



TAHITO Te Tai o Rehua Fund

Performance (Returns net of fees)

31-Jul-22	Month	3 Mths	6 Mths	YTD	1 Year	2 Year	Inception (p.a.)
Fund	6.3%	-1.9%	4.0%	-5.1%	-0.3%	12.8%	7.7%
Benchmark	6.0%	-4.1%	1.7%	-5.2%	-1.6%	10.0%	5.3%
Alpha	0.3%	2.2%	2.3%	0.1%	1.3%	2.8%	2.4%

Benchmark: 50% S&P / NZX50 Portfolio Index Gross with Imputation and 50% S&P / ASX200 Accumulation Index in New Zealand dollars.

July was a good month for our Trans-Tasman markets. Both the NZX50 and ASX200 were up 5.7%. Our Fund benchmark was up 6.0% and the Fund itself outperformed by 0.3%, up 6.3%.

Meanwhile in the US the market had its best month since November 2020. The S&P 500 Index added 9.1% and the Nasdaq Composite surged 12.3%, yet analysts struggle to see a cause for celebration. The reversal of recent declines in stock prices occurred in the face of recessionary fears with rate hikes underway, and the impact of monetary policy action still not visible in companies' earnings. The US Federal Reserve raised interest rates by another 0.75% in July, making this one of the fastest hiking cycles of the past 40 years.

NZ economic data remains weak with the ANZ consumer confidence still indicating a recession and inflation continuing on a path higher than RBNZ predictions. Headline inflation is at 7.3% year on year, and the non-tradeables CPI was up by 6.3% year on year in the second quarter. The RBNZ

offered up a "no surprises" Monetary Policy Review, lifting the OCR by another 0.50% to 2.5% while indicating comfort with its OCR projections.

The key movers in our Fund during July were:

- CBA climbed 11.5%. The Bank raised over A\$1.5 billion in funding through its Environmental, Social and Governance Term Deposit (ESG TD) product, which enables institutional depositors to align their cash management strategies with their sustainability goals.
- Xero climbed 20.9% after a heavy fall in the share price earlier in the year, as tech stocks globally rebounded.
- Summerset climbed 11.5% and continues to forecast good revenue and earnings growth.
- My Food Bag fell -4.8%, potentially reflecting concerns around customer retention in a weakening economy. We are more positive on their prospects in this regard.



Temuera Hall
Portfolio Manager

For more information on our Fund please contact:

TAHITO Limited

Level 1, 87 Hurstmere Road,
Takapuna, Auckland,
New Zealand

+64 09 308 1450

info@tahito.co.nz

www.tahito.co.nz



Kei te mate hāere a Hinemoana? Are our oceans dying?

With 71% of the Earth covered by the ocean, they bear much of the brunt of global warming and rising emissions. The large bodies of water absorb around 90 percent of the Earth's accumulated heat and 23 percent of the carbon dioxide emissions from human activity.

Continued on next page.

Continued

In May, RNZ News reported on the annual State of the Global Climate Report issued by the World Meteorological Organisation (WMO). The world's oceans in 2021 grew to their warmest and most acidic levels on record, while melting ice sheets helped push sea levels to new heights.

<https://www.rnz.co.nz/news/world/467405/oceans-are-hotter-higher-and-more-acidic-climate-report-warns>

Phytoplankton are responsible for producing up to 50% of the oxygen we breathe. These microscopic organisms also cycle most of the Earth's carbon dioxide between the ocean and atmosphere. Zooplankton are the animal-like primary consumers of plankton communities. In turn, zooplankton then become food for larger, secondary consumers such as fish (source: National Geographic Resource Library).

In July an Edinburgh-based research team produced a report stating that plankton has all but been wiped out. The team spent two years collecting water samples from the Atlantic and in a dire warning says this means the Atlantic is 'pretty much dead'. "Given that plankton is the life-support system for the planet and humanity cannot survive without it, the result is disturbing," says marine biologist and former Scottish Government adviser Dr Howard Dryden.

<https://marineindustrynews.co.uk/atlantic-ocean-pretty-much-dead/>

Temuera Hall - Portfolio Manager

Information and Disclaimer: This update is for information purposes only. It does not take into account your investment needs or personal circumstances and so is not intended to be viewed as investment or financial advice. Should you require financial advice you should always speak to your Financial Adviser. Before investing you should read the TAHITO Te Tai o Rehua Product Disclosure Statement and Statement of Investment Policy and Objectives, available at www.tahito.co.nz and www.companies.govt.nz/disclose. Past performance is not indicative of future results and no representation or warranty, express or implied, is made regarding future performance. Reference to taxation or the impact of taxation does not constitute tax advice. The levels and bases of taxation may change. This update has been prepared from published information and other sources believed to be reliable, accurate and complete at the time of preparation. While every effort has been made to ensure accuracy, neither Clarity Funds Management, nor any person involved in this publication, accept any liability for any errors or omission.