

## Market overview

Global share markets rose in December while global bond yields drifted higher as geopolitical risk appeared to recede a little. The trade truce between the USA and China continued with both parties making positive comments about a Phase One agreement due for signing in January; while Boris Johnson's conservatives won a decisive victory in the UK election. US consumer stocks remained supportive to markets with Apple up 10% for the month and Nike +8.4% after reporting strong 2Q margins. At the other end of the spectrum Boeing fell -11% after suspending the production of its troubled 737 Max planes.

New Zealand shares were up 1.5%, continuing from the very strong November return, with positive performances from the retirement sector stocks and from the ports. Port of Tauranga (50% owner of Northport) saw strong investor demand as policy chatter increased around the Port of Auckland possibly being moved to Northland. The retirement sector stocks had been climbing on signs of an improving residential property market, and confirmation of the takeover interest in Metlifecare during the month spurred the sector further.

Australian shares bucked the trend and were down 2.2% in December with only the materials sectors in positive territory (+1.6%), with consumer staples and real estate leading the fall down 8.1% and 6.2% respectively.

### For more information on our Funds, please contact:

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## Funds at a glance

		1 Month	3 Months	1 Year	5 Years
<b>Mint Australasian Equity Fund</b>	<i>Net*</i>	0.12%	4.73%	26.74%	14.39%
	<i>Gross**</i>	0.23%	5.08%	28.52%	16.11%
<b>Mint Australasian Property Fund</b>	<i>Net</i>	2.22%	0.12%	28.91%	11.76%
	<i>Gross</i>	2.32%	0.39%	30.60%	13.46%
<b>Mint Diversified Income Fund</b>	<i>Net</i>	-0.28%	-0.05%	8.05%	5.31%
	<i>Gross</i>	-0.18%	0.21%	9.30%	6.67%
<b>Mint Diversified Growth Fund</b>	<i>Net</i>	0.82%	4.05%	15.02%	-%
	<i>Gross</i>	0.93%	4.25%	16.74%	-%

Performance returns greater than 3 months are per annum.

\*Net returns are after fees and before investor tax. Net after tax performance can be found in the latest Quarterly Fund Update, available on our website.

\*\*Gross returns are before fees and excluding imputation credits.

## Investment team



**Head of Investments**  
Anthony Halls



**Portfolio Manager**  
Carlie Eve



**Portfolio Manager**  
David Fyfe



**Portfolio Manager**  
John Middleton



**Portfolio Manager**  
Marek Krzeczowski

SINGLE SECTOR FUND

# Mint Australasian Equity Fund

Our portfolio returned 0.12% for the month.

The main positive contributions came from Meridian Energy, Ryman Healthcare, and Metlifecare. Operating statistics for Meridian were strong and the sector continued to bounce back from the volatility induced by the Tiwai smelter review instigated Rio Tinto in October. The retirement sector surged on M&A (Metlifecare) and improving residential property activity.

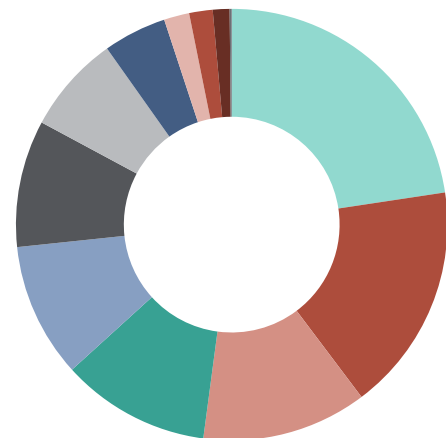
The main negative contributors were the a2 Milk Company, Spark NZ, and Goodman Group. In general, the portfolio was held back by the relatively underperforming Australian market as most of our Australian holdings were negative in the month.

During the month, we increased holdings in Oz Minerals, F&P Healthcare and Origin Energy. We reduced Goodman Group, Spark NZ and Summerset Group.

Unit price <b>\$3.6903</b>		Fund size <b>\$257.6M</b>	
1 month <b>0.12%</b>	3 months <b>4.73%</b>	1 year <b>26.74%</b>	5 years <b>14.39%</b>

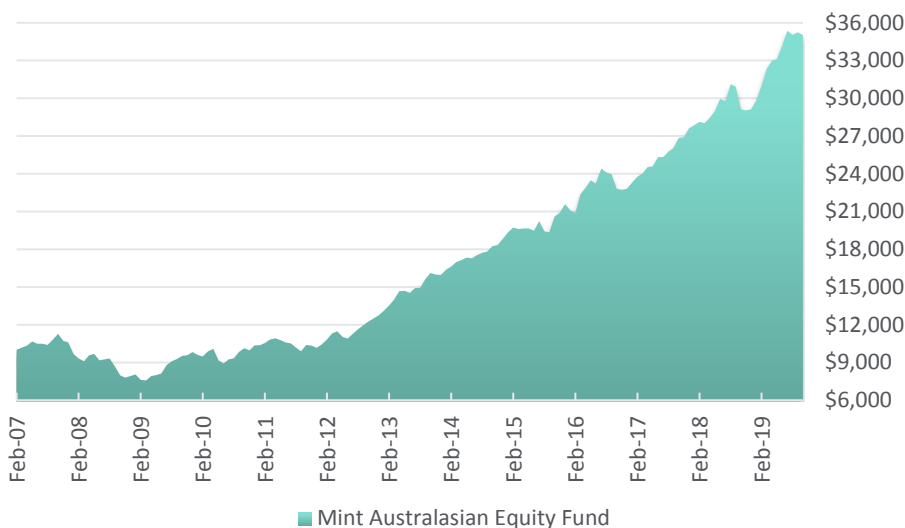
Net returns

### Sector Allocation



- Health Care – 23%
- Utilities – 17%
- Consumer Staples – 12%
- Cash and cash equivalents – 11%
- Communication Services – 10%
- Industrials – 10%
- Real Estate – 7%
- Materials – 5%
- Energy 2%
- Information Technology – 2%
- Consumer Discretionary – 1%
- Financials – 0.3%

### \$10,000 invested since inception



Cumulative performance. Returns are after fees and before investor tax. Fund inception: 15 February 2007.

As of 31 December 2019

SINGLE SECTOR FUND

# Mint Australasian Property Fund

Our portfolio returned 2.22% for the month.

The top positive contributors were holdings in Goodman Property Trust and Stride. The key detractors were holdings in Charter Hall Long WALE REIT and Mirvac.

The Australian REIT sector had a negative month over December, returning -4.4%, well behind the strong NZ Property Index return of 2.6%. For the 2019 year the NZ property sector recorded an exceptional return of 31.3% (AU index +18.5%).

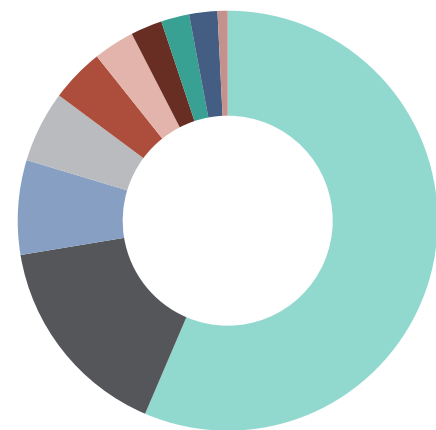
The Mint portfolio return over the month was also boosted by exposure to the retirement sector through Arvida, Ryman, and Metlifecare. The takeover offer for Metlifecare and a recovering housing market have supported the sector performance.

During the month we increased exposure to Centuria Metropolitan REIT and Arvida. We reduced exposure to Augusta and Ingenia.

<b>Unit price</b> <b>\$2.5464</b>		<b>Fund size</b> <b>\$82.2M</b>	
<b>1 month</b> <b>2.22%</b>	<b>3 months</b> <b>0.12%</b>	<b>1 year</b> <b>28.91%</b>	<b>5 years</b> <b>11.76%</b>

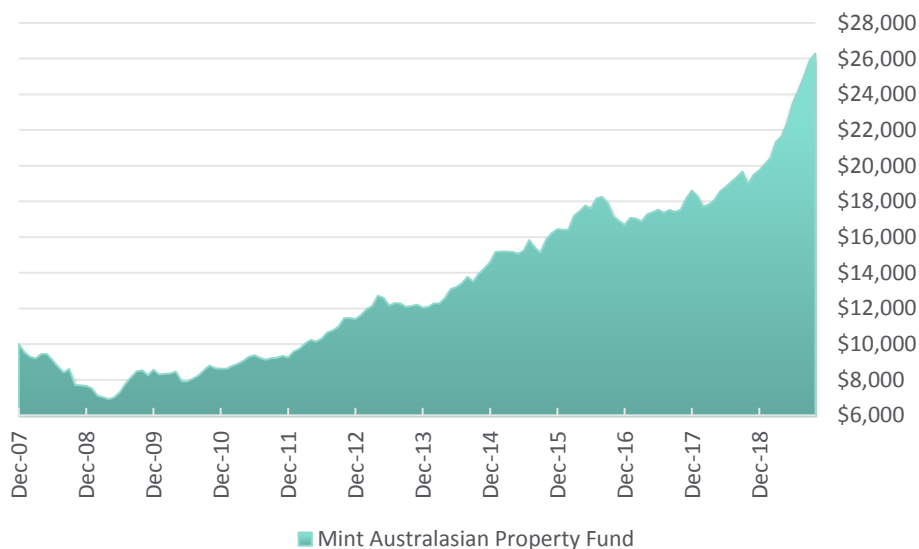
Net returns

### Sub-Sector Allocation



- Diversified REITs – 56%
- Real Estate Operating Companies – 16%
- Industrial REITs – 7%
- Specialised REITs – 6%
- Retail REITs – 4%
- Health Care – 3%
- Office REITs – 2%
- Cash and cash equivalents – 2%
- Diversified Real Estate Activities – 2%
- Residential REITs – 1%

### \$10,000 invested since inception



Cumulative performance. Returns are after fees and before investor tax. Fund inception: 31 December 2007.

DIVERSIFIED FUND

# Mint Diversified Income Fund

<b>Unit price</b> <b>\$1.0980</b>		<b>Fund size</b> <b>\$208.9M</b>	
<b>1 month</b> <b>-0.28%</b>	<b>3 months</b> <b>-0.05%</b>	<b>1 year</b> <b>8.05%</b>	<b>5 years</b> <b>5.31%</b>

Net returns

Our portfolio returned -0.28% for the month.

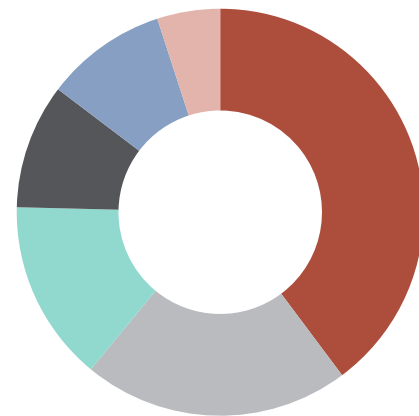
Equities had a positive contribution to the total return of the fund with Global Equities and Australasian Equities adding +0.43% and +0.23% respectively. The negative contribution came from Fixed Income (-0.57%) and Listed Property (-0.26%).

The top positive contributions were holdings in Stride Property (+0.15%), Arvida Group (+0.12%), Charter Hall (+0.05%) and Precinct Properties (+0.05%). The main negative contributors were three Australian Listed Property stocks Lendlease Group (-0.19%), Goodman Group (-0.15%) and Centuria Metropolitan (-0.1%)

During the month, we reduced our fixed income exposure and portfolio duration. We sold two Housing New Zealand bonds maturing in 2026 and 2028. In equities, we sold Colgate-Palmolive and added Canadian National Railway.

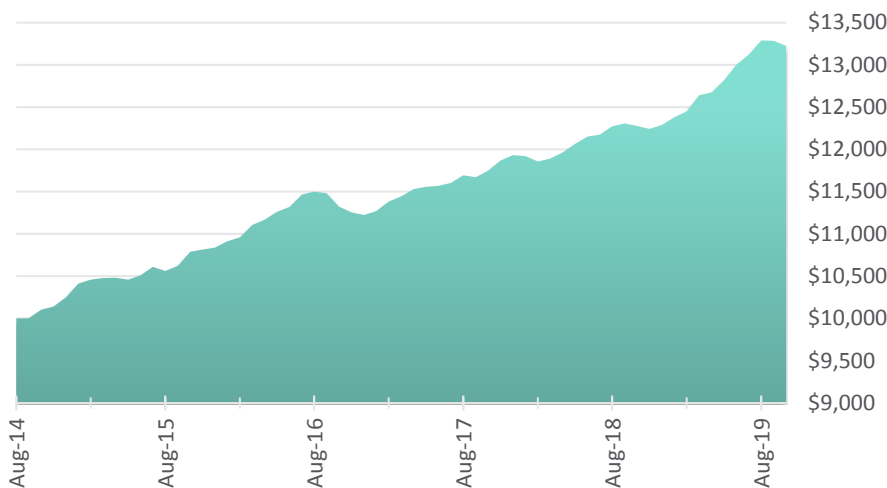
Overall, our central case is for interest rates to remain low for some time; however, global central banks' policy rates are accommodative and the global economy should slowly improve. Hence, we remain underweight bonds and fully invested into equity exposures.

## Tactical Asset Allocation



- New Zealand fixed interest – 40%
- Cash and cash equivalents – 21%
- Listed property – 14%
- International fixed interest – 10%
- International equities – 10%
- Australasian equities – 5%

## \$10,000 invested since inception



■ Mint Diversified Income Fund

Cumulative performance. Returns are after fees and before investor tax. Fund inception: 31 August 2014.

DIVERSIFIED FUND

# Mint Diversified Growth Fund

Our portfolio returned 0.82% for the month.

Equities had a positive contribution to the total return of the fund with Global Equities and Australasian Equities adding +0.92% and +0.25% respectively. Largest negative contributors were Fixed Income (-0.08%) and Listed Property (-0.07%).

The top positive contributions were holdings in Arvida Group (+0.12%), Meridian Energy (+0.09%) and Kathmandu (+0.08%). The main negative contributors were three stocks within Global Equities - Walt Disney (-0.10%), Unilever (-0.10%) and Genmab A/S (-0.09%)

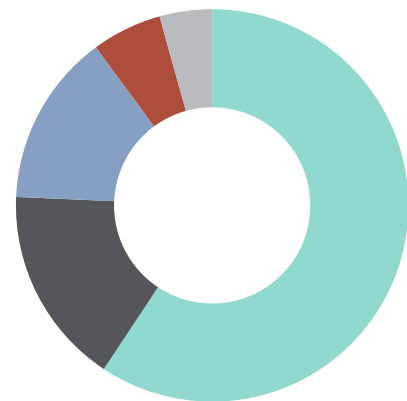
During the month, we sold Vista Group, FINEOS Corporation, Zoetis and long dated Chorus Limited 2028 bond. We added S&P Global, WPP Plc and Scales.

Overall, our central case is for interest rates to remain low for some time; however, global central banks' policy rates are accommodative and the global economy should slowly improve. Hence, we remain underweight bonds and fully invested into equity exposures.

<b>Unit price</b> <b>\$1.1484</b>		<b>Fund size</b> <b>\$8.8M</b>	
<b>1 month</b> <b>0.82%</b>	<b>3 months</b> <b>4.05%</b>	<b>1 year</b> <b>15.02%</b>	<b>5 years</b> <b>-%</b>

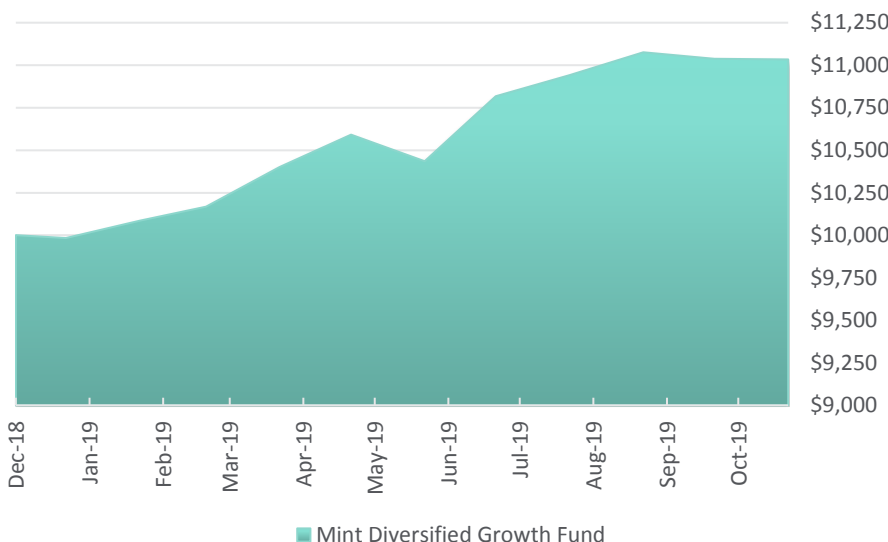
Net returns

## Tactical Asset Allocation



- International equities – 59%
- Cash and cash equivalents – 16%
- Australasian equities – 14%
- New Zealand fixed interest – 6%
- Listed property – 4%

## \$10,000 invested since inception



Cumulative performance. Returns are after fees and before investor tax. Fund inception: 10 December 2018.



**Awards  
2019™**

Awarded to the Mint Australasian Equity Fund for New Zealand Fund Manager of the Year, Domestic Equities, New Zealand.

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