

Investment Survey – September 2006

1. Investment returns

Results for the quarter (1 year results in brackets):

- NZ Share 0.7% (6.1%)
- Overseas Shares
 - unhedged -2.3% (21.9%)
 - hedged 5.8% (17.5%)
- Property 2.1% (18.6%)
- NZ Fixed Interest 1.4% (5.6%)
- Overseas Fixed Interest 3.9% (6.0%)
- Cash 1.9% (7.7%)

2. Comment on the asset sector results

The NZ and Australian share sector has been expanded and redefined such that there are now only three funds which invest exclusively in NZ listed shares. JBW have joined the Trans-Tasman sector. Comparing NZ with Australia, while the Australian market has done better in the last year, there have been similar results over the five year period. Fisher's results stand out for all periods.

The overseas share sector results have been split by investment style, separating out the core, value and growth managers. The results show that value managers continue to outperform the growth managers, with the core managers sitting (as expected) somewhere in between. Legg Mason joins the survey with their emerging market fund.

Over the last year the NZ fixed funds outperformed the NZ Government index, while the overseas fixed funds struggled against the Lehmans index. Over all the periods, overseas fixed funds have struggled to beat the index if allowance is made for fees charged.

The cash results with one exception are similar to the index. The funds now include the AMP SIP fund, which is structured to outperform cash, albeit with greater volatility in the returns.

The property results, NZ and global, have had strong performances over all periods. Over five years property is one of the top asset classes along with NZ and Australian shares. TAM had an extraordinary quarter, benefiting from the 50% sale of the Bayfair property at a price 30% above their own valuation.

The alternative assets results now include a Tower Commodities fund which, despite a poor one year result, has had a strong three year return result.

Results on the performance of the managers balanced, growth and conservative funds will be included in the MJW Master Trust survey due out in the last week of October 2006.

3. Australasian share sector

This quarter we focus on the New Zealand and Australian share portion of the survey, as this sector is set to become more interesting with the proposed changes to taxation. The tax changes should enhance the value of this sector.

The background details on the funds in the survey are given in the following table.

Table 1 – Background details

Fund	Inception date	Size at June 2006 (\$m)
<i>NZ Funds</i>		
BTFM	Jan 1994	17.3
MAM	Apr 2006	31.8
RUS	Mar 2005	49.9
TAM	Sep 1992	39.8
<i>NZ Indexed Funds</i>		
AMPCI	Feb 1997	51.5
Arcus	Mar 1997	97.8
TRU	Dec 2002	23.6
<i>Trans-Tasman Funds</i>		
AB	Jan 2000	83.0
AB (High Growth)	Jan 2000	90.0
AMPCI (Active)	Jun 1980	93.7
Arcus	Jul 2004	28.0
BAM	Jan 1997	32.7
BTFM	Nov 1999	17.4
CFS	Apr 1997	36.3
ING	Mar 1999	157.7
TYN	Jan 1992	360.0
<i>Alternative Funds</i>		
AMPCI (Strategic)	Mar 2001	95.6
FIS	Aug 1998	124.6
TYN (Aggressive)	Sep 2002	4.0
WCM	Dec 2002	46.4

There are now four sections for these funds covering NZ Funds, Trans-Tasman Funds, NZ Index Funds and "Alternative" Funds. Most funds have a 5-10 year track record but there are two new funds, Milford Asset Management and Russell.

3.1 Benchmark details

Table 2 – Benchmark details

Fund	Benchmark
<i>NZ Funds</i>	
BTFM	NZSX 50
MAM	NZSX 50 Portfolio (+ IC's)
RUS	NZSX 50
TAM	NZSX 50 (+ IC's)
<i>NZ Indexed Funds</i>	
AMPCI	NZSX 50 (+ IC's)
Arcus	BNZ 25
TRU	NZSX 50
<i>Trans-Tasman Funds</i>	
AB	Rus/GSJBW Tradeable
AB (High Gwth)	Rus/GSJBW Tradeable
AMPCI (Active)	NZSX 50 (+ IC's)
Arcus	NZSX 50
BAM	NZSX 50
BTFM	NZSX 50
CFS	NZSX 50
ING	NZSX 50
TYN	NZSX 50
<i>Alternative Funds</i>	
AMPCI (Strategic)	NZSX 50 Portfolio (+ IC's)
FIS	90 Day Bank Bill
TYN (Aggressive)	RBNZ OCR + 5% pa
WCM	NZSX 50 Portfolio

Not surprisingly, most funds are geared toward the headline index, the NZSX 50. Several funds gross up the index for imputation credits. Note that the NZSX Portfolio index contains the same stocks as the NZSX 50 but with different weighting rules.

The interesting funds are the Alternative Funds. Fisher Funds and Tyndall both aim to beat “risk free” investment returns. Walker Capital describe themselves as “benchmark unaware”.

3.2 Performance targets

Table 3 - Performance targets

Fund	Value Added (and Tracking Error)
<i>NZ Funds</i>	
BTFM	2 - 3% p.a. over 3yrs (4.5 - 6.0% p.a.)
MAM	Unspecified margin
RUS	1.5% (3 - 4% p.a.)
TAM	2.5 - 3.0%
<i>NZ Indexed Funds</i>	
AMPCI	None (0%)
Arcus	None (0%)
TRU ¹	None (0%)
<i>Trans-Tasman Funds</i>	
AB	2.5% p.a. over 3yrs
AB (High Growth)	5% p.a. over 3yrs
AMPCI (Active)	1% p.a.
Arcus	4% p.a.
BAM ²	3% p.a. over 3yrs (4 - 6% p.a.)
BTFM	2 - 3% p.a. over 3yrs (4.5 - 6.0% p.a.)
CFS	2.0 - 2.5% over 3yrs
ING	3% p.a. over 3yrs (3 - 6% p.a.)
TYN	3% p.a. (3 - 6% p.a.)
<i>Alternative Funds</i>	
AMPCI (Strategic)	1.5% p.a.
FIS	None
TYN (Aggressive)	0% (after management fees)
WCM ³	None

¹ Trust Investments tracks the NZSX50 index less "unethical" stocks. It does not hold Lion Nathan or SKYCITY.

² After transaction costs.

³ Target is 15% p.a. gross absolute return over long term.

Ignoring the Alternative Funds, the funds with the most aggressive targets are the Alliance Bernstein “High growth” and Arcus funds.

Not all the funds include tracking error figures.

3.3 Exposure to Australian shares

This is a key issue and the move to including more Australian shares is clearly shown in the table.

Note CFS has unrestricted access to the Australian market.

Table 4 - Australian Shares

Fund	Exposure June 2006 (maximum allowable)	
<i>NZ Funds</i>		
BTFM	0%	
MAM	0%	
RUS	0%	
TAM	0%	
<i>NZ Indexed Funds</i>		
AMPCI	0%	
Arcus	0%	
TRU	0%	
<i>Trans-Tasman Funds</i>		
AB	14%	(30%)
AB (High Growth)	23%	(40%)
AMPCI (Active)	14%	(30%)
Arcus	29%	(38%)
BAM	35%	(35%)
BTFM	17%	(50%)
CFS	58%	(100%)
ING	17%	(50%)
TYN	9%	(20%)
<i>Alternative Funds</i>		
AMPCI (Strategic)	20%	(50%)
FIS	0%	
TYN (Aggressive)	29%	(100%)
WCM	2%	(50%)

3.4 Portfolio make up

This table provides some insight into the type of performance that may be expected from each fund. The smaller the number of shares held, the bigger the ‘bets’ taken by a manager and possibly the greater the variability of the outcome in the short term.

Table 5 - Portfolio Makeup

Fund	Typical number of shares	Turnover rate p.a. (target)
<i>NZ Funds</i>		
BTFM	25 - 40 (min 15)	69% (50 - 70%)
MAM	10 - 20	
RUS	35 - 40	
TAM	about 30	40%
<i>NZ Indexed Funds</i>		
AMPCI	50	
Arcus	25	
TRU	48	
<i>Trans-Tasman Funds</i>		
AB	25-45	80% (80 - 100%)
AB (High Growth)	15-25	120% (120 - 140%)
AMPCI (Active)	35	104%
Arcus	45 - 50	96%
BAM	20 - 25	
BTFM	25 - 40 (min 15)	69% (50 - 70%)
CFS	25 - 30	50%
ING	27	88%
TYN	25	21%
<i>Alternative Funds</i>		
AMPCI (Strategic)	about 38	
FIS	17	35%
TYN (Aggressive)	15 (max 15)	101%
WCM	15 - 25	30%

3.5 Performance results

The graph below shows the risk return results for the three years to June 2006. The grouping of funds is as one might expect.

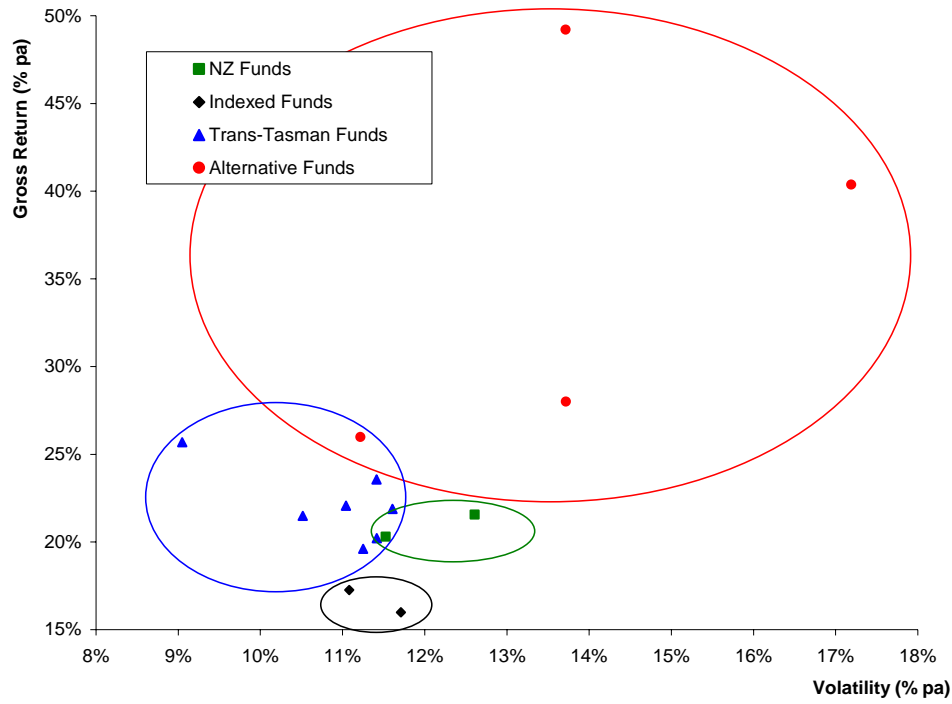


Table 1 – Share Funds**New Zealand and Australian Shares**

Manager	Type	3 Months		1 Year		3 Years		5 Years		3 Years					
		%	Rank	% p.a.	Rank	% p.a.	Rank	% p.a.	Rank	Excess Return % p.a.	Rank	Tracking Error % p.a.	Rank	Information Ratio % p.a.	Rank
NZ															
MAM		-2.7	(3)	9.3	(2)	n.a		n.a		n.a		n.a		n.a	
RUS	Multi	0.9	(2)	6.8	(3)	n.a		n.a		n.a		n.a		n.a	
TAM		1.2	(1)	9.5	(1)	19.2	(1)	18.2	(1)	2.1	(1)	1.1	(1)	1.9	(1)
Average		-0.2		8.5		19.2		18.2		2.1		1.1		1.9	
Indexed															
Arcus		1.5	(1)	5.5	(3)	15.4	(2)	14.8	(2)	-1.7	(2)	1.8	(2)	-0.9	(1)
AMPCI		0.7	(2)	5.8	(1)	16.4	(1)	16.4	(1)	-0.8	(1)	0.3	(1)	-2.6	(2)
TRU		0.5	(3)	5.6	(2)	n.a		n.a		n.a		n.a		n.a	
Trans-Tasman															
AB		2.2	(1)	10.5	(5)	18.2	(10)	17.4	(7)	1.0	(10)	2.5	(4)	0.4	(10)
AB	High Growth	0.9	(3)	13.3	(3)	20.6	(5)	20.4	(2)	3.5	(5)	2.7	(5)	1.3	(5)
AMPCI	Active	2.1	(2)	11.4	(4)	19.0	(9)	16.9	(9)	1.8	(9)	1.6	(1)	1.1	(6)
Arcus	Multi	-0.3	(6)	10.0	(7)	n.a		n.a		n.a		n.a		n.a	
BAM		-0.4	(8)	7.0	(9)	19.2	(8)	17.5	(6)	2.0	(8)	2.8	(6)	0.7	(9)
BTFM		0.9	(4)	4.0	(11)	20.6	(6)	17.0	(8)	3.4	(6)	3.2	(7)	1.1	(7)
CFS		0.5	(5)	15.0	(2)	23.3	(3)	16.4	(10)	6.1	(3)	7.4	(10)	0.8	(8)
ING		-0.7	(10)	10.0	(6)	23.3	(2)	21.9	(1)	6.2	(2)	3.2	(8)	1.9	(3)
JBW		-0.8	(11)	19.7	(1)	27.9	(1)	20.3	(3)	10.7	(1)	4.6	(9)	2.3	(1)
MGI		-0.6	(9)	8.3	(8)	21.5	(4)	17.7	(5)	4.4	(4)	2.2	(3)	2.0	(2)
TYN		-0.4	(7)	4.3	(10)	19.9	(7)	19.0	(4)	2.8	(7)	2.1	(2)	1.3	(4)
Average		0.3		10.3		21.3		18.5		4.2		3.2		1.3	
Other															
AMPCI	Strategic	0.5		21.5		23.2		19.5		6.0		10.8		0.6	
FIS		7.0		56.4		40.4		28.9		23.3		13.0		1.8	
TYN	Aggressive	2.6		34.3		43.6		n.a		26.5		13.5		2.0	
WCM		-3.3		16.9		22.9		n.a		5.8		8.0		0.7	
Indices															
NZSX50 (incl IC's)		0.7		6.1		17.1		16.2							
ASX200		2.9		16.0		22.8		15.8							

Overseas Shares (unhedged)

Manager	Type	3 Months		1 Year		3 Years		5 Years		3 Years					
		%	Rank	% p.a.	Rank	% p.a.	Rank	% p.a.	Rank	Excess Return % p.a.	Rank	Tracking Error % p.a.	Rank	Information Ratio % p.a.	Rank
Core															
No of Managers															
AB	1	-2.7	(4)	22.7	(5)	16.5	(2)	n.a		2.9	(1)	2.6	(6)	1.1	(1)
AMPCI	14	-3.2	(7)	21.5	(6)	n.a		n.a		n.a		n.a		n.a	
Arcus	5	-2.8	(5)	23.3	(3)	n.a		n.a		n.a		n.a		n.a	
BTFM	1	-1.6	(2)	19.8	(9)	17.0	(1)	6.0	(1)	0.6	(4)	3.2	(8)	0.2	(5)
ING	3	-1.3	(1)	24.2	(1)	14.7	(3)	1.5	(4)	1.0	(2)	1.6	(2)	0.6	(2)
MLC	7	-3.6	(9)	19.8	(8)	13.2	(7)	1.4	(5)	-0.4	(8)	2.1	(4)	-0.2	(8)
RUS	7	-2.9	(6)	21.2	(7)	13.9	(6)	0.9	(6)	0.2	(6)	1.1	(1)	0.2	(6)
TAM	4	-1.7	(3)	24.2	(2)	14.2	(5)	2.7	(2)	0.5	(5)	2.0	(3)	0.3	(4)
TYN	1	-3.5	(8)	23.2	(4)	12.9	(8)	0.7	(7)	-0.2	(7)	2.2	(5)	-0.1	(7)
WEL	1	-4.2	(10)	18.0	(10)	14.4	(4)	2.7	(3)	0.8	(3)	2.8	(7)	0.3	(3)
Average		-2.7		21.8		14.6		2.3		0.7		2.2		0.3	
Value															
AB		-0.9	(2)	27.6	(1)	18.7	(2)	6.0	(2)	5.1	(2)	2.4	(3)	2.1	(2)
CFS		-4.8	(6)	18.8	(6)	10.1	(5)	-0.8	(5)	-3.5	(5)	3.7	(5)	-0.9	(5)
DFA		-2.3	(3)	26.3	(2)	19.9	(1)	6.7	(1)	6.3	(1)	2.3	(2)	2.7	(1)
GMO		-2.9	(5)	21.0	(5)	15.5	(4)	3.4	(4)	1.8	(4)	1.9	(1)	1.0	(4)
TEM		-0.5	(1)	25.0	(3)	16.5	(3)	5.2	(3)	2.8	(3)	2.8	(4)	1.0	(3)
WEL		-2.6	(4)	21.9	(4)	n.a		n.a		n.a		n.a		n.a	
Average		-2.3		23.4		16.1		4.1		2.5		2.6		1.2	
Growth															
AB		-4.2	(2)	18.2	(2)	13.8	(1)	2.5	(1)	0.1	(1)	13.5	(2)	0.0	(1)
GMO		-3.6	(1)	18.2	(3)	n.a		n.a		n.a		n.a		n.a	
WEL		-5.1	(3)	18.5	(1)	12.0	(2)	0.8	(2)	-1.6	(2)	6.7	(1)	-0.2	(2)
Average		-4.3		18.3		12.9		1.6		-0.7		10.1		-0.1	
Indexed															
Arcus		-2.6	(2)	19.6	(2)	11.7	(2)	-0.7	(1)	-2.0	(2)	0.9	(1)	-2.3	(2)
AMPCI		-2.4	(1)	19.9	(1)	11.7	(1)	-1.1	(2)	-2.0	(1)	1.0	(2)	-2.0	(1)
Other															
AMPCI	Emerging	-3.9		22.2		n.a		n.a		n.a		n.a		n.a	
LMI	Emerging	3.4		33.4		26.5		19.9		-0.7		2.7		-0.3	
NZAM	Multi	-6.4		19.6		14.3		9.8		0.6		4.1		0.2	
Indices															
MSCI 0% hedged		-2.3		21.9		13.6		0.5							
MSCI 100% hedged		5.8		17.5		20.7		12.4							
MSCI Emerging 0% hedged		1.0		30.2		27.3		17.7							

Table 2 – Fixed Interest, Cash Funds**New Zealand Fixed Interest**

Manager Type	3 Months		1 Year		3 Years		5 Years		3 Years							
	%	Rank	% p.a.	Rank	% p.a.	Rank	% p.a.	Rank	Excess Return	Tracking Error	Information Ratio	% p.a.	Rank	% p.a.	Rank	
AB	1.5	(6)	6.2	(8)	6.0	(6)	6.6	(4)	0.4	(6)	0.6	(2)	0.7	(3)		
AMPCI	1.4	(9)	6.6	(5)	6.1	(4)	6.8	(3)	0.5	(4)	0.7	(4)	0.7	(4)		
Arcus Multi	1.5	(7)	6.7	(4)	n.a		n.a		n.a		n.a		n.a			
BTFM	1.6	(4)	6.4	(7)	5.6	(7)	6.4	(6)	0.0	(7)	0.7	(3)	-0.1	(6)		
ING	2.0	(1)	8.0	(1)	7.5	(1)	7.7	(1)	1.9	(1)	0.7	(5)	2.6	(1)		
RUS Multi	1.5	(8)	5.9	(9)	n.a		n.a		n.a		n.a		n.a			
TAM	1.6	(5)	6.5	(6)	6.1	(5)	6.5	(5)	0.5	(5)	0.7	(6)	0.6	(5)		
TRU	1.7	(3)	7.1	(2)	6.2	(3)	n.a		0.6	(3)	n.a		n.a			
TYN	1.8	(2)	7.1	(3)	6.6	(2)	7.2	(2)	1.0	(2)	0.4	(1)	2.3	(2)		
Average	1.6		6.7		6.3		6.9		0.7		0.6		1.1			
Index																
NZ Govt Stock	1.4		5.6		5.6		6.3									

Overseas Fixed Interest (hedged)

Manager Type	3 Months		1 Year		3 Years		5 Years		3 Years							
	%	Rank	% p.a.	Rank	% p.a.	Rank	% p.a.	Rank	Excess Return	Tracking Error	Information Ratio	% p.a.	Rank	% p.a.	Rank	
AB	3.9	(4)	6.2	(3)	7.8	(7)	7.6	(8)	0.1	(6)	0.6	(2)	0.2	(6)		
AMPCI Multi	4.1	(2)	5.9	(4)	7.6	(8)	8.4	(5)	-0.1	(8)	1.0	(5)	-0.1	(8)		
Arcus Multi	3.3	(8)	6.5	(2)	n.a		n.a		n.a		n.a		n.a			
BTFM	2.9	(10)	5.5	(9)	8.3	(3)	8.5	(4)	0.6	(3)	1.3	(7)	0.5	(5)		
CFS	3.9	(3)	5.7	(8)	7.9	(6)	8.2	(7)	0.0	(7)	0.6	(1)	0.0	(7)		
DFA	2.5	(11)	5.7	(7)	n.a		n.a		n.a		n.a		n.a			
ING	3.9	(5)	6.6	(1)	8.7	(1)	8.4	(6)	1.0	(1)	0.9	(4)	1.1	(1)		
RUS Multi	2.9	(9)	5.8	(6)	8.6	(2)	9.2	(1)	0.7	(2)	1.4	(8)	0.5	(4)		
TAM	3.4	(6)	5.8	(5)	8.2	(5)	9.1	(2)	0.5	(5)	0.6	(3)	0.7	(2)		
TRU	4.2	(1)	4.9	(11)	n.a		n.a		n.a		n.a		n.a			
TYN	3.3	(7)	5.1	(10)	8.2	(4)	8.7	(3)	0.5	(4)	1.0	(6)	0.5	(3)		
Average	3.5		5.8		8.2		8.5		0.4		0.9		0.4			
Index																
Lehman	3.9		6.0		7.7		8.5									
Citigroup WGBI	3.9		5.9		7.9		8.4									

Cash

Manager	3 Months		1 Year		3 Years		5 Years		3 Years							
	%	Rank	% p.a.	Rank	% p.a.	Rank	% p.a.	Rank	Excess Return	Tracking Error	Information Ratio	% p.a.	Rank	% p.a.	Rank	
AB	1.8	(8)	7.6	(9)	6.8	(9)	6.4	(6)	0.0	(9)	0.1	(3)	0.3	(9)		
AMPCI	1.8	(10)	7.7	(8)	6.9	(7)	6.5	(4)	0.1	(7)	0.1	(4)	1.1	(6)		
AMPCI Strategic Income	2.0	(1)	8.3	(2)	8.2	(2)	n.a		2.4	(1)	2.1	(10)	1.2	(5)		
Arcus	1.8	(7)	7.7	(6)	6.9	(6)	6.4	(5)	0.1	(6)	0.1	(1)	1.6	(3)		
BTFM	1.9	(3)	7.8	(5)	7.1	(3)	6.6	(3)	0.3	(3)	0.2	(8)	1.3	(4)		
CFS	1.8	(9)	8.3	(3)	6.9	(5)	n.a		0.1	(5)	0.2	(7)	0.6	(7)		
ING	2.0	(2)	8.7	(1)	8.2	(1)	7.3	(1)	1.4	(2)	0.5	(9)	3.0	(1)		
MGI	1.9	(4)	7.6	(10)	6.8	(10)	6.4	(7)	0.0	(10)	0.1	(5)	-0.2	(10)		
TAM	1.9	(5)	7.7	(7)	6.8	(8)	6.3	(8)	0.0	(8)	0.1	(2)	0.6	(8)		
TYN	1.9	(6)	7.9	(4)	7.0	(4)	6.8	(2)	0.2	(4)	0.1	(6)	2.3	(2)		
Average	1.9		7.9		7.2		6.6		0.5		0.3		1.2			
Index																
90 Day Bank Bill	1.9		7.7		6.8		6.3									

Table 3 – Property

Manager	3 Months		1 Year		3 Years		5 Years		3 Years					
	%	Rank	% p.a.	Rank	% p.a.	Rank	% p.a.	Rank	Excess Return % p.a.	Rank	Tracking Error % p.a.	Rank	Information Ratio % p.a.	Rank
NZ Listed														
AB	2.6	(6)	21.5	(4)	21.2	(4)	15.8	(4)	2.6	(4)	2.0	(1)	1.3	(3)
BAM Trans-Tasman	2.2	(7)	28.9	(1)	25.2	(1)	19.6	(2)	6.7	(1)	4.9	(4)	1.4	(2)
BAM Infrastructure	3.5	(2)	19.9	(6)	n.a		n.a		n.a		n.a		n.a	
BTFM	3.0	(4)	23.3	(3)	21.9	(3)	18.6	(3)	3.3	(3)	3.0	(3)	1.1	(4)
ING	2.9	(5)	24.5	(2)	24.9	(2)	20.2	(1)	6.3	(2)	2.4	(2)	2.7	(1)
JBW Trans-Tasman	4.6	(1)	n.a		n.a		n.a		n.a		n.a		n.a	
WCM Trans-Tasman	3.2	(3)	20.6	(5)	n.a		n.a		n.a		n.a		n.a	
Average	3.1		23.1		23.3		18.5		4.7		3.0		1.6	
NZ Direct														
AMPCI	7.3	(2)	20.5	(2)	17.7	(2)	14.2	(2)	-2.3	(2)	4.2	(1)	-0.6	(2)
TAM	18.6	(1)	35.1	(1)	22.5	(1)	18.9	(1)	2.4	(1)	6.1	(3)	0.4	(1)
TRU	2.1	(3)	13.3	(3)	13.8	(3)	n.a		-6.3	(3)	6.0	(2)	-1.1	(3)
Average	9.3		23.0		18.0		16.6		-2.1		5.4		-0.4	
Global														
AMPCI	11.3	(3)	36.5	(2)	35.3	(1)	n.a		3.0	(1)	2.0	(1)	1.5	(1)
ING	11.6	(2)	35.1	(3)	n.a		n.a		n.a		n.a		n.a	
RUS	3.5	(4)	36.6	(1)	n.a		n.a		n.a		n.a		n.a	
TYN	12.9	(1)	26.7	(4)	n.a		n.a		n.a		n.a		n.a	
Average	9.8		33.7		35.3		n.a		3.0		2.0		1.5	
Indices														
NZSE Property	2.1		18.6		18.6		16.9							
UBS Global Property	10.8		32.0		32.3		n.a							

Table 4 - Alternative Assets

Manager	Type	FX %	3 Months %	1 Year % p.a.	3 Years % p.a.	5 Years % p.a.	3 Years Volatility
BTFM	Multi	100.0	1.9	n.a	n.a	n.a	n.a
FID		n.a.	5.2	25.9	18.5	n.a	4.6
RUS	Multi	0.0	1.4	11.5	11.7	12.8	1.9
TCO	Comdty	0.0	-3.6	-4.9	20.1	n.a	15.4
TYN	Multi	0.0	2.6	14.1	12.0	n.a	3.4
WEL	Comdty	100.0	-9.9	28.7	18.8	n.a	16.1
Average			-0.4	15.1	16.2	12.8	8.3
Index							
HFR FoF Hedged NZD			1.1	9.8	11.5	10.8	

Notes:

1. Excess return is defined as gross return less benchmark return, i.e. value added.
2. Tracking error is the standard deviation of value added.
3. Information Ratio is value added divided by tracking error, i.e. risk adjusted performance.
4. 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 to those shown above.
5. Relative outperformance may be due to the nature of the fund rather than to superior performance
6. BAM NZ share fund is their 'Australasian Equities' Fund.
7. The ING property return shown is for the ING Property Securities Fund.
8. The index share funds are benchmarked against the standard share index and not against their own index.
9. Russell's global property fund is hedged to the Australian dollar.

Additional information

<i>Manager</i>	<i>Acronym</i>	<i>Total FUM (\$m)</i>
AllianceBernstein	AB	7,190.0
Arcus Investment Management	Arcus	n.a
AMP Capital Investors	AMPCI	11,472.0
Brook Asset Management	BAM	1,199.0
BT Funds Management	BTFM	2,382.0
Colonial First State Investment Management	CFS	5,413.0
Dimensional Fund Advisors	DFA	n.a
Fidelity Life	FID	320.8
Fisher Funds Management	FIS	640.0
GMO	GMO	n.a
ING	ING	7,942.0
Goldman Sachs JBWere	JBW	n.a
Legg Mason, Inc.	LMI	n.a
Milford Asset Management	MAM	220.0
MLC	MLC	n.a
Mercer Global Investments	MGI	987.1
New Zealand Assets Management	NZAM	667.0
Russell Investment Group	RUS	n.a
Tower Asset Management	TAM	4,714.0
Tower Commodities Fund (PIMCO)	TCO	n.a
Templeton	TEM	n.a
Trust Investments	TRU	700.0
Tyndall Investment Management	TYN	3,475.0
Walker Capital Management	WCM	210.3
Wellington Management Company	WEL	n.a

Note: Funds under management relate to the overall organisation.

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