

# The Aon Investment Update as at 31 August 2019

## Aon Investment Consulting

This survey is produced by Aon 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 – and we are also backed by the substantial resources of Aon 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 consultant. Contact details are at the back of this report on page 13.

# Investment Commentary August 2019

## Market Summary

Global equity markets fell in August amidst escalating trade tensions and rising fears of a global recession. The US-China trade dispute intensified as both countries imposed further tariffs on each other, whilst softening economic data and an inverted yield curve in the US heightened recessionary fears. The MSCI AC World Index fell by 2.0% in local currency terms. Amongst the largest sectors, Financials fell by 4.7% whilst Information Technology ended 2.0% lower.

Government bond yields of major developed markets breached new lows amidst heightened global growth concerns and increasing expectation for further monetary easing. 10-year yields in the UK and Germany fell to record lows of 0.37% and -0.72% respectively during the month. The widely watched spread between 10 and 2-year US Treasury yields briefly fell into negative territory for the first time since 2007, a concerning development as a recession has followed every yield curve inversion since the 1960s. The European Central Bank's latest minutes signalled an interest rate cut later this year, which may be accompanied by additional bond buying. Meanwhile, the Bank of England (BoE) kept its benchmark interest rate on hold at 0.75%.

The US-China trade dispute re-escalated over the month as President Trump announced a 10% tariff on the remaining \$300bn worth of previously untaxed Chinese imports. This would mean that essentially all Chinese exports to the US would be subjected to tariffs. President Trump suggested that the new tariffs were due to China's failure to implement promises made at the G20 summit at the end of June. Later, the Chinese government announced a new set of tariffs of between 5 to 10% on \$75 billion worth of US imports effective from September 1st. In retaliation, the US announced that tariffs on Chinese imports will be raised by 5% across the board. The new US tariffs were partially implemented on 1 September, with the rest due to be implemented mid-December after the US holidays season.

UK Prime Minister Boris Johnson suspended parliament for the five weeks to October 14, leaving lawmakers with little time to approve legislation against a "no-deal" Brexit or to pass a no-confidence motion against Boris Johnson. The Prime Minister reiterated his belief that a compromise on the Irish backstop issue could be agreed with the European Union if a no-deal outcome remained on the table.

In New Zealand the S&P/NZX 50 (with Imputation Credits) fell by 0.8% during August. The index still maintains a solid performance over the last 12 months, returning 16.7% and continues to significantly outperform the major equity indices. The ASX200 was down 2.4% in A\$ terms, rising by 9.0% over the last 12 months.

10-year US Treasury yields fell by 52bps to 1.50% over the month, whilst the US 30-year bond yield fell below 2% for the first time in history, ending the month at 1.96%.

## Fund Performance

Balanced funds returned between -1.2% to 1.1% in August. The median manager returned 0.3% over the period which is lower than the 1.6% median return seen in July. Milford Funds continue to take the lead over the last 12 months with a return of 9.4%, while Castlepoint remains the lowest performer with a return of 4.8% over the same period. ANZ's strong relative performance recently has seen them take second place on returns over the last year.

Returns from the domestic equity managers were negative over the month, ranging from -2.2% from the Harbour's Australasian Equity and Australasian Equity Focus fund to -0.2% from the Castlepoint Trans Tasman Strategy fund.

Returns from global share funds generally performed positively this month but slightly lower on average than seen in July. The median return over the month was 1.9%, with returns ranging from -0.7% from the Russell Emerging Markets fund to 5.0% from the Magellan Global Fund.

Global bond funds also performed positively this month, ranging from 1.2% (Milford Global Corporate Bond Fund) to 3.2% (Mercer International Sovereign). The Mercer International Sovereign fund takes the lead over the last 12 months with a return of 13.0%.

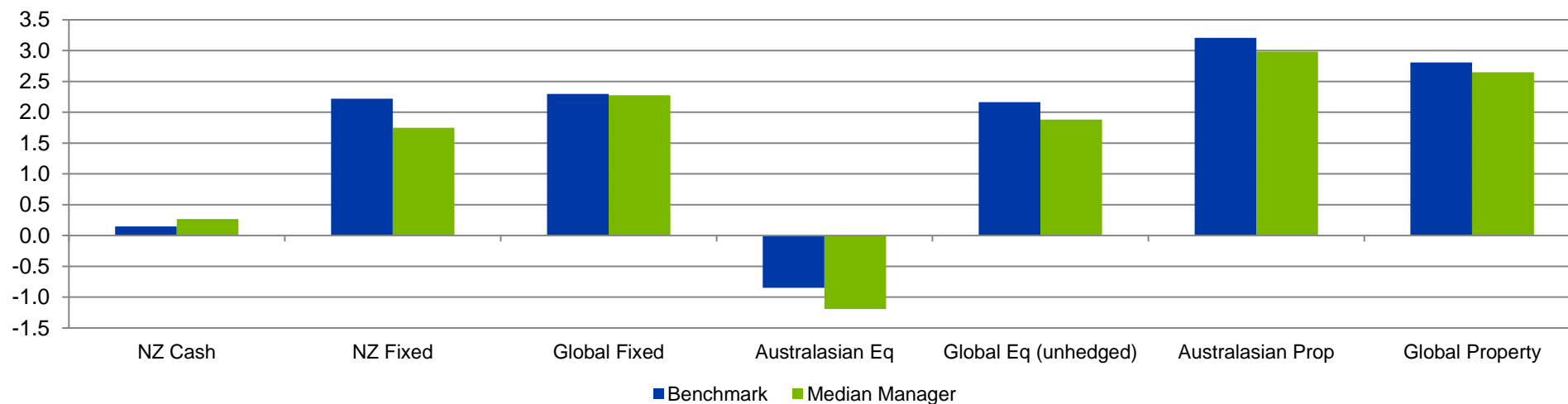
The domestic bond fund returns were better than July, with a median of 1.8% in August, and 3.5% over the last 3 months, underperforming the S&P NZX NZ government stock index, which rose 3.9% over the quarter. The Fisher Bond fund continues to remain firmly as the top performer over the last 12 months, returning 11.1%.

Returns from the global absolute return funds generally performed negatively this month. Nikko Option posting a return of -12.4%, while the Std Life GARS fund returned 1.3%. Std Life GARS fund also outperformed over the last 12 months with a return of 7.6%.

## Median Manager Performance v Benchmark

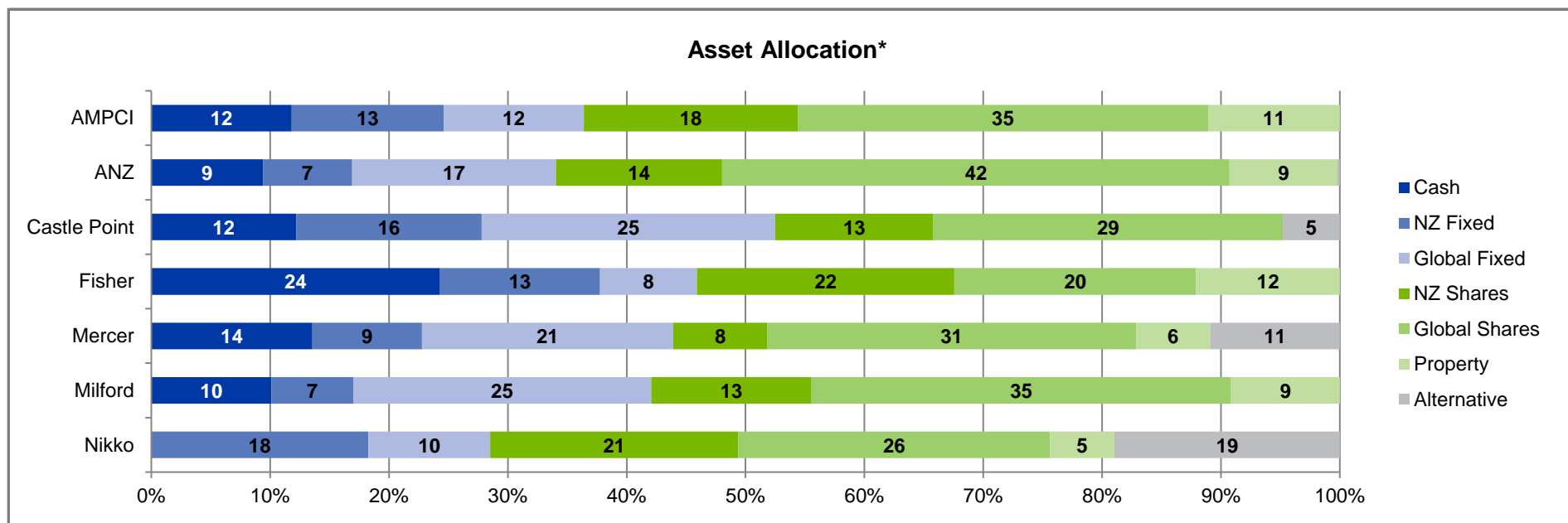
Sector		Returns (%) gross of tax and fees										Volatility 5 Yrs
		For the period to 31 Aug 2019					For the year ended 31 August					
		1 Month	1 Qtr	1 Yr	3 Yrs	5 Yrs	2019	2018	2017	2016	2015	
NZ Cash	ANZ 90D Bank Bills	0.1	0.4	1.9	2.0	2.5	1.9	2.0	2.1	2.7	3.7	0.0
	Median Manager	0.3	0.8	2.9	3.0	3.3	2.9	2.8	2.9	3.4	4.4	0.2
NZ Fixed Interest	ANZ NZ Govt Stock	2.2	3.9	9.5	4.8	6.1	9.5	5.1	0.0	6.9	9.0	2.5
	Median Manager	1.8	3.5	9.2	5.3	6.4	9.2	5.2	1.9	7.0	9.4	2.0
International Fixed Interest	Barclays Agg	2.3	4.4	10.0	4.1	5.6	10.0	1.1	1.5	9.6	6.0	2.7
	Median Manager	2.3	4.4	10.1	4.8	5.9	10.1	1.8	2.5	9.6	5.8	2.7
Australasian Shares	NZX 50 Gross	-0.8	6.5	16.7	14.6	17.0	16.7	20.5	7.1	32.4	9.9	9.2
	Median Manager	-1.2	5.6	14.5	14.4	16.1	14.5	20.6	7.9	29.4	9.9	9.4
International Shares (unhdgd)	MSCI ACWI	2.2	7.8	4.9	14.4	11.7	4.9	20.3	18.6	-6.4	23.9	11.0
	Median Manager	1.9	7.5	5.0	14.4	12.7	5.0	20.7	20.5	-4.4	29.4	11.5
Australasian Property	NZX Property	3.2	13.2	36.6	15.0	16.2	36.6	13.5	-2.0	21.1	15.1	7.9
	Median Manager	3.0	11.9	31.3	13.7	15.5	31.3	14.7	-1.6	22.9	14.8	7.7
International Property	FTSE Property	2.8	4.7	9.3	4.4	8.1	9.3	5.8	-1.4	21.8	6.2	12.3
	Median Manager	2.7	5.2	11.6	6.7	8.9	11.6	9.3	0.8	16.2	6.4	12.1

### 1 Month Performance (%)



## Balanced Funds

Manager	FUM (\$m)	Returns (%) gross of tax and fees														5 Years	
		For the period to 31 Aug 2019					For the year ended 31 August										
		1 M Rk	1 Qtr Rk	1 Yr Rk	3 Yrs Rk	5 Yrs Rk	2019	2018	2017	2016	2015	Vol	SR Rk				
AMP Capital Investors RIL	56	0.5 (3)	4.4 (3)	6.9 (5)	8.8 (5)	7.6 (7)	6.9	10.6	8.9	5.3	6.5	5.0	1.0 (7)				
ANZ Investments	95	0.6 (2)	5.7 (2)	7.9 (2)	9.7 (2)	9.7 (3)	7.9	11.7	9.5	8.6	11.0	5.8	1.3 (6)				
Castle Point Funds	51	0.3 (4)	2.7 (7)	4.8 (7)	7.5 (7)	7.8 (6)	4.8	9.2	8.4	9.1	7.4	3.8	1.4 (5)				
Fisher Institutional	43	0.2 (5)	3.7 (5)	7.6 (3)	8.8 (4)	9.2 (4)	7.6	11.2	7.7	<b>11.2</b>	8.2	3.9	1.7 (2)				
Mercer	1,675	0.1 (6)	3.8 (4)	7.2 (4)	8.2 (6)	8.8 (5)	7.2	8.9	8.6	9.1	9.9	4.3	1.5 (4)				
Milford Funds	706	<b>1.1 (1)</b>	<b>6.0 (1)</b>	<b>9.4 (1)</b>	<b>10.7 (1)</b>	<b>11.3 (1)</b>	<b>9.4</b>	12.9	<b>10.0</b>	11.1	13.1	5.1	<b>1.7 (1)</b>				
Nikko Asset Management	n/a	<b>-1.2 (7)</b>	3.3 (6)	5.6 (6)	9.3 (3)	10.4 (2)	5.6	<b>13.9</b>	8.5	10.7	<b>13.7</b>	5.2	1.5 (3)				
<b>Minimum</b>		<b>-1.2</b>	2.7	4.8	7.5	7.6	4.8	8.9	7.7	5.3	6.5	3.8	1.0				
<b>Median</b>		0.3	3.8	7.2	8.8	9.2	7.2	11.2	8.6	9.1	9.9	5.0	1.5				
<b>Maximum</b>		1.1	6.0	9.4	10.7	11.3	9.4	13.9	10.0	11.2	13.7	5.8	1.7				



\*Allocations may not sum to 100 due to rounding

## Australasian Shares (Page 1 of 2)

					Returns (%) gross of tax and fees																			
Manager	Fund	Bench mark	FUM (\$m)	% in Aus	For the period to 31 Aug 2019										For the year ended 31 August					For last 5 years				
					1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2019	2018	2017	2016	2015	Vol	VA	TE	IR*	Rk
<b>Core</b>																								
AMPCI	NZ Shares	1	522	0	-0.9	(5)	5.9	(7)	13.9	(13)	13.3	(15)	16.2	(8)	13.9	19.4	6.9	29.1	12.6	8.9	-0.8	2.1	-0.4	(12)
AMPCI	NZ Shares RIL	1	25	0	-1.1	(9)	5.4	(14)	17.4	(2)	14.3	(11)	16.9	(6)	17.4	18.0	7.8	29.7	12.9	8.6	-0.1	2.5	-0.0	(10)
ANZ	NZ Equities	1	215	0	-1.2	(10)	5.7	(9)	14.7	(9)	13.6	(12)	15.3	(12)	14.7	19.2	7.3	30.7	6.1	9.3	-1.5	1.6	-0.9	(18)
ANZ	Australasian Equity	1	1,169	7	-1.3	(14)	5.5	(13)	13.2	(15)	13.3	(14)	14.9	(14)	13.2	20.2	6.8	29.9	6.2	9.6	-1.8	2.0	-0.9	(17)
CPFM	Trans Tasman Strategy	1	2	17	-0.2	(1)	6.9	(1)	17.2	(5)	20.3	(1)	21.1	(1)	17.2	33.6	11.2	33.4	12.3	9.9	3.6	4.3	0.8	(2)
Devon	NZ Core	1	302	7	-0.9	(7)	6.2	(4)	17.4	(3)	11.5	(19)	14.7	(17)	17.4	17.2	0.7	28.3	11.5	9.7	-2.0	3.0	-0.7	(16)
Devon	NZ Only	1	111	0	-1.7	(17)	5.1	(19)	17.7	(1)	11.2	(20)			17.7	14.2	2.2							
Devon	Trans Tasman	3	154	46	-1.4	(15)	5.1	(17)	14.7	(8)	12.1	(18)	13.5	(18)	14.7	15.8	5.9	21.8	9.9	9.3	2.7	5.3	0.5	(6)
Fisher	Trans Tasman Equities	7	1,249	36	-2.0	(18)	5.3	(15)	13.7	(14)	14.6	(10)	16.1	(9)	13.7	25.6	5.4	29.4	8.4	9.6	1.7	2.9	0.6	(5)
Harbour	Australasian Equity	1	566	13	-2.2	(20)	3.7	(20)	7.0	(20)	15.5	(7)	16.0	(10)	7.0	25.1	15.1	29.4	5.3	10.4	-1.5	4.6	-0.3	(11)
Harbour	Australasian Equity Focus	3	95	61	-2.2	(21)	2.6	(21)	0.3	(21)	16.1	(5)	14.8	(15)	0.3	31.2	19.0	24.0	2.9	11.7	4.1	6.9	0.6	(4)
Harbour	Advanced Beta	2	235	0	-0.6	(2)	5.5	(12)	13.9	(12)	13.6	(13)			13.9	18.9	8.1	30.7						
Mercer	Trans Tasman Equity	1	525	11	-1.4	(16)	5.1	(18)	11.7	(18)	13.0	(17)	15.2	(13)	11.7	20.9	6.8	28.8	9.0	9.5	-1.6	2.4	-0.6	(15)
Milford	NZ Equities	1	598	7	-2.1	(19)	5.9	(8)	14.5	(11)	18.9	(2)	19.8	(2)	14.5	29.6	13.2	33.6	10.0	9.3	2.4	2.6	0.9	(1)
Milford	Trans Tasman Equity	3	413	49	-1.2	(11)	6.7	(2)	12.5	(17)	17.0	(3)	14.7	(16)	12.5	22.0	16.7	17.4	5.4	9.6	3.8	5.0	0.8	(3)
Mint	Trans Tasman Equity	1	241	15	-0.8	(4)	6.3	(3)	15.0	(7)	15.9	(6)	17.3	(5)	15.0	23.6	9.5	27.0	12.5	8.3	0.3	2.6	0.1	(9)
Mint	SRI Fund	1	20	0	-1.1	(8)	5.7	(10)	17.2	(4)					17.2									
Nikko	Core Domestic Equity	1	n/a	n/a	-1.3	(12)	5.3	(16)	9.2	(19)	15.0	(8)	17.9	(4)	9.2	25.0	11.5	31.8	13.7	9.7	0.8	3.2	0.3	(8)
Nikko	SRI Fund	1	n/a	n/a	-0.7	(3)	5.9	(5)	12.6	(16)	16.2	(4)	18.4	(3)	12.6	25.3	11.2	30.2	13.7	9.3	1.2	2.8	0.4	(7)
Russell	NZ Shares	1	229	0	-1.3	(13)	5.6	(11)	16.0	(6)	14.6	(9)	16.8	(7)	16.0	20.1	8.0	32.2	9.1	9.2	-0.8	2.0	-0.4	(13)
Salt	NZ Plus Share	1	961	1	-0.9	(6)	5.9	(6)	14.5	(10)	13.2	(16)	15.7	(11)	14.5	19.5	5.9	26.7	13.0	9.4	-1.1	2.5	-0.4	(14)
	Minimum				-2.2		2.6		0.3		11.2		13.5		0.3	14.2	0.7	17.4	2.9	8.3	-2.0	1.6	-0.9	
	Median				-1.2		5.6		14.5		14.4		16.1		14.5	20.6	7.9	29.4	9.9	9.4	0.1	2.7	0.0	
	Maximum				-0.2		6.9		17.7		20.3		21.1		17.7	33.6	19.0	33.6	13.7	11.7	4.1	6.9	0.9	
<b>Absolute Return</b>																								
ANZ	Equity Selection		14	0	-0.3	(5)	4.2	(5)	5.9	(5)	5.5	(5)	7.9	(6)	5.9	6.9	3.6	25.7	-0.6	8.7	0.2		0.6	(6)
CPFM	Ranger		92	58	2.4	(1)	5.1	(4)	8.0	(3)	18.1	(1)	14.9	(2)	8.0	34.6	13.3	17.7	3.4	9.9	7.2		1.3	(3)
Devon	Alpha		115	34	-0.7	(6)	5.3	(3)	7.6	(4)	9.4	(4)	9.9	(4)	7.6	18.2	3.1	11.9	9.2	8.3	-2.5		0.9	(5)
Milford	Active Growth		1,113	18	1.0	(3)	6.5	(2)	9.0	(2)	12.2	(3)	13.2	(3)	9.0	19.2	8.9	15.7	13.7	6.0	2.5		1.8	(1)
Milford	Australian Absolute Growth		162	0	1.1	(2)	8.4	(1)	9.0	(1)					9.0									
Nikko	Concentrated		n/a	n/a	-3.7	(7)	1.0	(7)	-0.6	(6)	13.3	(2)	16.9	(1)	-0.6	25.8	16.2	18.6	27.0	10.6	-0.2		1.4	(2)
Salt	Long/Short		117	61	0.1	(4)	3.5	(6)	-2.4	(7)	3.2	(6)	9.1	(5)	-2.4	5.0	7.2	20.2	17.0	5.6	1.8		1.2	(4)
	Minimum				-3.7		1.0		-2.4		3.2		7.9		-2.4	5.0	3.1	11.9	-0.6	5.6	-2.5		0.6	
	Median				0.1		5.1		7.6		10.8		11.5		7.6	18.7	8.0	18.1	11.5	8.5	1.0		1.2	
	Maximum				2.4		8.4		9.0		18.1		16.9		9.0	34.6	16.2	25.7	27.0	10.6	7.2		1.8	

\*For Absolute Return Funds we show the Sharpe Ratio, not Information Ratio

## Australasian Shares (Page 2 of 2)

					Returns (%) gross of tax and fees																			
Manager	Fund	Bench mark	FUM (\$m)	% in Aus	For the period to 31 Aug 2019										For the year ended 31 August					For last 5 years				
					1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2019	2018	2017	2016	2015	Vol	VA	TE	IR	Rk
<b>Equity Income</b>																								
Devon	Dividend Yield	3	36	38	0.9	(2)	7.6	(2)	17.1	(2)	9.1	(3)	13.6	(1)	17.1	9.4	1.3	30.6	11.5	9.0	2.7	6.5	0.4	(1)
Harbour	Australasian Eq Income	n/a	69	38	3.0	(1)	9.3	(1)	18.1	(1)	11.1	(2)	12.6	(2)	18.1	10.3	5.3	17.7	12.2	7.4				
Salt	Dividend Appreciation	1	88	n/a	-0.1	(3)	5.7	(3)	15.0	(3)	13.2	(1)		15.0	17.3	7.5	30.7							
<b>Minimum</b>					-0.1		5.7		15.0		9.1		12.6		17.1	9.4	1.3	17.7	11.5	7.4	2.7	6.5	0.4	
<b>Median</b>					0.9		7.6		17.1		11.1		13.1		17.6	9.8	3.3	24.2	11.9	8.2	2.7	6.5	0.4	
<b>Maximum</b>					3.0		9.3		18.1		13.2		13.6		18.1	10.3	5.3	30.6	12.2	9.0	2.7	6.5	0.4	
<b>Australian Only</b>																								
AMPCI	Australian Share	5	286	100	-0.1	(2)	4.8	(2)	6.8	(2)	11.7	(2)	6.3	(3)	6.8	14.6	13.8	-2.4	-0.4	12.3	1.0	4.6	0.2	(3)
ANZ	Australian Share	5	987	100	-0.9	(4)	2.9	(4)	-5.2	(4)	5.4	(4)	2.6	(4)	-5.2	11.9	10.2	1.3	-4.0	13.7	-2.3	5.8	-0.4	(4)
Devon	Australian	5	14	100	-0.3	(3)	4.3	(3)	3.9	(3)	10.4	(3)	9.1	(2)	3.9	15.0	12.5	8.8	5.8	12.1	3.7	5.9	0.6	(1)
Milford	Dynamic	6	261	100	3.6	(1)	10.6	(1)	7.1	(1)	14.3	(1)	13.6	(1)	7.1	30.8	6.6	16.3	9.0	10.8	3.6	7.3	0.5	(2)
<b>Minimum</b>					-0.9		2.9		-5.2		5.4		2.6		-5.2	11.9	6.6	-2.4	-4.0	10.8	-2.3	4.6	-0.4	
<b>Median</b>					-0.2		4.6		5.3		11.0		7.7		5.3	14.8	11.4	5.1	2.7	12.2	2.3	5.8	0.4	
<b>Maximum</b>					3.6		10.6		7.1		14.3		13.6		7.1	30.8	13.8	16.3	9.0	13.7	3.7	7.3	0.6	
<b>Benchmarks</b>																								
		1			-0.8		6.5		16.7		14.6		17.0		16.7	20.5	7.1	32.4	9.9	9.2				
		2			-0.1		6.9		15.0		14.2		17.0		15.0	19.6	8.4	31.7	11.7	10.5				
		3			-0.5		5.6		11.8		10.9		10.3		11.8	12.4	8.6	15.9	3.5	9.8				
		5			-0.1		4.8		6.9		9.0		4.9		6.9	3.3	17.4	1.1	-3.0	13.4				
		6			-3.1		1.0		3.2		8.7		9.1		3.2	21.7	2.2	22.4	-1.5	12.9				
		7			-1.1		5.9		14.2		13.0		14.2		14.2	19.0	6.2	24.4	8.4	9.0				
					-2.4		4.2		9.0		11.4		7.9		9.0	15.4	9.8	9.3	-3.2	11.2				

## International Shares (Unhedged)

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 31 Aug 2019								For the year ended 31 August					For last 5 years						
				1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2019	2018	2017	2016	2015	Vol	VA	TE	IR	Rk
AMPCI	Global Shares	2	977	3.0	(6)	7.7	(9)	5.3	(9)	14.4	(8)	13.2	(7)	5.3	19.9	18.6	-3.3	28.5	10.3	1.3	1.9	0.7	(5)
AMPCI	RIL Global Shares	1	74	1.4	(14)	6.3	(13)	1.7	(13)	14.7	(7)	10.7	(12)	1.7	23.8	19.8	-9.6	22.0	11.1	-0.9	1.8	-0.5	(10)
AMPCI	Global Companies Fund	x	n/a	3.5	(3)	9.3	(5)																
ANZ	International Share	1	6,528	2.8	(7)	9.9	(3)	9.0	(3)	16.8	(4)	14.7	(3)	9.0	21.4	20.5	-4.5	30.6	11.2	2.8	2.0	1.4	(1)
EC	EC Global Shares Fund	1	24	0.1	(17)	5.6	(15)	-0.9	(16)	6.9	(17)	7.2	(14)	-0.9	8.3	13.8	0.7	15.1	10.8	-4.3	7.1	-0.6	(11)
Fisher	Overseas Equities	1	1,220	1.9	(10)	7.5	(10)	4.7	(10)	14.3	(10)	11.3	(10)	4.7	19.2	19.6	-7.2	23.6	10.9	-0.3	1.1	-0.3	(9)
FRK	Global Growth	1	n/a	3.6	(2)	10.8	(2)	7.2	(6)	19.0	(3)	16.5	(2)	7.2	26.5	24.4	-3.4	31.5	12.8	4.5	5.0	0.9	(3)
FRK	Global Trust	1	n/a	1.4	(13)	5.4	(16)	-5.0	(18)	10.1	(16)	6.4	(15)	-5.0	16.0	21.2	-13.7	18.2	12.7	-4.6	4.2	-1.1	(12)
Harbour	Global Equity Growth	1	87	1.8	(12)	6.9	(11)	7.5	(5)	19.1	(2)			7.5	27.6	23.2	-3.1						
Magellan	Global	2	12,339	5.0	(1)	13.0	(1)	17.2	(1)	21.2	(1)	18.1	(1)	17.2	27.4	19.4	-7.4	39.2	12.1	5.8	4.6	1.3	(2)
Mercer	Global Equities	2	1,000	2.0	(8)	8.4	(8)	6.6	(8)	16.5	(5)	14.1	(4)	6.6	22.2	21.4	-5.3	29.4	11.5	2.2	2.9	0.8	(4)
Mercer	Emerging Markets	5	275	-0.4	(18)	4.0	(17)	2.5	(12)	11.9	(13)	7.4	(13)	2.5	8.3	26.4	0.2	1.8	13.5				
Mercer	Low Volatility	6	227	3.4	(4)	9.1	(7)	8.2	(4)	13.5	(11)	14.0	(5)	8.2	17.6	14.9	-3.4	36.2	10.1				
Mercer	Small Companies	7	153	0.6	(16)	6.3	(14)	-3.5	(17)	12.2	(12)	11.7	(9)	-3.5	26.0	16.2	-7.2	32.4	13.5				
MGH	MGH Investments	1	27	0.7	(15)	1.8	(19)	-0.1	(15)	10.3	(15)	11.3	(11)	-0.1	10.4	21.7	-3.0	31.3	10.1	-0.6	6.5	-0.1	(8)
Nikko	Global Equity	1	n/a	3.0	(5)	9.5	(4)	6.6	(7)	15.1	(6)	13.5	(6)	6.6	21.9	17.5	-4.4	29.0	11.8	1.3	2.5	0.5	(7)
Nikko	Wholesale Global Shares	1	n/a	1.9	(9)	9.3	(6)	10.2	(2)					10.2	30.0								
Russell	Emerging Markets	3	1	-0.7	(19)	3.4	(18)	1.5	(14)	10.9	(14)			1.5	3.9	29.1	0.1						
Russell	Global Opportunities	1	168	1.8	(11)	6.4	(12)	3.5	(11)	14.4	(9)	12.7	(8)	3.5	19.1	21.4	-6.2	29.7	11.5	1.0	1.6	0.6	(6)
	Minimum			-0.7		1.8		-5.0		6.9		6.4		-5.0	3.9	13.8	-13.7	1.8	10.1	-4.6	1.1	-1.1	
	Median			1.9		7.5		5.0		14.4		12.7		5.0	20.7	20.5	-4.4	29.4	11.5	1.2	2.7	0.6	
	Maximum			5.0		13.0		17.2		21.2		18.1		17.2	30.0	29.1	0.7	39.2	13.5	5.8	7.1	1.4	
	MSCI All Country World Index	1		2.2		7.8		4.9		14.4		11.7		4.9	20.3	18.6	-6.4	23.9	11.0				
	MSCI World Index	2		2.3		8.0		3.6		13.7		11.6		3.6	20.4	17.7	-6.9	26.7	11.4				
	Russell Emerging Markets Index	3		-0.5		3.2		0.7		10.6				0.7	6.9	25.6	-1.0						
	MSCI ACWI (100% hedged)	4		-3.8		2.9		-1.8		8.6		7.5		-1.8	11.3	17.1	9.2	2.8	11.8				
	MSCI Emerging Markets Index	5																					
	MSCI World Minimum Volatility Index	6																					
	MSCI World Small Cap Index	7																					



## Diversified Income

			Returns (%) gross of tax and fees												
Manager	Fund	FUM (\$m)	For the period to 31 Aug 2019						For the year ended 31 August					Performance Objective	
			1 M Rk	1 Qtr Rk	1 Yr Rk	3 Yrs Rk	5 Yrs Rk	2019	2018	2017	2016	2015			
AMPCI	Income Generator	153	1.3 (2)	5.2 (2)	12.1 (2)	8.2 (2)	9.1 (2)	12.1	6.7	5.9	13.2	7.7	n/a		
Devon	Diversified Income	7	0.7 (5)	2.9 (5)	7.8 (5)	5.5 (5)		7.8	5.5	3.4			OCR + 1.5%		
Milford	Diversified Income	2,221	1.2 (4)	<b>5.3 (1)</b>	<b>13.0 (1)</b>	<b>10.3 (1)</b>	<b>12.0 (1)</b>	13.0	8.9	9.2	17.0	12.2	OCR + 2.5%		
Mint	Diversified Income	185	<b>1.4 (1)</b>	4.0 (3)	9.7 (3)	6.4 (4)	7.5 (3)	9.7	6.5	3.2	10.5	7.9	OCR + 2.5%		
Nikko	Income	n/a	<b>-2.6 (6)</b>	<b>-1.3 (6)</b>	1.5 (6)	3.7 (6)	6.0 (5)	1.5	6.9	2.7	9.6	9.4	8% p.a.		
Harbour	Income	117	1.2 (3)	3.5 (4)	9.4 (4)	6.5 (3)	7.5 (4)	9.4	6.5	3.6	9.1	9.0	OCR + 3.5%		
<b>Minimum</b>			<b>-2.6</b>	<b>-1.3</b>	1.5	3.7	6.0	1.5	5.5	2.7	9.1	7.9			
<b>Median</b>			1.2	3.5	9.4	6.4	7.5	9.4	6.5	3.4	10.1	9.2			
<b>Maximum</b>			1.4	5.3	13.0	10.3	12.0	13.0	8.9	9.2	17.0	12.2			



## Other International Funds

		Returns (%) gross of tax and fees													
Manager	Fund	FUM (\$m)	For the period to 31 Aug 2019					For the year ended 31 August					Benchmark		
			1 M Rk	1 Qtr Rk	1 Yr Rk	3 Yrs Rk	5 Yrs Rk	2019	2018	2017	2016	2015			
AMPCI	Commodities	83	-2.6 (12)	-0.8 (11)	-7.3 (11)	0.2 (11)	-6.3 (11)	-7.3	2.1	6.3	-3.5	-25.8	Bloomberg Commodity Index		
AMPCI	Infrastructure	353	1.1 (8)	5.3 (8)	17.7 (3)	11.4 (5)	8.2 (8)	17.7	2.6	14.4	3.5	3.8	DJ Brookfield Global Infrastructure Index		
FSI	Infrastructure	280	1.5 (4)	5.6 (7)	17.9 (1)	11.7 (4)	12.4 (3)	17.9	-0.1	18.2	16.6	10.6	FTSE Global Core Infrastructure Net (NZD Hedged)		
Magellan	Infrastructure	2,302	4.4 (1)	7.7 (3)	17.5 (4)	14.6 (1)	12.9 (2)	17.5	4.2	22.8	8.2	12.7	S&P Global Infrastructure Index (A\$ Hedged)		
Milford	Global Equity	565	1.8 (2)	7.7 (4)	7.0 (7)	12.8 (2)	10.6 (6)	7.0	16.9	14.6	-3.5	19.6	MSCI World Net TR (NZD Hedged)		
Mercer	Infrastructure	292	1.3 (6)	6.2 (6)	17.8 (2)	11.3 (6)	11.6 (4)	17.8	0.2	16.7	18.6	5.9	FTSE Global Core Infrastructure 50/50 Net (NZD Hedged)		
Mercer	Natural Resources	103	1.2 (7)	2.5 (10)	4.0 (8)	5.7 (9)	2.0 (9)	4.0	9.9	3.5	6.9	-12.6	Bloomberg Commodity Index		
Mercer	Unlisted Infrastructure	153	0.4 (9)	3.5 (9)	12.9 (5)	10.7 (7)	14.2 (1)	12.9	12.5	6.6	28.0	11.7	MSCI Aus Quarterly Private Infrastructure (NZD hedged)		
PATH	Commodity Plus Fund	7	-1.8 (11)	-1.1 (12)	-10.3 (12)	1.7 (10)	1.2 (10)	-10.3	24.0	-5.4	-0.3	1.3	Bloomberg Commodity Index		
PATH	World Equity Fund	17	1.3 (5)	8.3 (1)	2.0 (9)	10.6 (8)	9.9 (7)	2.0	17.7	12.9	-3.2	22.3	MSCI AC World		
PATH	Global Water Fund	21	1.5 (3)	8.2 (2)	12.6 (6)	11.9 (3)	11.1 (5)	12.6	13.5	9.7	7.4	12.7	n/a		
PATH	Global Responsibility Fund	4	-0.2 (10)	6.8 (5)	0.1 (10)			0.1					MSCI AC World		

## NZ Fixed Interest

			Returns (%) gross of tax and fees																				
Manager	Fund	Bench mark	FUM (\$m)	For the period to 31 Aug 2019										For the year ended 31 August					For last 5 years				
				1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2019	2018	2017	2016	2015	Vol	VA	TE	IR	Rk
AMPCI	NZ Fixed Interest	6	2,273	2.0	(5)	3.5	(6)	9.2	(6)	5.2	(7)	6.4	(7)	9.2	5.2	1.3	7.0	9.4	2.3	0.3	0.4	0.7	(7)
ANZ	NZ Fixed Interest	1	1,847	2.3	(1)	4.2	(1)	9.8	(3)	5.1	(9)	6.5	(4)	9.8	5.0	0.8	7.4	9.6	2.4	0.4	0.4	0.9	(6)
Fisher	NZ Fixed Interest	1	723	2.1	(3)	3.9	(3)	11.1	(1)	6.0	(2)	7.0	(1)	11.1	5.9	1.1	7.4	9.7	2.6	0.9	0.4	2.5	(1)
Harbour	NZ Core Fixed Interest	6	459	1.8	(6)	3.1	(9)	8.0	(9)	5.0	(10)	6.1	(9)	8.0	4.9	2.2	7.3	8.1	1.8	0.1	0.6	0.2	(9)
Harbour	NZ Corporate Bond	2	416	1.5	(9)	3.0	(10)	7.8	(10)	5.2	(8)	5.9	(10)	7.8	4.7	3.0	5.9	8.0	1.4	-0.0	0.2	-0.2	(10)
Milford	Trans-Tasman Bond	5	606	1.1	(10)	3.1	(8)	8.4	(8)	5.8	(3)	6.4	(5)	8.4	5.5	3.7	6.6	8.1	1.4	0.6	0.4	1.5	(3)
Nikko	NZ Corporate Bond	7	n/a	1.7	(7)	3.5	(5)	9.4	(4)	6.1	(1)	7.0	(2)	9.4	5.7	3.3	7.0	9.6	1.9	1.3	1.0	1.3	(5)
Nikko	NZ Fixed Interest	6	n/a	2.2	(2)	4.0	(2)	10.2	(2)	5.7	(4)	6.8	(3)	10.2	5.6	1.6	7.3	9.4	2.3	0.9	0.6	1.5	(4)
Russell	NZ Fixed Interest	6	68	1.7	(8)	3.2	(7)	8.8	(7)	5.3	(6)	6.3	(8)	8.8	5.4	1.9	7.0	8.8	2.0	0.4	0.7	0.5	(8)
Western	NZ Core	4	n/a	2.0	(4)	3.7	(4)	9.3	(5)	5.4	(5)	6.4	(6)	9.3	5.2	1.7	6.7	9.4	2.2	0.4	0.3	1.5	(2)
Western	NZ Core Constrained	1	n/a	0.7	(11)	1.5	(11)	4.2	(11)	3.2	(11)	4.3	(11)	4.2	3.4	2.0	4.6	7.3	1.1	-1.7	1.7	-1.0	(11)
Minimum				0.7		1.5		4.2		3.2		4.3		4.2	3.4	0.8	4.6	7.3	1.1	-1.7	0.2	-1.0	
Median				1.8		3.5		9.2		5.3		6.4		9.2	5.2	1.9	7.0	9.4	2.0	0.4	0.4	0.9	
Maximum				2.3		4.2		11.1		6.1		7.0		11.1	5.9	3.7	7.4	9.7	2.6	1.3	1.7	2.5	
S&P/NZX NZ Govt Stock Index				1		2.2		3.9		9.5		6.1		9.5	5.1	0.0	6.9	9.0	2.5				
S&P/NZX NZ Corp A Grade Index				2		1.5		2.9		7.9		5.9		7.9	4.7	2.6	5.9	8.5	1.6				
S&P/NZX NZ Govt/Corp A Index (50/50)				3		1.9		3.4		8.7		6.0		8.7	4.9	1.3	6.4	8.8	2.0				
S&P/NZX NZ Comp Inv Grade Index				4		2.0		3.6		9.0		6.0		9.0	5.0	0.7	6.7	8.8	2.3				
S&P/NZX NZ Corp/ASX Corp (50/50)				5		1.2		2.8		8.1		5.8		8.1	4.5	2.8	5.7	7.9	1.4				
Bloomberg NZBond Composite 0+Yr				6		1.8		3.3		8.4		5.8		8.4	5.0	0.1	6.9	9.0	2.4				
Bloomberg NZBond Credit 0+Yr				7		1.2		2.7		7.4		5.6		7.4	5.0	0.1	6.9	9.0	2.3				

## NZ Cash & Short Duration

			Returns (%) gross of tax and fees																				
Manager	Fund	Bench mark	FUM (\$m)	For the period to 31 Aug 2019										For the year ended 31 August					For last 5 years				
				1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2019	2018	2017	2016	2015	Vol	VA	TE	IR	Rk
AMPCI	NZ Cash	2	3,540	0.2	(7)	0.5	(7)	2.4	(7)	2.4	(7)	2.9	(7)	2.4	2.4	2.5	3.0	4.1	0.2	0.4	0.0	10.8	(2)
AMPCI	NZ Short Duration	3	623	0.9	(1)	1.8	(1)	5.3	(1)	4.1	(1)	4.8	(1)	5.3	3.8	3.3	4.8	7.0	0.8	1.0	0.2	5.3	(4)
AMPCI	Global Short Duration	2	189	0.5	(2)	1.1	(2)	3.8	(2)	3.0	(2)	3.6	(2)	3.8	2.1	3.2	4.3	4.6	0.9	1.1	0.9	1.2	(7)
ANZ	NZ Cash	1	4,294	0.2	(6)	0.7	(6)	2.7	(6)	2.7	(6)	3.0	(6)	2.7	2.6	2.7	3.0	4.0	0.2	0.5	0.1	7.2	(3)
Fisher	NZ Cash	1	1,656	0.3	(5)	0.8	(3)	3.0	(3)	3.0	(3)	3.3	(5)	3.0	3.0	2.9	3.2	4.3	0.2	0.8	0.1	5.1	(5)
Harbour	Short Duration	1	122	0.3	(3)	0.8	(5)	2.8	(5)	2.8	(5)	3.3	(4)	2.8	2.8	2.8	3.6	4.5	0.3	0.8	0.2	4.1	(6)
Nikko	NZ Cash	1	n/a	0.3	(4)	0.8	(4)	2.9	(4)	3.0	(4)	3.3	(3)	2.9	2.9	3.1	3.4	4.4	0.2	0.8	0.1	11.7	(1)
Median				0.3		0.8		2.9		3.0		3.3		2.9	2.8	2.9	3.4	4.4	0.2	0.8	0.1	5.3	
S&P/NZX 90 Day Bank Bill Index				1		0.1		0.4		1.9		2.5		1.9	2.0	2.1	2.7	3.7	0.0				
Bloomberg NZBond Bank Bill (pre Nov16 S&P/NZX 90 Day)				2		0.2		0.4		1.9		2.5		1.9	2.0	2.1	2.7	3.7	0.0				
Bloomberg NZBond Swaps 1-3yr (pre Nov16 ANZ Short Swap)				3		0.7		1.4		4.0		3.7		4.0	2.6	1.9	4.1	6.1	0.7				

## Australasian Property

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 31 Aug 2019										For the year ended 31 August					For last 5 years				
				1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2019	2018	2017	2016	2015	Vol	VA	TE	IR	Rk
<b>Direct:</b>																							
Fisher Trust	Property Fund	1	417	0.4	(2)	1.3	(3)	8.6	(3)	8.6	(3)	10.5	(3)	8.6	6.0	11.3	11.8	15.2	3.3	-6.3	9.9	-0.6	
Mercer	Property Fund	x	220	0.4	(1)	2.5	(1)	10.0	(1)	10.7	(1)	10.6	(2)	10.0	9.9	12.1	13.7	7.5	2.6				
	Property Fund	x	140	-0.2	(3)	1.4	(2)	9.0	(2)	10.0	(2)	11.8	(1)	9.0	10.7	10.2	15.3	13.7	2.5				
<b>Listed:</b>																							
AMPCI	Property Fund	2	178	2.4	(8)	11.2	(7)	29.3	(6)	12.5	(6)			29.3	14.5	-3.8	23.1						
ANZ	Property Securities	1	200	3.0	(4)	11.9	(4)	29.6	(5)	13.4	(5)	15.4	(4)	29.6	14.3	-1.5	23.0	14.2	7.8	-0.7	1.8	-0.4	(4)
ANZ	Trans Tasman	2	803	2.8	(6)	10.7	(8)	23.9	(7)	11.5	(7)	14.6	(5)	23.9	15.0	-2.6	24.8	14.2	8.1	-0.7	2.0	-0.4	(3)
Harbour	Real Estate Fund	1	10	3.9	(1)	13.4	(1)																
Mint	Real Estate Inv Trust	1	80	3.5	(2)	12.4	(3)	32.2	(3)	13.7	(4)	15.5	(3)	32.2	13.1	-1.6	21.5	14.8	7.5	-0.7	1.5	-0.5	(5)
Nikko	Property Securities	1	n/a	3.2	(3)	11.9	(6)	31.3	(4)	14.0	(3)	15.9	(2)	31.3	15.8	-2.6	22.5	15.2	7.7	-0.3	1.5	-0.2	(2)
Salt	Listed Property	1	334	2.7	(7)	11.9	(5)	32.2	(2)	15.3	(2)	17.1	(1)	32.2	14.7	1.0	22.8	17.0	7.0	0.7	1.5	0.5	(1)
Salt	Enhanced Property Fund	1	10	2.9	(5)	13.1	(2)	33.9	(1)	16.0	(1)			33.9	14.8	1.6							
Minimum				2.4		10.7		23.9		11.5		14.6		23.9	13.1	-3.8	21.5	14.2	7.0	-0.7	1.5	-0.5	
Median				3.0		11.9		31.3		13.7		15.5		31.3	14.7	-1.6	22.9	14.8	7.7	-0.7	1.5	-0.4	
Maximum				3.9		13.4		33.9		16.0		17.1		33.9	15.8	1.6	24.8	17.0	8.1	0.7	2.0	0.5	
S&P/NZX Property Index		1		3.2		13.2		36.6		15.0		16.2		36.6	13.5	-2.0	21.1	15.1	7.9				
NZX/ASX Property Index		2		2.6		9.6		29.0		12.6		15.4		29.0	14.5	-3.3	23.4	16.4	7.9				

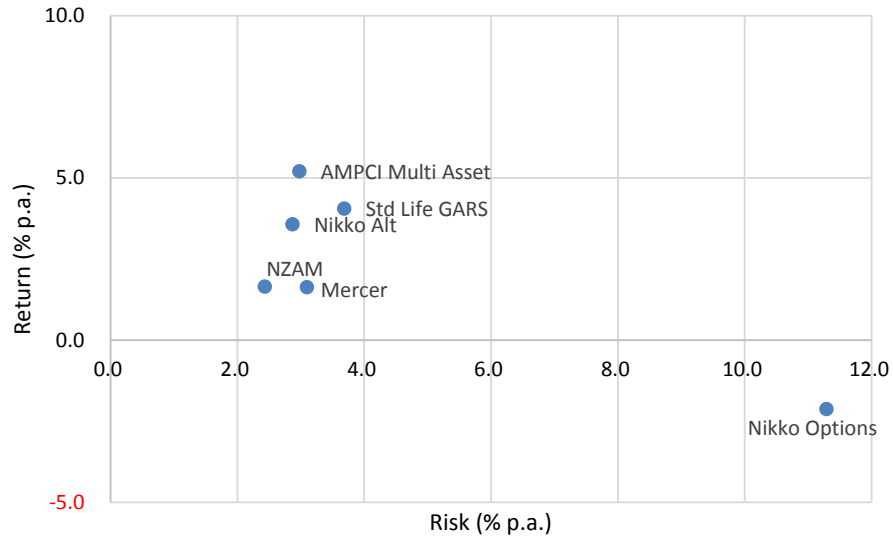
## International Property

		Returns (%) gross of tax and fees																					
Manager	Fund	Bench mark	FUM (\$m)	For the period to 31 Aug 2019										For the year ended 31 August					For last 5 years				
				1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2019	2018	2017	2016	2015	Vol	VA	TE	IR	Rk
AMPCI	Global Property Securities	1	216	2.7	(3)	5.4	(2)	12.4	(1)	7.7	(2)	8.9	(2)	12.4	10.2	0.8	14.0	7.6	12.1	0.6	4.6	0.1	(2)
ANZ	International Property	1	1,046	2.7	(2)	5.2	(3)	12.1	(2)	6.4	(5)	8.5	(3)	12.1	8.1	-0.7	17.4	6.4	11.7	0.2	3.2	0.1	(3)
Mercer	Global Property	1	192	0.4	(5)	2.9	(5)	11.1	(4)	8.3	(1)	9.4	(1)	11.1	9.6	4.3	19.1	3.6	12.8	1.4	5.4	0.3	(1)
PATH	Global Property	1	18	3.4	(1)	6.0	(1)	11.6	(3)	6.5	(4)			11.6	8.3	0.0	12.8						
Russell	Global Listed Real Estate	1	65	2.1	(4)	3.6	(4)	8.5	(5)	6.7	(3)			8.5	9.3	2.4	16.2						
FTSE EPRA/NAREIT Index*		1		2.8		4.7		9.3		4.4		8.1		9.3	5.8	-1.4	21.8	6.2	12.3				
*UBS Global RE Index prior to June 2015																							

## International Alternatives/Absolute Return

		Returns (%) gross of tax and fees																			
Manager	Fund	FUM (\$m)	For the period to 31 Aug 2019										For the year ended 31 August					5 Years			Benchmark
			1 M	Rk	1 Qtr	Rk	1 Yr	Rk	3 Yrs	Rk	5 Yrs	Rk	2019	2018	2017	2016	2015	Vol	SR	Rk	
AMPCI	Multi-Asset	215	-0.1	(4)	2.0	(3)	3.2	(2)	<b>5.2</b>	(1)	<b>5.7</b>	(1)	3.2	5.1	7.3	5.1	7.7	3.2	<b>1.0</b>	(1)	CPI + 5%
Harbour	Long Short Fund	2	1.1	(3)	2.1	(2)															90 Day Bank Bill + 2%
Mercer	Liquid Alternatives	146	-0.8	(6)	0.0	(6)	-0.2	(5)	1.6	(5)	3.0	(5)	-0.2	-0.4	5.6	0.1	10.5	3.5	0.2	(4)	Cash + 3% to 5%
Nikko	Multi-Strategy	n/a	-0.6	(5)	0.6	(5)	0.9	(4)	3.6	(3)	3.8	(3)	0.9	4.6	5.3	1.3	7.2	3.3	0.4	(3)	90 Day Bank Bill + 2.5%
Nikko	Option	n/a	-12.4	(7)	-12.3	(7)	-15.3	(6)	-2.1	(6)	3.3	(4)	-15.3	<b>9.5</b>	1.1	<b>15.6</b>	8.6	9.5	0.1	(5)	90 Day Bank Bill + 4%
NZAM	Global	168	1.2	(2)	1.5	(4)	1.5	(3)	1.7	(4)	2.7	(6)	1.5	2.8	0.7	-2.9	<b>12.0</b>	3.4	0.1	(6)	OCR + 4%
Std Life	GARS	0	<b>1.3</b>	(1)	<b>4.9</b>	(1)	<b>7.6</b>	(1)	4.1	(2)	4.3	(2)	<b>7.6</b>	-0.6	<b>5.3</b>	-0.1	9.5	4.1	0.4	(2)	OCR + 5%
OCR + 5%			0.5		1.6		6.7		6.7		7.2		6.7	6.8	6.8	7.5	8.4	0.2			

### 3 Year risk/return



### 5 Year risk/return

