

The Aon Investment Update as at 31 October 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 October 2015

Market summary

Equity markets bounced back strongly in October, with the NZX 50 posting its biggest monthly gain in more than 6 years and US shares rising the most in 4 years. Bond yields edged slightly higher over the month but New Zealand investors still earned positive returns from both domestic and global bonds.

The US Federal Reserve left interest rates unchanged at their October meeting, but a small change in the tone of the accompanying statement saw the odds of an increase in December increase slightly. A strong labour market report in early November saw the odds increase again, and the market is now pricing in a 70% chance that the Fed will hike rates in December.

Elsewhere, central banks remain accommodative, with the People's Bank of China cutting interest and deposit rates for the sixth time in 12 months, and the European Central bank and Bank of Japan expected to ease monetary policy further over the coming months. While the Reserve Bank of New Zealand and the Reserve Bank of Australia left interest rates on hold at their recent meetings, both are expected to cut rates later this year or in early 2016.

Global shares rose by around 8% over the month in US dollar terms, but a strengthening New Zealand dollar meant that the unhedged return to New Zealand investors was closer to 2%. The strong performance was not enough to wipe out all of the losses of the previous two months – but most developed market indices are now in positive territory for the year.

The NZX 50 index rose 7.0% for the month, while Australian shares were up 4.4%. Local shares continue to be attractive to investors looking for yield in a low interest rate world. While valuations look stretched, solid economic data, a rebound in dairy prices and the prospect for more rate cuts in the coming months are all factors that are supportive for the share market.

Movements in bond yields were mixed over the month – reflecting the divergent outlook for monetary policy. Sovereign yields in Europe fell, while 10 Year US Treasury yields rose by 11 basis points to 2.14%. The Barclays Global Aggregate Bond index returned 0.5% on a fully hedged basis over the month.

New Zealand bond yields were little changed in October, and the Government and Corporate A Grade indices both posted a small positive return over the month.

Fund Performance

The strong recovery in equity markets meant that Balanced Funds were able to deliver positive returns in October, following two negative months. Returns ranged from 2.3% to 3.4%. Over the last 12 months, returns have ranged from 6.0% (AMP Capital) to 13.3% (Nikko Asset Management).

New Zealand shares were the best performing asset class over the month with a median monthly return of 6.5% from the 21 funds in our survey. Those funds with a significant allocation to Australian shares tended to underperform as the Australian share market lagged most other markets, and the Australian dollar declined. The Milford NZ Equity Fund, which has no allocation to Australia, was the best performer, returning 7.6%, whereas Milford's Trans Tasman fund, which has 46% invested in Australia, was one of the worst performers with a return of 4.1%.

Most global equity funds also posted positive returns for the month - Mercer leading the way with 3.2%. Emerging markets had a better month, but emerging market equities have still significantly underperformed developed market equities over the last 12 months.

Property funds also had a good month. The median return from the NZ Listed Property Funds in October was 5.1%, while the three global property funds in our survey all returned more than 5%. Global property has been the best performing sector over the last three months.

Bond funds also had a positive month - the median global bond manager returning 0.9% and the median NZ bond manager 0.2%. Over the last 12 months, returns from NZ Bonds have ranged from 7.1% to 8.5%, while the range for the global bond managers is 5.5% to 6.3%.

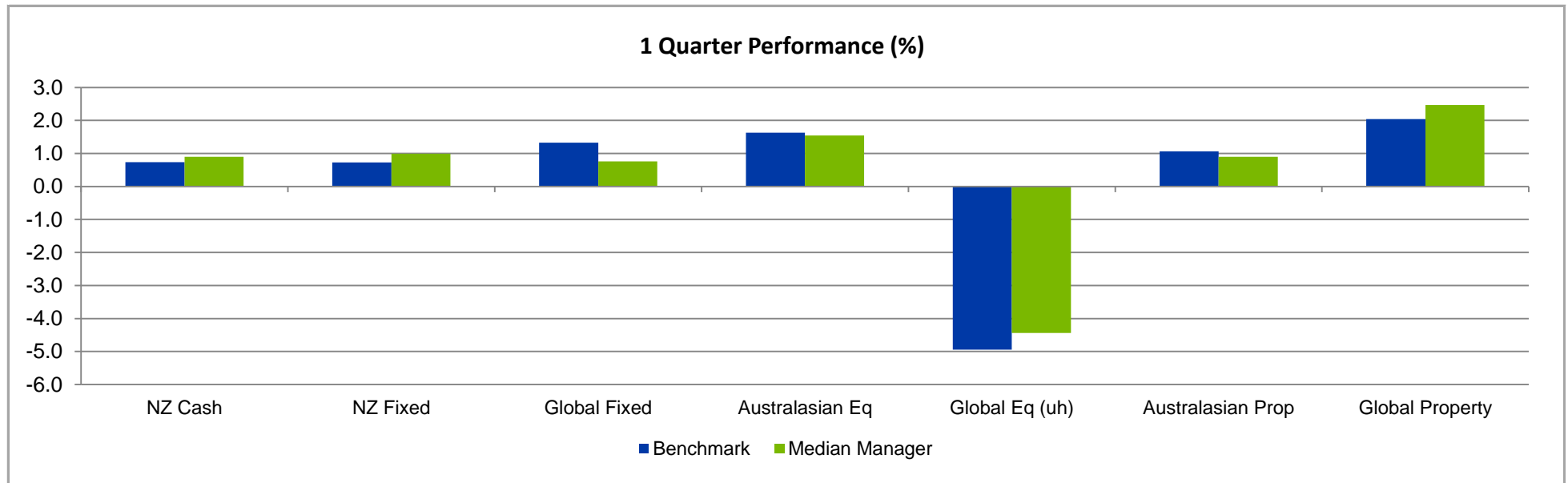
New Zealand Fund Management Changes

Implemented Investment Solutions (IIS) announced during the month that they had broken through the \$1bn funds under management barrier. IIS markets a range of Russell Investments products to retail and institutional investors in New Zealand.

TSB Bank has increased its stake in Fisher Funds to 49%. The bank took a 26% stake in the business in 2013.

Median Manager Performance v Benchmark

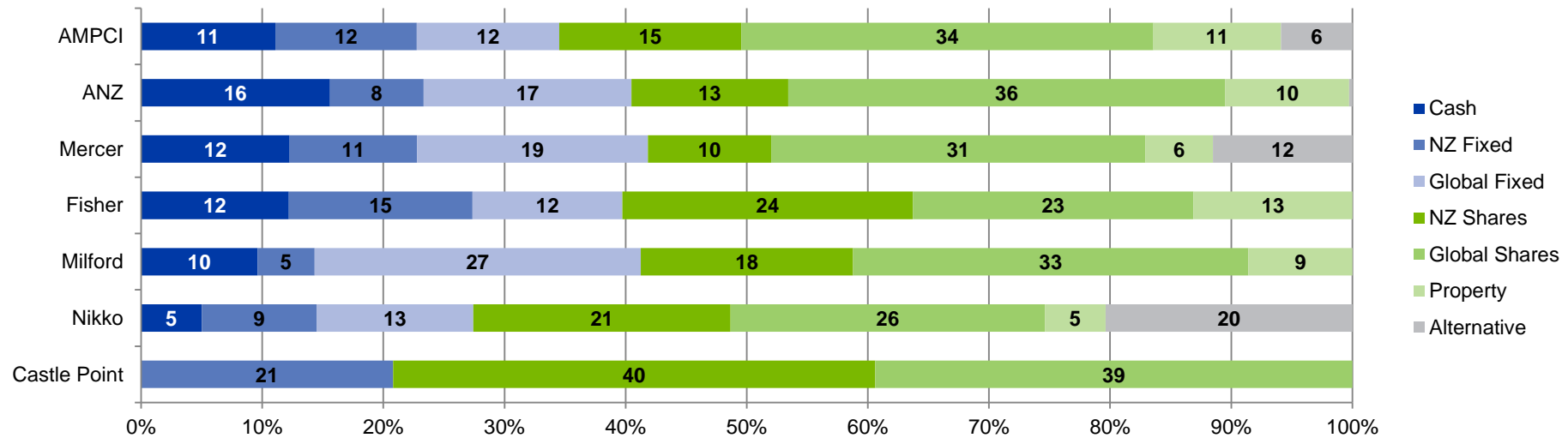
Sector		Returns (%) gross of tax and fees									Volatility 5 Yrs	
		For the period to 31 Oct 2015					For the year ended 31 October					
		1 Month	1 Qtr	1 Yr	3 Yrs	5 Yrs	2015	2014	2013	2012		2011
NZ Cash	ANZ 90D Bank Bills	0.2	0.7	3.5	3.1	3.0	3.5	3.2	2.7	2.7	3.0	0.1
	Median Manager	0.3	0.9	4.2	4.1	3.8	4.2	4.0	4.0	3.7	3.9	0.1
NZ Fixed Interest	ANZ NZ Govt Stock	0.1	0.7	7.9	3.9	5.7	7.9	5.8	-1.9	8.5	8.5	3.1
	Median Manager	0.2	1.0	8.2	5.3	6.7	8.2	6.4	2.3	8.7	9.1	2.4
Global Fixed Interest	Barclays Agg	0.5	1.3	6.4	6.1	6.5	6.4	8.6	3.5	8.8	5.6	2.6
	Median Manager	0.9	0.8	6.0	6.3	7.7	6.0	10.1	3.9	12.2	5.8	2.7
Australasian Equities	NZX 50 Gross	7.0	1.6	12.6	16.3	14.2	12.6	11.2	25.6	20.4	2.4	8.2
	Median Manager	6.5	1.5	12.3	18.2	15.3	12.3	15.7	27.3	19.6	3.5	8.4
Global Equities (unhedged)	MSCI ACWI	2.0	-4.9	14.9	17.3	10.4	14.9	14.7	22.4	7.2	-5.4	9.7
	Median Manager	2.0	-4.4	18.6	19.5	11.5	18.6	14.3	25.4	7.6	-4.6	10.2
Australasian Property	NZX Property	5.2	1.1	17.2	12.4	13.5	17.2	17.1	3.5	21.4	9.0	7.3
	Median Manager	5.1	0.9	18.4	14.6	15.9	18.4	17.8	8.2	26.5	9.0	7.0
Global Property	UBS Property	5.4	2.0	11.3	15.6	14.5	11.3	20.3	15.2	20.4	5.7	13.2
	Median Manager	5.5	2.5	12.6	16.7	14.9	12.6	21.6	15.9	18.8	6.4	14.9



Balanced Funds

Manager	FUM (\$m)	Returns (%) gross of tax and fees														5 Years	
		For the period to 31 Oct 2015										For the year ended 31 October					
		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	43	2.7 (4)	-1.7 (7)	6.0 (7)	11.1 (5)	9.9 (4)	6.0	12.1	15.5	12.7	3.6	4.4	1.6 (6)				
ANZ Investments	538	3.4 (2)	-0.8 (6)	10.8 (3)	14.0 (2)	12.2 (2)	10.8	12.5	18.9	13.3	5.7	5.3	1.7 (3)				
Castle Point Funds	8	2.3 (7)	0.6 (2)	6.5 (6)	8.5 (7)	7.4 (7)	6.5	7.5	11.5	7.5	4.1	2.7	1.7 (4)				
Fisher Institutional	834	2.7 (5)	0.3 (3)	8.6 (5)	10.3 (6)	9.1 (6)	8.6	10.6	11.8	11.8	2.7	4.2	1.4 (7)				
Mercer	472	3.4 (1)	0.1 (5)	10.4 (4)	12.2 (4)	9.6 (5)	10.4	10.8	15.4	8.5	3.4	4.2	1.6 (5)				
Milford Funds	307	3.2 (3)	0.9 (1)	12.3 (2)	14.7 (1)	13.1 (1)	12.3	13.2	18.7	16.4	5.2	4.4	2.3 (1)				
Nikko Asset Management	211	2.6 (6)	0.3 (4)	13.3 (1)	13.6 (3)	10.8 (3)	13.3	11.5	15.9	12.3	1.7	4.2	1.9 (2)				
Minimum		2.3	-1.7	6.0	8.5	7.4	6.0	7.5	11.5	7.5	1.7	2.7	1.4				
Median		2.7	0.3	10.4	12.2	9.9	10.4	11.5	15.5	12.3	3.6	4.2	1.7				
Maximum		3.4	0.9	13.3	14.7	13.1	13.3	13.2	18.9	16.4	5.7	5.3	2.3				

Asset Allocation



NZ and Australasian Equities

					Returns (%) gross of tax and fees																			
Manager	Fund	Bench mark	FUM (\$m)	% in Aus	For the period to 31 Oct 2015										For the year ended 31 October					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	466	0	6.8	(7)	2.6	(6)	12.7	(10)	16.3	(15)	14.9	(11)	12.7	15.8	20.5	23.2	3.5	8.5	0.7	2.8	0.2	(13)
AMPCI	NZ Shares RIL	1	10	0	6.8	(6)	3.1	(3)	12.9	(9)					12.9	16.0								
AMPCI	Strategic NZ Share	2	145	0	6.3	(15)	2.6	(7)	14.7	(5)	16.9	(13)	14.6	(14)	14.7	16.9	19.1	24.3	-0.6	8.3	0.3	3.4	0.1	(15)
ANZ	NZ Equities	1	120	0	6.4	(13)	-0.3	(17)	7.8	(19)	16.9	(12)	15.6	(6)	7.8	15.1	28.9	20.8	6.7	8.4	1.2	2.0	0.6	(6)
ANZ	Australasian Equity	1	701	9	6.4	(12)	-0.5	(19)	7.2	(20)	16.8	(14)	15.2	(10)	7.2	15.6	28.6	19.6	6.4	8.3	0.9	2.1	0.4	(10)
CPFM	Trans Tasman Strategy	1	0	18	6.3	(14)	2.4	(9)	8.5	(18)					8.5									
Devon	NZ Core	1	206	14	5.8	(17)	1.2	(13)	9.1	(17)	18.9	(7)	15.4	(7)	9.1	22.4	25.9	18.9	2.4	8.3	1.1	3.6	0.3	(12)
Devon	Dividend Yield	3	37	41	6.1	(16)	4.2	(1)	15.1	(4)	19.7	(3)			15.1	20.5	23.8							
Devon	Trans Tasman	3	117	51	5.5	(19)	-0.3	(18)	18.8	(1)	23.5	(1)	15.8	(5)	18.8	21.3	30.7	14.2	-3.1	8.9	6.5	4.2	1.6	(2)
Fisher	Trans Tasman Equities	1	538	30	5.6	(18)	0.3	(16)	9.3	(15)	13.8	(18)	13.6	(16)	9.3	13.2	19.0	28.4	0.2	9.3	0.1	3.5	0.0	(16)
Harbour	Australasian Equity	5	671	26	7.6	(2)	1.5	(11)	9.2	(16)	18.5	(8)	14.6	(13)	9.2	12.6	35.5	17.3	1.2	9.1	-1.2	4.4	-0.3	(17)
Mercer	Trans Tasman Equity	1	396	20	6.8	(8)	1.5	(12)	10.4	(13)	18.4	(9)	15.4	(8)	10.4	15.5	30.2	18.3	4.1	8.0	1.0	2.1	0.5	(8)
Milford	NZ Equities	1	226	0	7.6	(1)	3.6	(2)	13.9	(6)	19.6	(4)	17.6	(2)	13.9	11.2	34.9	26.2	4.3	8.2	3.0	3.0	1.0	(4)
Milford	Trans Tasman	3	223	46	4.1	(20)	-1.3	(21)	5.4	(21)	14.3	(16)	14.7	(12)	5.4	10.0	28.8	24.8	6.6	8.3	5.5	3.3	1.6	(1)
Mint	Trans Tasman Equity	1	80	17	6.6	(10)	2.4	(8)	15.8	(2)	22.1	(2)	18.5	(1)	15.8	16.5	34.9	21.4	5.9	7.8	3.7	5.0	0.7	(5)
Nikko	Core Domestic Equity	1	236	7	6.5	(11)	0.5	(15)	13.1	(8)	18.0	(10)	14.4	(15)	13.1	13.5	27.9	18.6	0.7	8.4	0.2	2.4	0.1	(14)
Nikko	Australasian Smallcap	4	5	60	3.7	(21)	-0.7	(20)	10.5	(12)	13.9	(17)	9.7	(17)	10.5	6.1	26.1	17.2	-8.2	12.7	9.9	6.7	1.5	(3)
Russell	NZ Shares	5	112	0	7.1	(3)	1.0	(14)	10.3	(14)					10.3	13.6								
Salt	Dividend Appreciation	1	81	0	6.6	(9)	2.6	(5)	15.7	(3)	19.5	(5)	16.2	(4)	15.7	18.0	25.1	19.8	3.5	8.3	1.8	3.1	0.6	(7)
Salt	NZ Plus Share	1	436	6	7.1	(5)	2.1	(10)	12.3	(11)	17.8	(11)	15.3	(9)	12.3	16.6	24.8	17.9	5.9	8.7	1.0	3.0	0.3	(11)
Salt	Javelin	2	80	15	7.1	(4)	2.7	(4)	13.2	(7)	19.1	(6)	16.6	(3)	13.2	17.7	26.7	18.7	7.7	9.3	2.1	4.7	0.4	(9)
	Minimum				3.7		-1.3		5.4		13.8		9.7		5.4	6.1	19.0	14.2	-8.2	7.8	-1.2	2.0	-0.3	
	Median				6.5		1.5		12.3		18.2		15.3		12.3	15.7	27.3	19.6	3.5	8.4	1.1	3.4	0.5	
	Maximum				7.6		4.2		18.8		23.5		18.5		18.8	22.4	35.5	28.4	7.7	12.7	9.9	6.7	1.6	
	S&P/NZX 50 Gross incl I/C	1			7.0		1.6		12.6		16.3		14.2		12.6	11.2	25.6	20.4	2.4	8.2				
	S&P/NZX 50 Portfolio incl I/C	2			6.5		1.3		13.6		17.3		14.2		13.6	13.5	25.1	21.3	-0.5	8.0				
	NZX50/ASX200 (50/50)	3			3.6		-4.8		2.4		9.9		8.7		2.4	8.3	19.7	13.3	0.7	9.2				
	NZX/ASX Small Cap	4			3.1		-1.4		-0.9		-0.8		-0.4		-0.9	-1.5	-0.1	4.1	-3.4	12.5				
	Russell NZ Tradeable Gross	5			7.2		2.6		14.7		18.0		15.9		14.7	13.5	26.3	20.3	6.0	8.3				

Australian Only Equity

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 31 Oct 2015								For the year ended 31 October					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	-0.5	(4)	-10.9	(4)	-6.2	(3)	4.8	(3)	4.2	(3)	-6.2	8.6	12.9	8.2	-1.3	13.1	1.1	1.8	0.6	(2)
ANZ	Australian Share	1	508	0.5	(3)	-9.8	(3)	-7.1	(4)	6.4	(2)	4.7	(2)	-7.1	4.4	24.4	6.5	-1.9	12.3	1.5	3.9	0.4	(3)
Devon Milford	Australian Dynamic	1	44	1.0	(2)	-7.1	(2)	1.9	(2)	12.5	(1)	8.2	(1)	1.9	12.9	23.7	8.2	-3.8	12.2	4.8	3.1	1.5	(1)
		2	152	4.9	(1)	3.4	(1)	15.9	(1)					15.9	14.3								
	Minimum			-0.5		-10.9		-7.1		4.8		4.2		-7.1	4.4	12.9	6.5	-3.8	12.2	1.1	1.8	0.4	
	Median			0.7		-8.5		-2.1		6.4		4.7		-6.2	8.6	23.7	8.2	-1.9	12.3	1.5	3.1	0.6	
	Maximum			4.9		3.4		15.9		12.5		8.2		1.9	12.9	24.4	8.2	-1.3	13.1	4.8	3.9	1.5	
	ASX 200	1		0.2		-10.9		-7.4		3.5		3.0		-7.4	5.1	13.8	6.5	-1.8	13.5				
	ASX SmallCap Industrials	2		5.8		2.3		7.6		11.5				7.6	2.4	25.8	11.1						
	ASX 200 (in A\$)			4.4		-6.6		-0.7		9.8		7.1		-0.7	6.4	25.5	10.3	-3.7					

Income

		Returns (%) gross of tax and fees																					
Manager	Fund	FUM (\$m)	For the period to 31 Oct 2015								For the year ended 31 October					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	84	5.4	(1)	2.8	(1)	14.5	(1)	18.6	(1)	14.5	19.0	22.5										n/a
Milford	Income	1,159	3.0	(2)	2.2	(3)	11.6	(2)	14.6	(2)	11.6	15.9	16.2	19.1	10.0								ANZ 90 Day Bank Bill Index
Nikko	Income	6	0.8	(3)	2.6	(2)	11.0	(3)	7.8	(3)	7.9	6.9	5.5	11.6	4.8								10% p.a.
	Minimum		0.8		2.2		11.0		7.8		7.9		5.5	11.6	4.8								
	Median		3.0		2.6		11.6		14.6		11.2		16.2	15.3	7.4								
	Maximum		5.4		2.8		14.5		18.6		14.5		22.5	19.1	10.0								

Global Equities (Unhedged)

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 31 Oct 2015										For the year ended 31 October					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	741	1.2	(12)	-4.0	(6)	17.9	(8)	21.1	(3)	12.7	(4)	17.9	17.1	28.6	8.2	-5.1	10.1	2.2	1.9	1.1	(2)
AMPCI	RIL Global Shares	1	52	1.1	(13)	-6.2	(13)	12.8	(11)	18.3	(9)	11.0	(9)	12.8	17.1	25.3	7.6	-5.4	10.0	0.6	1.5	0.4	(6)
ANZ	International Share	1	3,264	2.0	(8)	-4.0	(5)	20.9	(4)	21.3	(2)	14.0	(2)	20.9	15.1	28.2	10.3	-2.2	10.6	3.4	2.4	1.4	(1)
EC	Value Fund	1	22	1.7	(9)	-2.3	(1)	12.5	(12)	15.9	(12)	9.6	(11)	12.5	8.9	27.1	1.7	-0.3	8.2	-1.0	4.8	-0.2	(10)
Fisher	Overseas Equities	1	761	1.7	(9)	-4.5	(9)	14.4	(10)	16.0	(11)	9.0	(12)	14.4	14.3	19.2	4.8	-5.7	9.6	-1.2	1.9	-0.7	(11)
FRK	Global Growth	1	64	2.1	(7)	-3.6	(4)	22.7	(3)	19.7	(6)	12.7	(3)	22.7	14.0	22.5	11.5	-4.6	10.5	2.2	3.9	0.6	(5)
FRK	Global Trust	1	374	2.2	(6)	-7.2	(14)	11.4	(13)	18.2	(10)	11.5	(7)	11.4	9.0	36.0	8.9	-4.2	11.6	1.1	4.3	0.3	(9)
Harbour	Global Equity Growth	1	7	2.5	(4)	-6.1	(12)																
Magellan	Global	1	8,467	0.2	(14)	-3.4	(2)	27.5	(1)	22.2	(1)	18.4	(1)	27.5	13.9	25.7	21.8	4.8	10.9	7.3	6.8	1.1	(3)
Mercer	Global Equities	2	785	3.2	(1)	-4.3	(7)	19.4	(7)	18.8	(8)	10.6	(10)	19.4	14.6	22.5	4.0	-4.9	10.2	-0.3	3.9	-2.3	(12)
MGH	MGH Investments	1	24	-1.5	(15)	-5.5	(11)	17.8	(9)	14.8	(13)	8.0	(13)	17.8	9.6	17.0	3.1	-5.8	8.9	-2.3	5.0	-4.4	(13)
Nikko	Global Equity	1	472	1.4	(11)	-3.6	(3)	20.1	(5)	19.5	(7)	12.6	(5)	20.1	15.2	23.3	8.7	-2.5	9.1	1.9	2.2	0.9	(4)
Nikko	Global SRI	1	19	3.1	(2)	-4.4	(8)	23.4	(2)	20.2	(4)	11.8	(6)	23.4	10.7	27.1	5.7	-5.0	11.2	1.3	4.3	0.3	(8)
Russell	Emerging Markets	4	0	2.5	(3)	-7.3	(15)	-0.9	(14)					-0.9									
Russell	Global Opportunities	3	264	2.5	(5)	-5.0	(10)	19.6	(6)	20.0	(5)	11.4	(8)	19.6	15.3	25.4	4.1	-4.6	10.9	0.8	2.2	0.4	(7)
	Minimum			-1.5		-7.3		-0.9		14.8		8.0		-0.9	8.9	17.0	1.7	-5.8	8.2	-2.3	1.5	-4.4	
	Median			2.0		-4.4		18.6		19.5		11.5		18.6	14.3	25.4	7.6	-4.6	10.2	1.1	3.9	0.4	
	Maximum			3.2		-2.3		27.5		22.2		18.4		27.5	17.1	36.0	21.8	4.8	11.6	7.3	6.8	1.4	
	MSCI All Country World Index	1		2.0		-4.9		14.9		17.3		10.4		14.9	14.7	22.4	7.2	-5.4	9.7				
	MSCI World Index	2		2.0		-4.7		17.0		19.1		11.9		17.0	15.6	24.9	8.1	-4.2	10.1				
	Russell Global Large Cap	3		1.9		-4.9		15.1		17.7		10.6		15.1	15.0	23.2	7.2	-5.3	9.8				
	Russell Emerging Markets Index	4		2.0		-6.5		-5.5						-5.5									
	MSCI World Index (100% hedged)			7.5		-2.9		7.9		17.5		13.3		7.9	15.2	30.3	13.2	2.0	11.4				

Global Bonds

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 31 Oct 2015										For the year ended 31 October					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	131	0.5	(6)	0.6	(5)	5.5	(6)	6.0	(5)	6.1	(5)	5.5	8.7	3.9	7.8	4.7	2.6	-0.4	1.6	-0.3	(5)
ANZ	International Aggregate	1	699	0.9	(3)	0.6	(6)	6.1	(3)					6.1									
Fisher	Global Fixed Interest	1	921	0.9	(2)	0.8	(4)	5.9	(5)	6.2	(4)	8.0	(1)	5.9	10.9	2.1	14.4	7.2	3.4	1.4	1.7	0.8	(3)
Mercer	Global Bonds	1	668	0.9	(1)	1.2	(2)	6.2	(2)	6.7	(2)	7.7	(3)	6.2	10.2	3.9	12.2	6.1	2.7	1.1	1.2	0.9	(2)
Nikko	Global Fixed Interest	1	304	0.8	(4)	1.4	(1)	6.3	(1)	6.3	(3)	6.5	(4)	6.3	8.6	4.0	8.8	5.0	2.5	-0.0	0.9	-0.0	(4)
Russell	Global Bond	1	1,594	0.6	(5)	0.8	(3)	5.9	(4)	6.8	(1)	7.9	(2)	5.9	10.1	4.5	13.6	5.8	3.1	1.3	1.4	1.0	(1)
Minimum				0.5		0.6		5.5		6.0		6.1		5.5	8.6	2.1	7.8	4.7	2.5	-0.4	0.9	-0.3	
Median				0.9		0.8		6.0		6.3		7.7		6.0	10.1	3.9	12.2	5.8	2.7	1.1	1.4	0.8	
Maximum				0.9		1.4		6.3		6.8		8.0		6.3	10.9	4.5	14.4	7.2	3.4	1.4	1.7	1.0	
Other:																							
LMI	Brandywine*	2	182	2.1	(1)	-1.7	(3)	2.7	(3)	8.9	(1)	10.2	(1)	2.7	17.7	6.9	13.8	10.4	5.5	3.5	4.7	0.7	(1)
ANZ	International Sovereign	2	2,214	0.4	(3)	1.4	(1)	6.6	(1)	5.7	(2)	6.2	(2)	6.6	8.0	2.6	8.1	5.5	2.9	-0.3	0.6	-0.6	(2)
ANZ	International Credit	x	1,155	0.9	(2)	0.9	(2)	4.6	(2)					4.6	9.1								
Barclays Capital Global Agg Index				1		0.5		1.3		6.4		6.5		6.4	8.6	3.5	8.8	5.6	2.6				
Citigroup World Govt Bond Index				2		0.5		1.6		7.1		6.5		7.1	8.7	4.0	7.9	5.0	2.8				

Other Global Funds

		Returns (%) gross of tax and fees																					
Manager	Fund	FUM (\$m)	For the period to 31 Oct 2015										For the year ended 31 October					Benchmark					
			1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2015	2014	2013	2012	2011						
AMPCI	Commodities	420	0.4	(5)	-3.7	(6)	-22.6	(7)	-11.2	(5)					-22.6	-2.1	-7.6					n/a	
AMPCI	Infrastructure	187	6.2	(1)	-4.3	(7)	6.1	(5)	18.0	(3)				6.1	29.5	19.5						DJ Brookfield Global Infrastructure Index	
FSI	Infrastructure	149	5.0	(4)	-0.3	(3)	11.8	(2)						11.8									Global Core Infrastructure Net (NZD Hedged)
Magellan	Infrastructure	923	-0.3	(7)	-2.0	(4)	10.0	(4)						10.0	16.6								n/a
PATH	Commodity Plus Fund	65	-0.1	(6)	0.2	(1)	0.7	(6)	-1.0	(4)	-0.2	(2)		0.7	-0.6	-3.0	-3.7	6.1					Bloomberg Commodity Index
PATH	World Equity Fund	35	5.8	(2)	-2.8	(5)	16.8	(1)	18.3	(2)				16.8	19.3	18.8	8.2					MSCI AC World	
PATH	Global Water Fund	9	5.2	(3)	-0.1	(2)	11.0	(3)	19.1	(1)	11.1	(1)		11.0	15.0	32.6	7.4	-6.7					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 31 Oct 2015										For the year ended 31 October					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	1,800	0.2	(7)	0.7	(9)	8.2	(5)	5.0	(5)	6.7	(4)	8.2	6.8	0.0	9.6	8.8	3.0	0.9	0.5	1.8	(1)
ANZ	NZ Fixed Interest	1	1,428	0.1	(9)	1.0	(5)	8.4	(3)	4.6	(7)	6.7	(3)	8.4	6.4	-0.7	10.0	9.6	2.9	0.9	0.6	1.5	(2)
Fisher	NZ Fixed Interest	1	1,038	0.1	(8)	1.0	(7)	8.5	(1)	4.9	(6)	6.3	(5)	8.5	5.9	0.6	7.2	9.7	2.5	0.6	1.2	0.5	(5)
Harbour	NZ Core Fixed Interest	3	130	0.4	(2)	1.0	(4)	7.4	(7)	5.3	(4)			7.4	5.9	2.7	8.5						
Harbour	NZ Corporate Bond	2	235	0.2	(6)	1.1	(3)	7.1	(9)	5.7	(3)	6.2	(6)	7.1	6.0	4.0	7.0	7.0	1.3	-0.1	0.7	-0.2	(6)
Milford	Trans-Tasman Bond	4	258	0.5	(1)	1.0	(6)	7.2	(8)					7.2									
Nikko	NZ Corporate Bond	1	134	0.3	(4)	1.3	(1)	8.5	(2)	6.7	(1)	7.6	(1)	8.5	7.3	4.3	8.7	9.2	1.9	1.8	1.9	1.0	(4)
Nikko	NZ Fixed Interest	1	267	0.2	(5)	1.1	(2)	8.3	(4)	5.9	(2)	7.2	(2)	8.3	7.1	2.3	9.6	9.0	2.4	1.4	1.1	1.3	(3)
Russell	NZ Fixed Interest	1	95	0.3	(3)	0.9	(8)	8.0	(6)					8.0	6.3								
	Minimum			0.1		0.7		7.1		4.6		6.2		7.1	5.9	-0.7	7.0	7.0	1.3	-0.1	0.5	-0.2	
	Median			0.2		1.0		8.2		5.3		6.7		8.2	6.4	2.3	8.7	9.1	2.4	0.9	0.9	1.1	
	Maximum			0.5		1.3		8.5		6.7		7.6		8.5	7.3	4.3	10.0	9.7	3.0	1.8	1.9	1.8	
	S&P/NZX NZ Govt Stock Index	1		0.1		0.7		7.9		3.9		5.7		7.9	5.8	-1.9	8.5	8.5	3.1				
	S&P/NZX NZ Corp A Grade Index	2		0.2		1.1		7.6		5.5		6.3		7.6	5.9	3.0	7.3	8.1	1.6				
	S&P/NZX NZ Govt/Corp A Index (50/50)	3		0.1		0.9		7.8		4.7		6.0		7.8	5.9	0.5	7.9	8.3	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 31 Oct 2015										For the year ended 31 October					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	3,970	0.3	(3)	0.8	(6)	3.9	(6)	3.7	(6)	3.7	(3)	3.9	3.7	3.5	3.5	4.0	0.1	0.7	0.1	8.9	(1)
AMPCI	NZ Short Duration	2	213	0.2	(6)	1.1	(2)	6.2	(1)	5.3	(1)			6.2	5.4	4.2							
AMPCI	Global Short Duration	1	185	1.5	(1)	1.7	(1)	5.5	(2)	4.8	(2)			5.5	5.6	3.4							
ANZ	NZ Cash	1	2,921	0.2	(7)	0.8	(7)	3.8	(7)	3.6	(7)	3.6	(4)	3.8	3.6	3.4	3.4	3.9	0.1	0.6	0.1	6.7	(3)
Fisher	NZ Cash	1	793	0.3	(4)	0.8	(5)	4.0	(5)	4.1	(5)	3.8	(2)	4.0	3.8	4.3	3.9	3.1	0.3	0.8	0.4	2.3	(4)
Harbour	Short Duration	1	36	0.3	(4)	0.9	(4)	4.2	(4)	4.1	(4)			4.2	4.1	4.1			0.2				
Nikko	NZ Cash	1	603	0.3	(2)	0.9	(3)	4.3	(3)	4.1	(3)	4.1	(1)	4.3	4.0	4.0	4.1	4.2	0.1	1.1	0.1	8.8	(2)
	Median			0.3		0.9		4.2		4.1		3.8		4.2	4.0	4.0	3.7	3.9	0.1	0.8	0.1	7.8	
	S&P/NZX 90 Day Bank Bill Index	1		0.2		0.7		3.5		3.1		3.0		3.5	3.2	2.7	2.7	3.0	0.1				
	S&P/NZX Short End Swap Index	2		0.1		1.0		5.5		3.7				5.5	3.7	1.8			0.9				

NZ Property

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 31 Oct 2015										For the year ended 31 October					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	0.5	(2)	5.8	(1)	15.4	(1)	14.7	(1)	11.1	(1)	15.4	11.0	17.8	6.0	6.1	4.2				
	Property Fund		100	0.5	(1)	1.6	(2)	7.4	(2)	8.9	(2)	8.5	(2)	7.4	9.8	9.7	7.8	7.9	1.4				
Listed:																							
AMPCI	Listed Property	1	19	5.1	(4)	1.2	(3)	19.3	(1)	14.7	(3)	15.9	(4)	19.3	17.0	8.1	26.8	9.1	7.0	2.1	2.2	0.9	(3)
AMPCI	Property Fund	2	127	5.0	(5)	1.5	(1)																
ANZ	Property Securities	1	149	5.5	(1)	0.9	(4)	18.3	(4)	15.8	(2)	16.4	(1)	18.3	17.9	11.3	26.7	8.9	7.4	2.6	2.7	1.0	(2)
ANZ	Trans Tasman	2	375	5.3	(2)	0.7	(7)	18.5	(3)	16.8	(1)	16.3	(2)	18.5	17.9	14.1	29.3	3.4	7.9	1.6	2.9	0.5	(5)
Mint	Real Estate Inv Trust	1	50	5.0	(6)	0.8	(6)	16.8	(6)	14.1	(5)	15.1	(5)	16.8	17.6	8.2	25.8	7.9	6.5	1.3	2.8	0.5	(6)
Nikko	Property Securities	1	40	5.2	(3)	0.8	(5)	17.3	(5)	13.5	(6)	14.5	(6)	17.3	17.8	5.9	23.0	9.5	7.0	0.9	1.0	0.9	(4)
Salt	Listed Property	1	290	4.7	(7)	1.2	(2)	18.5	(2)	14.5	(4)	15.9	(3)	18.5	19.0	6.5	26.3	10.3	6.7	2.1	1.6	1.3	(1)
Minimum				4.7		0.7		16.8		13.5		14.5		16.8	17.0	5.9	23.0	3.4	6.5	0.9	1.0	0.5	
Median				5.1		0.9		18.4		14.6		15.9		18.4	17.8	8.2	26.5	9.0	7.0	1.8	2.5	0.9	
Maximum				5.5		1.5		19.3		16.8		16.4		19.3	19.0	14.1	29.3	10.3	7.9	2.6	2.9	1.3	
S&P/NZX Property Index		1		5.2		1.1		17.2		12.4		13.5		17.2	17.1	3.5	21.4	9.0	7.3				
NZX/ASX Property Index		2		5.2		1.1		18.9		14.5		14.6		18.9	18.1	7.0	24.6	5.5	7.4				

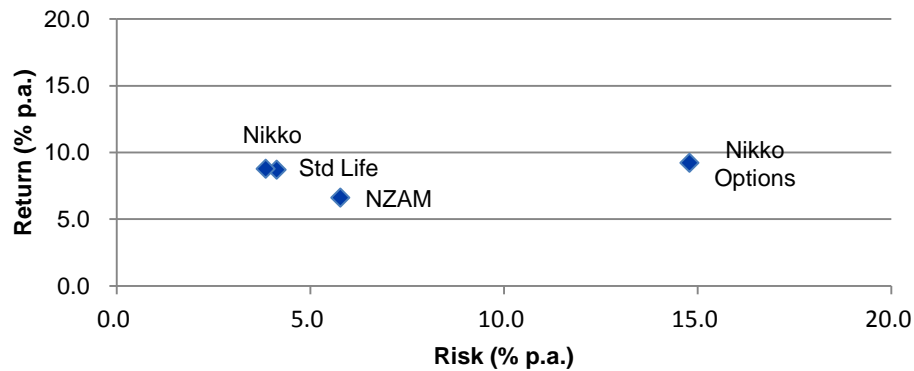
Global Property

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 31 Oct 2015										For the year ended 31 October					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	5.1	(3)	2.5	(2)	13.5	(1)	17.4	(1)	15.7	(1)	13.5	21.1	17.8	20.3	6.3	15.9	1.4	5.0	0.3	(1)
ANZ	International Property	1	524	5.5	(2)	2.8	(1)	11.6	(2)	15.9	(2)	14.2	(2)	11.6	22.2	14.1	17.3	6.5	13.9	-0.1	2.6	-0.1	(2)
Russell	Global Listed Real Estate	1	43	5.9	(1)	1.0	(3)																
FTSE EPRA/NAREIT Index*				5.4		2.0		11.3		15.6		14.5		11.3	20.3	15.2	20.4	5.7	13.2				
*UBS Global RE Index prior to June 2015																							

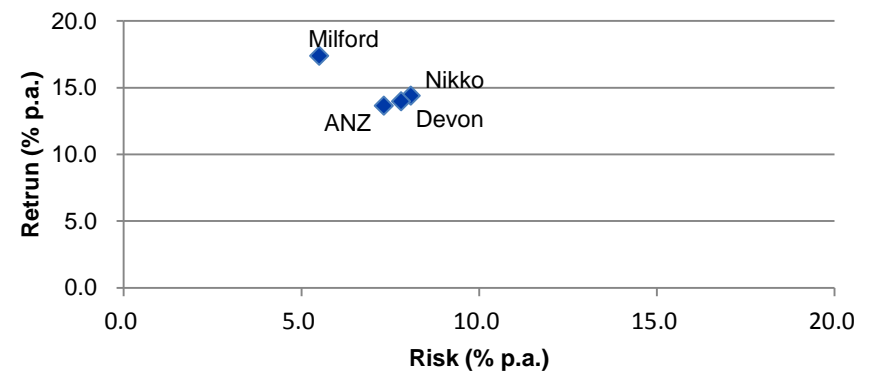
Alternatives/Absolute Return

		Returns (%) gross of tax and fees																							
Manager	Fund	FUM (\$m)	For the period to 31 Oct 2015										For the year ended 31 October					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	-0.5	(5)	-0.6	(4)	9.4	(3)				9.4	6.6												Cash + 3% to 5%
Milford	Global	279	2.0	(2)	-2.2	(7)	14.1	(2)				14.1	12.1												OCR + 5%
Nikko	Multi-Strategy	166	0.7	(4)	-1.3	(6)	5.7	(7)	9.8	(3)	8.8	5.7	9.3	14.6	7.7	6.7	3.9	1.5	(1)						90 Day Bank Bill + 2.5%
Nikko	Options	158	2.0	(3)	5.5	(1)	16.7	(1)	11.6	(1)	9.2	16.7	7.3	10.9	22.3	-8.6	14.8	0.4	(4)						90 Day Bank Bill + 4%
NZAM	Alpha	36	-1.9	(7)	-0.5	(3)	8.1	(5)				8.1	6.1												OCR + 4%
NZAM	Global	557	-0.5	(6)	-0.7	(5)	8.1	(6)	10.8	(2)	6.6	8.1	6.5	18.1	1.2	0.1	5.8	0.6	(3)						OCR + 4%
Std Life	GARS*	99	2.1	(1)	0.2	(2)	8.7	(4)	9.5	(4)	8.7	8.7	10.9	8.9	9.4	5.5	4.1	1.4	(2)						OCR + 5%
Australasian:																									
ANZ	Equity Selection	32	5.1	(1)	-3.0	(6)	2.2	(5)	14.1	(4)	13.6	2.2	15.7	25.5	15.6	10.4	7.3	1.5	(2)						90 Day Bank Bill + 5%
CPFM	Ranger	6	5.1	(2)	1.2	(3)	0.7	(6)				0.7													OCR + 5%
Devon	Alpha	98	3.8	(3)	-0.9	(5)	8.5	(4)	20.4	(2)	14.0	8.5	21.7	32.0	20.4	-8.4	7.8	1.4	(4)						12% p.a.
Milford	Active Growth	660	3.8	(4)	3.4	(2)	15.4	(3)	18.5	(3)	17.4	15.4	13.3	27.1	26.7	5.7	5.5	2.6	(1)						10% p.a.
Nikko	Concentrated	67	3.2	(5)	0.8	(4)	24.7	(1)	20.8	(1)	14.4	24.7	12.2	26.2	13.4	-2.2	8.1	1.4	(3)						90 Day Bank Bill + 5%
Salt	Long/Short	33	2.5	(6)	7.8	(1)	20.3	(2)																	OCR + 5%
OCR + 5%			0.6		1.9		8.3		7.9		7.8	8.3	8.0	7.5	7.5	7.7	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.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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