

Clear, simple, jargon-free investment information from IWIinvestor

## INSIDE **Managed Funds - what are they?**

— By Sarah Delany

### How Managed Funds work

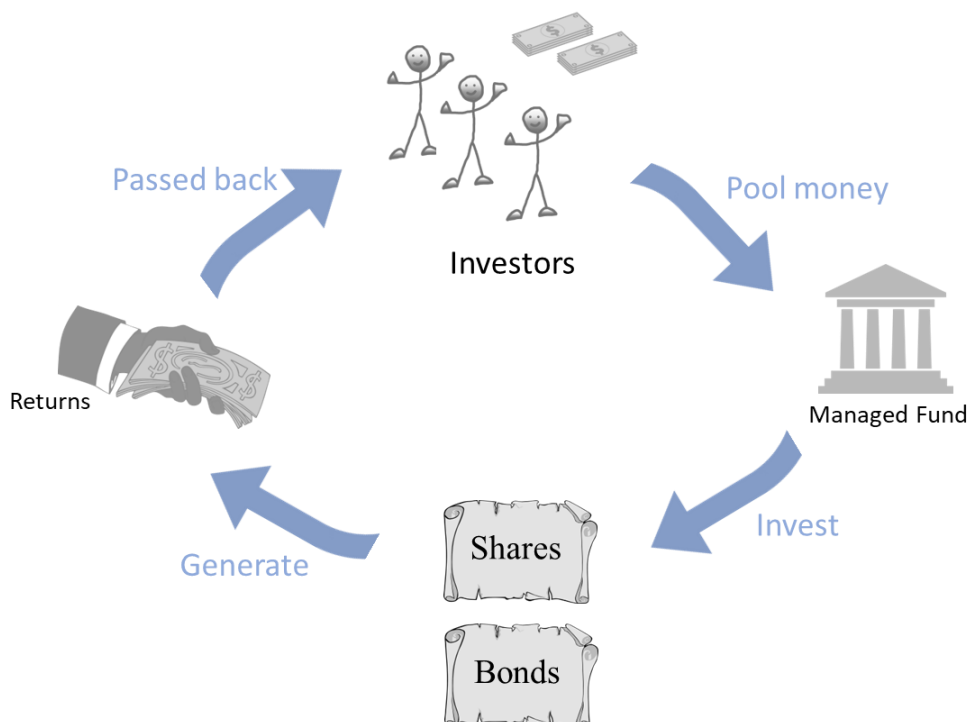
When you invest in any of our portfolios, whether it is Conservative, Balanced or Growth, you will find that a portfolio is made up of a collection of **Managed Funds**. A Managed Fund is an investment product where many investors pool their money, buying shares or units in the fund.

### Benefits

A managed fund may have a specialty theme. For example it may only invest in **New Zealand Shares**, or it may only invest in **Global Infrastructure**. This issue explains how a managed fund works, and the benefits for you.

## How you invest in Managed Funds

Your money, along with other investors' money, makes its way to a Managed Fund via our online platform. When many investors' money is joined together, we call this "pooling". The Manager of the fund then invests your money based upon the theme of the fund. It may be Shares, Bonds, or other investments such as gold or infrastructure, depending upon the fund manager's specialty. The investments then grow in value or produce an income. Of course the value may go down temporarily depending upon the type of investment you are in. You can track progress via the reports we send to you or logging into your online account.



## Benefits

There are a variety of benefits to using Managed Funds:



IWInvestor advantage



Diversified



Accessible



Professionally Managed



Well regulated

### IWInvestor advantage

Being part of the IWInvestor whānau, we can pool your funds together and negotiate lower fees from the fund managers and the online platform provider. We can also access some managed funds that are not available to individual investors which provide greater diversification and lower fees.

### Diversified

Some managed funds hold over 5,000 international shares. This means your money is extremely diversified. Individual investors would never be able to buy this amount of shares across a variety of international stock exchanges as efficiently and as cost effectively as a this fund manager can.

### Well Regulated

The managed funds we choose have to follow rigorous regulations for financial products in New Zealand and Australia.

### Professionally Managed

Each fund manager has been carefully chosen for their specialty as well as the way they conduct themselves as a business. We thoroughly research each of our fund managers before we include in them in our portfolios. We assess the stability of the company, fees relative to their peers, social responsible investment policies and of course traditional financial qualitative and quantitative measures. Our search for the best fund manager at the best price is an on-going process.

### Accessible

Funds are easily accessible. The online platform with one application form enables investment into multiple managed funds, and secure and efficient electronic deposits and withdrawals.

## Fund Managers

Some of our fund managers are listed below. Each has their unique area of expertise.



For more information, please don't hesitate to contact your adviser or email [info@iwiinvestor.co.nz](mailto:info@iwiinvestor.co.nz)

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