

General Market Commentary

After finishing 2020 with strong returns, investment markets in January were flat, largely a consequence of profit taking from equities that had outperformed, while Government and corporate bonds turned slightly negative. Bond prices have fallen as investors factor in improving economic conditions over the next 12 months as Covid vaccines take effect, as well as supportive monetary policy from Governments around the world.

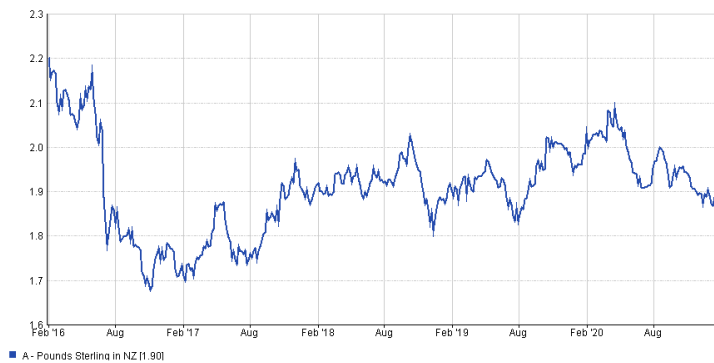
The big news story for the month of January was of a previously little-known company called GameStop, a retailer that sells videogames. Targeted by hedge funds as a 'short' (predicted to fall in value), GameStop became the focus of a trading frenzy driven by smaller investors designed to punish hedge fund managers. A 'short squeeze' is nothing new, as institutional investors have played this game for years. What is new is the players, Crowdsourcing and co-ordinating via online message boards such as Reddit. With the GameStop share price rising from \$19USD to \$483USD, some Hedge Fund managers had to be bailed out to survive. The share price has since retreated to \$53. For clarity, Garrison Bridge does not invest in hedge funds or individual stocks. Our investment strategy is investment via low cost index market funds designed to produce a return inline with the chosen index.

Locally, a surprise fall in the New Zealand's unemployment rate for the December 2020 quarter left economists startled and prompted immediate predications from the high street banks that falling interest rates had ended, with the next move for interest rates most likely to rise from 2022.

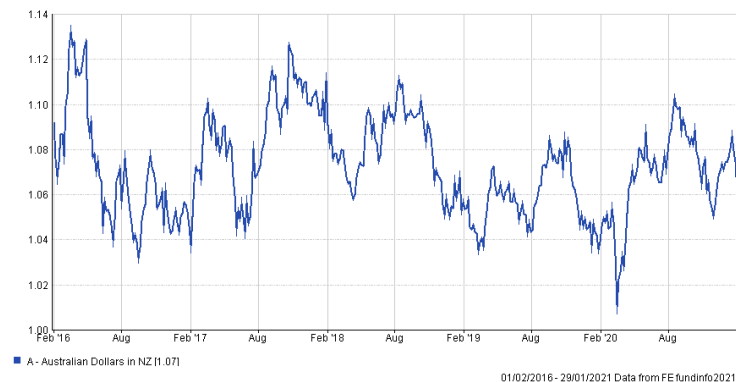
Interestingly, the Reserve Bank of Australia (RBA) has left rates unchanged at a record low in its first board meeting of the year, the central banks key cash rate has been at 0.10% since November 2020. The RBA has reiterated that the board will not increase the cash rate until actual inflation is sustainably within the two to three per cent target range.

In the UK, one month since the Brexit trade deal came into force, UK businesses are warning that the "teething problems" described by Boris Johnson are in fact symptomatic of endemic disruption that will force many businesses to restructure and will mean the end of some British businesses altogether. According to The Guardian, there is real anger and incredible frustration for people who either import or export that they are simply not able to move stuff.

GBP / NZD exchange rate for five years to 31 January 2021:



AUD / NZD exchange rate for five years to 31 January 2021:



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About Garrison Bridge

Garrison Bridge Superannuation Scheme ('Scheme') is a New Zealand Superannuation Scheme, regulated by the Financial Markets Authority and offered in Australia under the Mutual Recognition Scheme. The Scheme is a managed superannuation scheme that offers eight investment options in NZD, AUD & GBP and has QROPS registration for foreign superannuation transfers.

Garrison Bridge is managed by Lifetime Asset Management Limited.

Ralph Stewart – Managing Director, Lifetime Asset Management Limited



Ralph Stewart was CEO of AXA Insurance New Zealand for 9 years and more recently the CEO of ACC. He has thirty years of experience in New Zealand's financial services sector, including 8 years as General Manager of Marketing & Strategy at TOWER Insurance. Ralph holds a Masters in Business Administration from Manchester University in England.

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Fund Summary

For the month ending 31 January 2021

NZD Growth Fund

Description of this Fund

New Zealand dollar (NZD) denominated fund employing a passive management strategy invested 80% in growth assets (NZ equities), with a 20% exposure to income assets (NZ fixed interest). The Investment objective seeks to track a composite index (before annual fund charge and tax), comprising 80% S&P/NZX 50 Gross Index (including imputation credits) and 20% Bloomberg NZBond Govt 0+ Yr Index.

Risk indicator for the NZD Growth Fund

← Potentially lower returns Potentially higher returns →

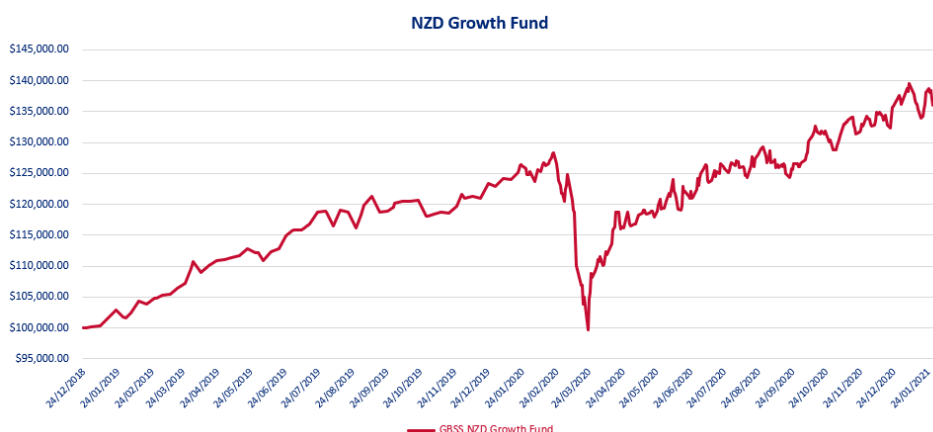


← Lower risk Higher risk →

The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the Fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way. For further information on how the risk indicator is calculated, please see the Product Disclosure Statement.

Investment performance

The chart below illustrates the performance of \$100,000 invested in the NZD Growth Fund from inception on 24 December 2018 to 31 January 2021. The chart shows cumulative investment performance after fees, and tax (at 28%):



The below performance figures for the NZD Growth Fund as at 31 January 2021. The returns are after fees and after taxes:

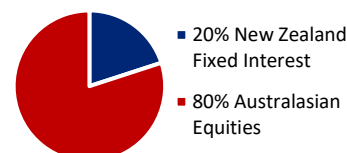
| PIR Tax Rate | Month | Quarter | 6-months | 12-months | Inception |
|--------------|--------|---------|----------|-----------|-----------|
| 28% | 0.01% | 5.84% | 7.58% | 8.72% | 16.47% |
| 0% | -0.02% | 5.64% | 7.46% | 8.61% | 16.48% |

* Returns for periods longer than one year are annualised

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Target asset allocation



Underlying Investment Manager

Simplicity NZ is a leading investment manager in New Zealand with over \$1.2 billion in assets under management. Simplicity are a non-profit fund manager. Garrison Bridge use the Simplicity NZ Bond Fund & Simplicity NZ Share Fund.

Key facts

Inception date:
24 December 2018

Underlying Investment Manager:
Simplicity NZ Ltd

Supervisor:
Public Trust

Fund type:
Multi-rate Portfolio Investment Entity

Licensed Manager:
Lifetime Asset Management Ltd

Estimated annual fund charge: 1.09%

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Fund Summary

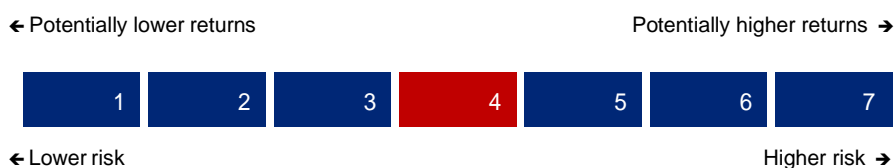
For the month ending 31 January 2021

AUD Balanced Fund

Description of this Fund

Australian dollar (AUD) denominated fund employing a passive management strategy invested 60% in growth assets (equities), with a 40% exposure to income assets (fixed interest). The Investment objective seeks to track a composite index (before annual fund charge and tax), comprising 60% MSCI World ex-Australia net div (NZD hedged) and 40% FTSE World Government Bond Index (NZD hedged).

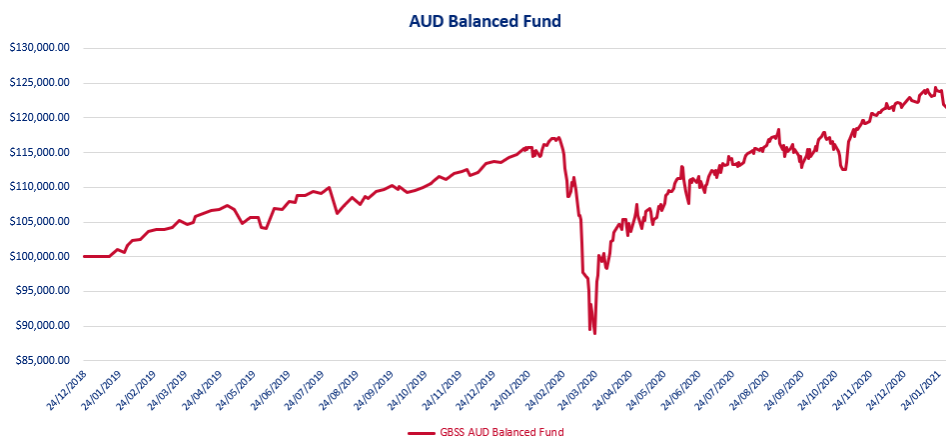
Risk indicator for the AUD Balanced Fund



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the Fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way. For further information on how the risk indicator is calculated, please see the Product Disclosure Statement.

Investment performance

The chart below illustrates the performance of \$100,000 invested in the AUD Balanced Fund from inception on 24 December 2018 to 31 January 2021. The chart shows cumulative investment performance after fees, and tax (at 28%):

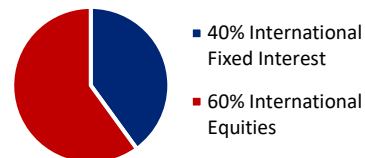


The below performance figures for the AUD Balanced Fund as at 31 January 2021. The returns are after fees and after taxes:

| PIR Tax Rate | Month | Quarter | 6-months | 12-months | Inception |
|--------------|--------|---------|----------|-----------|-----------|
| 28% | -0.44% | 8.13% | 7.36% | 5.95% | 9.89% |
| 0% | -0.65% | 8.10% | 7.58% | 5.56% | 10.22% |

* Returns for periods longer than one year are annualised

Target asset allocation



Underlying Investment Manager

Vanguard Investments is the largest provider of mutual funds and the second-largest provider of exchange traded funds (ETF's). Vanguard currently have over AUD \$6.8 trillion in assets under management. Garrison Bridge use the Vanguard International Fixed Interest Index (Hedged) ETF & Vanguard MSCI Index International Shares (Hedged) ETF within the AUD Balanced Fund.

Key facts

Inception date:
24 December 2018

Underlying Investment Manager:
Vanguard Investments Australia

Supervisor:
Public Trust

Fund type:
Multi-rate Portfolio Investment Entity

Licensed Manager:
Lifetime Asset Management Ltd

Estimated annual fund charge: 1.19%

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