

ANZ Cash Plus Fund

March 2017 Quarterly Report

Fund objective

The ANZ Cash Plus Fund ('the Fund') invests in high quality short-term securities, deposits and floating rate notes.

The investment objective of the Fund is to outperform the Bloomberg AusBond Bank Bill Index (before fees, charges and taxes) when measured over rolling 12 month periods.

Fund performance

	3 months	6 months	1 year	3 years (p.a.)	5 Years (p.a.)	Since Inception (p.a.) ²
Total return	0.55%	1.05%	2.27%	n/a	n/a	2.47%
Bloomberg AusBond Bank Bill Index ¹	0.44%	0.88%	1.94%	n/a	n/a	2.15%
Value added/subtracted	0.11%	0.17%	0.33%	n/a	n/a	0.33%

1 The Benchmark is the Bloomberg AusBond Bank Bill Index

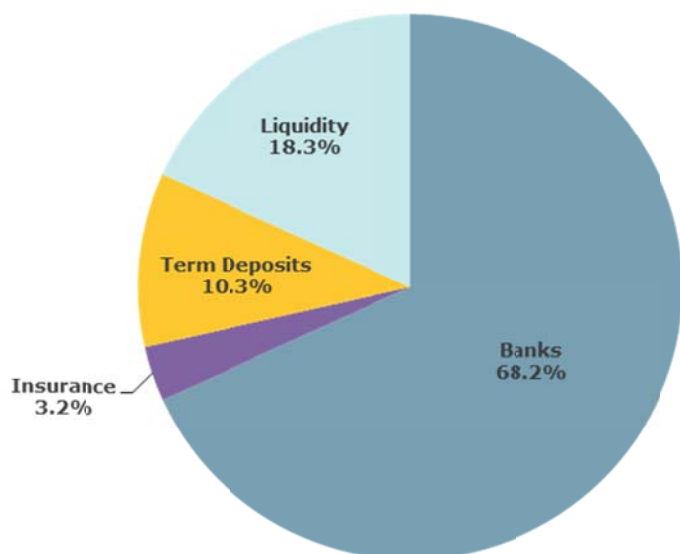
2 Inception date is 6 August 2014

Fund summary

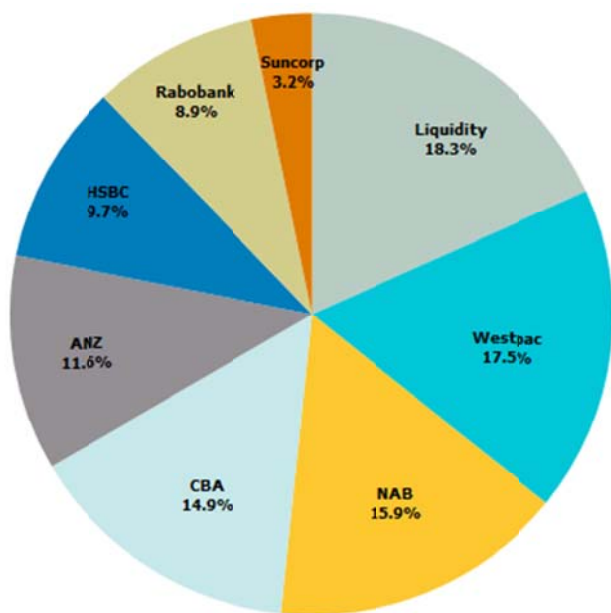
The Fund delivered a return of 0.55% for the December quarter, exceeding the benchmark by 11 basis points. It has outperformed the index by 0.33% per annum since the Fund's inception.

Fund allocation

Asset allocation by sector



Issuer exposure



Fund activity and strategy

Key Fund highlights for the quarter:

The Fund is invested in floating rate notes, short-dated bonds, term deposits and bank bills issued by the four major Australian banks and their fully-owned subsidiaries as well as selected APRA regulated financial institutions and Semi-Government issuers.

The Reserve Bank of Australia (RBA) has held official interest rates at 1.50% since August 2016 and will likely remain on hold for the foreseeable future. The major concern for the central bank is adding further fuel to the property market, so cutting rates is not on the agenda. On the other hand, increasing interest rates in the absence of meaningful inflationary pressure is unnecessary. In the RBA's words "with growth in labour costs remaining subdued, underlying inflation is likely to stay low for some time".

Outlook:

Market pricing validates our view that the RBA will be on hold, notwithstanding a marked change in the economic environment, until at least mid-2018.

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