

The Aon Investment Update as at 30 June 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 June 2015

Market summary

June was a difficult month for investors, with share markets falling across most regions, and global bond markets also declining. The New Zealand dollar also fell sharply over the month against most other currencies, as the Reserve Bank of New Zealand (RBNZ) cut the Official Cash Rate, and signalled that further cuts were likely.

The median balanced fund in our survey returned -0.5% over the month, and 1.5% over the quarter.

Greece continued to dominate the headlines in June. Greek banks and the Greek stock exchange were closed for 6 days from the end of June in the lead up to a referendum called for 5 July. This sent the Euro sharply lower and put further pressure on European equity markets. The German share market was down by more than 4% over the month and the UK market by more than 6%.

Japanese shares have continued to outperform most other equity markets as the corporate results season has been broadly positive and there is on-going evidence of improved corporate governance, especially with respect to cross-shareholdings. The Nikkei 225 index still fell by 1.6% over the month, but it is up by more than 33% over the last 12 months.

The New Zealand share market fell 2.0% in June, while the Australian share market was down by more than 5%. Here in New Zealand the on-going weakness in dairy prices is slowing the economy, while Australian investors are focussing on the implications of disappointing economic data from China.

Bond yields rose across most markets in June as an interest rate increase from the US Federal Reserve edged ever closer. Inflation expectations in the Eurozone were revised upwards during the month resulting in a sharp increase in Bund yields. The Barclays Global Aggregate Bond index fell 1.2% over the quarter in local currency terms – and the index is down by 3.2% (unhedged) over the first 6 months of 2015.

New Zealand bucked the trend of rising long term interest rates in June as the 10 year government bond ended the month little changed. Shorter term yields fell following the OCR cut. The economy does appear to be slowing and further cuts are likely in the coming months despite the recent fall in the NZ\$.

Fund Performance

Only two of the balanced funds in our survey posted positive returns for the month of June - Castle Point with 0.7% and Nikko with 0.3%. The other funds ranged from -2.0% (Milford) to -0.4% (Mercer). Over the long term Milford continues to be the stand out performer, returning 16.5%, 17.1% pa and 13.7% pa over 12 months, 3 years and 5 years respectively.

Global equities was the best performing class over June, with all but one fund posting positive returns. The median for the month was 2.9%, and for the quarter the median fund returned 12.2%. However the strong performance for this sector was due to the weakness of the New Zealand dollar. On a fully hedged basis, the MSCI World Index returned -2.9% over the month and -0.1% over the quarter.

Domestic equity funds mostly suffered negative returns over June, with only two funds just managing positive returns - these were the Mint Trans-Tasman Equity fund with 0.5% and the Devon Trans-Tasman fund with 0.2%.

All of the New Zealand bond funds managed slight positive returns over June. The median return was 0.8%, in line with the indices, and the top performing fund was Russell's NZ Fixed Interest fund which returned 1.0%. Global bond funds on the other hand all posted negative returns. The median return over the month was -1.0%, in line with the Barclays and Citigroup indices.

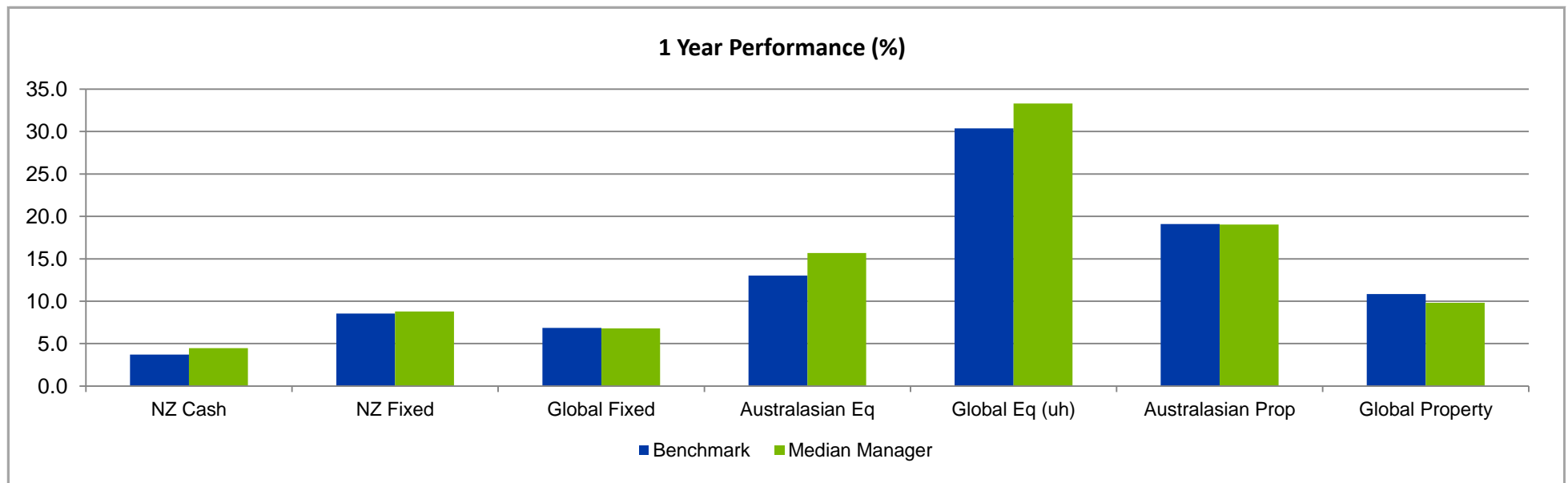
New Zealand Fund Management Changes

During the month, the Financial Markets Authority (FMA) concluded their investigation into Milford Asset Management and the two parties agreed a settlement. Milford accepted responsibility for inadequate oversight and control of the trading conduct which was under investigation, and agreed to pay \$1.5m in fines and compensation. However this settlement does not include the trader. The FMA's enforcement process regarding the trader is ongoing.

Mint Asset Management has appointed Mark Todd as its chairman, and Brett Sutton is joining the Board as an independent director. Mint has also announced that The New Zealand Superannuation Fund (NZSF) has appointed the firm to manage a \$150m active New Zealand equities mandate.

Median Manager Performance v Benchmark

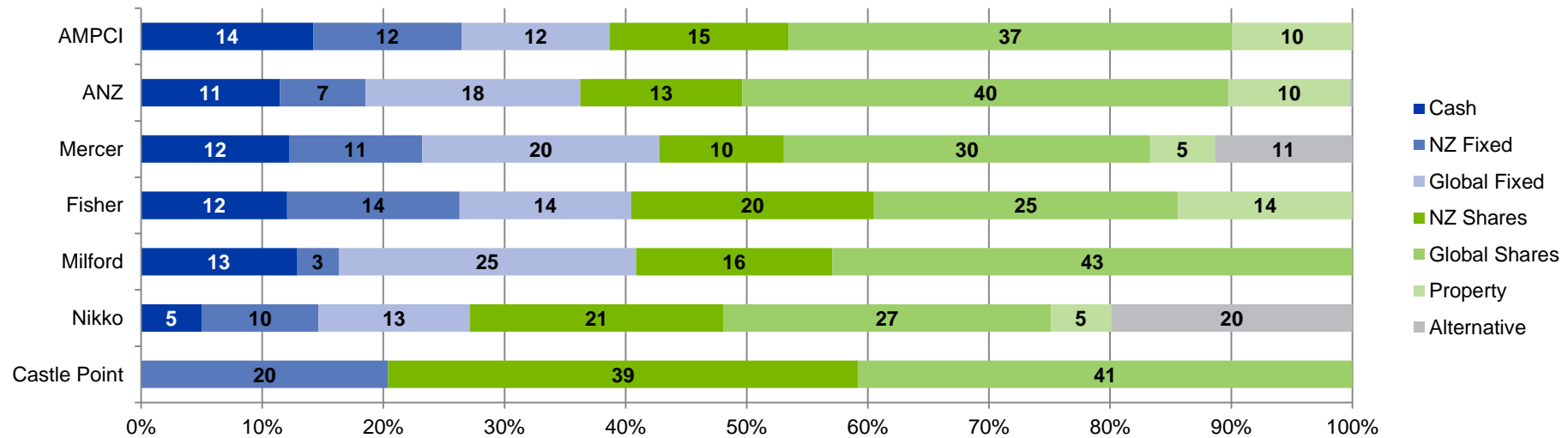
Sector		Returns (%) gross of tax and fees									Volatility 5 Yrs	
		For the period to 30 Jun 2015					For the year ended 30 June					
		1 Month	1 Qtr	1 Yr	3 Yrs	5 Yrs	2015	2014	2013	2012		2011
NZ Cash	ANZ 90D Bank Bills	0.3	0.9	3.7	3.1	3.0	3.7	2.8	2.7	2.8	3.1	0.1
	Median Manager	0.4	1.1	4.5	4.2	3.8	4.5	3.9	4.2	3.5	4.1	0.1
NZ Fixed Interest	ANZ NZ Govt Stock	0.8	0.8	8.5	3.5	5.6	8.5	2.1	0.0	11.0	6.8	3.1
	Median Manager	0.8	1.4	8.8	5.3	6.6	8.8	3.5	4.0	9.7	7.9	2.5
Global Fixed Interest	Barclays Agg	-1.0	-1.4	6.9	6.3	6.7	6.9	8.0	4.1	9.5	5.0	2.7
	Median Manager	-1.0	-1.4	6.8	7.4	8.2	6.8	9.3	5.7	11.2	6.8	2.8
Australasian Equities	NZX 50 Gross	-1.8	-1.6	13.0	20.6	15.6	13.0	17.2	32.4	0.1	17.5	7.6
	Median Manager	-1.6	-0.5	15.7	22.3	16.6	15.7	21.9	31.0	-0.8	18.2	8.1
Global Equities (unhedged)	MSCI ACWI	2.7	11.3	30.4	19.7	12.3	30.4	8.5	21.3	-3.9	8.4	9.4
	Median Manager	2.9	12.2	33.3	21.7	13.4	33.3	8.9	23.1	-3.6	9.4	10.0
Australasian Property	NZX Property	0.8	0.2	19.1	13.9	15.1	19.1	7.8	15.1	11.9	22.1	7.0
	Median Manager	0.4	0.6	19.0	16.8	17.2	19.0	11.8	19.4	12.9	22.8	6.6
Global Property	UBS Property	-4.5	-7.6	10.9	14.7	16.6	10.9	16.6	16.8	8.2	32.2	13.1
	Median Manager	-4.8	-7.1	9.8	15.5	17.3	9.8	21.1	15.9	5.0	37.0	15.0



Balanced Funds

Manager	FUM (\$m)	Returns (%) gross of tax and fees														5 Years	
		For the period to 30 Jun 2015										For the year ended 30 June					
		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	41	-0.5 (4)	1.5 (4)	11.3 (5)	13.8 (4)	11.6 (3)	11.3	14.3	16.0	3.1	13.8	4.1	2.1 (4)				
ANZ Investments	519	-0.6 (6)	1.7 (3)	15.0 (3)	15.9 (2)	13.4 (2)	15.0	14.2	18.4	4.3	15.4	4.9	2.1 (3)				
Castle Point Funds	8	0.7 (1)	2.0 (2)	7.8 (7)	8.8 (7)	7.7 (7)	7.8	6.9	11.6	5.5	6.7	2.3	2.0 (5)				
Fisher Institutional	815	-0.6 (5)	0.5 (7)	9.7 (6)	12.1 (6)	9.7 (6)	9.7	13.3	13.4	2.8	9.9	3.9	1.7 (7)				
Mercer	124	-0.4 (3)	1.3 (5)	12.7 (4)	13.5 (5)	10.7 (5)	12.7	14.1	13.8	2.3	11.1	4.0	1.9 (6)				
Milford Funds	287	-2.0 (7)	1.0 (6)	16.5 (1)	17.1 (1)	13.7 (1)	16.5	12.7	22.2	7.1	10.4	4.1	2.6 (1)				
Nikko Asset Management	221	0.3 (2)	2.9 (1)	15.8 (2)	14.5 (3)	11.5 (4)	15.8	12.1	15.6	2.7	11.6	4.0	2.1 (2)				
Minimum		-2.0	0.5	7.8	8.8	7.7	7.8	6.9	11.6	2.3	6.7	2.3	1.7				
Median		-0.5	1.5	12.7	13.8	11.5	12.7	13.3	15.6	3.1	11.1	4.0	2.1				
Maximum		0.7	2.9	16.5	17.1	13.7	16.5	14.3	22.2	7.1	15.4	4.9	2.6				

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 Jun 2015					For the year ended 30 June					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	488	0	-1.9 (14)	-1.5 (17)	15.2 (12)	21.1 (15)	16.2 (11)	15.2	20.3	28.1	0.7	18.3	8.2	0.5	2.8	0.2 (12)	
AMPCI	NZ Shares RIL	1	9	0	-1.9 (13)	-1.9 (19)	15.0 (13)			15.0	21.9								
AMPCI	Strategic NZ Share	2	160	0	-1.6 (10)	-1.1 (14)	17.5 (5)	22.2 (10)	16.0 (13)	17.5	21.0	28.6	-0.2	15.2	8.1	-0.0	3.4	-0.0 (15)	
ANZ	NZ Equities	1	155	0	-1.6 (11)	-0.5 (10)	10.5 (20)	22.0 (12)	17.1 (6)	10.5	22.8	33.8	2.2	18.5	7.7	1.3	2.0	0.7 (6)	
ANZ	Australasian Equity	1	644	10	-1.9 (15)	-0.9 (13)	10.9 (18)	21.7 (13)	16.6 (9)	10.9	23.0	32.4	0.3	18.9	7.6	0.8	2.1	0.4 (8)	
CPFM	Trans Tasman Strategy	1	0	19	-0.5 (5)	0.3 (7)	15.9 (10)			15.9									
Devon	NZ Core	1	165	14	-3.7 (20)	-3.8 (21)	16.9 (7)	23.3 (5)	16.6 (8)	16.9	22.3	30.9	-0.9	16.0	8.0	0.9	3.6	0.2 (11)	
Devon	Equity Income	3	96	43	-4.2 (21)	-3.0 (20)	18.7 (4)	21.2 (14)		18.7	18.4	26.6							
Devon	Trans Tasman	3	111	53	0.2 (2)	1.8 (2)	26.3 (1)	27.3 (1)	17.5 (5)	26.3	26.8	28.9	-4.4	13.3	8.5	4.8	4.2	1.2 (3)	
Fisher	Trans Tasman Equities	1	498	29	-2.0 (16)	-1.4 (16)	10.2 (21)	20.4 (16)	15.3 (16)	10.2	18.9	33.3	1.6	14.7	9.0	-0.6	3.4	-0.2 (16)	
Harbour	Australasian Equity	5	595	29	-1.4 (9)	1.3 (3)	10.5 (19)	22.7 (7)	16.0 (14)	10.5	22.3	36.7	-4.6	18.9	8.3	-1.1	4.3	-0.3 (17)	
Mercer	Trans Tasman Equity	1	353	14	-1.8 (12)	-0.9 (12)	12.9 (15)	22.4 (9)	16.1 (12)	12.9	21.9	33.1	-1.0	16.1	7.4	0.4	2.3	0.2 (13)	
Milford	NZ Equities	1	250	0	-0.1 (4)	0.5 (5)	11.0 (17)	22.7 (6)	18.4 (2)	11.0	21.5	37.1	6.5	17.9	7.6	2.4	3.1	0.8 (5)	
Milford	Trans Tasman	3	280	44	-1.3 (8)	0.9 (4)	12.1 (16)	19.3 (18)	17.0 (7)	12.1	15.6	31.1	9.0	18.2	8.3	4.4	3.4	1.3 (1)	
Mint	Trans Tasman Equity	1	71	16	0.5 (1)	0.0 (9)	15.7 (11)	24.7 (3)	20.4 (1)	15.7	22.3	37.1	6.4	22.7	7.4	4.1	5.1	0.8 (4)	
Nikko	Core Domestic Equity	1	254	9	-1.2 (7)	0.5 (6)	17.1 (6)	22.2 (11)	15.7 (15)	17.1	18.7	31.3	-0.8	14.5	7.9	0.1	2.4	0.0 (14)	
Nikko	Australasian Smallcap	4	5	63	-0.1 (3)	6.6 (1)	19.9 (3)	19.6 (17)	13.1 (17)	19.9	11.6	27.8	-6.8	16.0	13.2	8.8	6.9	1.3 (2)	
Russell	NZ Shares	5	95	0	-0.6 (6)	0.3 (8)	13.0 (14)			13.0	19.6								
Salt	Dividend Appreciation	1	77	0	-2.0 (17)	-0.5 (11)	20.0 (2)	24.4 (4)	17.6 (4)	20.0	22.8	30.5	-2.2	19.6	8.0	1.8	2.9	0.6 (7)	
Salt	NZ Plus Share	1	404	4	-2.5 (18)	-1.3 (15)	16.7 (9)	22.6 (8)	16.5 (10)	16.7	22.4	29.2	-3.9	21.3	8.3	0.9	2.9	0.3 (10)	
Salt	Javelin	2	74	11	-2.6 (19)	-1.7 (18)	16.7 (8)	24.7 (2)	18.0 (3)	16.7	27.2	30.7	-4.4	23.1	9.0	1.7	4.6	0.4 (9)	
	Minimum				-4.2	-3.8	10.2	19.3	13.1	10.2	11.6	26.6	-6.8	13.3	7.4	-1.1	2.0	-0.3	
	Median				-1.6	-0.5	15.7	22.3	16.6	15.7	21.9	31.0	-0.8	18.2	8.1	1.1	3.4	0.4	
	Maximum				0.5	6.6	26.3	27.3	20.4	26.3	27.2	37.1	9.0	23.1	13.2	8.8	6.9	1.3	
	NZX 50 Gross incl I/C	1			-1.8	-1.6	13.0	20.6	15.6	13.0	17.2	32.4	0.1	17.5	7.6				
	NZX 50 Portfolio incl I/C	2			-1.8	-1.7	15.3	22.0	16.0	15.3	17.6	34.0	-0.4	16.1	7.5				
	NZX50/ASX200 (50/50)	3			-0.9	1.3	12.5	15.7	11.9	12.5	12.1	23.0	-3.9	18.0	9.0				
	NZX/ASX Small Cap	4			-2.3	4.4	6.8	2.8	3.7	6.8	5.2	-3.2	-7.2	19.0	13.4				
	Russell NZ Tradeable Gross	5			-1.8	-1.3	15.3	21.8	17.2	15.3	18.8	32.1	2.0	19.7	7.7				

Australian Only Equity

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Jun 2015										For the year ended 30 June					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	33	0.9	(3)	4.2	(2)	13.8	(3)	12.3	(3)	8.9	(2)	13.8	7.0	16.3	-8.1	17.8	13.3	0.8	1.8	0.4	(1)
ANZ	Australian Share	1	514	0.9	(2)	3.1	(3)	9.5	(4)	13.3	(2)	9.4	(1)	9.5	8.2	22.8	-8.6	18.2	12.3	1.1	3.9	0.3	(2)
Devon	Australian	1	42	1.3	(1)	4.7	(1)	19.0	(2)	18.1	(1)			19.0	15.3	19.9	-7.3						
Milford	Dynamic	2	144	-6.4	(4)	-1.7	(4)	19.1	(1)					19.1									
Minimum				-6.4		-1.7		9.5		12.3		8.9		9.5	7.0	16.3	-8.6	17.8	12.3	0.8	1.8	0.3	
Median				0.9		3.6		16.4		13.3		9.2		13.8	8.2	19.9	-8.1	18.0	12.8	0.9	2.9	0.4	
Maximum				1.3		4.7		19.1		18.1		9.4		19.0	15.3	22.8	-7.3	18.2	13.3	1.1	3.9	0.4	
ASX 200					1	0.0		4.3		11.4		10.7		11.4	6.8	14.1	-8.2	17.9	13.7				
ASX SmallCap Industrials					2	-7.1		-4.7		7.2		12.2		7.2	13.1	16.7	-2.7						
ASX 200 (in A\$)						-5.3		-6.5		5.7		15.1		5.7	17.4	22.8	-6.7	11.7					

Income

		Returns (%) gross of tax and fees																					
Manager	Fund	FUM (\$m)	For the period to 30 Jun 2015										For the year ended 30 June					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	79	-3.2	(3)	-1.9	(3)	18.1	(1)	22.2	(1)			18.1	18.7	30.2								n/a
Milford	Income	1,105	-1.4	(2)	0.4	(2)	14.8	(2)	16.6	(2)	14.8	(1)	14.8	14.0	21.0	11.1	13.1						ANZ 90 Day Bank Bill Index
Nikko	Income	5	1.1	(1)	2.4	(1)	8.8	(3)	7.6	(3)	8.2	(2)	8.8	7.3	6.7	3.8	14.9						10% p.a.
Minimum			-3.2		-1.9		8.8		7.6		8.2		8.8	7.3	6.7	3.8	13.1						
Median			-1.4		0.4		14.8		16.6		11.5		14.8	14.0	21.0	7.4	14.0						
Maximum			1.1		2.4		18.1		22.2		14.8		18.1	18.7	30.2	11.1	14.9						

Global Equities (Unhedged)

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Jun 2015										For the year ended 30 June					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	961	3.0	(7)	11.6	(10)	32.9	(8)	22.8	(4)	14.5	(3)	32.9	11.0	25.4	-3.0	9.4	10.0	2.0	1.8	1.1	(2)
AMPCI	RIL Global Shares	1	49	2.9	(8)	12.8	(3)	31.8	(9)	21.7	(7)	13.3	(8)	31.8	11.2	23.1	-5.2	9.1	9.7	0.9	1.3	0.7	(4)
ANZ	International Share	1	3,440	3.2	(4)	11.8	(9)	34.1	(6)	23.3	(2)	15.3	(2)	34.1	9.6	27.4	-1.8	10.7	10.3	2.8	2.4	1.1	(1)
EC	Value Fund	1	18	4.1	(1)	11.0	(11)	17.6	(13)	16.9	(12)	11.5	(11)	17.6	11.0	22.4	-3.6	11.6	8.0	-1.0	4.8	-0.2	(10)
Fisher	Overseas Equities	1	746	2.8	(12)	10.7	(15)	27.2	(11)	18.5	(11)	10.6	(12)	27.2	8.4	20.5	-7.1	7.1	9.4	-1.6	1.9	-0.8	(11)
FRK	Global Growth	1	62	2.6	(13)	14.2	(1)	36.1	(3)	21.2	(9)	14.3	(4)	36.1	8.3	20.8	-2.8	12.9	10.4	1.8	4.0	0.5	(6)
FRK	Global Trust	1	397	2.5	(14)	12.3	(7)	23.6	(12)	23.1	(3)	13.9	(6)	23.6	13.1	33.4	-6.5	10.0	11.1	1.5	4.2	0.4	(8)
Harbour	Global Equity Growth	1	7	2.8	(11)	10.8	(14)																
Magellan	Global	1	8,703	2.9	(10)	12.5	(4)	38.9	(2)	23.7	(1)	19.7	(1)	38.9	3.0	32.2	18.7	9.7	10.5	6.5	7.0	0.9	(3)
Mercer	Global Equities	2	841	3.2	(5)	11.0	(12)	34.8	(5)	21.4	(8)	12.8	(10)	34.8	10.7	19.8	-4.8	7.4	9.0	0.3	3.7	-1.5	(12)
MGH	MGH Investments	1	24	2.9	(9)	14.0	(2)	31.1	(10)	16.6	(13)	9.2	(13)	31.1	3.1	17.2	-4.0	2.0	8.4	-2.7	4.4	-3.2	(13)
Nikko	Global Equity	1	513	3.1	(6)	12.2	(8)	33.3	(7)	20.6	(10)	13.9	(5)	33.3	8.9	21.0	0.8	8.4	8.8	1.4	2.2	0.6	(5)
Nikko	Global SRI	1	19	3.2	(3)	12.4	(5)	39.8	(1)	22.5	(6)	13.3	(9)	39.8	3.9	26.6	-3.6	5.0	10.8	0.9	4.2	0.2	(9)
Russell	Emerging Markets	4	0	-0.3	(15)	11.0	(13)																
Russell	Global Opportunities	3	304	3.6	(2)	12.3	(6)	36.0	(4)	22.6	(5)	13.4	(7)	36.0	7.0	26.7	-7.6	10.1	10.6	0.9	2.2	0.4	(7)
	Minimum			-0.3		10.7		17.6		16.6		9.2		17.6	3.0	17.2	-7.6	2.0	8.0	-2.7	1.3	-3.2	
	Median			2.9		12.2		33.3		21.7		13.4		33.3	8.9	23.1	-3.6	9.4	10.0	0.9	3.7	0.4	
	Maximum			4.1		14.2		39.8		23.7		19.7		39.8	13.1	33.4	18.7	12.9	11.1	6.5	7.0	1.1	
	MSCI All Country World Index	1		2.7		11.3		30.4		19.7		12.3		30.4	8.5	21.3	-3.9	8.4	9.4				
	MSCI World Index	2		2.8		11.2		31.3		21.0		13.5		31.3	9.4	23.4	-2.4	8.7	9.8				
	Russell Global Large Cap	3		2.8		11.2		30.5		20.2		12.5		30.5	9.1	21.9	-4.3	8.3	9.5				
	Russell Emerging Markets Index	4		-2.7		7.1																	
	MSCI World Index (100% hedged)			-2.9		-0.1		11.5		19.8		16.1		11.5	24.4	24.0	-0.9	23.8	10.9				

Global Bonds

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Jun 2015										For the year ended 30 June					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	141	-0.9	(2)	-0.9	(2)	6.8	(3)	6.4	(4)	6.5	(5)	6.8	6.8	5.7	6.5	6.8	2.7	-0.1	1.6	-0.1	(5)
ANZ	International Aggregate	1	832	-0.9	(3)	-1.9	(6)	6.7	(5)					6.7									
Fisher	Global Fixed Interest	1	959	-1.0	(4)	-1.7	(4)	7.2	(2)	7.4	(3)	8.7	(1)	7.2	9.8	5.3	13.9	7.5	3.6	1.9	1.7	1.1	(3)
Mercer	Global Bonds	1	644	-1.1	(6)	-1.8	(5)	6.8	(4)	7.5	(2)	8.2	(3)	6.8	9.7	6.0	11.2	7.4	2.8	1.4	1.2	1.2	(2)
Nikko	Global Fixed Interest	1	277	-0.9	(1)	-0.9	(1)	5.7	(6)	6.2	(5)	6.8	(4)	5.7	9.3	3.8	9.7	5.7	2.6	0.1	0.9	0.1	(4)
Russell	Global Bond	1	1,498	-1.0	(5)	-1.1	(3)	7.8	(1)	7.9	(1)	8.5	(2)	7.8	8.5	7.5	12.3	6.6	3.2	1.8	1.3	1.3	(1)
Minimum				-1.1		-1.9		5.7		6.2		6.5		5.7	6.8	3.8	6.5	5.7	2.6	-0.1	0.9	-0.1	
Median				-1.0		-1.4		6.8		7.4		8.2		6.8	9.3	5.7	11.2	6.8	2.8	1.4	1.3	1.1	
Maximum				-0.9		-0.9		7.8		7.9		8.7		7.8	9.8	7.5	13.9	7.5	3.6	1.9	1.7	1.3	
Other:																							
LMI	Brandywine*	2	151	-2.4	(3)	-3.5	(3)	11.4	(1)	11.3	(1)	11.2	(1)	11.4	9.5	13.2	14.7	7.3	5.3	4.5	4.4	1.0	(1)
ANZ	International Sovereign	2	2,053	-0.9	(1)	-1.8	(1)	7.1	(2)	5.6	(2)	6.1	(2)	7.1	6.5	3.3	9.7	4.2	3.0	-0.2	0.6	-0.4	(2)
ANZ	International Credit	x	1,092	-1.1	(2)	-2.1	(2)	5.3	(3)					5.3	9.1								
Barclays Capital Global Agg Index				1		-1.0		-1.4		6.9		6.3		6.7		6.9	8.0	4.1	9.5	5.0	2.7		
Citigroup World Govt Bond Index				2		-1.1		-1.9		7.3		6.3		6.4		7.3	7.6	4.0	9.8	3.5	2.9		

Other Global Funds

		Returns (%) gross of tax and fees																					
Manager	Fund	FUM (\$m)	For the period to 30 Jun 2015										For the year ended 30 June					Benchmark					
			1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2015	2014	2013	2012	2011						
AMPCI	Commodities	466	2.2	(1)	4.5	(3)	-20.5	(6)	-5.0	(4)				-20.5	13.2	-4.7							n/a
AMPCI	Infrastructure	187	-2.7	(5)	-1.2	(5)	11.5	(4)						11.5	39.4								DJ Brookfield Global Infrastructure Index
FSI	Infrastructure	142	-4.7	(6)	-2.8	(6)	13.8	(3)						13.8									FTSE Global Core Infrastructure Net
PATH	Commodity Plus Fund	61	1.5	(2)	1.5	(4)	3.2	(5)	-0.8	(3)	1.6	(2)		3.2	-1.1	-4.3	-6.9	18.9					Bloomberg Commodity Index
PATH	World Equity Fund	35	1.4	(3)	7.7	(2)	30.6	(1)	20.2	(2)				30.6	17.6	13.2						MSCI AC World	
PATH	Global Water Fund	8	0.0	(4)	8.8	(1)	17.3	(2)	21.4	(1)	11.7	(1)		17.3	24.4	22.5	-7.5	5.1				n/a	
Minimum			-4.7		-2.8		-20.5		-5.0		1.6		-20.5	-1.1	-4.7	-7.5	5.1						
Median			0.7		3.0		12.6		9.7		6.6		12.6	17.6	4.5	-7.2	12.0						
Maximum			2.2		8.8		30.6		21.4		11.7		30.6	39.4	22.5	-6.9	18.9						

* 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 Jun 2015										For the year ended 30 June					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	1,774	0.9	(3)	0.9	(8)	9.4	(2)	4.8	(5)	6.6	(4)	9.4	3.1	2.2	11.3	7.2	3.0	0.9	0.5	1.8	(1)
ANZ	NZ Fixed Interest	1	1,244	0.8	(6)	1.0	(7)	9.0	(4)	4.5	(7)	6.6	(3)	9.0	3.0	1.8	11.3	8.5	2.9	1.0	0.7	1.5	(2)
Fisher	NZ Fixed Interest	1	1,078	0.8	(4)	1.0	(6)	8.8	(5)	4.7	(6)	6.2	(5)	8.8	3.1	2.2	9.3	7.9	2.5	0.6	1.2	0.5	(5)
Harbour	NZ Core Fixed Interest	3	120	1.0	(2)	1.5	(3)	8.1	(8)	5.3	(4)			8.1	3.8	4.0							
Harbour	NZ Corporate Bond	2	214	0.7	(8)	1.5	(2)	7.8	(9)	5.8	(3)	6.2	(6)	7.8	4.2	5.5	6.0	7.3	1.3	-0.2	0.9	-0.2	(6)
Milford	Trans-Tasman Bond	4	232	0.0	(9)	0.8	(9)	8.3	(7)					8.3									
Nikko	NZ Corporate Bond	1	109	0.8	(5)	1.7	(1)	9.5	(1)	7.0	(1)	7.6	(1)	9.5	4.7	6.6	8.3	8.8	2.0	1.8	1.9	1.0	(4)
Nikko	NZ Fixed Interest	1	265	0.8	(7)	1.4	(5)	9.2	(3)	6.0	(2)	7.2	(2)	9.2	4.0	4.7	10.1	7.9	2.5	1.5	1.1	1.3	(3)
Russell	NZ Fixed Interest	1	85	1.0	(1)	1.5	(4)	8.6	(6)					8.6	3.2								
	Minimum			0.0		0.8		7.8		4.5		6.2		7.8	3.0	1.8	6.0	7.2	1.3	-0.2	0.5	-0.2	
	Median			0.8		1.4		8.8		5.3		6.6		8.8	3.5	4.0	9.7	7.9	2.5	0.9	1.0	1.2	
	Maximum			1.0		1.7		9.5		7.0		7.6		9.5	4.7	6.6	11.3	8.8	3.0	1.8	1.9	1.8	
	ANZ NZ Govt Stock Index	1		0.8		0.8		8.5		3.5		5.6		8.5	2.1	0.0	11.0	6.8	3.1				
	ANZ NZ Corp A Grade Index	2		0.8		1.7		8.4		5.5		6.3		8.4	3.8	4.5	7.2	7.8	1.6				
	ANZ NZ Govt/Corp A Index (50/50)	3		0.8		1.2		8.5		4.5		6.0		8.5	3.0	2.2	9.1	7.3	2.3				
	ANZ NZ Corp/ASX Corp Index (50/50)	4																					

NZ Cash & Short Duration

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Jun 2015										For the year ended 30 June					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	4,098	0.3	(5)	1.1	(5)	4.1	(6)	3.7	(6)	3.8	(3)	4.1	3.5	3.6	3.5	4.3	0.1	0.8	0.1	9.4	(1)
AMPCI	NZ Short Duration	2	191	0.7	(1)	1.7	(1)	6.9	(1)	5.3	(1)			6.9	4.2	4.8							
AMPCI	Global Short Duration	1	179	0.1	(7)	1.0	(7)	5.1	(2)	5.2	(2)			5.1	5.7	4.9							
ANZ	NZ Cash	1	1,942	0.3	(6)	1.0	(6)	4.1	(7)	3.6	(7)	3.7	(4)	4.1	3.3	3.5	3.5	4.0	0.1	0.6	0.1	7.5	(3)
Fisher	NZ Cash	1	845	0.4	(3)	1.1	(3)	4.3	(5)	4.3	(3)	3.9	(2)	4.3	3.7	4.7	2.8	3.8	0.3	0.8	0.4	2.3	(4)
Harbour	Short Duration	1	38	0.4	(2)	1.1	(2)	4.5	(3)	4.2	(4)			4.5	3.9	4.2			0.2				
Nikko	NZ Cash	1	535	0.4	(4)	1.1	(4)	4.5	(4)	4.1	(5)	4.2	(1)	4.5	3.9	4.1	4.0	4.4	0.1	1.1	0.1	8.6	(2)
	Median			0.4		1.1		4.5		4.2		3.8		4.5	3.9	4.2	3.5	4.1	0.1	0.8	0.1	8.1	
	ANZ 90 Day Bank Bill Index	1		0.3		0.9		3.7		3.1		3.0		3.7	2.8	2.7	2.8	3.1	0.1				
	ANZ Short End Swap Index	2		0.7		1.6		6.0		3.5				6.0	2.5	2.2			0.9				

NZ Property

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Jun 2015										For the year ended 30 June					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		327	0.5	(2)	1.5	(2)	13.7	(1)	13.4	(1)	10.1	(1)	13.7	13.5	13.0	3.9	6.7	3.9				
	Property Fund		97	1.0	(1)	2.5	(1)	7.9	(2)	8.8	(2)	8.2	(2)	7.9	9.5	9.0	9.8	5.1	1.5				
Listed:																							
AMPCI	Listed Property	1	20	1.2	(1)	1.3	(1)	19.7	(2)	16.7	(4)	17.0	(4)	19.7	11.7	18.9	14.2	20.5	6.5	1.6	2.4	0.7	(4)
AMPCI	Property Fund	2	125	-0.9	(6)	-0.7	(7)																
ANZ	Property Securities	1	140	0.4	(4)	0.8	(3)	18.1	(6)	18.2	(2)	18.2	(1)	18.1	15.8	20.7	12.8	23.9	6.9	2.7	2.7	1.0	(3)
ANZ	Trans Tasman	2	346	-1.0	(7)	0.1	(6)	18.8	(4)	19.5	(1)	17.5	(3)	18.8	16.8	23.1	11.7	17.2	7.3	1.7	2.9	0.6	(5)
Mint	Real Estate Inv Trust	1	45	0.0	(5)	1.0	(2)	18.4	(5)	16.5	(5)	16.8	(5)	18.4	11.3	19.9	12.4	22.2	6.0	1.4	3.0	0.5	(6)
Nikko	Property Securities	1	42	1.0	(3)	0.6	(4)	19.2	(3)	15.2	(6)	16.4	(6)	19.2	10.7	15.9	13.0	23.4	6.6	1.1	1.0	1.1	(2)
Salt	Listed Property	1	273	1.1	(2)	0.6	(5)	20.7	(1)	16.9	(3)	17.9	(2)	20.7	12.0	18.2	13.4	25.9	6.5	2.5	1.6	1.6	(1)
Minimum				-1.0		-0.7		18.1		15.2		16.4		18.1	10.7	15.9	11.7	17.2	6.0	1.1	1.0	0.5	
Median				0.4		0.6		19.0		16.8		17.2		19.0	11.8	19.4	12.9	22.8	6.6	1.7	2.6	0.8	
Maximum				1.2		1.3		20.7		19.5		18.2		20.7	16.8	23.1	14.2	25.9	7.3	2.7	3.0	1.6	
NZX Property Index		1		0.8		0.2		19.1		13.9		15.1		19.1	7.8	15.1	11.9	22.1	7.0				
NZX/ASX Property Index		2		-0.6		-0.2		21.0		16.2		15.5		21.0	9.5	18.4	11.9	17.0	6.8				

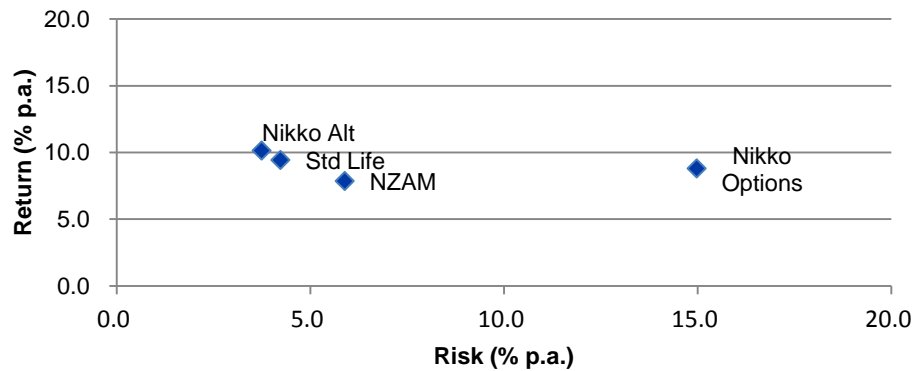
Global Property

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 30 Jun 2015										For the year ended 30 June					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	108	-5.0	(3)	-7.1	(2)	8.9	(2)	16.4	(1)	18.2	(1)	8.9	24.8	16.0	5.3	39.1	16.1	1.7	5.1	0.3	(1)
ANZ	International Property	1	431	-4.8	(2)	-7.9	(3)	10.7	(1)	14.6	(2)	16.3	(2)	10.7	17.5	15.7	4.6	35.0	13.9	-0.2	2.6	-0.1	(2)
Russell	Global Listed Real Estate	1	41	-4.5	(1)	-6.0	(1)																
FTSE EPRA/NAREIT Index*				-4.5		-7.6		10.9		14.7		16.6		10.9	16.6	16.8	8.2	32.2	13.1				
*UBS Global RE Index prior to June 2015																							

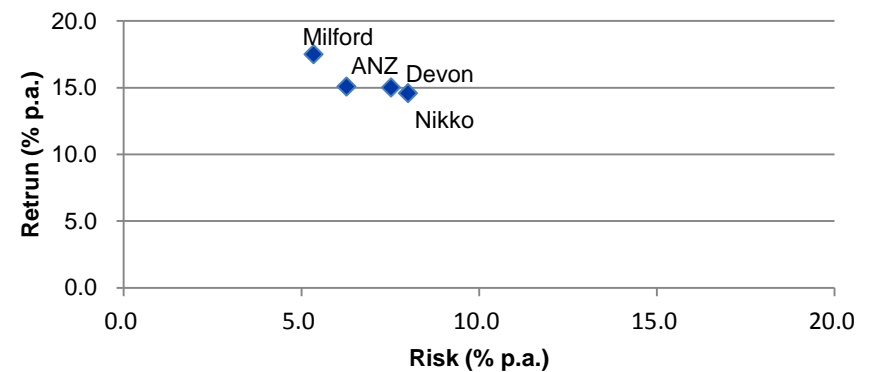
Alternatives/Absolute Return

		Returns (%) gross of tax and fees																			
Manager	Fund	FUM (\$m)	For the period to 30 Jun 2015										For the year ended 30 June					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	95	-0.2	(4)	0.1	(5)	11.6	(5)				11.6									
Milford	Global	251	0.2	(3)	4.1	(1)	22.8	(1)				22.8	7.9							Cash + 3% to 5% OCR + 5%	
Nikko	Multi-Strategy	152	-0.8	(5)	0.2	(4)	6.5	(7)	11.0	(1)	10.1	(1)	6.5	13.5	13.1	2.9	15.1	3.7	1.9	(1)	90 Day Bank Bill + 2.5%
Nikko	Options	154	1.6	(1)	3.8	(2)	6.9	(6)	10.7	(3)	8.8	(3)	6.9	16.6	8.8	-8.4	22.6	15.0	0.4	(4)	90 Day Bank Bill + 4%
NZAM	Alpha	26	-1.0	(6)	-1.5	(7)	12.5	(3)				12.5	1.9								
NZAM	Global	576	0.5	(2)	2.9	(3)	14.7	(2)	10.9	(2)	7.9	(4)	14.7	2.8	15.8	1.6	5.1	5.9	0.8	(3)	OCR + 4%
Std Life	GARS*	78	-1.0	(7)	-0.2	(6)	12.3	(4)	10.4	(4)	9.4	(2)	12.3	8.5	10.4	10.7	5.4	4.2	1.5	(2)	OCR + 5%
Australasian:																					
ANZ	Equity Selection	33	-3.3	(6)	-1.2	(5)	6.8	(5)	18.6	(4)	15.1	(2)	6.8	23.3	26.8	2.8	17.5	6.3	1.9	(2)	90 Day Bank Bill + 5%
CPFM	Ranger	6	1.9	(1)	1.9	(3)	6.5	(6)				6.5									
Devon	Alpha	99	-2.8	(5)	-1.3	(6)	16.7	(3)	25.3	(1)	15.0	(3)	16.7	26.4	33.3	-1.7	4.0	7.5	1.6	(3)	12% p.a.
Milford	Active Growth	659	-2.6	(4)	0.2	(4)	15.3	(4)	21.4	(3)	17.5	(1)	15.3	18.7	30.6	12.7	11.1	5.3	2.7	(1)	10% p.a.
Nikko	Concentrated	64	0.9	(2)	3.9	(1)	27.7	(1)	24.0	(2)	14.6	(4)	27.7	16.3	28.3	-5.9	10.0	8.0	1.4	(4)	90 Day Bank Bill + 5%
Salt	Long/Short	18	-0.0	(3)	3.1	(2)	25.1	(2)													
OCR + 5%			0.7		2.0		8.5		7.9		7.8		8.5	7.6	7.5	7.5	7.8	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> </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.fisher@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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