

MELVILLE JESSUP WEAVER

Investment Survey September 2011

Contents

Market Returns • Market Commentary • Survey Returns

Performance Tables:

NZ & Australian Shares • Global Shares • Other Funds • Property • NZ Bonds • Global Bonds • Cash
Wholesale Diversified Funds • KiwiSaver Performance • KiwiSaver Asset Allocation
Further Information

Market Returns	Quarter (%)	Year (%)		Quarter (%)	Year (%)
NZX 50	-2.4	6.9	NZX NZ Government Bond Index	3.5	7.8
S&P/ASX 200 in A\$	-11.6	-8.6	NZX Corporate A Grade	2.2	7.7
MSCI World – Local Currency	-14.7	-4.5	NZ All Swaps	3.4	6.8
MSCI World – Hedged	-14.8	-4.9	Barclays Global Aggregate	3.7	5.6
MSCI World – Unhedged	-9.9	-8.0	Citigroup WGBI	4.7	5.3
MSCI Emerging Markets	-17.5	-18.3	NZ \$ / US	-7.4	3.9
NZX Property Index	1.6	15.0	NZ \$ / A\$	2.0	3.5

Market Commentary

There has been a significant shift in sentiment over the last quarter. The European sovereign debt crisis has intensified with Greece the epicentre. Share markets have been selling down as concerns heighten that European leaders do not have the political will to avert a disaster. The demonstrations and strikes taking place in Greece and Italy, and indeed the global protests following the 'Occupy Wall Street' movement, create further worries about how appropriate measures can be implemented by the politicians.

All MSCI developed markets fell over the quarter with the exception of New Zealand. Although the NZX 50 index which works off different rules to the MSCI was in fact down for the quarter. Emerging markets fared worse than developed markets, with China having a particularly poor result. Any slowdown in China will have a strong flow on effect to Australia and so will impact on New Zealand both directly and indirectly. However, it is expected that the New Zealand Government will be talking up the economy's prospects over the next few months.

Both Standard and Poor's and Fitch downgraded New Zealand sovereign debt one notch from AA+ to AA in September. In their release, Standard and Poor's stated the country's fiscal position has been weakened by Christchurch earthquake-related spending pressures and fiscal stimulus to support growth. Despite the downgrade New Zealand's gross debt is actually fairly low compared to the OECD-18 median. The New Zealand dollar fell sharply over the September quarter as investors shed risk currency exposure. It dropped against the US Dollar, Japanese Yen and British Pound but was more or less unchanged against the Euro and rose against the Australian Dollar.

Survey Results

The top performing managers over the year were:

- Australasian shares OnePath (Australasian Share)
- Global shares (core) Tyndall (Multi-manager)
- NZ property (listed) BTFM (NZ Listed)
- Global property OnePath (ex Australia)
- NZ bonds OnePath (NZ Fixed Plus)
- Global bonds AMPCI (AIF HQ)
- Cash Tyndall

The top performing KiwiSaver survey funds over the year were:

- Aggressive funds Westpac Growth
- Balanced funds OnePath Balanced
- Moderate funds OnePath Conservative Balanced
- Conservative funds OnePath Conservative

Comment on Results

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

Australasian shares OnePath

“In early July the Fund reduced its exposure to Australia in general and in particular to commodities. This was due in part to the view regarding worsening global growth prospects exacerbated by a burgeoning European sovereign debt crisis. In addition numerous company visits especially in Australia highlighted a growing divergence between optimistic broker analyst earnings estimates and lower levels of business confidence and business activity. Consequently the Fund focused its investment analysis on lower risk, well capitalised companies with greater certainty of earnings and dividends.

The Fund’s fundamental research approach has been rewarded over the last year helping to identify and avoid poorly structured industries and companies. Poor returns from companies like Goodman Fielder, APN and Pike River, not included in the portfolio, contributed positively to the relative outperformance over the last year. The excellent operational performance and favourably industry structure of the companies held like the NZ Stock Exchange, Ryman Healthcare, Mainfreight and Sky TV has been recognised by the market and contributed to the Fund’s strong returns.

In respect of Fletcher Building and Telecom, nimble management of active positions has been critical to adding and preserving value for investors during a period of rapid change.”

Global shares (core) Tyndall Multi-manager

“Emerging Markets underperformed (although they are still far ahead of the benchmark over the last 3 years) and this was a drag on performance. However the Fund’s big underweight in underperforming Financials made up for that in a big way. A lot of value was also added through the Fund’s overweight exposure to outperforming Consumer Staples. This came through the 3 developed markets managers in which the Fund has the biggest investments, i.e. Walter Scott (+3.6% alpha), Epoch (+9.1% alpha) and Principal Global investors (+4.2% alpha).”

NZ property (listed) BTFM

“The BT Property fund outperformed through stock selection amongst the NZ listed property trusts and by increasing its exposure to Australian stocks during the period as the latter became relatively more attractive. In particular, the fund was very underweight Vital Healthcare during its large, heavily discounted 1:1 equity issue, then used this opportunity to move overweight. Other contributors have been overweights in Kermadec, CDL Investments and DNZ Property, whilst being underweight the larger NZ Property Trusts with large industrial exposures and those less impacted on by the second Christchurch earthquake. The fund started the 12 month period with a sub-5% exposure to the Australian sector lifting this in the June quarter to over 12% as the S&P/ASX200 A-REIT benchmark index fell, and this move delivered significant contributions - mainly from fund holdings in Challenger Diversified Property and Thakral Property.”

NZ bonds OnePath

“Performance over the year has benefitted from a significant rally in swap spreads and a contraction in high grade credit spreads. During the most recent quarter OnePath held more Government bonds than usual, which performed well relative to credit in the risk-averse environment. Relative outperformance for the September quarter was also helped by their significantly longer than index duration position (which we held on expectation of a global bond rally and the RBNZ keeping the cash rate at 2.5%). Both these expectations eventuated.”

Global bonds AMPCI AIF HQ

“The Fund’s outperformance over the year came from its overweight to the US and Euro interest rates (and corresponding underweight to Japan). With interest rates in these economies falling more than elsewhere this provided substantial capital gains in the fund. Countering these gains was the short duration position which detracted value in a falling rate environment.”

Cash Tyndall

“A running yield of 4.2% as at end September compared to bank bills (2.8%) and longer duration (average of 87 days for the Fund versus 45 days for the Index) have benefitted the Tyndall NZ Cash Fund over the last year. 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 2012. The Fund remains invested in high quality securities.”

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	
Australasian																	
AMPCI	Active	304.4	-1.8	(3)	7.4	(4)	5.0	(9)	2.4	(6)	9.5	(5)	2.6	0.4	(9)		
AMPCI	Strategic	507.0	-4.4	(9)	1.4	(11)	3.4	(11)	1.6	(9)	10.1	(3)	4.9	-0.1	(11)		
AXAGI	Multi-manager	485.5	-5.6	(12)	1.2	(12)	4.6	(10)	1.8	(7)	n.a		4.2	0.1	(10)		
BAM	Australasian Equities	2.0	-1.6	(1)	7.6	(3)	6.1	(5)	3.2	(4)	10.1	(2)	2.8	0.7	(5)		
BTFM	NZ Share Plus	212.6	-4.5	(10)	9.0	(2)	7.4	(4)	3.1	(5)	n.a		2.7	1.2	(2)		
BTFM	Dividend Share	49.3	-3.9	(8)	7.3	(5)	9.3	(2)	4.5	(2)	n.a		2.3	2.3	(1)		
DEV	NZ Core	129.9	-2.5	(5)	5.6	(7)	9.6	(1)	4.1	(3)	n.a		5.4	1.0	(4)		
HAM	Australasian Eq	754.0	-5.2	(11)	4.4	(9)	n.a		n.a		n.a		n.a	n.a			
MAM	NZ Equities	130.0	-2.6	(7)	6.9	(6)	8.7	(3)	4.6	(1)	n.a		3.8	1.2	(3)		
ONEPATH	Australasian Share	523.9	-2.0	(4)	10.5	(1)	6.1	(6)	1.7	(8)	11.3	(1)	2.7	0.7	(6)		
TOWER	NZ Shares	191.5	-1.7	(2)	4.6	(8)	5.7	(7)	1.4	(10)	9.5	(6)	3.0	0.6	(7)		
TYN	Core Share	52.0	-2.5	(6)	3.8	(10)	5.7	(8)	1.2	(11)	9.8	(4)	3.0	0.5	(8)		
	Median				-2.5		6.2		6.1		2.4		9.9			3.0	0.7
Non core																	
BAM	Alpha	28.2	-7.6		-6.6		5.2		7.1		15.1		7.6	0.2			
BAM	Tasman Wholesale	1.7	-5.2		0.2		6.5		6.3		12.3		5.8	0.4			
BAM	Mid Cap	28.0	-2.4		3.5		6.7		5.4		n.a		6.8	0.4			
BTFM	Focus Share	50.4	-6.4		7.7		10.4		n.a		n.a		5.5	1.2			
DEV	Alpha	35.6	-6.8		-7.4		n.a		n.a		n.a		n.a	n.a			
DEV	Trans-Tasman	91.3	-7.7		-4.4		4.6		1.8		10.7		6.6	0.1			
FIS	NZ Growth	n.a	-4.5		10.9		5.0		-1.2		11.6		8.8	0.1			
MAM	Trans-Tasman	36.0	-4.7		3.0		11.7		n.a		n.a		5.7	1.3			
MNT	Trans-Tasman	7.9	-5.9		3.0		8.1		n.a		n.a		5.8	0.7			
ONEPATH	ESF	86.1	-1.6		11.6		6.9		1.4		n.a		5.3	0.5			
PIE	Australasian Growth	20.6	-8.1		15.0		33.5		n.a		n.a		15.9	1.9			
TYN	Aggressive	138.5	-6.5		-2.7		7.8		6.3		n.a		7.0	0.5			
TYN	Small Companies	19.1	-13.1		-12.9		5.7		1.7		n.a		14.3	0.1			
Indexed																	
SMS	NZ Top 10	57.9	-1.7		7.2		4.0		-1.1		4.9		5.2	0.0			
SMS	NZ Top 50	79.7	-7.4		-3.5		1.9		-2.2		n.a		8.1	-0.3			
SMS	NZ Mid Cap	33.9	-6.4		-5.8		-4.1		-4.5		4.7		9.2	-0.9			
SMS	Aus Mid Cap	43.8	-18.7		-17.3		-6.0		-3.7		n.a		17.3	-0.6			
SMS	Aus Top 20	87.5	-13.7		-13.5		4.0		4.1		7.3		16.1	0.0			
Australian																	
AMPCI	Australian	37.1	-13.7	(3)	-11.5	(2)	3.2	(2)	2.6	(1)	8.2	(1)	12.5	0.3	(2)		
DEV	Australian	22.5	-12.8	(2)	-12.0	(3)	n.a		n.a		n.a		n.a	n.a			
ONEPATH	Australian	133.1	-11.9	(1)	-8.6	(1)	7.5	(1)	n.a		n.a		11.5	0.7	(1)		
TOWER	Australian	52.0	-14.5	(4)	-14.8	(4)	n.a		n.a		n.a		n.a	n.a			
Indexes																	
	NZX 50 incl IC's		-2.4		6.9		4.0		0.1		7.9						
	NZX 50 Portfolio		-5.0		2.0		3.2		-0.5		8.5						
	ASX200		-11.6		-8.6		-0.1		-0.7		7.2						
	90 day BB + 5% pa		2.0		8.2		8.8		10.9		11.3						

Notes:

- Tracking error is the standard deviation of value added. The index applied may not in all cases be the benchmark adopted by the manager for the fund.
- Information Ratio (IR) is value added divided by tracking error, i.e. risk adjusted performance.
- 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.
- 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.

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	Rank
Core															
AB	Style Blend	-13.7	(14)	-14.0	(14)	-8.5	(13)	-9.9	(13)	n.a		3.4	-1.2	(13)	
AMPCI	FDF Core Int'l Share	-10.1	(3)	-8.6	(6)	-4.2	(8)	-5.8	(9)	n.a		2.6	0.1	(8)	
AXAGI	Multi-manager	-13.0	(13)	-12.0	(13)	-4.3	(9)	-5.0	(8)	n.a		5.6	0.0	(9)	
BNP	Global Eq	-10.9	(8)	-6.0	(2)	-1.0	(2)	-1.8	(2)	0.9	(1)	3.3	1.1	(3)	
IBB	Int'l Shares	-11.8	(11)	-9.7	(12)	-3.3	(7)	-6.1	(11)	-3.1	(6)	2.4	0.5	(7)	
JANA	Core Global	-10.5	(5)	-7.7	(4)	-5.5	(12)	-7.1	(12)	n.a		2.7	-0.4	(12)	
MLC	NCIT	-9.0	(2)	-7.6	(3)	-2.4	(5)	-4.2	(6)	-1.2	(4)	2.9	0.7	(6)	
ONEPATH	Int'l Eq	-11.4	(9)	-7.7	(5)	-1.2	(3)	-2.8	(3)	-0.7	(3)	2.8	1.2	(2)	
RUS	ISF	-12.4	(12)	-9.6	(11)	-4.8	(11)	-6.0	(10)	n.a		2.2	-0.1	(11)	
RUS	GOF	-11.5	(10)	-8.7	(7)	-1.9	(4)	-3.5	(4)	n.a		2.8	0.9	(4)	
TOWER	International	-10.5	(6)	-9.3	(10)	-2.4	(6)	-3.9	(5)	-0.6	(2)	2.4	0.9	(5)	
TYN	Capital Int'l	-10.3	(4)	-9.0	(8)	-4.5	(10)	-4.6	(7)	-1.5	(5)	2.7	0.0	(10)	
TYN	Multi-Manager	-7.8	(1)	-5.8	(1)	n.a		n.a		n.a		n.a	n.a		
WEL	Opportunities	-10.5	(7)	-9.1	(9)	0.0	(1)	-1.3	(1)	n.a		3.0	1.5	(1)	
Median		-10.7		-8.9		-3.3		-4.6		-0.9		2.8	0.5		
Value															
AB	Value	-16.0	(5)	-15.9	(5)	-9.1	(4)	-10.6	(4)	-2.4	(4)	5.3	-0.9	(4)	
DFA	Value	-14.6	(4)	-12.4	(4)	-6.4	(3)	-7.0	(3)	-0.4	(2)	7.7	-0.2	(3)	
ELE	Value	-6.9	(1)	-3.3	(1)	n.a		n.a		n.a		n.a	n.a		
GMO	Equity Trust	-9.0	(2)	-6.6	(2)	-4.4	(2)	-5.0	(2)	-0.9	(3)	2.1	0.0	(2)	
TOWER	Marathon	-12.4	(3)	-10.4	(3)	1.5	(1)	-0.8	(1)	3.3	(1)	4.9	1.2	(1)	
WEL	Value	-10.6		-9.6		-2.5		-2.2		n.a		2.9	0.7		
Median		-11.5		-10.0		-4.4		-5.0		-0.6		4.9	0.0		
Growth															
AB	Research	-12.2	(2)	-12.7	(4)	-8.3	(4)	-9.4	(4)	-3.6	(3)	4.6	-0.8	(4)	
BNP	Growth	-9.8	(1)	-6.3	(1)	-0.4	(2)	-1.6	(2)	n.a		3.6	1.1	(2)	
TOWER	Marathon/Alliance Capital	-12.3	(3)	-10.1	(2)	2.3	(1)	-0.2	(1)	3.6	(1)	4.7	1.4	(1)	
WEL	Growth	-13.6	(4)	-10.1	(3)	-5.4	(3)	-6.3	(3)	-2.8	(2)	6.1	-0.2	(3)	
Median		-12.3		-10.1		-2.9		-3.9		-2.8		4.7	0.5		
Indexed															
AMPCI	WinZ	-7.7		-4.8		-3.2		-4.1		-2.6		2.0	0.6		
VAN		-9.6		-7.4		-4.4		-5.1		-2.5		0.5	0.1		
Other															
AMPCI	Extended	-14.5		-11.4		-0.7		-2.4		n.a		14.3	-0.1		
AMPCI	Socially Responsible	-12.1		-9.4		-3.8		-3.8		n.a		3.0	0.2		
GMO	Emerging	-16.5		-16.6		0.6		0.8		n.a		10.1	0.0		
JANA	High Alpha	-11.2		-10.2		-3.0		-5.2		n.a		6.2	0.2		
LMI	Emerging	-20.9		-23.8		-2.7		-0.7		9.1		4.4	-0.7		
TYN	SRI	-8.4		-8.4		-2.7		n.a		n.a		6.6	0.3		
Indexes															
MSCI 0% hedged		-9.9		-8.0		-4.5		-5.3		-2.6					
MSCI 100% hedged		-14.8		-4.9		-0.8		-2.7		3.4					
MSCI Emerging 0% hedged		-17.5		-18.3		0.3		1.2		9.2					

Other		FUM Hedge		3 months		1 year		3 years		5 years		3 years	
		\$m	%	% pa		% pa		% pa		% pa		Volatility	
AAML		89.0	n.a	-2.5		9.1		16.9		11.6		9.9	
CIP	Equity	n.a	n.a	-7.6		-4.3		n.a		n.a		n.a	
MAM	Active Growth	188.0	n.a	-1.2		4.6		11.7		n.a		5.8	
MGH		14.8	n.a	-1.4		-3.3		1.6		0.3		14.0	
PFAM	Commodities	27.4	100.0	-7.9		2.5		n.a		n.a		n.a	
TCO	Commodity	n.a	70.0	1.9		17.4		2.2		4.3		19.6	
TYN	Income Fund	9.3	n.a	-4.8		4.4		8.2		n.a		6.3	
TYN	JPMAAM	45.1	100.0	-0.6		9.3		6.5		7.5		6.7	
TYN	Option	121.9	n.a	-23.8		-9.3		1.8		7.6		23.1	
WEL	Commodity	n.a	n.a	-1.9		2.6		0.0		n.a		15.4	
Index													
HFR FoF Hedged NZD				-4.4		0.7		2.9		3.7		6.1	

Property		FUM \$m	3 months % Rank	1 year % Rank	3 years % pa Rank	5 years % pa Rank	10 years % pa Rank	3 years		
								Tr Err	IR	Rank
NZ Listed										
AMPCI	NZ Listed	7.0	0.7 (2)	14.6 (3)	n.a	n.a	n.a	n.a	n.a	
AXAGI	Australasian	109.4	-0.9 (6)	10.7 (6)	3.9 (4)	n.a	n.a	2.7	-0.5	(4)
BTFM	NZ Listed	152.1	0.5 (3)	15.5 (1)	7.0 (1)	2.9 (1)	n.a	2.1	4.7	(1)
MNT	Australasian	37.7	-0.8 (4)	11.0 (5)	4.6 (3)	n.a	n.a	3.3	-0.2	(3)
ONEPATH	Prop Securities	196.3	-0.8 (5)	13.1 (4)	5.1 (2)	2.1 (2)	10.8 (1)	2.3	-0.1	(2)
TYN	Property Securities	15.1	1.6 (1)	15.2 (2)	n.a	n.a	n.a	n.a	n.a	
Median			-0.1	13.8	4.8	2.5	10.8	2.5	-0.2	
NZ Direct										
AMPCI	AIF P	227.3	1.1 (2)	2.4 (2)	-12.0 (2)	-1.7 (2)	6.2 (2)	11.7	-0.6	(2)
TOWER		269.0	1.2 (1)	6.3 (1)	1.6 (1)	4.5 (1)	11.5 (1)	4.8	1.4	(1)
Median			1.2	4.3	-5.2	1.4	8.9	8.2	0.4	
Global										
AMPCI	GPSF	152.8	-18.3 (5)	-1.4 (2)	-2.0 (1)	-3.3 (1)	n.a	7.0	0.1	(1)
AXAGI	Global Prop	109.7	-14.9 (1)	-2.8 (3)	-2.1 (2)	n.a	n.a	12.6	0.1	(2)
IBB	Int'l Prop	56.1	-15.8 (2)	-3.3 (4)	-3.9 (4)	-4.9 (2)	n.a	2.9	-0.3	(4)
ONEPATH	Ex Australia	155.4	-16.6 (3)	-0.4 (1)	-3.6 (3)	-5.6 (3)	n.a	5.3	-0.1	(3)
RUS	Global RE	n.a	-17.3 (4)	-8.7 (5)	-5.3 (5)	-6.2 (4)	n.a	6.5	-0.4	(5)
Median			-16.6	-2.8	-3.6	-5.2	n.a	6.5	-0.1	
Indexes										
NZX Property			1.6	15.0	5.3	2.1	9.2			
UBS Global Property			-15.0	-1.1	-3.0	-4.5	n.a			

NZ Bonds		FUM \$m	3 months % Rank	1 year % Rank	3 years % pa Rank	5 years % pa Rank	10 years % pa Rank	3 years		
								Tr Err	IR	Rank
NZ Bonds										
AB	Fixed Income	449.8	3.3 (6)	7.8 (6)	9.7 (2)	8.5 (3)	n.a	1.2	1.4	(3)
AMPCI	AIF F	1003.2	3.5 (3)	8.4 (4)	10.0 (1)	9.2 (1)	7.8 (1)	1.4	1.5	(2)
AXAGI		286.5	3.2 (7)	7.2 (7)	8.9 (4)	7.7 (5)	n.a	3.2	0.3	(6)
BTFM	Bond Fund	257.1	3.4 (4)	9.0 (3)	8.4 (6)	7.8 (4)	7.2 (5)	1.0	0.4	(5)
ONEPATH	NZ Fixed Plus	715.5	3.6 (2)	9.3 (1)	7.7 (7)	7.1 (7)	7.4 (4)	3.0	-0.1	(7)
TOWER		654.8	3.8 (1)	9.2 (2)	9.3 (3)	8.6 (2)	7.5 (2)	0.7	1.9	(1)
TYN		186.1	3.3 (5)	8.3 (5)	8.6 (5)	7.7 (6)	7.4 (3)	1.1	0.6	(4)
Median			3.4	8.4	8.9	7.8	7.4	1.2	0.6	
Other										
BTFM	Corporate Bonds	133.5	2.3	7.6	8.1	n.a	n.a	2.5	0.0	
ONEPATH	Sovereign	326.8	3.8	8.5	8.1	8.2	n.a	0.6	0.1	
ONEPATH	High Grade	341.1	3.3	9.4	6.8	5.7	n.a	5.9	-0.2	
ONEPATH	High Yield	47.6	3.8	11.8	10.8	9.0	n.a	3.4	0.8	
TYN	Corporate	49.1	2.7	8.7	n.a	n.a	n.a	n.a	n.a	
Indexes										
NZ Govt Stock			3.5	7.8	8.0	7.5	6.9			
NZ All Swaps			3.4	6.8	9.3	8.7	n.a			

Global Bonds		3 months % Rank	1 year % Rank	3 years % pa Rank	5 years % pa Rank	10 years % pa Rank	3 years			
							Tr Err	IR	Rank	
AB	Global Plus (simulated)	3.7 (6)	6.3 (5)	11.3 (5)	9.0 (3)	9.2 (2)	3.3	0.6	(5)	
AMPCI	AIF Q	0.5 (12)	3.5 (12)	11.4 (4)	7.5 (9)	7.9 (6)	5.9	0.4	(7)	
AMPCI	AIF HQ	4.6 (1)	6.9 (1)	10.3 (6)	n.a	n.a	2.3	0.5	(6)	
AXAGI	Multi-manager	3.5 (7)	5.7 (7)	10.2 (7)	8.4 (6)	n.a	3.2	0.6	(4)	
BLK	Global Diversified	2.7 (11)	4.3 (11)	8.8 (9)	n.a	n.a	1.1	-0.4	(10)	
DFA	5 year	3.1 (8)	6.2 (6)	8.3 (11)	8.1 (8)	n.a	1.8	-0.5	(11)	
ONEPATH	Int'l Fixed Interest	4.2 (3)	5.5 (8)	8.6 (10)	8.9 (5)	8.6 (4)	1.7	-0.4	(9)	
PIMCO		3.7 (5)	6.7 (4)	13.7 (1)	10.0 (1)	n.a	4.8	0.9	(1)	
RUS	Global Bond	2.8 (10)	5.0 (9)	11.8 (3)	9.3 (2)	9.2 (1)	3.3	0.8	(2)	
TOWER	PIMCO	3.9 (4)	6.7 (2)	12.0 (2)	9.0 (4)	9.0 (3)	4.1	0.7	(3)	
TOWER	Wellington	4.3 (2)	6.7 (3)	n.a	n.a	n.a	n.a	n.a		
TYN	FFTW	2.9 (9)	4.7 (10)	9.0 (8)	8.3 (7)	8.5 (5)	2.2	-0.1	(8)	
Median		3.6	6.0	10.8	8.9	9.0	3.3	0.5		
A\$ Hedged										
IBB		n.a	n.a	n.a	n.a	n.a				
WEL		5.1	8.6	11.2	9.2	8.5				
Indexes										
Barclays Global Agg		3.7	5.6	9.3	8.6	8.6				
Citigroup WGBI		4.7	5.3	8.1	8.4	8.4				

Cash		FUM \$m	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	NZ Cash	278.9	0.8	(5)	3.6	(6)	4.2	(6)	5.8	(5)	n.a		0.2	2.9	(4)
AMPCI	AIF Cash	1907.1	0.9	(3)	4.1	(2)	4.6	(3)	6.3	(2)	6.3	(3)	0.1	12.5	(1)
AXAGI	Cash	527.5	0.8	(4)	3.7	(5)	4.4	(4)	5.9	(4)	n.a		0.5	1.7	(6)
BTM		275.4	0.7	(6)	3.7	(4)	5.0	(1)	5.5	(7)	6.0	(5)	1.3	1.2	(7)
ONEPATH	Cash	1013.0	0.9	(2)	3.9	(3)	4.2	(5)	6.2	(3)	6.7	(1)	0.2	3.0	(3)
TOWER		808.1	0.4	(7)	3.2	(7)	4.0	(7)	5.8	(6)	6.1	(4)	0.2	1.9	(5)
TYN		212.4	0.9	(1)	4.3	(1)	4.9	(2)	6.5	(1)	6.6	(2)	0.4	3.8	(2)
Median			0.8		3.7		4.4		5.9		6.3		0.2	2.9	
Index															
90 day Bank Bill			0.7		3.0		3.5		5.5		5.9				

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	%
Balanced														
AMPCI	AIF B	-5.3	(5)	1.1	(2)	3.0	(5)	3.0	(4)	5.8	(5)	60.0	40.0	20.0
ASB		-5.1	(4)	0.3	(5)	3.0	(6)	2.0	(6)	n.a		59.0	41.0	n.a
AXAGI		-5.9	(6)	-0.9	(6)	3.8	(4)	2.1	(5)	7.3	(1)	63.2	36.8	18.3
ONEPATH		-5.1	(3)	3.4	(1)	5.1	(1)	3.1	(3)	7.0	(2)	61.5	38.5	12.7
TOWER		-4.0	(1)	0.5	(4)	4.6	(2)	3.4	(1)	6.9	(3)	57.7	42.3	n.a
TYN		-4.9	(2)	1.0	(3)	4.0	(3)	3.2	(2)	6.4	(4)	54.4	45.6	17.7
Median		-5.1		0.8		3.9		3.1		6.9		59.5	40.5	18.0
SRI Balanced														
AMPCI	SRI Fund	-4.5		2.8		n.a		n.a		n.a		59.7	40.3	
TYN		-3.0		0.7		3.9		n.a		n.a		n.a	n.a	
Median		-3.7		1.8		3.9		n.a		n.a		59.7	40.3	
Conservative														
AMPCI		-0.7	(1)	4.1	(1)	5.9	(1)	6.3	(1)	6.9	(1)	24.5	75.5	
ASB		-2.4	(2)	2.0	(2)	4.5	(3)	3.8	(2)	n.a		38.9	61.1	
AXAGI		-3.1	(3)	1.4	(3)	5.2	(2)	3.4	(3)	6.1	(2)	42.5	57.5	
Median		-2.4		2.0		5.2		3.8		6.5		38.9	61.1	
Growth														
AMPCI		-10.2	(3)	-2.4	(2)	-0.7	(3)	-0.5	(3)	4.0	(2)	87.5	12.5	
ASB		-7.9	(1)	-1.7	(1)	1.3	(2)	0.0	(2)	n.a		79.3	20.7	
AXAGI		-7.9	(2)	-2.6	(3)	2.9	(1)	0.7	(1)	5.2	(1)	78.2	21.8	
Median		-7.9		-2.4		1.3		0.0		4.6		79.3	20.7	

Acronym References

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

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.

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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 selection exercises utilising Towers Watson's expertise.

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
Aggressive Funds								
AMP	Aggressive	96.7	90.0	-7.7 (9)	-2.8 (7)	1.4 (9)	-2.4 (11)	14.7
AMP	Growth	116.6	77.0	-6.2 (3)	-1.4 (5)	2.3 (7)	-1.0 (10)	12.3
ASB	Growth	174.1	80.0	-7.7 (8)	-1.6 (6)	2.6 (5)	1.1 (7)	12.4
AXA	Growth	66.7	85.0	-8.3 (10)	-2.9 (9)	1.6 (8)	2.5 (5)	12.8
Fidelity	Aggressive	10.6	100.0	-16.5 (11)	-11.4 (11)	-2.8 (11)	-0.9 (9)	14.0
Fidelity	Growth	30.2	77.5	-7.2 (5)	-4.3 (10)	0.2 (10)	-0.8 (8)	10.6
Fisher	Growth	338.6	68.5	-7.7 (6)	0.0 (4)	5.2 (1)	10.0 (1)	14.2
OnePath	Growth	6.8	80.0	-5.2 (1)	2.2 (2)	3.4 (4)	2.6 (4)	10.0
SIL	Growth	91.4	80.0	-7.7 (7)	0.5 (3)	4.0 (3)	2.8 (3)	11.1
TOWER	Growth	54.1	77.5	-7.0 (4)	-2.9 (8)	2.4 (6)	1.7 (6)	11.6
Westpac	Growth	143.2	77.5	-5.6 (2)	2.3 (1)	4.2 (2)	3.9 (2)	8.5
Median			80.0	-7.7	-1.6	2.4	1.7	12.3
Balanced Funds								
AMP	Balanced	142.0	60.0	-3.9 (5)	0.5 (7)	3.5 (10)	1.7 (12)	8.7
AMP	Moderate Balanced	135.5	51.0	-3.3 (2)	1.3 (6)	3.8 (7)	2.2 (10)	7.3
AMP	Tyndall Balanced	6.4	55.0	-4.9 (9)	-0.6 (10)	3.5 (11)	1.9 (11)	9.4
ASB	Balanced	188.9	60.0	-5.0 (10)	0.3 (8)	3.9 (6)	2.8 (8)	9.4
AXA	Balanced	89.7	60.0	-4.8 (8)	-0.2 (9)	3.7 (8)	4.8 (1)	9.1
Fidelity	Balanced	67.7	50.0	-5.2 (11)	-2.4 (12)	1.9 (12)	2.7 (9)	7.6
OnePath	Balanced	5.9	50.0	-2.1 (1)	3.5 (1)	4.8 (2)	4.4 (3)	6.1
OnePath	Balanced Growth	7.0	65.0	-3.7 (3)	2.8 (2)	4.1 (5)	3.6 (6)	8.0
SIL	Balanced	142.1	50.0	-3.7 (4)	2.4 (4)	5.0 (1)	4.4 (4)	6.7
SIL	Balanced Growth	129.9	65.0	-5.7 (12)	1.5 (5)	4.5 (4)	3.6 (5)	8.9
TOWER	Balanced	187.6	55.0	-4.1 (6)	-0.8 (11)	3.7 (9)	3.3 (7)	7.5
Westpac	Balanced	229.8	63.0	-4.7 (7)	2.5 (3)	4.6 (3)	4.4 (2)	7.1
Median			57.5	-4.4	0.9	3.9	3.4	7.8
Moderate Funds								
AMP	Moderate	95.9	38.0	-1.8 (3)	2.5 (3)	4.6 (4)	3.4 (4)	4.9
ASB	Moderate	252.8	40.0	-2.3 (4)	2.0 (4)	4.8 (3)	4.3 (3)	6.5
OnePath	Cons Balanced	2.5	35.0	-0.5 (1)	4.3 (1)	5.4 (2)	5.2 (1)	4.3
SIL	Cons Balanced	56.0	35.0	-1.7 (2)	3.4 (2)	5.5 (1)	5.0 (2)	4.7
Median			36.5	-1.8	2.9	5.1	4.6	4.8
Conservative Funds								
AMP	Conservative	51.6	25.0	-0.3 (6)	3.9 (4)	5.5 (4)	5.5 (4)	2.9
AMP	Default	393.0	20.0	-0.8 (10)	2.9 (8)	3.9 (11)	3.6 (12)	2.9
ASB	Conservative	1079.3	20.0	0.2 (2)	3.5 (6)	4.9 (7)	5.3 (6)	2.9
AXA	Conservative	20.1	25.0	-0.5 (7)	3.4 (7)	5.7 (2)	6.6 (1)	4.1
AXA	Income Plus	506.5	20.0	-0.6 (8)	2.6 (9)	4.8 (8)	5.9 (2)	3.6
Fidelity	Capital Guaranteed	25.2	15.0	-0.2 (5)	2.6 (10)	3.8 (12)	3.8 (11)	2.4
Fidelity	Conservative	31.3	25.0	-1.6 (13)	1.8 (12)	4.7 (9)	4.3 (10)	4.3
Fisher	Conservative	117.5	10.1	-1.1 (12)	-1.6 (13)	0.4 (13)	n.a	n.a
OnePath	Conservative	477.2	20.0	1.0 (1)	4.8 (1)	5.9 (1)	5.8 (3)	2.6
SIL	Conservative	172.2	20.0	0.2 (3)	4.0 (3)	5.7 (3)	5.4 (5)	2.7
TOWER	Conservative	38.5	30.0	-0.7 (9)	2.3 (11)	5.2 (5)	5.1 (7)	4.7
TOWER	Default	360.4	20.0	0.2 (4)	3.6 (5)	4.6 (10)	4.6 (9)	2.7
Westpac	Conservative	526.1	25.0	-0.9 (11)	4.2 (2)	5.2 (6)	5.1 (8)	3.1
Median			20.0	-0.5	3.4	4.9	5.2	2.9

Note: Returns shown are gross of tax and net of investment fees.

Asset Allocation		NZ/Aus Shares	Global Shares	NZ/Aus Prop	Global Prop	Alt Assets	Growth Assets	NZ Bonds	Global Bonds	Cash	Income Assets
Aggressive Funds											
AMP	Aggressive	19.4	55.3	7.9	4.9		87.5	3.9		8.6	12.5
AMP	Growth	16.7	47.1	6.7	4.4		74.9	9.1	3.6	12.5	25.1
ASB	Growth	24.3	45.3		9.7		79.3	6.0	12.2	2.5	20.7
AXA	Growth	20.0	46.3	3.5	6.0	7.6	83.4	2.5	7.4	6.7	16.6
Fidelity	Aggressive		76.7			23.3	100.0				
Fidelity	Growth	27.0	37.5	9.5			74.0	9.5	16.3	0.2	26.0
Fisher	Growth	41.6	26.9				68.5			31.5	31.5
OnePath	Growth	25.7	42.2	11.6			79.5	5.9	9.8	4.8	20.5
SIL	Growth	25.6	42.0	6.0	5.5		79.0	5.9	6.2	8.9	21.0
TOWER	Growth	21.0	51.5	6.3			78.8	8.4	10.5	2.4	21.3
Westpac	Growth	25.9	37.5	10.0		8.9	82.3	8.2	4.8	4.7	17.7
Average		22.5	46.2	5.6	2.8	3.6	80.6	5.4	6.4	7.5	19.4
Balanced Funds											
AMP	Balanced	14.4	35.5	7.1	3.1		60.0	20.3	13.2	6.5	40.0
AMP	Moderate Balanced	11.3	30.6	4.5	3.3		49.7	19.5	10.7	20.2	50.3
AMP	Tyndall Balanced	20.2	23.6			19.1	62.9	17.8	19.3		37.1
ASB	Balanced	19.3	30.0		9.7		59.0	16.0	19.2	5.9	41.0
AXA	Balanced	13.6	32.8	3.5	3.5	5.1	58.5	6.0	28.7	6.8	41.5
Fidelity	Balanced	24.6	28.9	6.1			59.6	19.5	19.6	1.3	40.4
OnePath	Balanced	15.9	26.4	7.9			50.2	13.2	25.0	11.6	49.8
OnePath	Balanced Growth	20.9	34.5	9.7			65.0	10.8	17.7	6.4	35.0
SIL	Balanced	16.2	25.6	4.0	3.7		49.6	13.5	20.1	16.8	50.4
SIL	Balanced Growth	21.3	33.7	5.0	4.6		64.6	10.6	12.2	12.6	35.4
TOWER	Balanced	12.0	33.0	12.7			57.7	13.3	20.8	8.2	42.3
Westpac	Balanced	21.4	32.5	5.0		8.0	66.9	16.2	9.5	7.4	33.1
Average		17.6	30.6	5.4	2.3	2.7	58.6	14.7	18.0	8.6	41.4
Moderate Funds											
AMP	Moderate	8.6	22.4	3.3	2.7		37.1	24.7	14.2	24.0	63.0
ASB	Moderate	13.4	16.9		8.7		39.0	20.8	27.1	13.1	61.0
OnePath	Cons Balanced	10.6	18.4	5.8			34.8	17.7	31.1	16.4	65.2
SIL	Cons Balanced	11.3	17.6	3.0	2.8		34.7	17.5	26.1	21.7	65.3
Average		11.0	18.8	3.0	3.6		36.4	20.2	24.6	18.8	63.6
Conservative Funds											
AMP	Conservative	5.9	14.2	2.2	2.2		24.4	29.9	17.8	27.9	75.6
AMP	Default	4.9	12.1	2.4	1.0		20.4	6.9	4.5	68.2	79.6
ASB	Conservative	8.6	10.9				19.4	24.6	29.9	26.1	80.6
AXA	Conservative	4.0	11.2	2.5	2.5	3.1	23.3	18.0	36.8	21.8	76.7
AXA	Income Plus	4.0	12.7	0.5	2.0		19.2	15.0	34.9	30.9	80.8
Fidelity	Capital Guaranteed	6.2	4.5				10.7	13.5	15.0	60.8	89.3
Fidelity	Conservative	18.2	12.1	4.7			35.0	29.7	29.9	5.4	65.0
Fisher	Conservative	3.5	5.2	1.4			10.1	30.8	22.4	36.7	89.9
OnePath	Conservative	7.1	10.2	3.0			20.2	20.2	38.2	21.4	79.8
SIL	Conservative	7.1	9.6	1.5	1.4		19.7	20.4	33.0	26.9	80.3
TOWER	Conservative	5.7	18.4	9.1			33.2	22.2	29.6	15.1	66.8
TOWER	Default	3.8	12.3	6.1			22.2	27.6	17.8	32.4	77.8
Westpac	Conservative	11.5	10.0	5.0		2.0	28.5	25.3	12.3	33.9	71.5
Average		7.0	11.0	3.0	0.7	0.4	22.0	21.9	24.8	31.4	78.0

For further information please contact:

Bernard Reid 09 300 7163
bernard.reid@mjlw.co.nz

Mark Weaver 09 300 7156
mark.weaver@mjlw.co.nz

Ian Midgley 04 499 0277
ian.midgley@mjlw.co.nz

Ben Trollip 09 300 7154
ben.trollip@mjlw.co.nz

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