on the AMP website at amp.co.nz/indexdisclaimers.

What fees are investors charged?

Investors in the AMP New Zealand Fixed Interest Fund are charged fund charges. Our estimate of the fund charges as at 31 December 2017

	% of net asset value
Total fund charges (estimated) ²	0.85%
Which are made up of -	
$\textbf{Total management and administration charges} \ (\text{estimated})^2$	0.85%
Including -	
Manager's basic fee	0.73%
Other management and administration charges	0.12%
Total performance-based fees	0.00%
Other charges	Dollar amount per investor or description of how charge is calculated
Member fee	\$23.40

 $Different\ administration\ or\ member\ fees\ may\ apply\ to\ some\ members.\ Any\ different\ fees\ will\ be\ set\ out\ in\ the\ Member\ Booklet\ or\ supplement,$ if applicable, which you can request from your Adviser.

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 AMP KiwiSaver Scheme maintained on the offer register (companiesoffice.govt.nz/disclose) for more information about those fees.

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

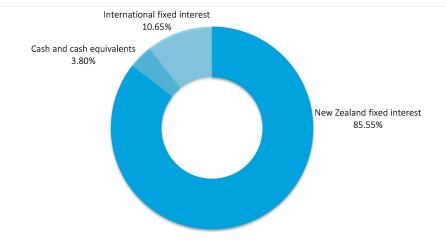
Example of how this applies to an investor

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 received a return after fund charges were deducted of \$369.00 (that is 3.69% of his initial \$10,000). Craig also paid \$23.40 in other charges. This gives Craig a total return after tax of \$345.60 for the year.

What does the fund invest in?

Actual investment mix³

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	0.00%
New Zealand fixed interest	100.00%
International fixed interest	0.00%
Australasian equities	0.00%
International equities	0.00%
Listed property	0.00%
Unlisted property	0.00%
Commodities	0.00%
Other	0.00%

Top 10 investments³

	Name	Percentage of fund net assets	Asset Type	Country	Credit rating (if applicable)
1	New Zealand Government bond maturing 15 Apr 27	11.38%	New Zealand fixed interest	New Zealand	AA+
2	New Zealand Government bond maturing 14 Apr 33	8.81%	New Zealand fixed interest	New Zealand	AA+
3	New Zealand Government bond maturing 15 Apr 23	7.44%	New Zealand fixed interest	New Zealand	AA+
4	New Zealand Government bond maturing 15 May 21	6.51%	New Zealand fixed interest	New Zealand	AA+
5	Call Account (Westpac Banking Corporation Advance Acct)	3.08%	Cash and cash equivalents	New Zealand	A-1+
6	New Zealand Government bond maturing 20 Sep 25	2.15%	New Zealand fixed interest	New Zealand	AA+
7	New Zealand Government bond maturing 20 Sep 35	2.01%	New Zealand fixed interest	New Zealand	AA+
8	ASB Bank Ltd bond maturing 08 Mar 19	1.99%	New Zealand fixed interest	New Zealand	A+
9	Powerco Ltd bond maturing 25 Feb 20	1.98%	New Zealand fixed interest	New Zealand	BBB
10	ANZ Bank New Zealand Ltd bond maturing 05 Sep 19	1.87%	New Zealand fixed interest	New Zealand	A+

The top 10 investments make up 47.22% of the fund.

Currency hedging

The Fund will (or will invest in underlying funds that will) hedge foreign currency exposure back to New Zealand dollars.

Key personnel

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

Name	Current position	Time in current position	Other current position	Time in other current position
Elaine Jennifer Campbell	Investment Committee	2 years and	General Counsel,	2 years and
	Member	5 months	AMP Financial Services	8 months
Simon John Hoole	Investment Committee	0 years and	Chief Financial Officer,	4 years and
	Member	11 months	AMP Financial Services	0 months
Therese Mary Singleton	Investment Committee	2 years and	General Manager, Advice & Sales,	1 year and
	Member	11 months	AMP Financial Services	0 months
Blair Robert Vernon	Investment Committee	6 years and	Managing Director,	1 year and
	Member	6 months	AMP Financial Services	0 months

Further information

You can also obtain this information, the PDS for the AMP KiwiSaver Scheme, and some additional information from the offer register at **companiesoffice.govt.nz/disclose**. The information in this fund update forms part of the PDS for the AMP KiwiSaver Scheme.

Notes

- As the fund started on the date above, actual returns for the last five years are not available. To calculate the risk indicator for the five year period up to the date of this fund update a combination of market index returns, underlying fund returns and actual returns have been used where relevant. We consider this to be the most accurate way to calculate returns and as a result of this calculation, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund.
- As the fund started on the date above, historic information for the most recent scheme year is not available. The total fund charges shown include our best estimates of the amount of costs and expenses that will be charged to the fund based on forecasts from both the manager and underlying fund managers.
- 3 The actual investment mix and top ten investments have been calculated excluding cash and cash equivalents held for operational purposes.

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For more information about the Scheme, please visit amp.co.nz/kiwisaver, contact us on 0800 AMP KIWI (0800 267 5494) or talk to your Adviser today. A disclosure statement is available from your Adviser on request and free of charge.