

# Overseas Non-government Bonds Fund

30 November 2017

## Objective

To provide a return (after tax, fees and other expenses) that reflects the after-tax return on international non-government bond markets of developed economies.

## Investments

Details of the investments of the Overseas Non-government Bonds Fund are:

| Code   | Holdings   | Units      | Value (NZD)           | Percentage    |
|--------|--|------------|-----------------------|---------------|
| VISCFH | Vanguard International Credit Securities Index Fund (Hedged) | 99,826,441 | \$ 129,152,683        | 95.0%         |
|        | Foreign exchange hedging contract                            |            | \$ 4,165,377          | 3.1%          |
|        | Cash   |            | \$ 2,624,265          | 1.9%          |
|        | <b>Total</b>   |            | <b>\$ 135,942,325</b> | <b>100.0%</b> |

## Regional allocation

|                  |               |
|------------------|---------------|
| Northern America | 44.4%         |
| Europe           | 27.0%         |
| Asia             | 7.3%          |
| Oceania          | 2.6%          |
| Central America  | 0.0%          |
| Other            | 13.8%         |
| Cash             | 5.0%          |
| <b>Total</b>     | <b>100.0%</b> |

## Country allocation

|                |               |
|----------------|---------------|
| United States  | 35.7%         |
| Germany        | 7.5%          |
| Canada         | 7.2%          |
| Supranational  | 7.1%          |
| France         | 6.3%          |
| United Kingdom | 4.9%          |
| Japan          | 4.8%          |
| Australia      | 2.6%          |
| Netherlands    | 2.5%          |
| China          | 1.5%          |
| Mexico         | 1.4%          |
| Spain          | 1.2%          |
| Switzerland    | 1.2%          |
| Sweden         | 1.0%          |
| Italy          | 1.0%          |
| Belgium        | 0.7%          |
| Indonesia      | 0.6%          |
| Norway         | 0.6%          |
| Korea          | 0.5%          |
| Other          | 6.7%          |
| Cash           | 5.0%          |
| <b>Total</b>   | <b>100.0%</b> |



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## Issuer

|                  |               |
|------------------|---------------|
| Corporate bonds  | 60.7%         |
| Government bonds | 39.3%         |
| <b>Total</b>     | <b>100.0%</b> |

## Credit grade distribution

|              |               |
|--------------|---------------|
| AAA          | 15.3%         |
| AA           | 17.1%         |
| A            | 30.8%         |
| BBB          | 34.4%         |
| Below BBB    | 2.4%          |
| N/R          | 0.0%          |
| <b>Total</b> | <b>100.0%</b> |

## Characteristics

|                       |           |
|-----------------------|-----------|
| Number of holdings    | 4,356     |
| Duration              | 6.4 years |
| Current running yield | 2.97%     |

## Top 10 holdings

| Name  | Country        | Coupon | Maturity  | Weight (%)  |
|---|----------------|--------|-----------|-------------|
| European Investment Bank                            | Europe         | 4.25%  | 15-Apr-19 | 0.2%        |
| International Bank for Reconstruction & Development | United States  | 1.38%  | 20-Sep-21 | 0.2%        |
| Province of Ontario Canada                          | Canada         | 3.45%  | 2-Jun-45  | 0.2%        |
| Federal National Mortgage Assn.                     | United States  | 1.00%  | 24-Oct-19 | 0.2%        |
| Federal Home Loan Banks                             | United States  | 1.50%  | 21-Oct-19 | 0.2%        |
| Kreditanstalt fuer Wiederaufbau                     | Europe         | 3.63%  | 20-Jan-20 | 0.2%        |
| European Investment Bank                            | United Kingdom | 4.25%  | 7-Dec-21  | 0.2%        |
| Japan Finance Organization for Municipalities       | Japan          | 0.69%  | 28-Jun-24 | 0.2%        |
| Major Joint Local Government Bond                   | Japan          | 0.57%  | 23-Aug-24 | 0.2%        |
| Major Joint Local Government Bond                   | Japan          | 0.51%  | 25-Sep-25 | 0.2%        |
| <b>Total</b>  |                |        |           | <b>1.7%</b> |

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## Notes

<sup>1</sup> Smartshares is the Manager of the SuperLife Invest, SuperLife workplace savings, SuperLife KiwiSaver and SuperLife UK pension transfer schemes ("SuperLife schemes"). Smartshares is also the Manager of the Smartshares Exchange Traded Funds scheme which the SuperLife schemes invest in. The product disclosure statements for the SuperLife schemes can be downloaded here [www.superlife.co.nz/legal-doc](http://www.superlife.co.nz/legal-doc)

<sup>2</sup> For details of the ETF securities in the Overseas Non-government Bonds Fund visit the following links  
[www.vanguardinvestments.com.au/institutional/inst/investments/product.html#/fundDetail/wholesale/portId=8112/?overview](http://www.vanguardinvestments.com.au/institutional/inst/investments/product.html#/fundDetail/wholesale/portId=8112/?overview)

<sup>3</sup> The fund's foreign currency exposure is generally 100% hedged to the NZD, but may vary between 90% and 110%.

