

The Aon Investment Update as at 30 November 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.
- Communication of investment objectives and strategies to investors.

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 November 2015

Market summary

Monetary policy expectations were a key focus for investors in November. Expectations of a December rate rise from the US Federal Reserve firmed during the month, and this contrasted significantly with the expectations around central bank policies in Europe and Japan where further easing is anticipated.

As a result of this diverging outlook for monetary policy, Sovereign yields rose in the US and fell in the Europe. Japanese yields were unchanged over the month. The 10-year US Treasury yield rose from 2.14% to 2.21% during November, and shorter dated yields rose more aggressively, with the 2-year rate rising from 0.75% to 0.94% - to the highest level for more than 5 years. Meanwhile the German government sold 2-year bonds at a record low yield of -0.4%.

Another consequence of the monetary policy speculation was a further strengthening of the US dollar. It rose by 2.6% versus the New Zealand dollar and by more than 3% versus the trade-weighted index. The trade-weighted US dollar index has risen by 11% so far this year and is now at a 12-year high.

In New Zealand, long dated bond yields followed US rates higher, while short dated yields fell as speculation mounted that the Reserve Bank of New Zealand would cut the Official Cash Rate at its December meeting (which it subsequently did).

The Barclays Global Aggregate Bond Index hedged to New Zealand dollars returned 0.27% over November, taking the year-to-date return to 4.48%. In contrast the S&P/NZX NZ Government Stock Index returned -0.49% for the month – its worst monthly return for 2 years.

Equity markets were also influenced by the prospect of monetary policy tightening in the US and easing in Europe and Japan. US stocks were down by more than 3% at one stage during the month, but recovered somewhat to finish the month little changed. European stocks rose, with the German Dax index up by 4.9%. Japanese stocks also rose, despite the release of data showing that Japan had entered its fourth technical recession in five years as the economy shrank at an annualised rate of 0.8% in Q3 and 0.7% in the prior quarter.

The New Zealand equity market rose by 1.9% over the month, and has now risen nearly 10% since the start of 2015. Australian shares, in contrast, fell by 0.7% (in A\$ terms) in November and the index is down by 0.2% since the start of the year.

Fund Performance

The performance of Balanced Funds has subsided since last month but most were still able to deliver small positive returns in November. Over the last 12 months, returns have ranged from 3.6% (Castle Point) to 13.6% (Nikko Asset Management).

Australian shares made a comeback after disappointing results last month to be the best performing asset class during November, with a median return of 4.8%. The Devon Australian Share Fund posted a 6.1% return for the month.

New Zealand and Australasian shares also performed well, with a median return of 2.1% for November and all funds posting positive returns. Nikko's Australasian SmallCap Fund was the stand-out performer with a 5.5% return for the month.

All global equity funds had positive returns for November, with Franklin Templeton's Global Growth fund leading the pack with 4.8%. Emerging market equities continue to significantly underperform developed market equities over the last 12 months.

New Zealand property funds continue to perform well, with all funds showing positive returns over all periods surveyed. The median return from the NZ Listed Property Funds in November was 2.0%. The global property funds in our survey all posted negative returns for November after being the best performing sector over the last few months.

New Zealand Bond funds have gone from all posting positive returns last month to almost all posting negative returns this month. Harbour's NZ Corporate Bond fund and Western Asset's NZ Core Constrained fund managed small positive returns. Over the last 12 months, returns from NZ Bonds have ranged from 5.9% to 7.8%, while the range for the global bond managers is 4.3% to 5.8%.

New Zealand Fund Management Changes

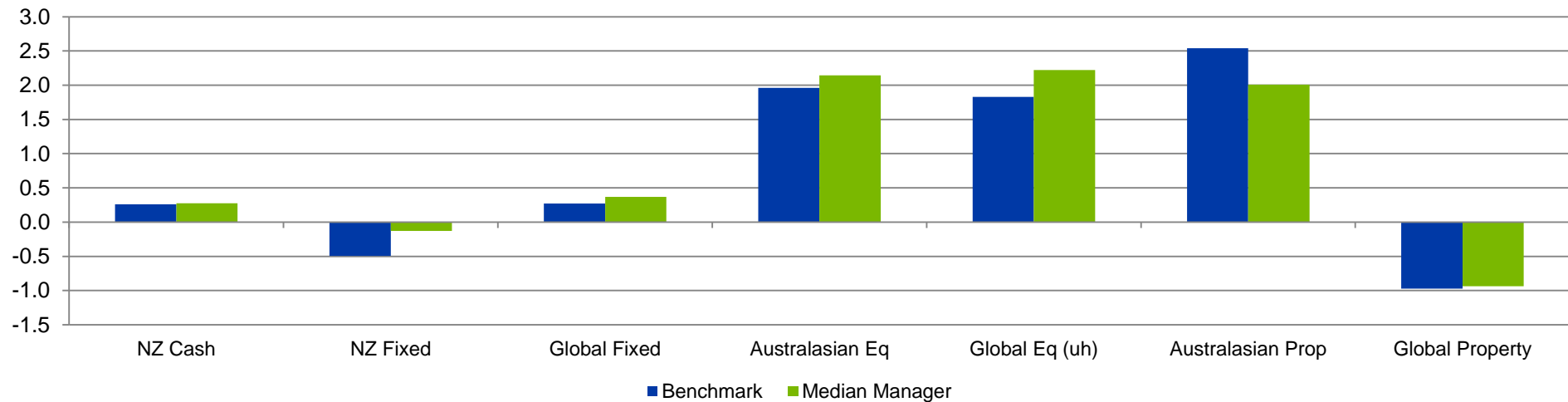
AMP Capital NZ has appointed Rebekah Swan, as Head of Distribution, replacing George Carter who resigned in September. Rebekah joined AMP Capital in 2002 and has been part of the relationship management team since 2004.

Devon Funds Management became the latest company to receive its Managed Investment Scheme licence from the Financial Markets Authority.

Median Manager Performance v Benchmark

Sector		Returns (%) gross of tax and fees										Volatility 5 Yrs
		For the period to 30 Nov 2015					For the year ended 30 November					
		1 Month	1 Qtr	1 Yr	3 Yrs	5 Yrs	2015	2014	2013	2012	2011	
NZ Cash	ANZ 90D Bank Bills	0.3	0.7	3.5	3.1	3.0	3.5	3.3	2.7	2.7	2.9	0.1
	Median Manager	0.3	0.8	4.2	4.1	3.8	4.2	4.1	3.7	3.9	3.9	0.1
NZ Fixed Interest	ANZ NZ Govt Stock	-0.5	-0.3	6.6	3.7	5.8	6.6	7.2	-2.5	6.2	11.8	3.0
	Median Manager	-0.1	0.3	7.2	4.9	6.7	7.2	7.4	1.1	7.6	10.7	2.4
Global Fixed Interest	Barclays Agg	0.3	1.6	5.4	6.0	6.8	5.4	9.9	2.8	10.0	6.1	2.5
	Median Manager	0.4	1.5	5.0	6.3	8.0	5.0	11.1	3.3	14.0	6.2	2.5
Australasian Equities	NZX 50 Gross	2.0	8.5	13.9	16.1	14.9	13.9	14.7	19.8	25.5	1.7	8.2
	Median Manager	2.1	7.5	14.5	18.1	15.8	14.5	18.5	21.8	23.7	3.3	8.3
Global Equities (unhedged)	MSCI ACWI	1.8	-0.9	16.2	17.4	10.6	16.2	12.4	24.1	7.4	-4.7	9.7
	Median Manager	2.2	-0.2	19.9	19.9	12.3	19.9	13.1	27.6	7.9	-3.7	10.2
Australasian Property	NZX Property	2.5	6.3	17.7	13.1	14.3	17.7	18.7	3.7	20.4	12.1	7.3
	Median Manager	2.0	5.7	17.4	15.1	16.5	17.4	18.7	9.1	24.9	11.5	6.9
Global Property	UBS Property	-1.0	7.0	7.3	14.9	14.8	7.3	27.9	10.4	25.4	5.0	13.1
	Median Manager	-0.9	6.9	8.8	15.9	15.3	8.8	29.3	10.8	27.3	2.9	14.8

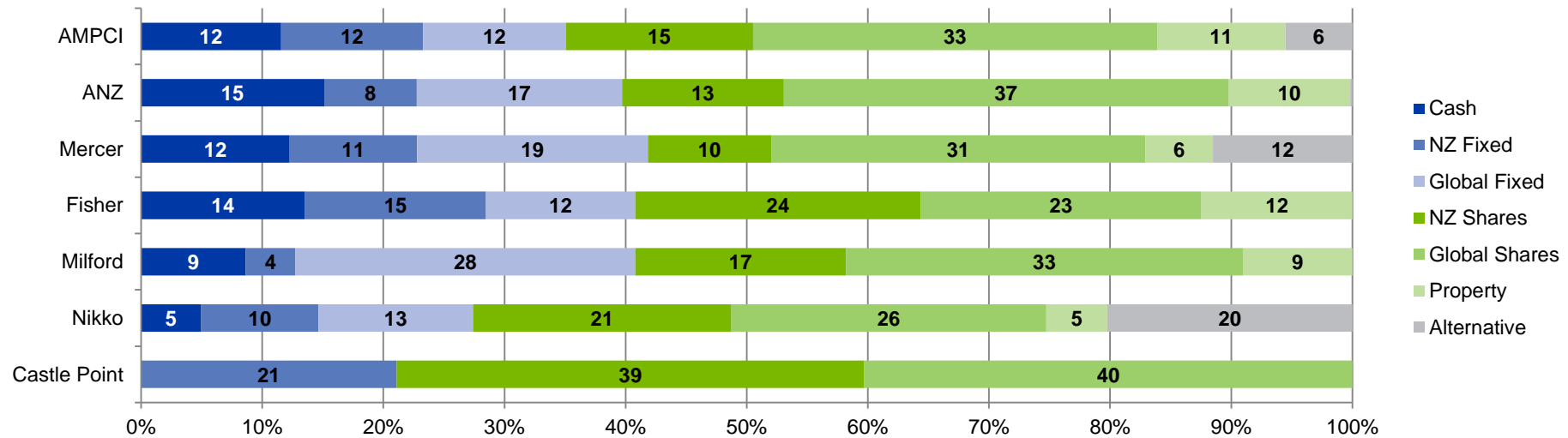
1 Month Performance (%)



Balanced Funds

Manager	FUM (\$m)	Returns (%) gross of tax and fees														5 Years	
		For the period to 30 Nov 2015										For the year ended 30 November					
		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	44	0.4 (6)	1.6 (6)	5.3 (6)	10.8 (5)	10.1 (4)	5.3	12.6	14.7	14.2	4.3	4.3	1.6 (5)				
ANZ Investments	545	0.9 (3)	3.2 (4)	10.2 (3)	13.7 (2)	12.4 (2)	10.2	13.6	17.5	15.5	5.6	5.2	1.8 (3)				
Castle Point Funds	8	-1.0 (7)	-0.3 (7)	3.6 (7)	7.7 (7)	7.2 (7)	3.6	8.4	11.1	8.2	4.8	2.7	1.5 (6)				
Fisher Institutional	842	0.9 (2)	3.3 (1)	8.6 (5)	10.4 (6)	9.3 (6)	8.6	11.5	11.0	13.7	2.0	4.2	1.5 (7)				
Mercer	472	0.6 (5)	2.5 (5)	9.0 (4)	12.0 (4)	9.9 (5)	9.0	11.9	15.3	11.4	2.2	4.2	1.6 (4)				
Milford Funds	315	0.6 (4)	3.2 (3)	11.7 (2)	14.4 (1)	13.4 (1)	11.7	13.9	17.8	18.8	5.2	4.4	2.4 (1)				
Nikko Asset Management	211	1.5 (1)	3.3 (2)	13.6 (1)	13.5 (3)	11.2 (3)	13.6	12.1	14.8	13.5	2.5	4.2	2.0 (2)				
Minimum		-1.0	-0.3	3.6	7.7	7.2	3.6	8.4	11.0	8.2	2.0	2.7	1.5				
Median		0.6	3.2	9.0	12.0	10.1	9.0	12.1	14.8	13.7	4.3	4.2	1.6				
Maximum		1.5	3.3	13.6	14.4	13.4	13.6	13.9	17.8	18.8	5.6	5.2	2.4				

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 Nov 2015										For the year ended 30 November					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	473	0	2.0 (13)	8.3 (5)	14.4 (12)	16.4 (15)	15.8 (9)	14.4	19.5	15.4	28.0	3.3	8.4	0.8	2.8	0.3 (12)						
AMPCI	NZ Shares RIL	1	10	0	2.2 (9)	8.1 (7)	14.5 (10)			14.5	19.8													
AMPCI	Strategic NZ Share	2	149	0	2.4 (7)	8.3 (6)	16.0 (6)	17.2 (12)	15.9 (7)	16.0	20.9	14.9	28.8	1.0	8.0	0.5	3.4	0.2 (16)						
ANZ	NZ Equities	1	122	0	1.5 (17)	6.9 (15)	9.1 (21)	16.7 (14)	16.2 (5)	9.1	19.0	22.6	24.9	6.7	8.3	1.2	2.0	0.6 (6)						
ANZ	Australasian Equity	1	717	10	2.1 (12)	6.9 (14)	9.3 (20)	16.8 (13)	15.8 (10)	9.3	19.4	22.0	23.7	5.8	8.3	0.8	2.1	0.4 (9)						
CPFM	Trans Tasman Strategy	1	0	18	0.6 (21)	4.8 (20)	10.1 (19)			10.1														
Devon	NZ Core	1	162	17	1.1 (20)	5.8 (19)	11.0 (17)	18.7 (7)	15.9 (8)	11.0	24.4	21.2	22.2	2.4	8.3	0.9	3.6	0.3 (14)						
Devon	Dividend Yield	3	39	41	2.5 (6)	9.6 (2)	17.8 (2)	20.6 (2)		17.8	24.0	19.9	22.3											
Devon	Trans Tasman	3	122	54	1.7 (16)	6.2 (18)	14.8 (8)	20.3 (3)	14.8 (16)	14.8	17.0	29.5	17.9	-2.8	8.9	4.8	4.5	1.1 (3)						
Fisher	Trans Tasman Equities	1	540	31	2.6 (5)	7.7 (10)	12.3 (16)	14.2 (17)	15.0 (15)	12.3	15.4	15.0	32.7	1.6	9.2	0.6	3.4	0.2 (15)						
Harbour	Australasian Equity	5	689	27	3.4 (2)	9.6 (3)	14.5 (9)	18.6 (8)	15.7 (13)	14.5	12.5	29.5	23.7	0.3	9.0	-0.7	4.4	-0.2 (17)						
Mercer	Trans Tasman Equity	1	396	20	2.1 (11)	7.8 (9)	13.0 (14)	18.4 (9)	16.0 (6)	13.0	17.1	25.4	23.0	3.0	8.0	1.0	2.1	0.5 (8)						
Milford	NZ Equities	1	233	0	3.2 (3)	10.8 (1)	16.5 (4)	19.5 (4)	18.5 (2)	16.5	12.8	29.8	31.2	4.5	8.2	3.2	3.0	1.0 (4)						
Milford	Trans Tasman	3	226	43	1.9 (14)	4.5 (21)	10.4 (18)	14.2 (18)	15.6 (14)	10.4	8.2	24.6	28.3	8.1	8.2	5.5	3.3	1.7 (2)						
Mint	Trans Tasman Equity	1	82	13	1.7 (15)	8.3 (4)	16.9 (3)	21.8 (1)	19.3 (1)	16.9	17.9	31.1	24.6	7.2	7.7	3.7	5.0	0.7 (5)						
Nikko	Core Domestic Equity	1	236	8	2.2 (10)	7.0 (13)	15.4 (7)	17.7 (10)	15.8 (11)	15.4	16.4	21.5	23.7	3.2	8.1	0.8	2.0	0.4 (10)						
Nikko	Australasian Smallcap	4	5	73	5.5 (1)	7.5 (11)	20.2 (1)	15.1 (16)	12.1 (17)	20.2	5.8	20.0	22.3	-5.1	12.5	11.7	6.0	2.0 (1)						
Russell	NZ Shares	5	116	0	2.7 (4)	8.0 (8)	13.0 (15)			13.0	16.5													
Salt	Dividend Appreciation	1	82	0	2.3 (8)	7.4 (12)	16.4 (5)	19.4 (5)	17.0 (4)	16.4	24.3	17.7	24.2	3.4	8.2	1.8	3.1	0.6 (7)						
Salt	NZ Plus Share	1	431	7	1.3 (19)	6.6 (16)	13.9 (13)	17.3 (11)	15.8 (12)	13.9	20.3	17.9	22.7	4.9	8.7	0.8	3.0	0.3 (13)						
Salt	Javelin	2	81	14	1.4 (18)	6.6 (17)	14.5 (11)	18.8 (6)	17.2 (3)	14.5	19.5	22.5	23.6	6.6	9.2	1.7	4.7	0.4 (11)						
	Minimum				0.6	4.5	9.1	14.2	12.1	9.1	5.8	14.9	17.9	-5.1	7.7	-0.7	2.0	-0.2						
	Median				2.1	7.5	14.5	18.1	15.8	14.5	18.5	21.8	23.7	3.3	8.3	1.1	3.3	0.4						
	Maximum				5.5	10.8	20.2	21.8	19.3	20.2	24.4	31.1	32.7	8.1	12.5	11.7	6.0	2.0						
	S&P/NZX 50 Gross incl I/C	1			2.0	8.5	13.9	16.1	14.9	13.9	14.7	19.8	25.5	1.7	8.2									
	S&P/NZX 50 Portfolio incl I/C	2			2.3	8.9	14.5	17.2	15.3	14.5	17.3	19.8	26.3	0.1	7.9									
	NZX50/ASX200 (50/50)	3			2.8	3.6	8.5	10.2	9.4	8.5	8.1	14.2	17.9	-0.6	9.2									
	NZX/ASX Small Cap	4			3.9	5.5	8.1	0.7	0.2	8.1	-1.6	-3.9	5.4	-6.2	12.6									
	Russell NZ Tradeable Gross	5			1.8	8.9	15.6	17.9	16.5	15.6	17.5	20.7	24.7	4.8	8.3									

Australian Only Equity

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Nov 2015										For the year ended 30 November					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	26	4.1	(3)	-0.8	(4)	4.2	(4)	5.6	(3)	5.1	(3)	4.2	4.7	8.0	12.4	-3.0	13.2	1.2	1.9	0.6	(2)
ANZ	Australian Share	1	540	5.6	(2)	2.7	(3)	4.4	(3)	8.2	(2)	6.0	(2)	4.4	0.7	20.5	10.1	-4.0	12.5	1.9	4.0	0.5	(3)
Devon	Australian	1	47	6.4	(1)	4.1	(1)	14.1	(1)	14.1	(1)	9.7	(1)	14.1	9.7	18.9	12.7	-5.1	12.4	5.5	3.3	1.7	(1)
Milford	Dynamic	2	154	-1.7	(4)	3.1	(2)	13.9	(2)					13.9	12.1								
Minimum				-1.7		-0.8		4.2		5.6		5.1		4.2	0.7	8.0	10.1	-5.1	12.4	1.2	1.9	0.5	
Median				4.8		2.9		9.2		8.2		6.0		4.4	4.7	18.9	12.4	-4.0	12.5	1.9	3.3	0.6	
Maximum				6.4		4.1		14.1		14.1		9.7		14.1	9.7	20.5	12.7	-3.0	13.2	5.5	4.0	1.7	
ASX 200				1		3.6		-1.2		3.1		4.3		3.8		3.1	1.3	8.5	10.4	-3.7	13.6		
ASX SmallCap Industrials				2		1.9		8.9		11.9		12.5		11.9	4.2	22.2	13.8						
ASX 200 (in A\$)						-0.7		0.6		1.9		9.4		7.2		1.9	4.3	23.3	14.8	-6.0			

Income

		Returns (%) gross of tax and fees																					
Manager	Fund	FUM (\$m)	For the period to 30 Nov 2015										For the year ended 30 November					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	87	0.3	(4)	6.0	(1)	14.4	(1)	18.5	(1)					14.4	22.3	19.0						n/a
Milford	Income	1,171	0.5	(1)	3.8	(2)	11.0	(2)	14.4	(2)	14.6	(1)	11.0	17.5	14.7	20.7	9.4						ANZ 90 Day Bank Bill Index
Mint	Diversified Income	64	0.4	(3)	2.8	(3)	8.7	(4)					8.7										OCR + 2.5%
Nikko	Income	6	0.4	(2)	2.0	(4)	10.5	(3)	7.5	(3)	7.8	(2)	10.5	7.6	4.4	11.2	5.4						10% p.a.
Minimum			0.3		2.0		8.7		7.5		7.8		8.7	7.6	4.4	11.2	5.4						
Median			0.4		3.3		10.8		14.4		11.2		10.8	17.5	14.7	15.9	7.4						
Maximum			0.5		6.0		14.4		18.5		14.6		14.4	22.3	19.0	20.7	9.4						

Global Equities (Unhedged)

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Nov 2015										For the year ended 30 November					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	785	1.8	(10)	-0.7	(10)	18.9	(9)	21.2	(2)	13.1	(5)	18.9	15.0	30.3	7.6	-3.7	10.1	2.2	1.9	1.2	(2)
AMPCI	RIL Global Shares	1	52	1.6	(13)	-1.7	(13)	13.9	(12)	18.2	(9)	11.1	(9)	13.9	14.2	27.1	7.9	-4.9	10.0	0.5	1.5	0.3	(9)
ANZ	International Share	1	3,303	2.2	(8)	0.3	(3)	21.2	(6)	21.1	(3)	14.4	(2)	21.2	13.7	28.7	12.0	-1.5	10.6	3.5	2.4	1.4	(1)
EC	Value Fund	1	23	1.5	(14)	0.2	(4)	13.1	(13)	16.0	(13)	9.8	(11)	13.1	8.3	27.6	2.3	-0.3	8.2	-1.0	4.8	-0.2	(10)
Fisher	Overseas Equities	1	766	1.8	(11)	-0.8	(11)	16.4	(11)	16.4	(11)	9.2	(12)	16.4	11.4	21.7	4.9	-6.1	9.6	-1.3	1.8	-0.7	(12)
FRK	Global Growth	1	64	4.8	(1)	3.4	(1)	26.9	(1)	20.5	(5)	13.6	(3)	26.9	12.0	23.0	12.6	-4.1	10.6	2.7	4.1	0.7	(5)
FRK	Global Trust	1	374	1.8	(11)	-2.9	(15)	12.8	(14)	17.9	(10)	12.4	(6)	12.8	6.2	37.0	11.0	-1.4	11.5	1.7	4.1	0.4	(6)
Harbour	Global Equity Growth	1	7	2.3	(6)	-0.2	(7)	19.9	(7)					19.9									
Magellan	Global	1	8,801	2.8	(5)	-0.1	(6)	25.7	(2)	22.5	(1)	18.7	(1)	25.7	14.0	28.2	18.4	8.5	10.9	7.3	6.8	1.1	(3)
Mercer	Global Equities	2	785	2.2	(9)	-1.2	(12)	18.6	(10)	19.1	(8)	11.1	(10)	18.6	13.6	25.3	7.4	-6.8	10.2	-0.3	3.9	-0.5	(11)
MGH	MGH Investments	1	25	4.7	(2)	-0.2	(8)	24.5	(4)	16.2	(12)	8.9	(13)	24.5	6.4	18.4	1.6	-3.7	9.2	-1.2	5.3	-5.2	(13)
Nikko	Global Equity	1	472	2.9	(4)	0.8	(2)	22.5	(5)	19.9	(7)	13.1	(4)	22.5	13.1	24.4	8.2	-0.9	9.2	2.1	2.3	0.9	(4)
Nikko	Global SRI	1	19	3.2	(3)	-0.6	(9)	25.3	(3)	20.7	(4)	12.3	(7)	25.3	9.1	28.7	11.3	-8.8	11.3	1.6	4.3	0.4	(8)
Russell	Emerging Markets	4	0	0.7	(15)	-2.6	(14)	-0.7	(15)					-0.7									
Russell	Global Opportunities	3	268	2.3	(7)	-0.1	(5)	19.9	(8)	20.3	(6)	11.7	(8)	19.9	13.4	28.2	4.2	-4.0	10.9	0.8	2.2	0.4	(7)
	Minimum			0.7		-2.9		-0.7		16.0		8.9		-0.7	6.2	18.4	1.6	-8.8	8.2	-1.3	1.5	-5.2	
	Median			2.2		-0.2		19.9		19.9		12.3		19.9	13.1	27.6	7.9	-3.7	10.2	1.6	3.9	0.4	
	Maximum			4.8		3.4		26.9		22.5		18.7		26.9	15.0	37.0	18.4	8.5	11.5	7.3	6.8	1.4	
	MSCI All Country World Index	1		1.8		-0.9		16.2		17.4		10.6		16.2	12.4	24.1	7.4	-4.7	9.7				
	MSCI World Index	2		2.2		-0.6		18.3		19.4		12.2		18.3	13.3	27.0	7.6	-2.9	10.1				
	Russell Global Large Cap	3		1.9		-0.9		16.4		17.9		10.9		16.4	12.7	24.9	7.4	-4.7	9.8				
	Russell Emerging Markets Index	4		-0.5		-2.1		-4.1						-4.1									
	MSCI World Index (100% hedged)			0.9		5.0		5.7		17.2		13.6		5.7	16.1	31.2	16.4	0.9	11.4				

Global Bonds

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Nov 2015										For the year ended 30 November					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	0.0	(6)	0.9	(6)	4.3	(6)	5.8	(5)	6.2	(5)	4.3	9.9	3.3	10.0	4.0	2.5	-0.5	1.6	-0.3	(5)
ANZ	International Aggregate	1	705	0.5	(1)	1.7	(2)	5.1	(3)					5.1									
Fisher	Global Fixed Interest	1	922	0.4	(2)	1.6	(3)	4.9	(4)	6.1	(4)	8.3	(1)	4.9	12.0	1.5	16.2	7.5	3.3	1.4	1.7	0.9	(3)
Mercer	Global Bonds	1	668	0.3	(4)	1.4	(4)	5.3	(2)	6.5	(2)	8.0	(3)	5.3	11.1	3.2	14.0	6.8	2.5	1.1	1.2	0.9	(2)
Nikko	Global Fixed Interest	1	304	0.4	(3)	2.0	(1)	5.8	(1)	6.3	(3)	6.8	(4)	5.8	9.3	3.7	9.9	5.4	2.4	0.0	0.9	0.0	(4)
Russell	Global Bond	1	1,614	0.2	(5)	1.1	(5)	4.7	(5)	6.5	(1)	8.2	(2)	4.7	11.2	3.7	15.7	6.2	3.0	1.3	1.4	1.0	(1)
Minimum				0.0		0.9		4.3		5.8		6.2		4.3	9.3	1.5	9.9	4.0	2.4	-0.5	0.9	-0.3	
Median				0.4		1.5		5.0		6.3		8.0		5.0	11.1	3.3	14.0	6.2	2.5	1.1	1.4	0.9	
Maximum				0.5		2.0		5.8		6.5		8.3		5.8	12.0	3.7	16.2	7.5	3.3	1.4	1.7	1.0	
Other:																							
LMI	Brandywine*	2	182	1.0	(1)	2.2	(1)	1.7	(3)	8.4	(1)	10.0	(1)	1.7	19.9	4.5	16.6	8.5	5.5	3.0	4.6	0.7	(1)
ANZ	International Sovereign	2	2,282	0.2	(3)	1.5	(3)	5.4	(1)	5.5	(2)	6.4	(2)	5.4	9.5	1.7	9.2	6.4	2.8	-0.4	0.6	-0.7	(2)
ANZ	International Credit	x	1,166	0.3	(2)	1.8	(2)	3.9	(2)					3.9	10.2								
	Barclays Capital Global Agg Index	1		0.3		1.6		5.4		6.0		6.8		5.4	9.9	2.8	10.0	6.1	2.5				
	Citigroup World Govt Bond Index	2		0.3		1.8		5.8		6.3		6.8		5.8	10.1	3.2	9.0	6.1	2.7				

Other Global Funds

		Returns (%) gross of tax and fees																					
Manager	Fund	FUM (\$m)	For the period to 30 Nov 2015										For the year ended 30 November					Benchmark					
			1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2015	2014	2013	2012	2011						
AMPCI	Commodities	397	-6.0	(7)	-8.5	(7)	-24.1	(7)	-13.3	(6)					-24.1	-5.5	-9.0						n/a
AMPCI	Infrastructure	183	-2.4	(6)	-1.8	(6)	1.1	(5)	17.0	(3)					1.1	34.8	17.5						DJ Brookfield Global Infrastructure Index
FSI	Infrastructure	146	-2.1	(5)	1.7	(4)	7.5	(4)							7.5	27.0							FTSE Global Core Infrastructure Net (NZD Hedged)
Magellan	Infrastructure	903	4.4	(1)	4.4	(2)	15.9	(1)	12.9	(4)	13.5	(1)	15.9	19.5	4.0	14.0	15.0						S&P Global Infrastructure Index (NZD Hedged)
PATH	Commodity Plus Fund	65	-0.8	(4)	-0.6	(5)	-0.4	(6)	-1.6	(5)	-0.2	(3)	-0.4	1.0	-5.4	-2.5	6.4						Bloomberg Commodity Index
PATH	World Equity Fund	36	1.3	(3)	2.8	(3)	15.8	(2)	19.0	(2)			15.8	18.7	22.4	7.1							MSCI AC World
PATH	Global Water Fund	9	2.8	(2)	5.5	(1)	13.7	(3)	19.0	(1)	11.4	(2)	13.7	12.9	31.5	9.8	-7.5						n/a

* 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 Nov 2015										For the year ended 30 November					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	1,614	-0.6	(11)	-0.4	(11)	6.8	(8)	4.7	(6)	6.7	(3)	6.8	8.1	-0.8	7.5	12.2	3.0	0.9	0.5	1.8	(1)
ANZ	NZ Fixed Interest	1	1,447	-0.3	(9)	0.0	(9)	7.3	(3)	4.4	(7)	6.7	(4)	7.3	7.5	-1.4	8.2	12.2	2.9	0.9	0.6	1.4	(2)
Fisher	NZ Fixed Interest	1	1,032	-0.5	(10)	-0.2	(10)	7.3	(4)	4.7	(5)	6.3	(5)	7.3	7.0	-0.1	7.0	10.7	2.5	0.5	1.2	0.4	(5)
Harbour	NZ Core Fixed Interest	3	132	-0.0	(3)	0.5	(3)	6.8	(7)	5.1	(4)			6.8	6.7	1.8	7.3						
Harbour	NZ Corporate Bond	2	235	0.1	(1)	0.7	(1)	6.7	(9)	5.5	(2)	6.2	(6)	6.7	6.4	3.3	7.6	7.1	1.3	-0.1	0.7	-0.2	(6)
Milford	Trans-Tasman Bond	5	258	-0.1	(6)	0.4	(4)	6.2	(10)					6.2	8.9								
Nikko	NZ Corporate Bond	1	134	-0.1	(4)	0.6	(2)	7.8	(1)	6.3	(1)	7.6	(1)	7.8	7.8	3.4	9.0	10.2	1.9	1.7	1.9	0.9	(4)
Nikko	NZ Fixed Interest	1	267	-0.3	(8)	0.2	(7)	7.3	(2)	5.5	(3)	7.3	(2)	7.3	7.6	1.6	8.7	11.6	2.4	1.4	1.1	1.3	(3)
Russell	NZ Fixed Interest	1	99	-0.1	(5)	0.3	(6)	7.2	(6)					7.2	7.3								
Western	NZ Core	4	142	-0.2	(7)	0.0	(8)	7.2	(5)					7.2									
Western	NZ Core Constrained	1	59	0.1	(2)	0.4	(5)	5.9	(11)	3.9	(8)	4.4	(7)	5.9	5.3	0.7	3.7	6.6	1.3	-1.3	1.9	-0.7	(7)
	Minimum			-0.6		-0.4		5.9		3.9		4.4		5.9	5.3	-1.4	3.7	6.6	1.3	-1.3	0.5	-0.7	
	Median			-0.1		0.3		7.2		4.9		6.7		7.2	7.4	1.1	7.6	10.7	2.4	0.9	1.1	0.9	
	Maximum			0.1		0.7		7.8		6.3		7.6		7.8	8.9	3.4	9.0	12.2	3.0	1.7	1.9	1.8	
	S&P/NZX NZ Govt Stock Index	1		-0.5		-0.3		6.6		3.7		5.8		6.6	7.2	-2.5	6.2	11.8	3.0				
	S&P/NZX NZ Corp A Grade Index	2		0.1		0.5		7.1		5.3		6.3		7.1	6.5	2.2	6.8	9.1	1.6				
	S&P/NZX NZ Govt/Corp A Index (50/50)	3		-0.2		0.1		6.9		4.5		6.0		6.9	6.9	-0.2	6.5	10.5	2.3				
	S&P/NZX NZ Comp Inv Grade Index	4		-0.4		-0.1		6.6						6.6									
	S&P/NZX NZ Corp/ASX Corp (50/50)	5																					

NZ Cash & Short Duration

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Nov 2015										For the year ended 30 November					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	4,006	0.3	(5)	0.8	(4)	3.9	(6)	3.7	(6)	3.7	(3)	3.9	3.8	3.4	3.6	3.9	0.1	0.7	0.1	8.5	(2)
AMPCI	NZ Short Duration	2	215	0.2	(6)	0.8	(5)	6.0	(1)	5.1	(1)			6.0	5.6	3.7							
AMPCI	Global Short Duration	1	183	-0.6	(7)	1.0	(1)	4.5	(2)	4.4	(2)			4.5	5.8	3.0							
ANZ	NZ Cash	1	2,715	0.3	(4)	0.8	(7)	3.7	(7)	3.6	(7)	3.6	(4)	3.7	3.7	3.3	3.4	3.9	0.1	0.6	0.1	6.5	(3)
Fisher	NZ Cash	1	804	0.3	(3)	0.8	(6)	4.0	(5)	4.0	(5)	3.8	(2)	4.0	4.0	3.9	4.4	3.0	0.4	0.8	0.4	2.3	(4)
Harbour	Short Duration	1	38	0.3	(1)	0.8	(3)	4.2	(3)	4.1	(4)			4.2	4.1	3.9			0.2				
Nikko	NZ Cash	1	603	0.3	(1)	0.9	(2)	4.2	(4)	4.1	(3)	4.1	(1)	4.2	4.1	4.0	4.2	4.1	0.1	1.1	0.1	8.5	(1)
	Median			0.3		0.8		4.2		4.1		3.8		4.2	4.1	3.7	3.9	3.9	0.1	0.7	0.1	7.5	
	S&P/NZX 90 Day Bank Bill Index	1		0.3		0.7		3.5		3.1		3.0		3.5	3.3	2.7	2.7	2.9	0.1				
	S&P/NZX Short End Swap Index	2		0.3		0.8		5.5		3.7				5.5	4.2	1.4			0.9				

NZ Property

		Returns (%) gross of tax and fees																						
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Nov 2015										For the year ended 30 November					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		339	0.1	(2)	5.1	(1)	14.7	(1)	14.5	(1)	11.0	(1)	14.7	11.1	17.7	6.0	6.0	4.2					
	Property Fund		101	1.0	(1)	2.1	(2)	7.1	(2)	9.1	(2)	8.5	(2)	7.1	10.2	9.9	8.1	6.9	1.4					
Listed:																								
AMPCI	Listed Property	1	20	2.2	(2)	5.8	(3)	18.8	(1)	15.1	(4)	16.5	(4)	18.8	17.4	9.3	26.1	11.5	6.9	1.8	2.2	0.8	(3)	
AMPCI	Property Fund	2	126	0.5	(6)	4.5	(6)	12.0	(7)					12.0										
ANZ	Property Securities	1	152	1.7	(5)	5.7	(4)	17.4	(4)	16.2	(2)	17.0	(1)	17.4	18.1	13.3	25.4	11.6	7.3	2.4	2.7	0.9	(2)	
ANZ	Trans Tasman	2	376	0.3	(7)	4.3	(7)	16.7	(5)	17.0	(1)	16.6	(2)	16.7	18.5	15.8	26.8	6.0	7.9	1.3	2.9	0.4	(6)	
Mint	Real Estate Inv Trust	1	52	2.4	(1)	5.9	(2)	16.7	(6)	14.9	(5)	16.0	(5)	16.7	19.4	8.8	24.5	11.0	6.4	1.3	2.8	0.5	(5)	
Nikko	Property Securities	1	40	2.2	(3)	6.0	(1)	17.4	(3)	14.1	(6)	15.2	(6)	17.4	19.0	6.3	21.5	12.5	6.9	0.7	1.0	0.7	(4)	
Salt	Listed Property	1	313	2.0	(4)	5.5	(5)	17.8	(2)	15.1	(3)	16.5	(3)	17.8	20.7	7.4	24.4	12.9	6.7	1.8	1.6	1.2	(1)	
Minimum				0.3		4.3		12.0		14.1		15.2		12.0	17.4	6.3	21.5	6.0	6.4	0.7	1.0	0.4		
Median				2.0		5.7		17.4		15.1		16.5		17.4	18.7	9.1	24.9	11.5	6.9	1.6	2.5	0.8		
Maximum				2.4		6.0		18.8		17.0		17.0		18.8	20.7	15.8	26.8	12.9	7.9	2.4	2.9	1.2		
S&P/NZX Property Index		1		2.5		6.3		17.7		13.1		14.3		17.7	18.7	3.7	20.4	12.1	7.3					
NZX/ASX Property Index		2		0.9		5.0		18.1		14.8		15.1		18.1	20.1	6.5	22.5	9.2	7.3					

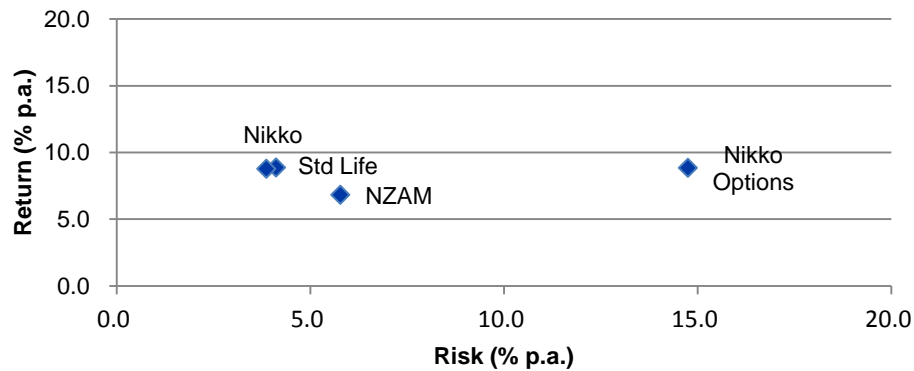
Global Property

		Returns (%) gross of tax and fees																						
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Nov 2015										For the year ended 30 November					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	122	-0.3	(1)	7.4	(1)	10.0	(1)	17.0	(1)	16.1	(1)	10.0	29.3	12.6	28.6	2.4	15.8	1.4	5.0	0.3	(1)	
ANZ	International Property	1	519	-0.9	(2)	6.9	(2)	7.6	(2)	14.9	(2)	14.6	(2)	7.6	29.3	8.9	26.0	3.3	13.8	-0.2	2.6	-0.1	(2)	
Russell	Global Listed Real Estate	1	43	-1.6	(3)	5.9	(3)																	
FTSE EPRA/NAREIT Index*				-1.0		7.0		7.3		14.9		14.8		7.3	27.9	10.4	25.4	5.0	13.1					
*UBS Global RE Index prior to June 2015																								

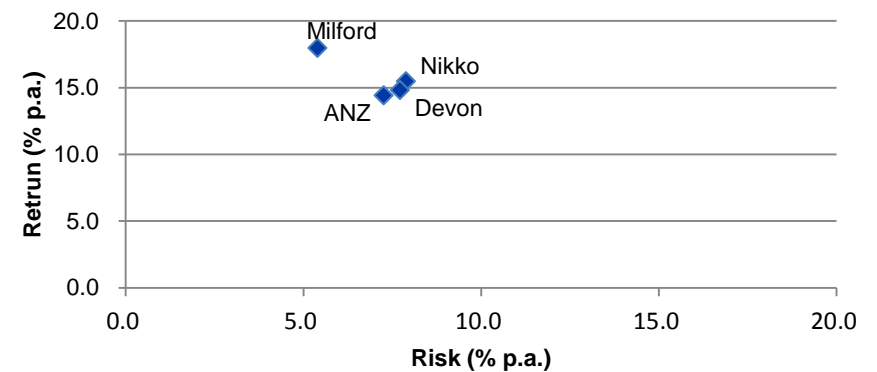
Alternatives/Absolute Return

		Returns (%) gross of tax and fees																						
Manager	Fund	FUM (\$m)	For the period to 30 Nov 2015										For the year ended 30 November					5 Years			Benchmark			
			1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2015	2014	2013	2012	2011	Vol	SR	Rk				
Global:																								
Mercer	Liquid Alternatives	93	0.8	(6)	0.5	(5)	7.7	(4)																Cash + 3% to 5%
Milford	Global	295	1.8	(2)	1.9	(3)	14.1	(2)																OCR + 5%
Nikko	Multi-Strategy	166	1.6	(3)	-0.1	(7)	6.4	(6)	9.9	(3)	8.8	(3)	6.4	8.2	15.2	9.4	4.9	3.9	1.5	(1)				90 Day Bank Bill + 2.5%
Nikko	Options	158	1.5	(4)	5.4	(1)	16.8	(1)	11.4	(1)	8.8	(2)	16.8	8.6	9.1	19.7	-7.8	14.8	0.4	(4)				90 Day Bank Bill + 4%
NZAM	Alpha	37	2.3	(1)	1.3	(4)	6.3	(7)	8.1	(5)			6.3	8.9	9.1									OCR + 4%
NZAM	Global	560	1.1	(5)	0.4	(6)	6.7	(5)	10.6	(2)	6.8	(4)	6.7	6.7	18.8	1.5	1.3	5.8	0.7	(3)				OCR + 4%
Std Life	GARS*	101	0.8	(7)	2.2	(2)	8.1	(3)	9.6	(4)	8.8	(1)	8.1	10.6	10.1	12.1	3.6	4.1	1.4	(2)				OCR + 5%
Australasian:																								
ANZ	Equity Selection	32	2.1	(2)	6.5	(2)	4.3	(5)	14.2	(4)	14.4	(4)	4.3	18.2	20.9	17.6	11.8	7.3	1.6	(3)				90 Day Bank Bill + 5%
CPFM	Ranger	8	-3.8	(6)	-2.8	(6)	-1.9	(6)					-1.9											OCR + 5%
Devon	Alpha	100	2.0	(3)	4.6	(4)	11.7	(4)	20.6	(1)	14.8	(3)	11.7	18.5	32.7	22.0	-6.9	7.7	1.5	(4)				12% p.a.
Milford	Active Growth	689	1.5	(5)	5.4	(3)	14.6	(3)	18.3	(3)	18.0	(1)	14.6	15.5	25.0	28.8	7.1	5.4	2.8	(1)				10% p.a.
Nikko	Concentrated	67	1.9	(4)	4.5	(5)	23.3	(1)	20.0	(2)	15.5	(2)	23.3	18.2	18.7	21.0	-1.9	7.9	1.6	(2)				90 Day Bank Bill + 5%
Salt	Long/Short	37	2.9	(1)	7.2	(1)	20.5	(2)																OCR + 5%
OCR + 5%			0.6		1.9		8.2		7.9		7.8		8.2	8.0	7.5	7.5	7.6	0.1						

5 Year risk/return - Global Funds



5 Year risk/return - Australasian Funds



*GARS returns use a simulated hedge prior to March 2013

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> <tr><td>Western</td><td>Western Asset</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	Western	Western Asset	<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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