

# MELVILLE JESSUP WEAVER

## Investment Survey March 2012

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| Market Returns                        | Quarter (%) | Year (%) |                           | Quarter (%) | Year (%) |
|---------------------------------------|-------------|----------|---------------------------|-------------|----------|
| NZX 50 (including imputation credits) | 7.6         | 3.6      | NZX NZ Government Bond    | -0.6        | 10.1     |
| S&P/ASX 200 (NZD)                     | 4.3         | -12.4    | NZX Corporate A Grade     | 0.4         | 6.8      |
| MSCI World – Local Currency           | 11.2        | 1.5      | NZ All Swaps              | -0.7        | 7.5      |
| MSCI World – Hedged                   | 11.7        | 3.2      | Barclays Global Aggregate | 1.8         | 9.5      |
| MSCI World – Unhedged                 | 6.2         | -6.4     | Citigroup WGBI            | 1.2         | 9.6      |
| MSCI Emerging Markets – Unhedged      | 8.6         | -15.1    | 90 Day Bank Bill          | 0.7         | 2.8      |
| NZX Property                          | 8.1         | 17.5     | NZ \$ / US \$             | 5.0         | 7.4      |
| UBS Global Property                   | 11.3        | 6.3      | NZ \$ / A\$               | 4.0         | 7.2      |

### Market Commentary

**Markets started 2012 in roaring fashion** as stronger economic data out of the US and stimulus from the European Central Bank combined to push risky assets higher.

Driving the positive returns was the good economic news out of the **United States**. The US economy grew at the rate of 3% per annum in the last quarter of 2011, a positive sign for the future although the growth in jobs remains weak (the unemployment rate was unchanged at 8.3% in February). Consumers are still nervous with the US Conference Board's consumer confidence index dropping to 70.2 in March from the previous month's 71.6 and the S&P/Case-Shiller index of property values in 20 cities falling 3.8% in January from a year earlier.

In the Eurozone the main story was the **Greek debt swap** which was the largest ever restructuring of debt. 86% of the holders of Greek bonds agreed to accept the deal which sees the Greek debt reduced by \$130 billion. Only 5.3% said no to the deal which allowed the Greek government to force the remaining 14% to also accept the swap. By enforcing the action on the remaining debt holders, the government triggered a "credit event" which means that US\$3 billion will be paid out through the insurance cover provided by credit default swaps. Share markets responded positively, with the German Dax up 17.5%.

Bond markets were subdued with local bonds negative and global bonds only recording a small positive.

The NZ dollar rose 5% against the US\$ to reach 81.9 US cents while it also rose against the A\$ by 4% to 79.1 cents.

### Survey Results

The top performing managers over the year with the returns achieved and the index numbers were:

- Australasian shares Milford 6.7% index 3.6%
- Global shares (core) BNP (MFS) -0.6% index -6.4%
- NZ property (listed) BTAM 18.0% index 17.5%
- Global property AMP Capital 8.3% index 6.3%
- NZ bonds AMP Capital 11.1% index 10.1%
- Global bonds PIMCO 13.3% index of 9.5%
- Cash Tyndall 4.0% index 2.8%

The top performing KiwiSaver survey funds over the year were all AON funds:

- Aggressive funds AON Growth
- Balanced funds AON Balanced
- Moderate funds AON Moderate
- Conservative funds AON Conservative

## Comment on Results

In this section we include comments from the managers who were top in their sectors for the year.

### **Australasian shares      Milford**

*“The Fund’s outperformance was due to avoiding many of the under-performers, such as Rakon, Pumpkin Patch, Goodman Fielder, Fisher and Paykel Appliances and Healthcare, Nuplex and the Warehouse. By focusing on companies with good management, stable cash flows, higher dividend yields and good industry dynamics, this led the Fund to hold significant positions in Telecom, Ryman, Sky City, Auckland Airport, Skellerup, Mainfreight and Vector. The outstanding performer for the year was Diligent increasing 310% for the year to 31 March 12.”*

### **Global shares (core)      BNP (MFS)**

"The fund is invested solely with MFS who achieved a remarkable 5% value added for the year."

### **NZ property (listed)      BTAM**

*“The outperformance was mainly derived from superior stock selection with some small level of attribution late in the year from Australian LPT sector performing better. In short we followed a disciplined approach to only include those stocks that made it through our quality screens and valuation metrics, then consistently applied our buy and sell targets on these holdings. The Fund continued to benefit from our active approach to engaging with companies to encourage them to act in the best interests of shareholders and improve returns. DNZ and Augusta are examples of this.”*

### **NZ bonds      AMP Capital**

*“AMP Capital adopted two value adding strategies over the last 12 months. First, it held a large yield curve flattening exposure with an overweight to long-term government bonds adding value as the global outlook deteriorated in 2011. In late 2011 this position was replaced with a defensive, short duration position which also added value. Second, AMP Capital reduced its exposure to senior financial sector bonds in mid 2011 (before spreads moved significantly wider) and then invested into covered bank bonds in 2012. This action increased both the credit worthiness of the portfolio and also the yield enhancement.”*

### **Global bonds      PIMCO**

*“Macro strategies of duration, country, curve and currency selection generally had a small negative impact on performance but this was more than offset by strong performance in spread sector assets. In particular, positions in corporate bonds, non-agency mortgage backed securities and municipal bonds all contributed strongly to returns with credit spreads generally contracting as investors became more comfortable that the European credit crisis had been contained and that prospects for US economic growth outlook had improved.”*

### **Cash      Tyndall**

*“The average credit rating is targeted around AA (S&P) with the duration of the portfolio approximately 90 days. The Fund continues to invest in high running yield NZ bank term deposits and short to maturity bonds where available at attractive credit margins compared to bank bills to benefit the Fund. A moderate duration position and a staggered run off of maturities will allow the Fund to follow interest rates higher, should the global outlook improve and the Reserve Bank begins to raise rates in 2013. For the time being however, with concerns over global uncertainty, the deterioration in commodity prices, and high level of the NZ Dollar it looks likely interest rates will continue their lower for longer theme.”*

| Wholesale Fund Returns |                       |       |            |            |             |            |             |            |            |            |             |            |         |            |            |      |
|------------------------|-----------------------|-------|------------|------------|-------------|------------|-------------|------------|------------|------------|-------------|------------|---------|------------|------------|------|
| NZ & Australian Shares |                       | FUM   | 3 months   |            | 1 year      |            | 3 years     |            | 5 years    |            | 10 years    |            | 3 years |            |            |      |
|                        |                       | \$m   | %          | Rank       | %           | Rank       | % pa        | Rank       | % pa       | Rank       | % pa        | Rank       | Tr      | Err        | IR         | Rank |
| <b>Australasian</b>    |                       |       |            |            |             |            |             |            |            |            |             |            |         |            |            |      |
| AMPCI                  | Active                | 319.0 | <b>8.7</b> | <b>(1)</b> | 4.3         | (3)        | 12.9        | (7)        | 0.5        | (7)        | 9.0         | (3)        | 2.6     | 0.3        | (8)        |      |
| AMPCI                  | Strategic             | 527.5 | 7.7        | (5)        | 0.7         | (10)       | 11.4        | (11)       | -0.1       | (9)        | 9.7         | (2)        | 4.9     | -0.1       | (11)       |      |
| AXAGI                  | Multi-manager         | 568.1 | 6.7        | (11)       | -0.6        | (11)       | 12.7        | (10)       | 0.8        | (6)        | n.a         |            | 4.6     | 0.1        | (10)       |      |
| BAM                    | Australasian Equities | 2.1   | 6.8        | (8)        | 4.2         | (4)        | 13.3        | (5)        | 1.9        | (4)        | 9.0         | (4)        | 2.5     | 0.5        | (6)        |      |
| BTAM                   | NZ Share Plus         | 240.8 | 5.8        | (12)       | 1.9         | (8)        | 13.3        | (6)        | 1.0        | (5)        | n.a         |            | 2.4     | 0.5        | (5)        |      |
| BTAM                   | Dividend Share        | 67.4  | 6.7        | (9)        | 3.5         | (6)        | <b>16.0</b> | <b>(1)</b> | 2.8        | (2)        | n.a         |            | 2.1     | <b>1.9</b> | <b>(1)</b> |      |
| DEV                    | NZ Core               | 140.5 | 7.0        | (7)        | 1.6         | (9)        | 14.8        | (4)        | 2.3        | (3)        | n.a         |            | 4.0     | 0.7        | (4)        |      |
| HAM                    | Australasian Eq       | 315.8 | 7.7        | (3)        | -0.8        | (12)       | n.a         |            | n.a        |            | n.a         |            | n.a     | n.a        |            |      |
| MAM                    | NZ Equities           | 106.2 | 7.7        | (4)        | <b>6.7</b>  | <b>(1)</b> | 15.3        | (2)        | <b>3.9</b> | <b>(1)</b> | n.a         |            | 3.4     | 1.0        | (3)        |      |
| ONEPATH                | Australasian Share    | 582.0 | 6.7        | (10)       | 3.9         | (5)        | 12.8        | (8)        | 0.0        | (8)        | <b>10.0</b> | <b>(1)</b> | 2.2     | 0.3        | (7)        |      |
| TOWER                  | NZ Shares             | 261.9 | 8.0        | (2)        | 6.0         | (2)        | 14.9        | (3)        | -0.2       | (10)       | 8.7         | (5)        | 2.9     | 1.0        | (2)        |      |
| TYN                    | Core Share            | 62.1  | 7.5        | (6)        | 3.0         | (7)        | 12.7        | (9)        | -0.3       | (11)       | 8.6         | (6)        | 2.6     | 0.2        | (9)        |      |
| Median                 |                       |       | 7.2        |            | 3.2         |            | 13.3        |            | 0.8        |            | 9.0         |            | 2.6     | 0.5        |            |      |
| <b>Non core</b>        |                       |       |            |            |             |            |             |            |            |            |             |            |         |            |            |      |
| BAM                    | Alpha                 | 21.7  | 7.5        |            | -2.6        |            | 11.0        |            | 6.6        |            | 14.5        |            | 7.5     | -0.1       |            |      |
| BAM                    | Tasman Wholesale      | 2.2   | 5.4        |            | -1.7        |            | 11.3        |            | 4.8        |            | 11.3        |            | 5.3     | -0.2       |            |      |
| BTAM                   | Focus Share           | 47.7  | 4.6        |            | 1.0         |            | 15.3        |            | 6.5        |            | n.a         |            | 5.3     | 0.6        |            |      |
| DEV                    | Alpha                 | 35.5  | 6.5        |            | -6.0        |            | n.a         |            | n.a        |            | n.a         |            | n.a     | n.a        |            |      |
| DEV                    | Trans-Tasman          | 59.9  | 5.2        |            | -6.9        |            | 11.5        |            | 0.2        |            | 9.9         |            | 6.7     | -0.1       |            |      |
| FIS                    | NZ Growth             | n.a   | 7.4        |            | 10.0        |            | 18.5        |            | -2.7       |            | 11.2        |            | 7.5     | 0.9        |            |      |
| MAM                    | Trans-Tasman          | 41.9  | 8.6        |            | 6.6         |            | 18.0        |            | n.a        |            | n.a         |            | 5.8     | 1.0        |            |      |
| MNT                    | Trans-Tasman          | 9.3   | 11.6       |            | 6.6         |            | 17.6        |            | 5.1        |            | n.a         |            | 6.0     | 0.9        |            |      |
| ONEPATH                | ESF                   | 86.2  | 4.2        |            | 3.4         |            | 12.5        |            | -0.3       |            | n.a         |            | 4.8     | 0.1        |            |      |
| PIE                    | Australasian Growth   | 28.3  | 23.0       |            | 9.5         |            | 48.2        |            | n.a        |            | n.a         |            | 16.0    | 2.3        |            |      |
| TYN                    | Aggressive            | 125.0 | 5.6        |            | -4.8        |            | 10.8        |            | 2.9        |            | n.a         |            | 6.6     | -0.2       |            |      |
| TYN                    | Small Companies       | n.a   | 16.9       |            | -3.2        |            | 19.1        |            | 2.5        |            | 9.6         |            | 13.1    | 0.5        |            |      |
| <b>Indexed</b>         |                       |       |            |            |             |            |             |            |            |            |             |            |         |            |            |      |
| SMS                    | NZ Top 10             | 51.0  | 9.5        |            | 4.9         |            | 10.6        |            | -2.9       |            | 4.2         |            | 4.7     | -0.3       |            |      |
| SMS                    | NZ Top 50             | 84.0  | 10.4       |            | -0.3        |            | 11.3        |            | -3.1       |            | n.a         |            | 7.0     | -0.1       |            |      |
| SMS                    | NZ Mid Cap            | 34.4  | 5.7        |            | -2.6        |            | 4.7         |            | -6.7       |            | 3.6         |            | 8.9     | -0.8       |            |      |
| SMS                    | Aus Mid Cap           | 47.2  | -2.4       |            | -15.9       |            | 9.5         |            | -5.5       |            | n.a         |            | 15.8    | -0.2       |            |      |
| SMS                    | Aus Top 20            | 89.4  | 1.5        |            | -13.3       |            | 9.7         |            | 2.5        |            | 6.7         |            | 11.7    | -0.2       |            |      |
| <b>Australian</b>      |                       |       |            |            |             |            |             |            |            |            |             |            |         |            |            |      |
| AMPCI                  | Australian            | 42.0  | 3.8        | (2)        | -11.7       | (2)        | 12.5        | (3)        | <b>1.5</b> | <b>(1)</b> | <b>8.1</b>  | <b>(1)</b> | 1.7     | -0.1       | (3)        |      |
| DEV                    | Australian            | 28.7  | 2.6        | (4)        | -14.1       | (3)        | n.a         |            | n.a        |            | n.a         |            | n.a     | n.a        |            |      |
| ONEPATH                | Australian            | 159.2 | <b>6.0</b> | <b>(1)</b> | <b>-9.5</b> | <b>(1)</b> | <b>14.1</b> | <b>(1)</b> | n.a        |            | n.a         |            | 4.8     | <b>0.3</b> | <b>(1)</b> |      |
| TOWER                  | Australian            | 33.8  | 3.7        | (3)        | -16.2       | (4)        | 12.6        | (2)        | n.a        |            | n.a         |            | 3.5     | 0.0        | (2)        |      |
| <b>Indexes</b>         |                       |       |            |            |             |            |             |            |            |            |             |            |         |            |            |      |
| NZX 50 incl IC's       |                       |       | 7.6        |            | 3.6         |            | 12.1        |            | -1.6       |            | 7.0         |            |         |            |            |      |
| NZX 50 Portfolio       |                       |       | 7.1        |            | 1.1         |            | 12.0        |            | -1.9       |            | 7.6         |            |         |            |            |      |
| ASX200 (NZD)           |                       |       | 4.3        |            | -12.4       |            | 12.7        |            | 0.2        |            | 7.4         |            |         |            |            |      |
| 90 day BB + 5% pa      |                       |       | 1.9        |            | 8.0         |            | 8.2         |            | 10.4       |            | 11.2        |            |         |            |            |      |

| Other              |                 | FUM     | Hedge | 3 months |       | 1 year |      | 3 years |      | 5 years    |  | 3 years |  |      |  |  |
|--------------------|-----------------|---------|-------|----------|-------|--------|------|---------|------|------------|--|---------|--|------|--|--|
|                    |                 | \$m     | %     | %        | % pa  | % pa   | % pa | % pa    | % pa | Volatility |  |         |  |      |  |  |
| AAML               |                 | 102.1   | n.a   | 10.4     | 12.8  | 22.0   | 11.5 |         |      |            |  |         |  | 10.0 |  |  |
| CIP                | Equity          | 74.7    | n.a   | 4.1      | -5.2  | n.a    | n.a  |         |      |            |  |         |  | n.a  |  |  |
| MAM                | Active Growth   | 241.8   | n.a   | 6.4      | 8.3   | 13.5   | n.a  |         |      |            |  |         |  | 5.8  |  |  |
| MGH                |                 | 14.4    | n.a   | -0.3     | -8.4  | 0.9    | -0.4 |         |      |            |  |         |  | 8.4  |  |  |
| PFAM               | Commodities     | 31.2    | 100.0 | 0.9      | -13.9 | n.a    | n.a  |         |      |            |  |         |  | n.a  |  |  |
| SIT                | Absolute Return | 26.4    | 100.0 | 5.4      | 1.1   | 8.5    | n.a  |         |      |            |  |         |  | 4.9  |  |  |
| TYN                | Income Fund     | n.a     | n.a   | 1.5      | 4.8   | 10.9   | n.a  |         |      |            |  |         |  | 6.0  |  |  |
| TYN                | JPMAAM          | n.a     | 100.0 | 5.0      | 3.6   | 12.3   | 6.6  |         |      |            |  |         |  | 3.9  |  |  |
| TYN                | Option          | 171.3   | n.a   | 4.6      | -5.7  | 12.3   | 9.3  |         |      |            |  |         |  | 20.6 |  |  |
| WEL                | Commodity       | 7,854.1 | n.a   | 0.2      | -11.6 | 5.5    | n.a  |         |      |            |  |         |  | 10.9 |  |  |
| <b>Index</b>       |                 |         |       |          |       |        |      |         |      |            |  |         |  |      |  |  |
| HFR FoF Hedged NZD |                 |         |       | 4.1      | -0.9  | 7.3    | 2.6  |         |      |            |  |         |  | 4.8  |  |  |

| Global Shares           |                      | 3 months    |            | 1 year      |            | 3 years     |            | 5 years    |            | 10 years    |            | 3 years |            |            |
|-------------------------|----------------------|-------------|------------|-------------|------------|-------------|------------|------------|------------|-------------|------------|---------|------------|------------|
|                         |                      | %           | Rank       | %           | Rank       | % pa        | Rank       | % pa       | Rank       | % pa        | Rank       | Tr      | Err        | IR         |
| <b>Core</b>             |                      |             |            |             |            |             |            |            |            |             |            |         |            |            |
| AB                      | Style Blend          | 8.1         | (5)        | -10.6       | (14)       | 4.4         | (14)       | -7.9       | (13)       | n.a         |            | 2.8     | -0.8       | (14)       |
| AMPCI                   | Core Global          | 6.1         | (11)       | -7.7        | (10)       | 7.0         | (9)        | -4.3       | (11)       | n.a         |            | 1.6     | 0.3        | (8)        |
| AXAGI                   | Multi-manager        | 7.3         | (9)        | -8.8        | (12)       | 6.9         | (11)       | -2.8       | (7)        | n.a         |            | 4.6     | 0.1        | (11)       |
| BNP                     | Global Eq            | 9.1         | (2)        | <b>-0.6</b> | <b>(1)</b> | 9.6         | (2)        | <b>1.0</b> | <b>(1)</b> | <b>2.1</b>  | <b>(1)</b> | 2.9     | 1.0        | (4)        |
| IBB                     | Int'l Shares         | 7.6         | (8)        | -6.9        | (8)        | 9.5         | (3)        | -2.9       | (8)        | -1.6        | (7)        | 2.1     | 1.4        | (2)        |
| JANA                    | Core Global          | 7.1         | (10)       | -5.7        | (5)        | 6.3         | (12)       | -5.2       | (12)       | n.a         |            | 2.0     | -0.1       | (12)       |
| MLC                     | NCIT                 | 7.9         | (6)        | -3.4        | (3)        | 9.3         | (4)        | -2.1       | (5)        | -0.3        | (3)        | 2.0     | <b>1.4</b> | <b>(1)</b> |
| ONEPATH                 | Int'l Eq             | <b>9.2</b>  | <b>(1)</b> | -2.4        | (2)        | <b>9.9</b>  | <b>(1)</b> | -0.4       | (3)        | 0.8         | (2)        | 2.8     | 1.2        | (3)        |
| RUS                     | ISF                  | 8.7         | (3)        | -6.9        | (7)        | 7.1         | (8)        | -3.5       | (10)       | -1.3        | (6)        | 2.1     | 0.3        | (9)        |
| RUS                     | GOF                  | 7.8         | (7)        | -7.7        | (11)       | 8.2         | (6)        | -1.6       | (4)        | n.a         |            | 2.7     | 0.6        | (6)        |
| TOWER                   | International        | 4.6         | (14)       | -9.9        | (13)       | 7.0         | (10)       | -2.9       | (9)        | -0.3        | (4)        | 2.4     | 0.2        | (10)       |
| TYN                     | Capital Int'l        | 5.8         | (12)       | -7.0        | (9)        | 5.3         | (13)       | -2.2       | (6)        | -0.8        | (5)        | 2.8     | -0.4       | (13)       |
| TYN                     | Multi-Manager        | 5.7         | (13)       | -3.4        | (4)        | 7.6         | (7)        | n.a        |            | n.a         |            | 3.6     | 0.3        | (7)        |
| WEL                     | Opportunities        | 8.5         | (4)        | -6.0        | (6)        | 9.0         | (5)        | 1.0        | (2)        | n.a         |            | 2.5     | 0.9        | (5)        |
| Median                  |                      | 7.7         |            | -6.9        |            | 7.4         |            | -2.8       |            | -0.3        |            | 2.6     | 0.3        |            |
| <b>Value</b>            |                      |             |            |             |            |             |            |            |            |             |            |         |            |            |
| AB                      | Value                | 7.2         | (2)        | -15.0       | (6)        | 3.8         | (6)        | -9.1       | (5)        | -1.8        | (4)        | 4.8     | -0.6       | (6)        |
| DFA                     | Value                | 6.4         | (3)        | -12.0       | (5)        | 9.3         | (2)        | -5.4       | (4)        | 0.3         | (2)        | 6.2     | 0.4        | (2)        |
| ELE                     | Value                | 5.0         | (5)        | <b>-2.4</b> | <b>(1)</b> | 7.9         | (3)        | n.a        |            | n.a         |            | 8.2     | 0.2        | (4)        |
| GMO                     | Equity Trust         | 3.7         | (6)        | -5.7        | (2)        | 5.9         | (5)        | -3.5       | (3)        | -0.1        | (3)        | 2.2     | -0.3       | (5)        |
| TOWER                   | New Marathon         | <b>9.2</b>  | <b>(1)</b> | -7.1        | (3)        | <b>14.6</b> | <b>(1)</b> | <b>0.7</b> | <b>(1)</b> | <b>3.7</b>  | <b>(1)</b> | 5.3     | <b>1.5</b> | <b>(1)</b> |
| WEL                     | Value                | 6.0         | (4)        | -7.3        | (4)        | 7.4         | (4)        | -0.1       | (2)        | n.a         |            | 2.5     | 0.3        | (3)        |
| Median                  |                      | 6.2         |            | -7.2        |            | 7.6         |            | -3.5       |            | 0.1         |            | 5.0     | 0.2        |            |
| <b>Growth</b>           |                      |             |            |             |            |             |            |            |            |             |            |         |            |            |
| AB                      | Research             | 9.6         | (2)        | -7.2        | (3)        | 4.5         | (3)        | -6.9       | (3)        | -2.7        | (2)        | 4.1     | -0.5       | (3)        |
| BNP                     | Growth               | 9.4         | (3)        | <b>-0.9</b> | <b>(1)</b> | <b>9.4</b>  | <b>(1)</b> | <b>0.9</b> | <b>(1)</b> | n.a         |            | 3.4     | <b>0.8</b> | <b>(1)</b> |
| WEL                     | Growth               | <b>14.2</b> | <b>(1)</b> | -6.9        | (2)        | 6.6         | (2)        | -3.0       | (2)        | <b>-1.6</b> | <b>(1)</b> | 5.6     | 0.0        | (2)        |
| Median                  |                      | 9.6         |            | -6.9        |            | 6.6         |            | -3.0       |            | -2.2        |            | 4.1     | 0.0        |            |
| <b>Indexed</b>          |                      |             |            |             |            |             |            |            |            |             |            |         |            |            |
| AMPCI                   | WiNZ                 | 6.2         |            | -3.5        |            | 7.7         |            | -1.8       |            | -1.3        |            | 1.8     | 0.6        |            |
| VAN                     |                      | 6.4         |            | -5.8        |            | 6.7         |            | -3.2       |            | -1.4        |            | 3.4     | 0.0        |            |
| <b>Other</b>            |                      |             |            |             |            |             |            |            |            |             |            |         |            |            |
| AMPCI                   | Extended             | 8.4         |            | -10.5       |            | 9.9         |            | -1.3       |            | n.a         |            | 7.2     | -0.1       |            |
| AMPCI                   | Socially Responsible | 7.0         |            | -7.9        |            | 6.4         |            | -2.2       |            | n.a         |            | 2.5     | -0.1       |            |
| GMO                     | Emerging             | 8.1         |            | -15.7       |            | 11.9        |            | 0.9        |            | 8.4         |            | 4.9     | 0.2        |            |
| JANA                    | High Alpha           | 9.9         |            | -5.1        |            | 10.1        |            | -2.7       |            | n.a         |            | 4.1     | 0.8        |            |
| LMI                     | Emerging             | 11.9        |            | -19.4       |            | 10.1        |            | 0.2        |            | 7.0         |            | 10.1    | -0.1       |            |
| TYN                     | SRI                  | 8.6         |            | -5.0        |            | 6.7         |            | n.a        |            | n.a         |            | 5.7     | 0.0        |            |
| <b>Indexes</b>          |                      |             |            |             |            |             |            |            |            |             |            |         |            |            |
| MSCI 0% hedged          |                      | 6.2         |            | -6.4        |            | 6.6         |            | -3.4       |            | -1.6        |            |         |            |            |
| MSCI 100% hedged        |                      | 11.7        |            | 3.2         |            | 17.9        |            | -1.7       |            | 3.6         |            |         |            |            |
| MSCI Emerging 0% hedged |                      | 8.6         |            | -15.1       |            | 10.9        |            | 1.9        |            | 7.3         |            |         |            |            |

**Notes:**

- Tracking error is the standard deviation of value added.
- Information Ratio (IR) is value added divided by tracking error, i.e. risk adjusted performance.
- The index applied may not in all cases be the benchmark adopted by the manager for the fund.
- Relative outperformance may be due to the different nature of the fund rather than to superior performance skills. Past performance is no guarantee of future performance.
- Returns shown are gross of tax and net of investment fees.
- The numbers shown are in some cases gross equivalents of the net returns achieved by the manager. Accordingly, for a gross investor the returns realised may be different from those shown above.
- The index share funds are benchmarked against the standard share index and not against their own index.
- AB global bond simulated returns were constructed by combining the actual returns with a simulated monthly hedge rate based on the index.
- Global share results are on an unhedged basis. In some instances hedging the currency is integral to the management of the fund and the client will not experience the results shown above.

**About Melville Jessup Weaver**

Melville Jessup Weaver is a New Zealand firm of consulting actuaries. The areas in which we provide advice include superannuation, employee benefits, life insurance, general insurance, health insurance, asset consulting, accident insurance and information technology. The firm, established in 1992, has offices in Auckland and Wellington.

The firm is an alliance partner of Towers Watson, a leading global professional services company that helps organisations improve performance through effective people, risk and financial management. The company offers solutions in the areas of employee benefits, talent management, rewards, and risk and capital management. Towers Watson has 14,000 associates around the world and is located on the web at [towerswatson.com](http://towerswatson.com)

**Asset consulting services:**

- Establish investment objectives.
- Determine long-term investment strategies.
- Determine the optimum investment manager configuration.
- Provide quantitative and qualitative analysis of investment performance.
- Asset/Liability modelling.
- Performance monitoring against investment objectives and competitors.
- Manager research and selection.

| Property            |                        | FUM<br>\$m | 3 months    |        | 1 year      |           | 3 years     |           | 5 years     |     | 10 years    |      | 3 years |            |     |
|---------------------|------------------------|------------|-------------|--------|-------------|-----------|-------------|-----------|-------------|-----|-------------|------|---------|------------|-----|
|                     |                        |            | % Rank      | % Rank | % pa Rank   | % pa Rank | % pa Rank   | % pa Rank | Tr          | Err | IR          | Rank |         |            |     |
| <b>NZ Listed</b>    |                        |            |             |        |             |           |             |           |             |     |             |      |         |            |     |
| AMPCI               | NZ Listed              | 11.7       | <b>9.3</b>  | (1)    | 16.1        | (4)       | 14.9        | (3)       | n.a         | n.a |             |      | 4.0     | 0.2        | (4) |
| AXAGI               | Australasian           | 115.1      | 8.0         | (5)    | 13.9        | (6)       | 14.5        | (5)       | n.a         | n.a |             |      | 2.7     | 0.1        | (5) |
| BTAM                | NZ Listed              | 173.6      | 8.3         | (4)    | <b>18.0</b> | (1)       | <b>17.6</b> | (1)       | <b>0.7</b>  | (1) | n.a         |      | 1.7     | <b>2.1</b> | (1) |
| MNT                 | Australasian           | 43.3       | 8.5         | (3)    | 14.7        | (5)       | 14.8        | (4)       | n.a         | n.a |             |      | 3.4     | 0.2        | (3) |
| ONEPATH             | Prop Securities        | 220.7      | 9.0         | (2)    | 17.6        | (3)       | 16.3        | (2)       | 0.0         | (2) | <b>10.8</b> | (1)  | 1.9     | 1.1        | (2) |
| TYN                 | Property Securities    | 23.6       | 7.9         | (6)    | 17.7        | (2)       | n.a         |           | n.a         | n.a |             |      | n.a     | n.a        |     |
| Median              |                        |            | 8.4         |        | 16.9        |           | 14.9        |           | 0.4         |     | 10.8        |      | 2.7     | 0.2        |     |
| <b>NZ Direct</b>    |                        |            |             |        |             |           |             |           |             |     |             |      |         |            |     |
| AMPCI               | AIF P                  | 234.7      | <b>4.3</b>  | (1)    | <b>8.5</b>  | (1)       | -9.0        | (2)       | -3.1        | (2) | 6.3         | (2)  | 9.1     | n.a        |     |
| TOWER               |                        | 273.8      | -0.7        | (2)    | 4.2         | (2)       | <b>5.1</b>  | (1)       | <b>3.1</b>  | (1) | <b>11.1</b> | (1)  | 4.7     | <b>0.8</b> | (1) |
| Median              |                        |            | 1.8         |        | 6.4         |           | -1.9        |           | 0.0         |     | 8.7         |      | 6.9     | 0.8        |     |
| <b>Global</b>       |                        |            |             |        |             |           |             |           |             |     |             |      |         |            |     |
| AMPCI               | GPSF 139% hedged       | 172.5      | <b>14.2</b> | (1)    | <b>8.3</b>  | (1)       | <b>38.6</b> | (1)       | <b>-2.7</b> | (1) | n.a         |      | 5.7     | <b>1.1</b> | (1) |
| AXAGI               | 139% hedged            | n.a        | 9.7         | (4)    | 8.0         | (2)       | 29.5        | (3)       | n.a         | n.a |             |      | 6.0     | -0.5       | (3) |
| IBB                 | Int'l Prop 100% hedged | 32.6       | 0.4         | (5)    | -5.0        | (5)       | 25.6        | (5)       | -6.2        | (4) | n.a         |      | 4.5     | -1.6       | (5) |
| ONEPATH             | Ex Aus 100% hedged     | n.a        | 10.8        | (3)    | 7.1         | (3)       | 33.9        | (2)       | -4.6        | (2) | n.a         |      | 4.5     | 0.3        | (2) |
| RUS                 | Global RE 100% hedged  | n.a        | 12.4        | (2)    | 2.5         | (4)       | 26.4        | (4)       | -6.0        | (3) | n.a         |      | 6.2     | -1.0       | (4) |
| Median              |                        |            | 10.8        |        | 7.1         |           | 29.5        |           | -5.3        |     | n.a         |      | 5.7     | -0.5       |     |
| <b>Indexes</b>      |                        |            |             |        |             |           |             |           |             |     |             |      |         |            |     |
| NZX Property        |                        |            | 8.1         |        | 17.5        |           | 14.2        |           | -0.5        |     | 8.9         |      |         |            |     |
| UBS Global Property |                        |            | 11.3        |        | 6.3         |           | 32.6        |           | -4.0        |     | n.a         |      |         |            |     |

| NZ Bonds              |                 | FUM<br>\$m | 3 months   |        | 1 year      |           | 3 years    |           | 5 years    |     | 10 years   |      | 3 years |            |     |
|-----------------------|-----------------|------------|------------|--------|-------------|-----------|------------|-----------|------------|-----|------------|------|---------|------------|-----|
|                       |                 |            | % Rank     | % Rank | % pa Rank   | % pa Rank | % pa Rank  | % pa Rank | Tr         | Err | IR         | Rank |         |            |     |
| <b>NZ Bonds</b>       |                 |            |            |        |             |           |            |           |            |     |            |      |         |            |     |
| AMPCI                 | AIF F           | 1,113.8    | -0.3       | (5)    | <b>11.1</b> | (1)       | 8.3        | (3)       | <b>9.8</b> | (1) | <b>8.1</b> | (1)  | 0.9     | 1.3        | (2) |
| AXAGI                 |                 | 295.5      | -0.3       | (6)    | 8.1         | (6)       | 8.7        | (2)       | 7.8        | (5) | n.a        |      | 1.9     | 0.9        | (4) |
| BTAM                  | Bond Fund       | 246.0      | -0.1       | (4)    | 9.9         | (4)       | 7.3        | (6)       | 8.0        | (3) | 7.4        | (5)  | 1.0     | 0.3        | (6) |
| HAM                   | Core Fixed      | 42.7       | 0.3        | (2)    | n.a         |           | n.a        |           | n.a        |     | n.a        |      | n.a     | n.a        |     |
| ONEPATH               | NZ Fixed Plus   | 862.6      | -0.3       | (7)    | 9.9         | (3)       | <b>9.3</b> | (1)       | 7.3        | (6) | 7.6        | (4)  | 1.1     | <b>2.0</b> | (1) |
| TOWER                 |                 | 695.8      | <b>0.5</b> | (1)    | 9.7         | (5)       | 7.9        | (5)       | 8.7        | (2) | 7.7        | (2)  | 1.3     | 0.7        | (5) |
| TYN                   |                 | 150.0      | 0.2        | (3)    | 9.9         | (2)       | 8.3        | (4)       | 7.8        | (4) | 7.7        | (3)  | 0.9     | 1.3        | (3) |
| Median                |                 |            | -0.1       |        | 9.9         |           | 8.3        |           | 7.9        |     | 7.7        |      | 1.1     | 1.1        |     |
| <b>Other</b>          |                 |            |            |        |             |           |            |           |            |     |            |      |         |            |     |
| BTAM                  | Corporate Bonds | 193.8      | 1.3        |        | 8.1         |           | 7.5        |           | n.a        |     | n.a        |      | 2.6     | 0.2        |     |
| HAM                   | Corporate Bonds | 81.9       | 1.1        |        | 6.4         |           | 7.4        |           | n.a        |     | n.a        |      | 2.8     | 0.1        |     |
| ONEPATH               | Sovereign       | 422.8      | -0.7       |        | 10.9        |           | 7.3        |           | 8.3        |     | n.a        |      | 0.4     | 0.6        |     |
| ONEPATH               | High Grade      | 384.4      | -0.1       |        | 9.2         |           | 10.6       |           | 5.9        |     | n.a        |      | 2.0     | 1.8        |     |
| ONEPATH               | High Yield      | 55.4       | 0.1        |        | 9.7         |           | 10.9       |           | 9.2        |     | n.a        |      | 2.6     | 1.5        |     |
| TYN                   | Corporate       | 68.8       | 0.7        |        | 8.5         |           | n.a        |           | n.a        |     | n.a        |      | n.a     | n.a        |     |
| <b>Indexes</b>        |                 |            |            |        |             |           |            |           |            |     |            |      |         |            |     |
| NZ Govt Stock         |                 |            | -0.6       |        | 10.1        |           | 7.0        |           | 7.8        |     | 7.1        |      |         |            |     |
| NZX Corporate A Grade |                 |            | 0.4        |        | 6.8         |           | 8.5        |           | 8.2        |     | n.a        |      |         |            |     |
| NZ All Swaps          |                 |            | -0.7       |        | 7.5         |           | 7.1        |           | 9.0        |     | n.a        |      |         |            |     |

## Acronym References

|              |                                   |             |                          |                |                                |
|--------------|-----------------------------------|-------------|--------------------------|----------------|--------------------------------|
| <b>AAML</b>  | Aspiring Asset Management Ltd     | <b>ELE</b>  | Elevation Capital        | <b>ONEPATH</b> | OnePath                        |
| <b>AB</b>    | Alliance Bernstein                | <b>FIS</b>  | Fisher Funds Management  | <b>PFAM</b>    | Pathfinder Funds               |
| <b>AMPCI</b> | AMP Capital Investors             | <b>GMO</b>  | GMO                      | <b>PIE</b>     | Pie Funds                      |
| <b>ASB</b>   | ASB Group Investments             | <b>HAM</b>  | Harbour Asset Management | <b>RUS</b>     | Russell Investment Group       |
| <b>AXAGI</b> | AXA Global Investors              | <b>IBB</b>  | Ibbotson Associates      | <b>SIT</b>     | Savings and Investments Ltd    |
| <b>BAM</b>   | Brook Asset Management            | <b>Jana</b> | Jana                     | <b>SMS</b>     | SmartShares                    |
| <b>BLK</b>   | BlackRock Investment Management   | <b>LMI</b>  | Legg Mason Inc           | <b>TCO</b>     | Tower Commodities              |
| <b>BNP</b>   | BNP Paribas Investment Management | <b>MAM</b>  | Milford Asset Management | <b>TOWER</b>   | TOWER Asset Management         |
| <b>BTAM</b>  | BT Asset Management               | <b>MGH</b>  | MGH Asset Management Ltd | <b>TYN</b>     | Tyndall Investment Management  |
| <b>CIP</b>   | Craigs Investment Partners        | <b>MLC</b>  | MLC                      | <b>VAN</b>     | Vanguard Investments Australia |
| <b>DEV</b>   | Devon Funds Management Ltd        | <b>MNT</b>  | Mint Asset Management    | <b>WEL</b>     | Wellington Management Company  |
| <b>DFA</b>   | Dimensional Fund Advisors         |             |                          |                |                                |

| Global Bonds        |                         | 3 months       | 1 year          | 3 years         | 5 years         | 10 years       | 3 years |                |      |
|---------------------|-------------------------|----------------|-----------------|-----------------|-----------------|----------------|---------|----------------|------|
|                     |                         | % Rank         | % Rank          | % pa Rank       | % pa Rank       | % pa Rank      | Tr Err  | IR             | Rank |
| AB                  | Global Plus (simulated) | 1.9 (9)        | 10.2 (7)        | 12.3 (5)        | 9.0 (4)         | 9.2 (3)        | 1.7     | 2.4            | (5)  |
| AMPCI               | AIF Q                   | 3.3 (3)        | 7.5 (12)        | 13.1 (4)        | 7.7 (9)         | 8.2 (6)        | 3.1     | 1.6            | (7)  |
| AMPCI               | AIF HQ                  | 1.0 (12)       | 10.4 (6)        | 7.1 (10)        | n.a             | n.a            | 1.8     | -0.6           | (10) |
| AXAGI               | Multi-manager           | 2.7 (6)        | 10.9 (4)        | 10.5 (6)        | 8.9 (5)         | n.a            | 1.8     | 2.4            | (4)  |
| BLK                 | Global Diversified      | 2.8 (4)        | 9.2 (9)         | 8.4 (8)         | n.a             | n.a            | 0.9     | 0.2            | (8)  |
| DFA                 | 5 year                  | 2.2 (7)        | 8.6 (11)        | 7.6 (9)         | 7.9 (8)         | n.a            | 1.3     | -0.5           | (9)  |
| ONEPATH             | Int'l Fixed Interest    | 1.3 (11)       | 9.4 (8)         | 6.7 (11)        | 8.8 (6)         | 8.9 (4)        | 1.2     | -1.3           | (11) |
| PIMCO               |                         | 3.6 (2)        | <b>13.3 (1)</b> | <b>16.1 (1)</b> | <b>10.9 (1)</b> | n.a            | 2.9     | 2.8            | (2)  |
| RUS                 | Global Bond             | <b>3.9 (1)</b> | 11.4 (3)        | 13.3 (3)        | 10.0 (2)        | <b>9.7 (1)</b> | 2.1     | 2.4            | (3)  |
| TOWER               | PIMCO                   | 2.8 (5)        | 12.3 (2)        | 14.0 (2)        | 9.5 (3)         | 9.4 (2)        | 2.1     | <b>2.8 (1)</b> |      |
| TOWER               | Wellington              | 1.9 (10)       | 10.5 (5)        | n.a             | n.a             | n.a            | n.a     | n.a            |      |
| TYN                 | FFTW                    | 2.1 (8)        | 9.1 (10)        | 10.0 (7)        | 8.5 (7)         | 8.9 (5)        | 1.0     | 1.8            | (6)  |
| Median              |                         | 2.4            | 10.3            | 10.5            | 8.9             | 9.0            | 1.8     | 1.8            |      |
| <b>A\$ Hedged</b>   |                         |                |                 |                 |                 |                |         |                |      |
| IBB                 |                         | 3.5            | 11.5            | 12.5            | 8.1             | n.a            |         |                |      |
| WEL                 |                         | 2.2            | 13.4            | 11.1            | 9.7             | 8.8            |         |                |      |
| <b>Indexes</b>      |                         |                |                 |                 |                 |                |         |                |      |
| Barclays Global Agg |                         | 1.8            | 9.5             | 8.2             | 8.6             | 8.7            |         |                |      |
| Citigroup WGBI      |                         | 1.2            | 9.6             | 6.3             | 8.3             | 8.5            |         |                |      |

| Cash             |          | FUM     | 3 months       | 1 year         | 3 years        | 5 years        | 10 years       | 3 years |                 |      |
|------------------|----------|---------|----------------|----------------|----------------|----------------|----------------|---------|-----------------|------|
|                  |          | \$m     | % Rank         | % Rank         | % pa Rank      | % pa Rank      | % pa Rank      | Tr Err  | IR              | Rank |
| AMPCI            | AIF Cash | 1,937.7 | 0.9 (3)        | 3.6 (2)        | 4.0 (4)        | 5.8 (2)        | 6.2 (3)        | 0.1     | <b>14.2 (1)</b> |      |
| AXAGI            | Cash     | 526.8   | 0.8 (6)        | 3.3 (4)        | 4.0 (3)        | 5.4 (5)        | n.a            | 0.4     | 2.7             | (4)  |
| BTAM             |          | 446.2   | 0.8 (4)        | 3.2 (5)        | <b>5.0 (1)</b> | 5.1 (6)        | 5.9 (5)        | 1.0     | 2.1             | (5)  |
| ONEPATH          |          | n.a     | 0.8 (5)        | 3.5 (3)        | 3.8 (5)        | 5.7 (3)        | <b>6.6 (1)</b> | 0.2     | 5.0             | (3)  |
| TOWER            |          | 781.7   | <b>1.1 (1)</b> | 3.1 (6)        | 3.5 (6)        | 5.4 (4)        | 6.0 (4)        | 0.3     | 1.9             | (6)  |
| TYN              |          | 233.0   | 1.0 (2)        | <b>4.0 (1)</b> | 4.1 (2)        | <b>6.1 (1)</b> | 6.5 (2)        | 0.2     | 6.5             | (2)  |
| Median           |          |         | 0.9            | 3.4            | 4.0            | 5.6            | 6.2            | 0.2     | 3.9             |      |
| <b>Index</b>     |          |         |                |                |                |                |                |         |                 |      |
| 90 day Bank Bill |          |         | 0.7            | 2.8            | 2.9            | 5.0            | 5.8            |         |                 |      |

| Diversified Funds   |          | 3 months       | 1 year         | 3 years         | 5 years        | 10 years       | Asset Allocation |        | Currency |
|---------------------|----------|----------------|----------------|-----------------|----------------|----------------|------------------|--------|----------|
|                     |          | % Rank         | % Rank         | % pa Rank       | % pa Rank      | % pa Rank      | Growth           | Income | %        |
| <b>Balanced</b>     |          |                |                |                 |                |                |                  |        |          |
| AMPCI               | AIF B    | 5.5 (3)        | 4.1 (2)        | 9.6 (6)         | 3.5 (4)        | 6.4 (5)        | 63.6             | 36.4   | 20.0     |
| ASB                 |          | 4.7 (5)        | 2.4 (5)        | 11.3 (2)        | 2.5 (5)        | n.a            | 59.7             | 40.3   | n.a      |
| AXAGI               |          | 6.0 (2)        | 0.7 (6)        | 11.1 (3)        | 2.4 (6)        | 7.4 (2)        | 68.3             | 33.0   | 19.9     |
| ONEPATH             |          | <b>6.4 (1)</b> | <b>5.9 (1)</b> | <b>13.5 (1)</b> | <b>3.9 (1)</b> | <b>7.5 (1)</b> | 62.2             | 37.8   | 15.5     |
| TOWER               |          | 4.5 (6)        | 2.9 (3)        | 11.0 (5)        | 3.7 (2)        | 7.0 (3)        | 55.4             | 44.6   | 7.1      |
| TYN                 |          | 4.9 (4)        | 2.5 (4)        | 11.1 (4)        | 3.5 (3)        | 6.7 (4)        | 71.3             | 28.7   | 23.0     |
| Median              |          | 5.2            | 2.7            | 11.1            | 3.5            | 7.0            | 62.9             | 37.1   | 19.9     |
| <b>SRI Balanced</b> |          |                |                |                 |                |                |                  |        |          |
| AMPCI               | SRI Fund | 5.7            | 4.9            | n.a             | n.a            | n.a            | 62.1             | 37.9   |          |
| TYN                 |          | 5.1            | 3.3            | 9.9             | n.a            | n.a            | n.a              | n.a    |          |
| Median              |          | 5.4            | 4.1            | 9.9             | n.a            | n.a            | 62.1             | 37.9   |          |
| <b>Conservative</b> |          |                |                |                 |                |                |                  |        |          |
| AMPCI               |          | 2.5 (3)        | <b>6.1 (1)</b> | 7.3 (3)         | <b>6.5 (1)</b> | <b>7.2 (1)</b> | 28.6             | 71.4   |          |
| ASB                 |          | 3.3 (2)        | 4.3 (2)        | 9.8 (2)         | 4.2 (2)        | n.a            | 40.1             | 59.9   |          |
| AXAGI               |          | <b>4.6 (1)</b> | 3.6 (3)        | <b>10.3 (1)</b> | 3.7 (3)        | 6.2 (2)        | 48.5             | 51.5   |          |
| Median              |          | 3.3            | 4.3            | 9.8             | 4.2            | 6.7            | 40.1             | 59.9   |          |
| <b>Growth</b>       |          |                |                |                 |                |                |                  |        |          |
| AMPCI               |          | <b>8.3 (1)</b> | <b>0.8 (1)</b> | 11.1 (3)        | 0.3 (3)        | 4.9 (2)        | 92.4             | 7.6    |          |
| ASB                 |          | 6.1 (3)        | 0.4 (2)        | <b>12.5 (1)</b> | 0.7 (2)        | n.a            | 78.9             | 21.1   |          |
| AXAGI               |          | 6.9 (2)        | -1.5 (3)       | 12.1 (2)        | <b>1.1 (1)</b> | <b>5.2 (1)</b> | 83.6             | 16.4   |          |
| Median              |          | 6.9            | 0.4            | 12.1            | 0.7            | 5.0            | 83.6             | 16.4   |          |

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| KiwiSaver Results         |                    |           |            |                 |            |               |            |                   |            |                   |            |          |
|---------------------------|--------------------|-----------|------------|-----------------|------------|---------------|------------|-------------------|------------|-------------------|------------|----------|
| Returns and Risk          |                    | FUM (\$m) | Growth BM% | 3 months % Rank |            | 1 year % Rank |            | 2 years % pa Rank |            | 3 years % pa Rank |            | Risk %pa |
| <b>Aggressive Funds</b>   |                    |           |            |                 |            |               |            |                   |            |                   |            |          |
| AMP                       | Aggressive         | 113.0     | 90.0       | 8.1             | (3)        | 1.1           | (6)        | 4.2               | (8)        | 9.4               | (9)        | 10.8     |
| AMP                       | Growth             | 139.9     | 77.0       | 6.9             | (6)        | 2.1           | (5)        | 4.6               | (6)        | 8.9               | (11)       | 9.1      |
| AON                       | Growth             | 9.3       | 74.0       | <b>9.1</b>      | <b>(1)</b> | <b>3.9</b>    | <b>(1)</b> | <b>7.5</b>        | <b>(1)</b> | 17.5              | (2)        | 10.8     |
| ASB                       | Growth             | 212.7     | 80.0       | 6.1             | (9)        | 0.6           | (7)        | 4.4               | (7)        | 12.3              | (5)        | 9.6      |
| AXA                       | Growth             | 79.7      | 85.0       | 7.0             | (5)        | -1.8          | (10)       | 3.0               | (9)        | 12.8              | (4)        | 10.6     |
| Fidelity                  | Aggressive         | 12.5      | 100.0      | 6.3             | (8)        | -7.9          | (14)       | -1.1              | (12)       | 9.2               | (10)       | 12.8     |
| Fidelity                  | Growth             | 34.5      | 77.5       | 5.6             | (11)       | -2.9          | (12)       | 0.9               | (11)       | 7.0               | (13)       | 8.7      |
| Fisher                    | Growth             | 397.5     | 70.0       | 8.1             | (2)        | -0.6          | (9)        | 4.7               | (5)        | <b>17.7</b>       | <b>(1)</b> | 11.4     |
| Grosvenor                 | Balanced Growth    | 19.9      | 75.0       | 4.2             | (14)       | -2.7          | (11)       | n.a               |            | n.a               |            | n.a      |
| Grosvenor                 | High Growth        | 52.4      | 99.0       | 5.9             | (10)       | -6.6          | (13)       | -1.6              | (13)       | 7.9               | (12)       | 10.9     |
| OnePath                   | Growth             | 8.3       | 80.0       | 6.4             | (7)        | 2.8           | (3)        | 5.2               | (4)        | 11.2              | (7)        | 8.0      |
| SIL                       | Growth             | 107.9     | 80.0       | 7.7             | (4)        | 3.6           | (2)        | 6.0               | (2)        | 13.2              | (3)        | 8.8      |
| TOWER                     | Growth             | 64.4      | 77.5       | 5.5             | (12)       | 0.1           | (8)        | 2.9               | (10)       | 11.5              | (6)        | 8.8      |
| Westpac                   | Growth             | 177.3     | 80.0       | 5.5             | (13)       | 2.1           | (4)        | 5.3               | (3)        | 10.4              | (8)        | 7.2      |
| Median                    |                    |           | 80.0       | 6.3             |            | 0.3           |            | 4.4               |            | 11.2              |            | 9.6      |
| <b>Balanced Funds</b>     |                    |           |            |                 |            |               |            |                   |            |                   |            |          |
| AMP                       | Balanced           | 169.1     | 60.0       | 5.2             | (5)        | 3.9           | (5)        | 5.3               | (6)        | 8.3               | (11)       | 6.5      |
| AMP                       | Moderate Balanced  | 161.5     | 51.0       | 4.5             | (10)       | 3.8           | (6)        | 5.2               | (7)        | 7.7               | (13)       | 5.6      |
| AMP                       | Tyndall Balanced   | 7.6       | 61.0       | 4.6             | (9)        | 1.5           | (12)       | 4.3               | (11)       | 9.3               | (10)       | 6.2      |
| AON                       | Balanced           | 32.2      | 60.0       | <b>7.9</b>      | <b>(1)</b> | <b>5.3</b>    | <b>(1)</b> | <b>8.1</b>        | <b>(1)</b> | <b>16.6</b>       | <b>(1)</b> | 8.8      |
| ASB                       | Balanced           | 229.1     | 60.0       | 4.7             | (8)        | 2.6           | (8)        | 5.2               | (8)        | 11.2              | (4)        | 7.1      |
| AXA                       | Balanced           | 105.7     | 60.0       | 5.5             | (3)        | 1.8           | (10)       | 4.7               | (10)       | 11.9              | (3)        | 7.4      |
| Fidelity                  | Balanced           | 77.1      | 50.0       | 5.0             | (6)        | -0.5          | (14)       | 2.2               | (14)       | 7.4               | (14)       | 6.7      |
| Grosvenor                 | Balanced           | 70.7      | 50.0       | 2.6             | (14)       | 0.9           | (13)       | 2.9               | (13)       | 8.1               | (12)       | 6.0      |
| OnePath                   | Balanced           | 6.9       | 50.0       | 4.2             | (12)       | 4.8           | (3)        | 5.9               | (4)        | 9.5               | (8)        | 4.7      |
| OnePath                   | Balanced Growth    | 8.5       | 65.0       | 5.3             | (4)        | 3.8           | (7)        | 5.6               | (5)        | 10.4              | (6)        | 6.3      |
| SIL                       | Balanced           | 165.2     | 50.0       | 4.9             | (7)        | 4.9           | (2)        | 6.1               | (3)        | 10.5              | (5)        | 5.3      |
| SIL                       | Balanced Growth    | 152.3     | 65.0       | 6.2             | (2)        | 4.3           | (4)        | 6.1               | (2)        | 11.9              | (2)        | 7.0      |
| TOWER                     | Balanced           | 217.7     | 55.0       | 3.8             | (13)       | 1.8           | (11)       | 3.9               | (12)       | 9.6               | (7)        | 5.7      |
| Westpac                   | Balanced           | 288.3     | 60.0       | 4.3             | (11)       | 2.0           | (9)        | 5.1               | (9)        | 9.4               | (9)        | 6.1      |
| Median                    |                    |           | 60.0       | 4.8             |            | 3.2           |            | 5.2               |            | 9.6               |            | 6.3      |
| <b>Moderate Funds</b>     |                    |           |            |                 |            |               |            |                   |            |                   |            |          |
| AMP                       | Moderate           | 112.2     | 38.0       | 3.4             | (3)        | 4.7           | (4)        | 5.5               | (5)        | 7.1               | (5)        | 4.0      |
| AON                       | Moderate           | 7.5       | 40.0       | <b>6.3</b>      | <b>(1)</b> | <b>7.2</b>    | <b>(1)</b> | <b>8.8</b>        | <b>(1)</b> | <b>15.3</b>       | <b>(1)</b> | 6.1      |
| ASB                       | Moderate           | 306.2     | 40.0       | 3.3             | (4)        | 4.2           | (5)        | 5.6               | (4)        | 9.6               | (2)        | 4.7      |
| OnePath                   | Cons Balanced      | 2.8       | 35.0       | 3.1             | (5)        | 5.7           | (2)        | 6.2               | (2)        | 8.6               | (4)        | 3.2      |
| SIL                       | Cons Balanced      | 63.7      | 35.0       | 3.5             | (2)        | 5.6           | (3)        | 6.2               | (3)        | 9.2               | (3)        | 3.6      |
| Median                    |                    |           | 38.0       | 3.4             |            | 5.6           |            | 6.2               |            | 9.2               |            | 4.0      |
| <b>Conservative Funds</b> |                    |           |            |                 |            |               |            |                   |            |                   |            |          |
| AMP                       | Conservative       | 64.6      | 25.0       | 2.3             | (8)        | 5.6           | (4)        | 5.8               | (5)        | 6.5               | (12)       | 2.4      |
| AMP                       | Default            | 434.9     | 20.0       | 2.3             | (7)        | 3.7           | (12)       | 4.4               | (12)       | 5.4               | (13)       | 2.2      |
| AON                       | Conservative       | 37.9      | 20.0       | <b>4.7</b>      | <b>(1)</b> | <b>9.1</b>    | <b>(1)</b> | <b>9.5</b>        | <b>(1)</b> | <b>13.9</b>       | <b>(1)</b> | 3.7      |
| ASB                       | Conservative       | 1,254.0   | 20.0       | 1.9             | (12)       | 5.2           | (7)        | 5.3               | (9)        | 6.8               | (10)       | 2.1      |
| AXA                       | Conservative       | 25.8      | 25.0       | 2.9             | (3)        | 5.4           | (5)        | 6.1               | (3)        | 9.3               | (2)        | 3.1      |
| AXA                       | Income Plus        | 571.4     | 20.0       | 2.8             | (4)        | 5.0           | (9)        | 5.4               | (8)        | 8.3               | (4)        | 2.8      |
| Fidelity                  | Capital Guaranteed | 27.8      | 15.0       | 1.7             | (14)       | 3.0           | (14)       | 3.7               | (14)       | 4.6               | (14)       | 1.6      |
| Fidelity                  | Conservative       | 34.7      | 25.0       | 3.4             | (2)        | 3.2           | (13)       | 4.3               | (13)       | 7.2               | (8)        | 3.5      |
| Fisher                    | Conservative       | 131.3     | 40.0       | 2.0             | (11)       | -0.8          | (15)       | 2.1               | (15)       | n.a               |            | n.a      |
| Grosvenor                 | Conservative       | 24.3      | 25.0       | 0.9             | (15)       | 5.3           | (6)        | 5.5               | (6)        | 7.9               | (5)        | 3.5      |
| OnePath                   | Conservative       | 536.2     | 20.0       | 2.0             | (10)       | 6.4           | (2)        | 6.3               | (2)        | 7.5               | (6)        | 1.9      |
| SIL                       | Conservative       | 195.5     | 20.0       | 2.1             | (9)        | 6.0           | (3)        | 5.9               | (4)        | 7.4               | (7)        | 2.1      |
| TOWER                     | Conservative       | 44.1      | 30.0       | 2.4             | (5)        | 4.9           | (10)       | 5.2               | (10)       | 8.8               | (3)        | 2.9      |
| TOWER                     | Default            | 399.5     | 20.0       | 1.8             | (13)       | 5.1           | (8)        | 4.8               | (11)       | 6.7               | (11)       | 1.8      |
| Westpac                   | Conservative       | 647.0     | 25.0       | 2.4             | (6)        | 4.6           | (11)       | 5.4               | (7)        | 7.1               | (9)        | 2.4      |
| Median                    |                    |           | 20.0       | 2.3             |            | 5.1           |            | 5.4               |            | 7.3               |            | 2.4      |

| Asset Allocation          |                    | NZ/Aus<br>Shares | Global<br>Shares | NZ/Aus<br>Prop | Global<br>Prop | Alt<br>Assets | Growth<br>Assets | NZ<br>Bonds | Global<br>Bonds | Alt<br>Assets | Cash | Income<br>Assets |
|---------------------------|--------------------|------------------|------------------|----------------|----------------|---------------|------------------|-------------|-----------------|---------------|------|------------------|
| <b>Aggressive Funds</b>   |                    |                  |                  |                |                |               |                  |             |                 |               |      |                  |
| AMP                       | Aggressive         | 20.6             | 59.2             | 7.6            | 5.0            |               | 92.4             | 3.3         |                 |               | 4.3  | 7.6              |
| AMP                       | Growth             | 17.9             | 50.9             | 6.5            | 4.4            |               | 79.7             | 8.4         | 3.7             |               | 8.2  | 20.3             |
| AON                       | Growth             | 14.8             | 50.0             |                | 9.3            |               | 74.0             | 5.2         | 20.8            |               |      | 26.0             |
| ASB                       | Growth             | 24.8             | 44.1             |                | 10.1           |               | 78.9             | 5.8         | 11.6            |               | 3.8  | 21.1             |
| AXA                       | Growth             | 22.5             | 48.5             | 3.5            | 6.1            | 8.1           | 88.7             | 2.0         | 4.4             |               | 4.9  | 11.3             |
| Fidelity                  | Aggressive         |                  | 75.4             |                |                | 24.6          | 100.0            |             |                 |               |      |                  |
| Fidelity                  | Growth             | 26.9             | 38.9             | 9.0            |                |               | 74.8             | 16.1        | 9.0             |               | 0.1  | 25.2             |
| Fisher                    | Growth             | 23.2             | 57.4             |                |                |               | 80.6             |             |                 |               | 19.4 | 19.4             |
| Grosvenor                 | Balanced Growth    | 23.7             | 38.2             |                |                |               | 61.8             | 34.1        |                 |               | 4.0  | 38.2             |
| Grosvenor                 | High Growth        | 30.8             | 64.4             |                |                |               | 95.1             |             |                 |               | 4.9  | 4.9              |
| OnePath                   | Growth             | 25.9             | 41.1             | 11.8           |                |               | 78.7             | 5.9         | 9.8             |               | 5.5  | 21.3             |
| SIL                       | Growth             | 25.8             | 39.7             | 5.8            | 6.0            |               | 77.3             | 5.4         | 6.1             |               | 11.2 | 22.7             |
| TOWER                     | Growth             | 26.5             | 41.1             | 11.9           |                |               | 79.6             | 6.0         | 9.1             |               | 5.3  | 20.5             |
| Westpac                   | Growth             | 27.6             | 41.3             | 10.1           |                | 9.9           | 88.9             | 4.3         | 4.8             |               | 2.0  | 11.1             |
| Average                   |                    | 22.2             | 49.3             | 4.7            | 2.9            | 3.0           | 82.2             | 6.9         | 5.7             |               | 5.3  | 17.8             |
| <b>Balanced Funds</b>     |                    |                  |                  |                |                |               |                  |             |                 |               |      |                  |
| AMP                       | Balanced           | 15.9             | 37.7             | 7.0            | 3.1            |               | 63.6             | 19.8        | 12.7            |               | 3.9  | 36.4             |
| AMP                       | Moderate Balanced  | 12.3             | 34.3             | 4.3            | 3.2            |               | 54.1             | 18.8        | 11.0            |               | 16.1 | 45.9             |
| AMP                       | Tyndall Balanced   | 16.5             | 30.6             | 5.1            |                | 8.9           | 61.1             | 16.3        | 12.5            | 10.2          |      | 38.9             |
| AON                       | Balanced           | 12.0             | 40.5             |                | 7.5            |               | 60.0             | 8.0         | 32.0            |               |      | 40.0             |
| ASB                       | Balanced           | 20.0             | 29.6             |                | 10.1           |               | 59.7             | 15.5        | 18.4            |               | 6.4  | 40.3             |
| AXA                       | Balanced           | 15.9             | 35.1             | 3.6            | 3.5            | 5.8           | 63.9             | 5.5         | 25.7            |               | 4.9  | 36.1             |
| Fidelity                  | Balanced           | 22.9             | 30.7             | 5.8            |                |               | 59.4             | 22.0        | 18.5            |               | 0.1  | 40.6             |
| Grosvenor                 | Balanced           | 15.2             | 27.2             |                |                |               | 42.4             | 49.1        |                 |               | 8.6  | 57.6             |
| OnePath                   | Balanced           | 15.8             | 25.9             | 8.0            |                |               | 49.7             | 13.9        | 25.7            |               | 10.7 | 50.3             |
| OnePath                   | Balanced Growth    | 21.1             | 32.9             | 10.0           |                |               | 64.0             | 11.0        | 18.0            |               | 7.0  | 36.0             |
| SIL                       | Balanced           | 16.0             | 23.9             | 4.0            | 4.0            |               | 47.9             | 14.0        | 20.4            |               | 17.7 | 52.1             |
| SIL                       | Balanced Growth    | 21.0             | 31.8             | 5.0            | 5.0            |               | 62.8             | 11.0        | 12.4            |               | 13.8 | 37.2             |
| TOWER                     | Balanced           | 15.9             | 27.9             | 11.6           |                |               | 55.4             | 14.1        | 22.3            |               | 8.3  | 44.6             |
| Westpac                   | Balanced           | 22.1             | 32.9             | 5.0            |                | 7.4           | 67.4             | 14.7        | 15.3            |               | 2.6  | 32.6             |
| Average                   |                    | 17.3             | 31.5             | 4.9            | 2.6            | 1.6           | 57.9             | 16.7        | 17.5            | 0.7           | 7.1  | 42.1             |
| <b>Moderate Funds</b>     |                    |                  |                  |                |                |               |                  |             |                 |               |      |                  |
| AMP                       | Moderate           | 9.5              | 26.0             | 3.2            | 2.6            |               | 41.4             | 24.0        | 14.7            |               | 20.0 | 58.6             |
| AON                       | Moderate           | 8.0              | 27.0             |                | 5.0            |               | 40.0             | 12.0        | 48.0            |               |      | 60.0             |
| ASB                       | Moderate           | 14.1             | 16.9             |                | 9.2            |               | 40.1             | 20.4        | 26.4            |               | 13.1 | 59.9             |
| OnePath                   | Cons Balanced      | 10.9             | 18.9             | 6.0            |                |               | 35.8             | 18.0        | 31.9            |               | 14.3 | 64.2             |
| SIL                       | Cons Balanced      | 11.0             | 16.1             | 3.0            | 3.1            |               | 33.1             | 18.0        | 26.3            |               | 22.6 | 66.9             |
| Average                   |                    | 10.7             | 21.0             | 2.4            | 4.0            |               | 38.1             | 18.5        | 29.5            |               | 14.0 | 61.9             |
| <b>Conservative Funds</b> |                    |                  |                  |                |                |               |                  |             |                 |               |      |                  |
| AMP                       | Conservative       | 6.8              | 17.7             | 2.1            | 2.0            |               | 28.6             | 29.2        | 18.3            |               | 23.9 | 71.4             |
| AMP                       | Default            | 5.4              | 12.8             | 2.4            | 1.0            |               | 21.6             | 6.7         | 4.3             |               | 67.3 | 78.4             |
| AON                       | Conservative       | 4.0              | 13.5             |                | 2.5            |               | 20.0             | 16.0        | 64.0            |               |      | 80.0             |
| ASB                       | Conservative       | 9.1              | 11.0             |                |                |               | 20.1             | 24.5        | 29.5            |               | 25.8 | 79.9             |
| AXA                       | Conservative       | 6.2              | 13.7             | 2.6            | 2.5            | 3.9           | 28.8             | 17.5        | 33.8            |               | 19.9 | 71.2             |
| AXA                       | Income Plus        | 6.2              | 14.2             | 0.5            | 2.0            |               | 22.9             | 14.5        | 31.8            |               | 30.8 | 77.1             |
| Fidelity                  | Capital Guaranteed | 5.9              | 4.8              |                |                |               | 10.7             | 17.3        | 14.3            |               | 57.7 | 89.3             |
| Fidelity                  | Conservative       | 17.5             | 12.5             | 4.7            |                |               | 34.7             | 31.4        | 29.0            |               | 4.9  | 65.3             |
| Fisher                    | Conservative       | 2.4              | 9.7              | 1.3            |                |               | 13.4             | 27.5        | 40.5            |               | 18.6 | 86.6             |
| Grosvenor                 | Conservative       | 8.1              | 13.1             |                |                |               | 21.1             | 77.9        |                 |               | 0.9  | 78.9             |
| OnePath                   | Conservative       | 6.9              | 10.2             | 3.0            |                |               | 20.1             | 20.9        | 38.8            |               | 20.2 | 79.9             |
| SIL                       | Conservative       | 7.0              | 8.7              | 1.5            | 1.5            |               | 18.7             | 21.1        | 33.3            |               | 27.0 | 81.3             |
| TOWER                     | Conservative       | 7.6              | 12.7             | 11.3           |                |               | 31.6             | 23.2        | 26.2            |               | 19.0 | 68.4             |
| TOWER                     | Default            | 4.0              | 9.6              | 6.5            |                |               | 20.2             | 27.7        | 25.9            |               | 26.2 | 79.9             |
| Westpac                   | Conservative       | 11.5             | 11.0             | 5.0            |                | 2.5           | 30.0             | 21.6        | 23.4            |               | 25.0 | 70.0             |
| Average                   |                    | 7.2              | 11.7             | 2.7            | 0.8            | 0.4           | 22.3             | 25.1        | 27.6            |               | 24.5 | 77.2             |

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