

The Aon Investment Update as at 30 September 2015

Aon Hewitt Investment Consulting

This survey is produced by Aon Hewitt New Zealand

Other investment consulting services include:

- Establishing investment objectives for both our clients and investment managers.
- Determining long-term investment strategies, in the form of benchmark portfolios and sector ranges, consistent with the investment objectives.
- Determining the efficient frontier and risk/return profiles.
- Asset/liability modelling.
- Reviewing contractual agreements and legal documentation.
- Assisting in the appointment of investment managers, by
 - Establishing the selection criteria,
 - Identifying suitable investment managers,
 - Analysing investment managers' capabilities against the criteria,
 - Carrying out qualitative reviews.
- Performance monitoring, against both investment objectives and competitors.
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Our Global Reach

We provide a complete range of global investment consulting services tailored to clients' specific goals and circumstances. Our New Zealand actuarial and investment consulting team has a wealth of local experience – but we are also backed by the substantial resources of Aon Hewitt globally. We know the local market and can provide relevant and appropriate advice for New Zealand clients – and we have access to global best practice solutions.

If you need any help reviewing your fund's strategic long term asset allocations, or require any assistance with manager selection, please call your Aon Hewitt consultant. Contact details are at the back of this report on page 13.

Investment Commentary September 2015

Market summary

The US Federal Reserve made no change to the policy interest rate at its eagerly anticipated meeting on September 17th, however the meeting did little to remove the uncertainty around when the Federal Reserve would start raising rates – other than to confirm that it would not be September. Fed officials are indicating that an increase later this year remains likely, but market pricing suggests that it might not happen until 2016.

Concerns about the global economy, and the slowing Chinese economy in particular, appear to have been one reason for the Fed's caution – with Fed Chair Janet Yellen specifically mentioning that policymakers were “monitoring developments abroad”. The press statement stated: “recent global economic and financial developments may restrain economic activity somewhat and are likely to put further downward pressure on inflation in the near term.”

If that was their excuse for not raising rates in September, it seems unlikely that there will be an increase any time soon. Global growth is continuing to soften, and any significant increase in inflation, globally or in the US, looks a long way off.

The on-going uncertainty around the timing of rate rises in the US, coupled with weak economic data, saw equity markets continue to sell off in September and global bonds rallied as investors sought safe havens. Global equities fell 3.5% over the month in local current terms – a 4.5% fall in New Zealand dollar terms as the kiwi strengthened.

New Zealand shares also fell over the month, but outperformed most global markets. The Reserve Bank of New Zealand lowered interest rates again, for the third meeting in a row, taking the Official Cash Rate to 2.75%. The market expects them to cut again – the RBNZ said: “some further easing in the OCR seems likely”, but the recent recovery in dairy prices may cause the RBNZ to pause.

Global bonds rose over the month, with the Barclays Global Aggregate Bond index returning 0.82%. The 10-year US Treasury yield fell 18 basis points to 2.04% and UK and German yields fell 20 basis points to end the month at 1.76% and 0.59% respectively.

New Zealand bonds were also positive in September, with the Government Stock index rising 0.10% and the Corporate A Grade index up by 0.32%.

Fund Performance

The median balanced fund in the survey returned -1.1% in September following the -1.8% return in August. Over the quarter, the median return was -0.2% with performances ranging -3.3% (AMP Capital) to +0.7% (Nikko Asset Management).

New Zealand bonds funds all managed to provide positive returns over the quarter, but the median return in this sector was just 0.2% and the best performance came from Harbour's Corporate Bond fund (+0.4%). The median NZ Bond fund returned 2.2% for the quarter and 9.3% over the last 12 months.

Global bonds outperformed NZ bonds over September but underperformed over the last quarter and over the last 12 months. The median Global Bond fund has returned 1.3% over Q3 and 6.1% for the last 12 months.

All of the domestic equity funds in our survey delivered negative returns over the month - with the exception of the Devon Dividend Yield Fund which returned 0.8%. Salt's Javelin Fund and Castle Point's Trans Tasman Strategy were the worst performers, returning -1.9% over the month. For the quarter, returns ranged from -3.5% (ANZ's Australasian Equity fund) to 1.4% (Devon's Dividend Yield Fund).

Global equities also struggled, with the median manager returning -4.2% for the month and -3.4% for the quarter.

New Zealand Fund Management Changes

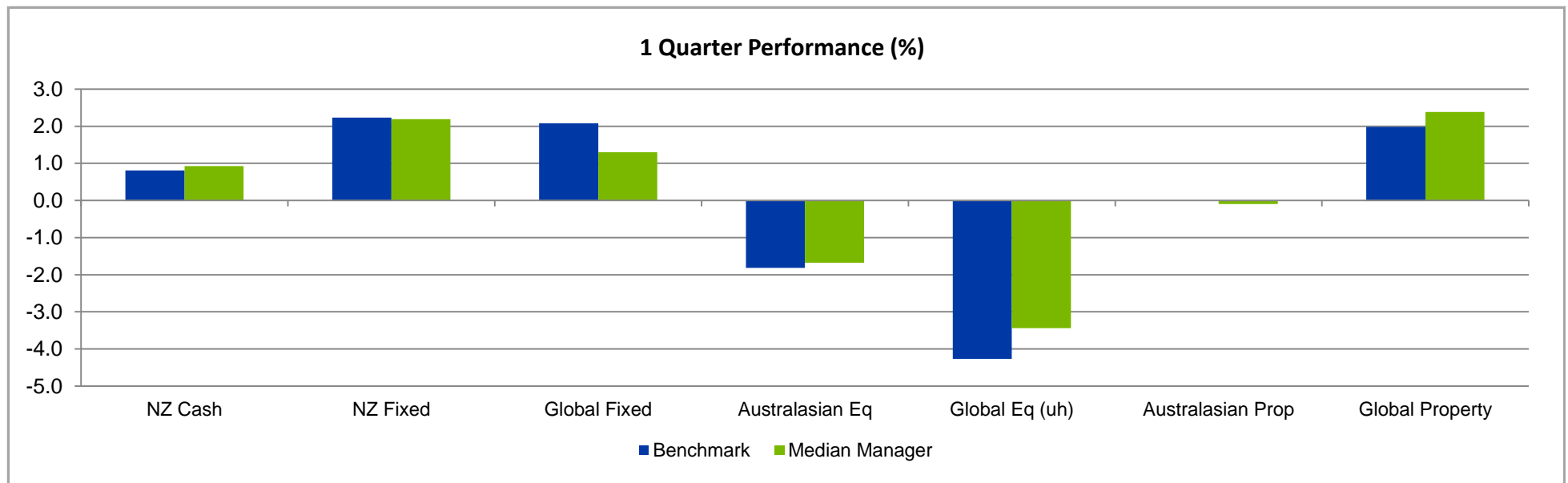
London Stock Exchange Group (LSEG) announced it has entered into an agreement to sell the investment management and solutions business of Russell Investments to TA Associates, a large private equity firm headquartered in the US. Reverence Capital Partners, an investment firm with broad asset management experience, has partnered with TA Associates and will be a significant minority investor.

Nikko Asset Management (NZ) announced that George Carter will replace Peter Lynn as Managing Director of the company. Carter was previously Head of Distribution at AMP Capital.

NZAM announced Sir John Anderson as its new Chairman. Sir John had previously acted as an advisor to the Board.

Median Manager Performance v Benchmark

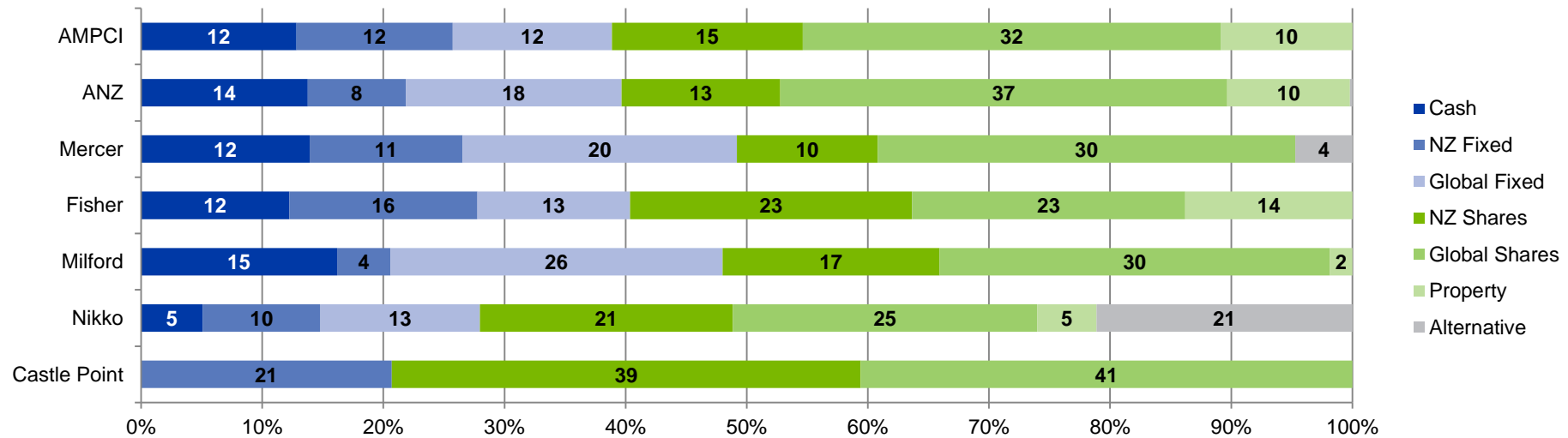
Sector		Returns (%) gross of tax and fees									Volatility 5 Yrs	
		For the period to 30 Sep 2015					For the year ended 30 September					
		1 Month	1 Qtr	1 Yr	3 Yrs	5 Yrs	2015	2014	2013	2012		2011
NZ Cash	ANZ 90D Bank Bills	0.2	0.8	3.6	3.1	3.0	3.6	3.1	2.7	2.7	3.0	0.1
	Median Manager	0.3	0.9	4.4	4.1	3.8	4.4	4.0	4.0	3.6	4.0	0.1
NZ Fixed Interest	ANZ NZ Govt Stock	0.1	2.2	9.0	3.9	5.6	9.0	5.2	-2.1	8.3	7.8	3.1
	Median Manager	0.2	2.2	9.3	5.4	6.6	9.3	5.9	2.3	8.2	8.5	2.5
Global Fixed Interest	Barclays Agg	0.8	2.1	6.9	6.1	6.5	6.9	8.7	2.8	8.4	5.6	2.6
	Median Manager	0.3	1.3	6.1	6.1	7.6	6.1	10.4	3.2	12.3	5.0	2.7
Australasian Equities	NZX 50 Gross	-0.6	-1.8	8.0	14.9	13.5	8.0	12.4	25.1	16.2	6.9	7.9
	Median Manager	-1.2	-1.7	8.3	16.8	14.5	8.3	17.2	26.2	17.0	5.6	8.1
Global Equities (unhedged)	MSCI ACWI	-4.6	-4.3	13.7	16.7	9.8	13.7	19.0	17.4	11.3	-9.6	9.7
	Median Manager	-4.2	-3.4	18.5	19.0	11.0	18.5	17.6	21.5	11.2	-8.6	10.2
Australasian Property	NZX Property	-1.5	-0.0	15.6	12.0	13.4	15.6	12.3	8.1	15.9	15.0	7.3
	Median Manager	-1.4	-0.1	15.9	14.4	15.7	15.9	16.4	11.4	20.9	13.8	6.9
Global Property	UBS Property	2.5	2.0	14.1	14.1	14.1	14.1	15.3	12.9	30.6	-0.1	13.1
	Median Manager	2.3	2.4	16.0	15.0	14.8	16.0	16.4	12.7	32.4	-0.9	14.8



Balanced Funds

Manager	FUM (\$m)	Returns (%) gross of tax and fees														5 Years	
		For the period to 30 Sep 2015										For the year ended 30 September					
		1 M Rk	1 Qtr Rk	1 Yr Rk	3 Yrs Rk	5 Yrs Rk	2015	2014	2013	2012	2011	Vol	SR Rk				
AMP Capital Investors RIL	42	-1.5 (6)	-3.3 (7)	4.6 (6)	10.5 (5)	9.6 (4)	4.6	13.5	13.7	14.0	2.8	4.3	1.5 (6)				
ANZ Investments	516	-1.1 (4)	-1.6 (5)	9.9 (3)	13.2 (2)	11.7 (2)	9.9	12.9	16.9	16.1	3.3	5.2	1.7 (3)				
Castle Point Funds	8	-1.6 (7)	0.2 (2)	4.3 (7)	8.0 (7)	7.1 (7)	4.3	9.1	10.6	7.4	4.1	2.5	1.6 (4)				
Fisher Institutional	814	-0.2 (1)	-0.2 (4)	7.5 (4)	9.8 (6)	8.7 (6)	7.5	10.9	11.1	13.7	0.5	4.1	1.4 (7)				
Mercer	722	-1.4 (5)	-1.8 (6)	7.4 (5)	11.1 (4)	9.2 (5)	7.4	12.5	13.5	10.6	2.6	4.1	1.5 (5)				
Milford Funds	298	-0.6 (2)	-0.2 (3)	10.8 (2)	14.3 (1)	12.7 (1)	10.8	14.3	18.1	17.4	3.4	4.3	2.2 (1)				
Nikko Asset Management	205	-0.6 (3)	0.7 (1)	11.7 (1)	13.1 (3)	10.5 (3)	11.7	13.3	14.2	13.1	0.8	4.1	1.8 (2)				
Minimum		-1.6	-3.3	4.3	8.0	7.1	4.3	9.1	10.6	7.4	0.5	2.5	1.4				
Median		-1.1	-0.2	7.5	11.1	9.6	7.5	12.9	13.7	13.7	2.8	4.1	1.6				
Maximum		-0.2	0.7	11.7	14.3	12.7	11.7	14.3	18.1	17.4	4.1	5.2	2.2				

Asset Allocation



NZ and Australasian Equities

					Returns (%) gross of tax and fees																			
Manager	Fund	Bench mark	FUM (\$m)	% in Aus	For the period to 30 Sep 2015										For the year ended 30 September					For last 5 years				
					1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2015	2014	2013	2012	2011	Vol	VA	TE	IR	Rk
AMPCI	NZ Shares	1	476	0	-0.5	(5)	-0.7	(6)	8.4	(10)	15.2	(15)	14.2	(12)	8.4	16.6	21.0	18.3	7.4	8.2	0.6	2.9	0.2	(13)
AMPCI	NZ Shares RIL	1	9	0	-0.9	(7)	-0.4	(5)	8.5	(9)					8.5	17.2								
AMPCI	Strategic NZ Share	2	151	0	-0.5	(4)	-0.3	(4)	11.0	(5)	16.2	(12)	14.0	(13)	11.0	17.4	20.2	21.3	1.4	8.1	0.2	3.5	0.0	(14)
ANZ	NZ Equities	1	112	0	-1.0	(9)	-3.4	(20)	4.2	(20)	15.7	(13)	15.0	(5)	4.2	16.5	27.8	17.0	10.8	8.1	1.3	2.0	0.7	(6)
ANZ	Australasian Equity	1	655	9	-1.6	(15)	-3.5	(21)	3.7	(21)	15.6	(14)	14.5	(9)	3.7	17.2	27.1	15.3	10.5	8.0	0.9	2.1	0.4	(8)
CPFM	Trans Tasman Strategy	1	0	19	-1.9	(21)	-0.1	(3)	6.1	(16)					6.1									
Devon	NZ Core	1	154	17	-1.1	(10)	-1.6	(10)	7.2	(13)	17.9	(6)	14.6	(8)	7.2	22.2	25.0	14.3	5.6	8.1	0.9	3.6	0.3	(12)
Devon	Dividend Yield	3	97	43	0.8	(1)	1.4	(1)	13.3	(2)	19.4	(3)			13.3	19.5	25.7							
Devon	Trans Tasman	3	113	54	-1.0	(8)	-1.8	(15)	15.0	(1)	22.4	(1)	15.0	(6)	15.0	24.4	28.3	14.4	-4.4	8.7	6.1	4.1	1.5	(3)
Fisher	Trans Tasman Equities	1	510	31	-0.6	(6)	-1.0	(8)	7.2	(14)	13.1	(18)	13.3	(16)	7.2	12.5	20.1	23.4	4.6	9.2	0.0	3.5	0.0	(16)
Harbour	Australasian Equity	5	616	26	-1.5	(14)	-1.7	(12)	4.3	(19)	16.9	(9)	13.8	(14)	4.3	16.2	31.8	14.4	4.4	8.7	-1.4	4.3	-0.3	(17)
Mercer	Trans Tasman Equity	1	371	21	-1.2	(11)	-1.7	(14)	6.5	(15)	17.0	(8)	14.5	(10)	6.5	17.4	28.0	14.9	6.8	7.7	0.8	2.2	0.3	(10)
Milford	NZ Equities	1	210	0	-0.2	(3)	-0.8	(7)	8.7	(8)	17.6	(7)	16.6	(2)	8.7	13.4	32.0	22.7	7.8	7.8	2.7	3.1	0.9	(4)
Milford	Trans Tasman	3	213	47	-1.5	(12)	-2.9	(19)	4.9	(18)	13.9	(17)	14.2	(11)	4.9	12.2	25.5	27.7	3.1	8.2	5.4	3.3	1.6	(1)
Mint	Trans Tasman Equity	1	68	14	-0.0	(2)	0.0	(2)	11.5	(4)	20.6	(2)	17.9	(1)	11.5	17.4	34.0	24.4	4.2	7.6	3.7	5.0	0.7	(5)
Nikko	Core Domestic Equity	1	236	6	-1.7	(16)	-1.7	(13)	9.6	(6)	16.6	(11)	13.6	(15)	9.6	14.3	26.7	15.0	3.8	8.1	0.1	2.4	0.0	(15)
Nikko	Australasian Smallcap	4	5	60	-1.7	(16)	-1.9	(16)	8.9	(7)	14.5	(16)	9.4	(17)	8.9	7.0	28.9	19.8	-12.9	12.6	10.0	6.7	1.5	(2)
Russell	NZ Shares	5	102	0	-1.8	(19)	-2.1	(18)	5.7	(17)					5.7	16.0								
Salt	Dividend Appreciation	1	76	0	-1.5	(13)	-1.4	(9)	11.8	(3)	18.6	(4)	15.7	(4)	11.8	19.0	25.3	15.7	7.3	8.0	1.9	3.1	0.6	(7)
Salt	NZ Plus Share	1	407	8	-1.7	(18)	-1.9	(17)	8.3	(11)	16.8	(10)	14.7	(7)	8.3	18.8	23.7	14.3	9.0	8.4	1.0	3.0	0.3	(11)
Salt	Javelin	2	75	15	-1.9	(20)	-1.7	(11)	8.3	(12)	18.3	(5)	16.0	(3)	8.3	23.6	23.6	17.8	7.7	9.0	1.9	4.7	0.4	(9)
	Minimum				-1.9		-3.5		3.7		13.1		9.4		3.7	7.0	20.1	14.3	-12.9	7.6	-1.4	2.0	-0.3	
	Median				-1.2		-1.7		8.3		16.8		14.5		8.3	17.2	26.2	17.0	5.6	8.1	1.2	3.4	0.4	
	Maximum				0.8		1.4		15.0		22.4		17.9		15.0	24.4	34.0	27.7	10.8	12.6	10.0	6.7	1.6	
	S&P/NZX 50 Gross incl I/C	1			-0.6		-1.8		8.0		14.9		13.5		8.0	12.4	25.1	16.2	6.9	7.9				
	S&P/NZX 50 Portfolio incl I/C	2			-0.1		-1.8		10.1		16.3		13.8		10.1	13.9	25.3	19.0	2.0	7.8				
	NZX50/ASX200 (50/50)	3			-2.7		-5.8		2.6		9.9		8.2		2.6	9.3	18.2	14.9	-2.6	9.1				
	NZX/ASX Small Cap	4			-1.4		-4.5		-3.6		-1.1		-0.8		-3.6	3.9	-3.5	11.6	-10.8	12.4				
	Russell NZ Tradeable Gross	5			-0.1		-0.8		10.3		16.4		15.3		10.3	14.6	24.8	15.3	12.0	8.0				

Australian Only Equity

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Sep 2015										For the year ended 30 September					For last 5 years				
				1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2015	2014	2013	2012	2011	Vol	VA	TE	IR	Rk
AMPCI	Australian Share	1	25	-4.3	(4)	-8.5	(3)	-0.6	(3)	6.3	(3)	4.1	(3)	-0.6	9.2	10.8	14.8	-11.5	13.1	1.2	1.8	0.7	(2)
ANZ	Australian Share	1	503	-3.1	(3)	-8.7	(4)	-2.8	(4)	7.4	(2)	4.7	(2)	-2.8	4.8	21.5	11.2	-8.6	12.3	1.7	3.9	0.4	(3)
Devon	Australian	1	43	-3.1	(2)	-5.6	(2)	5.5	(2)	13.3	(1)	7.8	(1)	5.5	15.0	19.9	13.5	-12.0	12.2	4.7	3.1	1.5	(1)
Milford	Dynamic	2	146	-0.1	(1)	0.3	(1)	12.4	(1)					12.4	18.1								
Minimum				-4.3		-8.7		-2.8		6.3		4.1		-2.8	4.8	10.8	11.2	-12.0	12.2	1.2	1.8	0.4	
Median				-3.1		-7.0		2.4		7.4		4.7		-0.6	9.2	19.9	13.5	-11.5	12.3	1.7	3.1	0.7	
Maximum				-0.1		0.3		12.4		13.3		7.8		5.5	15.0	21.5	14.8	-8.6	13.1	4.7	3.9	1.5	
ASX 200				1		-4.8		-9.8		-2.9		4.7		2.7				-11.7	13.5				
ASX SmallCap Industrials				2		1.0		0.3		3.1		10.5		3.1	4.2	25.6	14.1						
ASX 200 (in A\$)						-3.0		-6.6		-0.7		9.4		6.5				-8.6					

Income

		Returns (%) gross of tax and fees																					
Manager	Fund	FUM (\$m)	For the period to 30 Sep 2015										For the year ended 30 September					Benchmark					
			1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2015	2014	2013	2012	2011						
Harbour	Australasian Eq Income	82	0.3	(3)	0.2	(3)	13.2	(1)	18.0	(1)			13.2	17.8	23.2								n/a
Milford	Income	1,110	0.3	(2)	1.2	(2)	11.3	(2)	14.5	(2)	14.2	(1)	11.3	15.3	16.9	17.7	9.8						ANZ 90 Day Bank Bill Index
Nikko	Income	6	0.8	(1)	3.3	(1)	9.6	(3)	7.8	(3)	7.9	(2)	9.6	8.6	5.4	11.9	4.4						10% p.a.
Minimum			0.3		0.2		9.6		7.8		7.9		9.6	8.6	5.4	11.9	4.4						
Median			0.3		1.2		11.3		14.5		11.0		11.3	15.3	16.9	14.8	7.1						
Maximum			0.8		3.3		13.2		18.0		14.2		13.2	17.8	23.2	17.7	9.8						

Global Equities (Unhedged)

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Sep 2015										For the year ended 30 September					For last 5 years				
				1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2015	2014	2013	2012	2011	Vol	VA	TE	IR	Rk
AMPCI	Global Shares	2	699	-3.6	(6)	-1.8	(5)	18.3	(8)	20.7	(3)	12.4	(3)	18.3	20.3	23.6	11.5	-8.6	10.2	2.4	1.9	1.3	(2)
AMPCI	RIL Global Shares	1	48	-4.4	(9)	-6.1	(13)	12.6	(11)	18.0	(8)	10.6	(9)	12.6	22.1	19.5	11.2	-9.4	10.0	0.7	1.4	0.5	(5)
ANZ	International Share	1	3,151	-3.8	(7)	-2.2	(6)	20.6	(3)	20.8	(2)	13.4	(2)	20.6	17.6	24.4	15.2	-7.7	10.6	3.3	2.4	1.4	(1)
EC	Value Fund	1	22	-2.9	(1)	-3.0	(7)	9.9	(12)	15.6	(12)	9.3	(11)	9.9	14.5	22.8	3.9	-2.9	8.2	-0.8	4.8	-0.2	(10)
Fisher	Overseas Equities	1	723	-4.2	(8)	-3.4	(8)	14.3	(10)	15.9	(11)	8.6	(12)	14.3	17.2	16.1	7.1	-9.3	9.6	-1.2	1.9	-0.6	(11)
FRK	Global Growth	1	64	-3.3	(4)	-1.4	(4)	23.8	(2)	19.1	(6)	11.9	(5)	23.8	14.3	19.4	15.4	-10.0	10.5	1.9	4.0	0.5	(6)
FRK	Global Trust	1	374	-6.6	(15)	-6.5	(14)	7.3	(13)	18.0	(9)	11.0	(7)	7.3	17.1	30.8	13.1	-9.5	11.6	1.1	4.3	0.3	(9)
Harbour	Global Equity Growth	1	7	-4.8	(11)	-4.5	(11)																
Magellan	Global	1	8,325	-3.0	(2)	1.7	(1)	27.3	(1)	22.7	(1)	18.9	(1)	27.3	18.3	22.7	22.3	5.2	10.9	8.2	6.8	1.2	(3)
Mercer	Global Equities	2	625	-6.3	(13)	-5.4	(12)	14.7	(9)	17.5	(10)	9.9	(10)	14.7	19.2	18.6	8.8	-9.3	10.1	-0.8	3.8	-1.5	(12)
MGH	MGH Investments	1	24	-3.3	(3)	-0.9	(2)	19.3	(6)	15.6	(13)	8.1	(13)	19.3	13.3	14.2	-1.1	-3.3	8.8	-1.1	4.6	-6.5	(13)
Nikko	Global Equity	1	472	-3.3	(4)	-1.3	(3)	20.2	(4)	19.2	(5)	12.3	(4)	20.2	18.7	18.7	11.9	-5.8	9.1	2.1	2.2	1.0	(4)
Nikko	Global SRI	1	19	-6.5	(14)	-4.3	(9)	20.2	(5)	19.0	(7)	11.2	(6)	20.2	15.1	21.9	10.0	-8.4	11.2	1.3	4.3	0.3	(8)
Russell	Emerging Markets	4	0	-5.7	(12)	-13.7	(15)	-3.2	(14)					-3.2									
Russell	Global Opportunities	3	247	-4.7	(10)	-4.4	(10)	18.6	(7)	19.3	(4)	10.9	(8)	18.6	17.7	21.5	8.5	-8.7	10.8	0.8	2.2	0.4	(7)
	Minimum			-6.6		-13.7		-3.2		15.6		8.1		-3.2	13.3	14.2	-1.1	-10.0	8.2	-1.2	1.4	-6.5	
	Median			-4.2		-3.4		18.5		19.0		11.0		18.5	17.6	21.5	11.2	-8.6	10.2	1.1	3.8	0.4	
	Maximum			-2.9		1.7		27.3		22.7		18.9		27.3	22.1	30.8	22.3	5.2	11.6	8.2	6.8	1.4	
	MSCI All Country World Index	1		-4.6		-4.3		13.7		16.7		9.8		13.7	19.0	17.4	11.3	-9.6	9.7				
	MSCI World Index	2		-4.7		-3.2		15.6		18.5		11.4		15.6	19.9	19.9	11.9	-8.0	10.1				
	Russell Global Large Cap	3		-4.6		-4.2		14.0		17.1		10.1		14.0	19.2	18.2	11.5	-9.6	9.8				
	Russell Emerging Markets Index	4		-3.6		-13.4		-6.3						-6.3									
	MSCI World Index (100% hedged)			-3.2		-7.2		1.8		14.5		12.4		1.8	18.3	24.8	23.3	-3.2	11.1				

Global Bonds

				Returns (%) gross of tax and fees																			
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Sep 2015								For the year ended 30 September					For last 5 years						
				1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2015	2014	2013	2012	2011	Vol	VA	TE	IR	Rk
Global Aggregate:																							
AMPCI	Global Fixed Interest	1	130	0.3	(2)	1.2	(5)	6.2	(3)	6.1	(5)	6.0	(5)	6.2	8.6	3.4	8.5	3.4	2.6	-0.4	1.6	-0.3	(5)
ANZ	International Aggregate	1	692	0.3	(3)	1.3	(3)	6.5	(1)					6.5									
Fisher	Global Fixed Interest	1	900	0.3	(4)	1.2	(6)	6.0	(4)	6.1	(4)	7.9	(1)	6.0	10.8	1.7	15.2	6.5	3.4	1.4	1.7	0.8	(3)
Mercer	Global Bonds	1	659	0.1	(6)	1.6	(2)	6.0	(5)	6.6	(2)	7.6	(3)	6.0	10.8	3.2	12.3	5.9	2.7	1.1	1.2	0.9	(2)
Nikko	Global Fixed Interest	1	304	0.8	(1)	2.0	(1)	5.7	(6)	6.1	(3)	6.4	(4)	5.7	9.7	3.1	9.0	4.7	2.5	-0.1	0.9	-0.1	(4)
Russell	Global Bond	1	1,505	0.2	(5)	1.3	(4)	6.3	(2)	6.8	(1)	7.8	(2)	6.3	10.4	3.8	14.1	5.0	3.1	1.3	1.4	1.0	(1)
Minimum				0.1		1.2		5.7		6.1		6.0		5.7	8.6	1.7	8.5	3.4	2.5	-0.4	0.9	-0.3	
Median				0.3		1.3		6.1		6.1		7.6		6.1	10.4	3.2	12.3	5.0	2.7	1.1	1.4	0.8	
Maximum				0.8		2.0		6.5		6.8		7.9		6.5	10.8	3.8	15.2	6.5	3.4	1.4	1.7	1.0	
Other:																							
LMI	Brandywine*	2	19	-0.9	(3)	-3.3	(3)	3.2	(3)	8.6	(1)	9.4	(1)	3.2	15.6	7.3	14.1	7.3	5.6	2.9	4.7	0.6	(1)
ANZ	International Sovereign	2	2,186	1.0	(1)	2.5	(1)	7.6	(1)	5.7	(2)	6.1	(2)	7.6	7.7	2.0	7.6	5.5	2.9	-0.3	0.6	-0.5	(2)
ANZ	International Credit	x	1,142	0.5	(2)	1.1	(2)	4.8	(2)					4.8	9.6								
Barclays Capital Global Agg Index				0.8		2.1		6.9		6.1		6.5		6.9	8.7	2.8	8.4	5.6	2.6				
Citigroup World Govt Bond Index				1.0		2.7		7.6		6.5		6.4		7.6	8.8	3.2	7.1	5.3	2.9				

Other Global Funds

				Returns (%) gross of tax and fees																				
Manager	Fund	FUM (\$m)	For the period to 30 Sep 2015								For the year ended 30 September					Benchmark								
			1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2015	2014	2013	2012	2011							
AMPCI	Commodities	418	-3.0	(4)	-13.6	(6)	-23.1	(6)	-12.3	(5)					-23.1	-2.7	-9.9							n/a
AMPCI	Infrastructure	171	-5.3	(6)	-8.7	(5)	2.1	(4)	16.4	(2)				2.1	31.5	17.4								DJ Brookfield Global Infrastructure Index
FSI	Infrastructure	36	-0.9	(2)	-0.8	(1)	10.6	(2)						10.6										Global Core Infrastructure Net (NZD Hedged)
PATH	Commodity Plus Fund	64	0.3	(1)	-2.1	(2)	1.1	(5)	-2.8	(4)	-0.0	(2)		1.1	-2.1	-7.1	4.9	3.7						Bloomberg Commodity Index
PATH	World Equity Fund	33	-4.0	(5)	-6.3	(4)	13.0	(1)	15.8	(3)				13.0	20.9	13.8								MSCI AC World
PATH	Global Water Fund	8	-2.5	(3)	-5.3	(3)	9.2	(3)	17.2	(1)	10.1	(1)		9.2	15.4	27.7	8.9	-7.6						n/a
Minimum				-5.3		-13.6		-23.1		-12.3		-0.0		-23.1	-2.7	-9.9	4.9	-7.6						
Median				-2.7		-5.8		5.7		15.8		5.1		5.7	15.4	13.8	6.9	-2.0						
Maximum				0.3		-0.8		13.0		17.2		10.1		13.0	31.5	27.7	8.9	3.7						

* Brandywine returns use a simulated hedge prior to January 2012

NZ Bonds

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Sep 2015										For the year ended 30 September					For last 5 years				
				1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2015	2014	2013	2012	2011	Vol	VA	TE	IR	Rk
AMPCI	NZ Fixed Interest	1	1,789	0.0	(9)	2.2	(5)	9.3	(5)	5.1	(5)	6.5	(4)	9.3	6.2	0.1	9.1	8.4	3.0	0.9	0.5	1.9	(1)
ANZ	NZ Fixed Interest	1	1,415	0.2	(4)	2.5	(2)	9.6	(2)	4.8	(7)	6.6	(3)	9.6	5.8	-0.7	9.3	9.3	3.0	1.0	0.6	1.5	(2)
Fisher	NZ Fixed Interest	1	1,046	0.2	(5)	2.5	(1)	9.6	(1)	5.1	(6)	6.2	(6)	9.6	5.4	0.4	6.7	9.2	2.5	0.6	1.2	0.5	(5)
Harbour	NZ Core Fixed Interest	3	127	0.1	(6)	1.8	(8)	7.9	(8)	5.4	(4)			7.9	5.8	2.6	7.9						
Harbour	NZ Corporate Bond	2	231	0.4	(1)	2.1	(6)	7.9	(7)	5.9	(3)	6.3	(5)	7.9	5.6	4.3	6.5	7.3	1.3	0.0	0.8	0.0	(6)
Milford	Trans-Tasman Bond	4	243	0.1	(8)	1.5	(9)	7.6	(9)					7.6									
Nikko	NZ Corporate Bond	1	134	0.4	(2)	2.3	(4)	9.5	(3)	6.9	(1)	7.5	(1)	9.5	6.8	4.3	8.2	8.7	2.0	1.8	1.9	1.0	(4)
Nikko	NZ Fixed Interest	1	267	0.3	(3)	2.3	(3)	9.3	(4)	6.0	(2)	7.0	(2)	9.3	6.6	2.3	8.9	8.3	2.5	1.4	1.1	1.3	(3)
Russell	NZ Fixed Interest	1	95	0.1	(7)	2.0	(7)	8.7	(6)					8.7	5.9								
Minimum				0.0		1.5		7.6		4.8		6.2		7.6	5.4	-0.7	6.5	7.3	1.3	0.0	0.5	0.0	
Median				0.2		2.2		9.3		5.4		6.6		9.3	5.9	2.3	8.2	8.5	2.5	1.0	0.9	1.1	
Maximum				0.4		2.5		9.6		6.9		7.5		9.6	6.8	4.3	9.3	9.3	3.0	1.8	1.9	1.9	
	S&P/NZX NZ Govt Stock Index	1		0.1		2.2		9.0		3.9		5.6		9.0	5.2	-2.1	8.3	7.8	3.1				
	S&P/NZX NZ Corp A Grade Index	2		0.3		2.0		8.5		5.7		6.3		8.5	5.5	3.0	6.7	7.7	1.6				
	S&P/NZX NZ Govt/Corp A Index (50/50)	3		0.2		2.1		8.7		4.8		5.9		8.7	5.4	0.4	7.5	7.8	2.3				
	S&P/NZX NZ Corp/ASX Corp (50/50)	4																					

NZ Cash & Short Duration

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Sep 2015										For the year ended 30 September					For last 5 years				
				1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2015	2014	2013	2012	2011	Vol	VA	TE	IR	Rk
AMPCI	NZ Cash	1	3,950	0.3	(4)	0.9	(5)	4.0	(6)	3.7	(6)	3.8	(3)	4.0	3.6	3.5	3.5	4.1	0.1	0.7	0.1	8.8	(2)
AMPCI	NZ Short Duration	2	211	0.3	(1)	1.6	(1)	6.9	(1)	5.4	(1)			6.9	5.0	4.3							
AMPCI	Global Short Duration	1	182	0.1	(7)	0.5	(7)	4.4	(3)	4.5	(2)			4.4	5.8	3.3							
ANZ	NZ Cash	1	2,599	0.3	(6)	0.9	(6)	3.9	(7)	3.6	(7)	3.7	(4)	3.9	3.6	3.4	3.5	3.9	0.1	0.6	0.1	7.0	(3)
Fisher	NZ Cash	1	794	0.3	(4)	0.9	(4)	4.2	(5)	4.1	(5)	3.9	(2)	4.2	3.8	4.4	3.7	3.2	0.3	0.8	0.4	2.3	(4)
Harbour	Short Duration	1	36	0.3	(3)	1.0	(2)	4.4	(2)	4.2	(3)			4.4	4.0	4.1			0.2				
Nikko	NZ Cash	1	603	0.3	(2)	1.0	(3)	4.4	(4)	4.1	(4)	4.1	(1)	4.4	4.0	4.0	4.1	4.3	0.1	1.1	0.1	8.9	(1)
Median				0.3		0.9		4.4		4.1		3.8		4.4	4.0	4.0	3.6	4.0	0.1	0.8	0.1	7.9	
	S&P/NZX 90 Day Bank Bill Index	1		0.2		0.8		3.6		3.1		3.0		3.6	3.1	2.7	2.7	3.0	0.1				
	S&P/NZX Short End Swap Index	2		0.4		1.5		6.1		3.7				6.1	3.3	1.8			0.9				

NZ Property

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Sep 2015										For the year ended 30 September 2015					For last 5 years				
				1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2015	2014	2013	2012	2011	Vol	VA	TE	IR	Rk
Direct:																							
Fisher Trust	Property Fund		343	4.5	(1)	7.0	(1)	15.5	(1)	14.7	(1)	11.2	(1)	15.5	11.0	17.7	6.0	6.3	4.2				
	Property Fund		99	0.6	(2)	1.6	(2)	7.4	(2)	8.9	(2)	8.5	(2)	7.4	9.6	9.6	7.9	8.0	1.4				
Listed:																							
AMPCI	Listed Property	1	18	-1.6	(7)	0.1	(3)	16.1	(3)	14.3	(4)	15.6	(4)	16.1	16.6	10.4	20.9	14.5	6.9	2.0	2.3	0.9	(3)
AMPCI	Property Fund	2	123	-1.0	(1)	1.2	(1)																
ANZ	Property Securities	1	140	-1.6	(6)	-0.4	(7)	14.9	(6)	15.2	(2)	16.2	(1)	14.9	18.5	12.4	22.3	13.1	7.3	2.5	2.7	0.9	(2)
ANZ	Trans Tasman	2	355	-1.2	(2)	-0.2	(6)	16.4	(2)	16.5	(1)	15.8	(3)	16.4	18.9	14.3	26.1	4.6	7.8	1.5	2.9	0.5	(5)
Mint	Real Estate Inv Trust	1	49	-1.5	(5)	-0.1	(5)	14.9	(5)	13.9	(5)	14.8	(5)	14.9	14.7	12.1	20.9	11.5	6.3	1.2	2.8	0.4	(6)
Nikko	Property Securities	1	40	-1.4	(4)	-0.1	(4)	15.8	(4)	13.1	(6)	14.4	(6)	15.8	13.4	10.1	17.7	15.2	6.9	0.9	1.0	0.9	(4)
Salt	Listed Property	1	278	-1.2	(3)	0.2	(2)	16.8	(1)	14.5	(3)	15.9	(2)	16.8	16.2	10.7	20.3	15.5	6.7	2.2	1.6	1.4	(1)
Minimum				-1.6		-0.4		14.9		13.1		14.4		14.9	13.4	10.1	17.7	4.6	6.3	0.9	1.0	0.4	
Median				-1.4		-0.1		15.9		14.4		15.7		15.9	16.4	11.4	20.9	13.8	6.9	1.7	2.5	0.9	
Maximum				-1.0		1.2		16.8		16.5		16.2		16.8	18.9	14.3	26.1	15.5	7.8	2.5	2.9	1.4	
S&P/NZX Property Index		1		-1.5		-0.0		15.6		12.0		13.4		15.6	12.3	8.1	15.9	15.0	7.3				
NZX/ASX Property Index		2		-1.1		0.6		18.4		14.2		14.1		18.4	13.2	11.1	20.0	8.2	7.3				

Global Property

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Sep 2015										For the year ended 30 September 2015					For last 5 years				
				1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2015	2014	2013	2012	2011	Vol	VA	TE	IR	Rk
AMPCI	Global Property Securities	1	118	2.5	(1)	3.0	(1)	18.1	(1)	15.9	(1)	15.6	(1)	18.1	15.5	14.2	34.3	-1.4	15.9	1.6	5.0	0.3	(1)
ANZ	International Property	1	497	2.3	(2)	2.4	(2)	13.9	(2)	14.0	(2)	14.0	(2)	13.9	17.2	11.1	30.4	-0.4	13.8	-0.1	2.6	-0.0	(2)
Russell	Global Listed Real Estate	1	41	1.5	(3)	-0.2	(3)																
FTSE EPRA/NAREIT Index*				2.5		2.0		14.1		14.1		14.1		14.1	15.3	12.9	30.6	-0.1	13.1				
*UBS Global RE Index prior to June 2015																							

Notes	Contact information																																												
<p>List of Managers</p> <table border="0"> <tr><td>AMPCI</td><td>AMP Capital Investors NZ Limited</td></tr> <tr><td>ANZ</td><td>ANZ Investments</td></tr> <tr><td>FSI</td><td>First State Investments</td></tr> <tr><td>CPFM</td><td>Castle Point Funds Management</td></tr> <tr><td>Devon</td><td>Devon Funds Management</td></tr> <tr><td>EC</td><td>Elevation Capital</td></tr> <tr><td>Fisher</td><td>Fisher Institutional</td></tr> <tr><td>FRK</td><td>Franklin Templeton Investments</td></tr> <tr><td>Harbour</td><td>Harbour Asset Management</td></tr> <tr><td>LMI</td><td>Legg Mason Global Asset Management</td></tr> <tr><td>Magellan</td><td>Magellan Asset Management Limited</td></tr> <tr><td>Mercer</td><td>Mercer Investments</td></tr> <tr><td>MGH</td><td>MGH Investments</td></tr> <tr><td>Milford</td><td>Milford Funds</td></tr> <tr><td>Mint</td><td>Mint Asset Management</td></tr> <tr><td>Nikko</td><td>Nikko Asset Management</td></tr> <tr><td>NZAM</td><td>NZ Assets Management</td></tr> <tr><td>PATH</td><td>Pathfinder Asset Management</td></tr> <tr><td>Russell</td><td>Russell Investment Group</td></tr> <tr><td>Salt</td><td>Salt Funds Management</td></tr> <tr><td>Std Life</td><td>Standard Life Investments</td></tr> <tr><td>Trust</td><td>Trust Investments</td></tr> </table> <p>Explanatory notes</p> <ol style="list-style-type: none"> Returns are before management fees and tax. All returns greater than 1 year have been annualised. Overseas Sectors - returns are in NZ\$ and exclude the effects of currency hedging on equities, but include the effects of currency hedging on global property and absolute return funds. Property - the returns in this table are influenced by the allocation to direct investment and holdings in listed vehicles. In the case of direct investment, the valuation approach and timing adopted by the manager will influence the returns. Risk Statistics (all are annualised using monthly data): Vol = Volatility = standard deviation of monthly fund returns VA = Value Added = Return (fund) minus Return (index) TE = Tracking Error = standard deviation of monthly Value Added IR = Information Ratio = Value Added divided by Tracking Error SR = Sharpe Ratio = [Return (fund) - Risk Free Rate]/ Volatility (Fund) Wherever possible the risk statistics are calculated using each fund's actual benchmark. 	AMPCI	AMP Capital Investors NZ Limited	ANZ	ANZ Investments	FSI	First State Investments	CPFM	Castle Point Funds Management	Devon	Devon Funds Management	EC	Elevation Capital	Fisher	Fisher Institutional	FRK	Franklin Templeton Investments	Harbour	Harbour Asset Management	LMI	Legg Mason Global Asset Management	Magellan	Magellan Asset Management Limited	Mercer	Mercer Investments	MGH	MGH Investments	Milford	Milford Funds	Mint	Mint Asset Management	Nikko	Nikko Asset Management	NZAM	NZ Assets Management	PATH	Pathfinder Asset Management	Russell	Russell Investment Group	Salt	Salt Funds Management	Std Life	Standard Life Investments	Trust	Trust Investments	<p>Guy Fisher Consultant +64 4 819 4054 guy.fisher1@aonhewitt.com</p> <p>Greg Lee Actuary & Principal +64 9 362 9825 greg.lee@aonhewitt.com</p> <p>Charles Macdonald Consultant +64 4 819 4050 charles.macdonald@aonhewitt.com</p>
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