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Media release

Nikko AM brings Disruptive Innovation to KiwiSaver market with outperforming ARK fund

Nikko AM NZ is now giving New Zealanders the opportunity to tie their future to the world's, by providing exclusive KiwiSaver access to the Nikko AM ARK Disruptive Innovation Fund.

The fund focuses solely on the leaders, enablers and beneficiaries of the disruptive innovations that are changing the way the world works. These include products and services within the fields of robotics, automation, autonomous transport, artificial intelligence, energy storage and genomic sequencing; fields which have experienced significant gains through 2020.

The fund is managed by Nikko AM's US partner, ARK Invest, whose CEO/CIO Cathie Wood is recognised by Bloomberg as one of the defining voices of global business. ARK carries out its research across an open platform that transparently converges technology and investment inputs from multiple sectors and sources. This allows them to size and direct the investment opportunity, positioning investors ahead of the curve by accessing early-stage and emerging companies.

[Speaking to investors over Zoom earlier this month](#), Wood stated that with the innovation platforms that ARK focuses on "now ready for prime time", their rise will be at the expense of traditional assets left stranded by the changes these will enforce on the retail, banking, energy and auto sectors.

"We think that a lot of sectors are in harm's way and those sectors make up more than a third of the S&P 500, which is the benchmark that many people use as their gauge."

Nikko AM launched the disruptive innovation fund to retail investors here in New Zealand in September 2019, with an aim to provide a return of more than 10 per cent. Since then, with the world gripped by pandemic and political uncertainty, the fund's performance has fulfilled Wood's assertion that "innovation gains traction in tumultuous times", returning just over 100 per cent¹ over the 12 months to 31 October 2020.

While quick to stress that past performance is no guarantee of future returns, Nikko AM NZ's Managing Director, George Carter, says the fund will continue to offer an attractive option for investors, even as the world begins to return to normal.

"A lack of diversity in the KiwiSaver market has left limited options for those seeking higher returns and something different from their investments. Through this fund, New Zealanders will have the opportunity to use their KiwiSaver not just to invest in their own future, but also some of the world's most exciting technological developments," says Carter.

“The innovation sector naturally has risk attached to it, but through ARK’s open research platform and active management, this is a qualified risk and therefore an exciting opportunity to complement other exposures and more traditional funds within a diversified portfolio.”

The ARK Disruptive Innovation Fund forms part of the Nikko AM Balanced and Growth Funds and is also available on a stand-alone basis, so investors can choose how much of their KiwiSaver they want to have invested directly in disruptive innovation. The fund can be accessed directly through Nikko AM’s roboadvice platform, www.goalsgetter.co.nz, or through a number of Authorised Financial Advisers.

Ends

Issued on behalf of Nikko AM by Gez Johns, Network Communication. For more information or to arrange to talk to George Carter, please contact gez@nwkcom.co.nz / 027 808 8455

Photos supplied:

George Carter, MD, Nikko AM NZ

Cathie Wood, CEO/CIO, ARK-Invest

About Nikko AM

Nikko AM NZ actively manages around NZD6.7billion* of investments for corporate superannuation schemes, community and charitable trusts, foundations, financial planners, banks, insurers, KiwiSaver schemes, corporations, other fund managers, retail and KiwiSaver investors. It is part of one of the largest asset management companies in Asia, Nikko Asset Management (Nikko AM), which has USD249 billion* under management. Nikko AM NZ is the only dedicated investment manager in NZ to be a part of a specialist global investment manager. Nikko AM has been nominated for Morningstar Fund Manager of the Year for three consecutive years.

* All data as at 30 September 2020

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ⁱ Return is for 12 months to 31 October 2020, before tax and after the deduction of fees and including tax credits (if any). Based on change in unit price.