

Research Report
June 2018



Asteron Life

Contents

Executive Summary	3
Asteron Life	4
Nikko Asset Management New Zealand Limited	5
External Investment Managers	
• Nikko Asset Management	7
• Principal Global Investors	7
• Epoch Investment Partners	7
• Davis Selected Advisors, L.P.	7
• WCM Investment Management	7
• Goldman Sachs Asset Management	8
• J.P. Morgan Asset Management	8
• Foreign & Colonial Investments (via BMO Global Asset Management)	9
Asset Allocation	10
Performance Summary	12
• Diversified – Balanced Funds	13
• Diversified – Defensive Funds	13
• Diversified – Growth Funds	14
• Currency – New Zealand Dollar Funds	14
• Fixed Interest – New Zealand Dollar Funds	15
• Fixed Interest – Global Funds	15
• New Zealand Equity Funds	16
• Global Equity Funds	16
• Regional Equity Funds	17
• New Zealand Property Funds	17

Executive Summary

Asteron Life offers a range of funds within eight product sets. These legacy products are closed to new investors, but a current investor may continue to hold these products as part of their investment portfolio.

The report aims to provide readers with an analysis of Asteron Life's fund structure, external investment managers, and performance as at 30 June 2018.

Firstly, an overview of Asteron Life is provided including its history and a summary of its product sets.

Next, the report provides an overview of Nikko Asset Management New Zealand Limited (Nikko AM NZ) who manage Asteron Life's funds under management. This includes details of their Domestic Equity and Property team, Fixed Interest team and global manager selection process.

The managers utilised by Nikko AM NZ are detailed thereafter including: Nikko Asset Management (Nikko AM), Principal Global Investors, Epoch Investment Partners, Davis Selected Advisors, L.P., WCM Investment Management, Goldman Sachs Asset Management Australia Pty Limited and JP Morgan Alternative Asset Management Limited.

Following this, is a section on exposure to North American & European equities. This is achieved via Foreign & Colonial (F&C) unit trusts, which are managed by BMO Global Asset Management.

Next is a summary of asset allocation and target returns for the composite funds under the terms of the investment mandates between Asteron Life and Nikko AM NZ.

Finally, an outline of the performance of Asteron Life's funds as at 30 June 2018. Performance (while not an indicator of future returns) is available for the Asteron Life products over 6 months, 1 year, 3 years, 5 years and 7 years, as well as fund size and a fund rating. FundSource also provides comparisons against sector averages and Asteron Life benchmarks.

Asteron Life

Asteron Life has a long history of operating in Australasia, with roots tracing back to 1833 in Australia and to 1878 in New Zealand. Formerly Royal & Sun Alliance Life and Disability (New Zealand) Limited, the company changed its name to Asteron Life Limited on 1 July 2003. Asteron Life Limited and Asteron Retirement Investment Limited are part of Suncorp New Zealand, a leading general and life insurance provider. Suncorp New Zealand is part of the Suncorp Group of companies. Suncorp Group Limited is a Top 20 ASX-listed company with approximately 13,500 employees and relationship with nine million customers across Australia and New Zealand. Asteron Life's key business activity is life insurance, with superannuation savings and superannuation trustee services provided by its related company Asteron Retirement Investment Limited. Asteron Life and its related company have over \$470 million of funds under management. Asteron Life Limited has been given an A+ insurer financial strength rating by Standard & Poor's. Further detail including the full rating scale is available at Asteron Life's offices and on the website www.asteronlife.co.nz.



Asteron Life offers investors eight product sets that include: Retirement Savings Plan, Superplan, Superplan 2000, Saveguard Plus/Mortgage Plus, Wise Investment, Lifeplan/Go Kidz Lifeplan, Life Yield and Oceanic Investment Bonds (the Asteron Life products) with both single sector and composite multi-sector mandates. Investment performance objectives, benchmarks and authorised investments are defined within the Investment Mandates (the "Mandates") with Nikko AM NZ. The multi-sector mandates each have four asset allocation selections ranging from Conservative to Aggressive.

The Asteron Superplan and Asteron Retirement Savings Plan (Formerly known as Asteron Superannuation Fund) (the "Schemes") transitioned to the Financial Markets Conduct Act 2013 regime on 30 November 2016. The Schemes are restricted legacy superannuation schemes for the purposes of the Financial Markets Conduct Act 2013.

The Trustee of the Schemes is Asteron Retirement Investment Limited, a wholly owned subsidiary of Suncorp Group New Zealand Limited, whose ultimate parent company is Suncorp Group Limited, a company incorporated in Australia.

All the Asteron Life products referred to in this document are closed and accordingly there are no Product Disclosure Statements. However, FMCA publications relating to the Asteron Superplan and Retirement Savings Plan (i.e. Trust Deeds, Statements of Investment Policy & Objectives, Annual Reports, the Annual Financial Statements and Fund Updates) are available on the Asteron Life Website:

<https://www.asteronlife.co.nz/>.

Disclaimer: This is a FundSource document. Any representation or statement expressed in this document is made in good faith but on the basis that FundSource Limited is not able to be liable in respect of such representation or statement. Asteron Life is not liable in respect of any representation or statement made in the FundSource document. The information contained in the FundSource document should not be relied upon as a substitute for detailed advice from your authorised financial adviser. Copyright: FundSource Limited

Nikko AM NZ



Nikko Asset Management

Nikko Asset Management NZ (Nikko AM NZ) is a New Zealand domiciled company and is a wholly owned subsidiary of Nikko Asset Management (Nikko AM), a dedicated global asset manager headquartered in Tokyo, Japan.

Nikko AM has offices with specialist local investment capabilities in multiple markets, including China, Japan, Australia, New Zealand, Singapore, Malaysia and other key Southeast Asian markets. With over 200 investment professionals, Nikko AM is well-equipped with expertise of the Asia Pacific markets.

In New Zealand Nikko AM NZ actively manage around NZ\$5 billion worth of investments for a diverse group of clients, including: superannuation schemes, charitable trusts, KiwiSaver scheme providers, corporations, and local government. Nikko AM NZ also provide services to financial intermediaries through wrap platforms.

Nikko AM NZ offers investment management services in New Zealand/Australian equities, fixed interest and cash through its Auckland-based investment team and employs carefully selected offshore managers to manage global equities, bonds and alternative investments. Nikko AM NZ's offer includes socially responsible funds and the Nikko group is a signatory to the United Nations Principles for Responsible Investment.

The Nikko AM NZ investment information contained within this section is at 30 June 2018.

Domestic Equity and Property Team

Stuart Williams was appointed Head of Equities at Nikko AM NZ in August 2014. He brings with him over 20 years' experience in finance and investment-related roles. James Lindsay is the Senior Portfolio Manager and his career with the team began in 1998. James has been a Portfolio Manager since 2001, and has also been actively involved in all aspects of managing the domestic equity strategies. Michael Sherrock, Portfolio Manager of the Property Fund (joined June 2006) and Michael De Cesare, Portfolio Manager of the SRI Fund (joined July 2012) also support the team.

Nikko AM NZ's investment objective for its Wholesale Core NZ Equity Fund is to exceed the S&P/NZX50 Gross Index with Imputation Credits by 3% p.a. before fees over a rolling three-year period.

The investment objective of the Wholesale Concentrated Equity Fund is to construct a portfolio of investments that aims to outperform the RBNZ OCR over a rolling three year period by 5% p.a. before fees. The fund is designed to provide a concentrated exposure to Australian and New Zealand equity markets from an actively managed investment portfolio. The fund is a collection of Nikko AM NZ's domestic equity managers' highest conviction investment ideas to achieve capital appreciation.

For the Wholesale Property Fund, the investment objective is to exceed the S&P/NZX All Real Estate (Industry Group) Gross with Imputation Index by 1.5% p.a. before fees over a rolling three-year period.

Authorised Investments include cash and cash equivalents, ordinary shares and derivative instruments including: futures, options and forward exchange contracts. In respect of the Nikko AM Wholesale Core Equity fund, a maximum of 20% in Australian shares is permitted. For the Property fund, a maximum of 30% can be invested in ASX listed securities.

Hedging of any Australian dollar exposure is at the discretion of the Manager for the Nikko AM Wholesale Core Equity, Concentrated Equity and Property funds.

Disclaimer: This is a FundSource document. Any representation or statement expressed in this document is made in good faith but on the basis that FundSource Limited is not able to be liable in respect of such representation or statement. Asteron Life is not liable in respect of any representation or statement made in the FundSource document. The information contained in the FundSource document should not be relied upon as a substitute for detailed advice from your authorised financial adviser. Copyright: FundSource Limited

Nikko AM NZ

Fixed Income Team

The Domestic Fixed Income team is led by Fergus McDonald (Head of Bonds and Currency) who is responsible for investment strategy, performance and compliance of Bonds, Cash and Currency mandates. Fergus has been actively involved in the financial markets since 1981. Ian Bellew, promoted to Fixed Income Manager in June 2012, joined the team in 1998 as the Cash Portfolio Manager. Ian is responsible for the implementation of investment strategy and day to day management of the fixed income and option portfolios.

The Fixed Income team is responsible for managing Nikko AM NZ's allocation to NZ Bonds, Cash and Options.

• NZ Bonds

Nikko AM NZ's target for its NZ Bond Fund is to exceed the Bloomberg NZBond Govt 0+ Yr Index by 1% p.a. before fees and taxes over a rolling three-year period. Authorised investments are cash, deposits and debt securities issued or guaranteed by any NZ registered bank, or equivalent overseas institution, SOE, NZ and foreign Government, NZ local authority, NZ and overseas corporates issuing NZ dollar debt and derivative instruments.

A minimum of 25% of the Fund is to be invested in securities issued or guaranteed by the NZ Government or securities accepted by the RBNZ's Overnight Reverse Repo Facility.

A minimum of 50% of the fund is restricted to issuers with a credit rating equal to or higher than NZ Government.

• Cash

Nikko AM NZ's target for its cash fund is to exceed the Bloomberg NZBond Bank Bill Index by 0.20% p.a. before fees and taxes over a rolling three-year period.

Authorised investments are cash, deposits and debt securities with an interest rate exposure of up to 365 days, issued or guaranteed by any NZ registered bank, SOE, NZ Government, NZ local authority and NZ and

overseas corporate.

Securities issued by corporates and registered banks must have minimum credit rating of A1 short-term and A long term (Standard and Poors). Derivative counter parties must have A or better credit rating and all derivative exposure shall be covered by cash or physical holdings.

• Options

The investment objective of the Nikko AM Wholesale Option Fund is a gross return of the Bloomberg NZBond Bank Bill Index plus 4% p.a. over a rolling three-year period before fees. Authorised investments in the Option Fund include bank bills and floating rate notes (denominated to NZD, AUD, USD, GBP, and Euro), bonds issued by New Zealand, Australian, US, and UK governments and sovereign debt of Eurozone nations (with minimum rating of AA-), interest rates options (call and put), futures on Sydney (SFE) and Chicago Exchanges (CBOT and CME), exchange traded, forward foreign exchange contracts (entered into to hedge currency exposure), foreign investment fund vehicles that pursue similar option strategies and managed funds in any part of the world. Over the counter options can only be transacted with Nikko global approved parties.

Global Managers

Nikko AM selects global managers to gain access to international assets (global equities, global bonds and alternative investments), as well as providing specific regional exposure. The Nikko AM NZ investment committee is responsible for the selection and monitoring of offshore managers.

Nikko AM NZ utilise a multi-manager global equity strategy managed by a specialist team based in Sydney and Singapore. Investment personnel from Nikko AM Australia, Singapore and New Zealand are responsible for the ongoing selection, monitoring and review of all underlying investment managers.

Disclaimer: This is a FundSource document. Any representation or statement expressed in this document is made in good faith but on the basis that FundSource Limited is not able to be liable in respect of such representation or statement. Asteron Life is not liable in respect of any representation or statement made in the FundSource document. The information contained in the FundSource document should not be relied upon as a substitute for detailed advice from your authorised financial adviser. Copyright: FundSource Limited.

External Investment Managers - Nikko AM

Global Equity

As at 30 June 2018, Nikko AM NZ utilises four external managers for its global equity multi-manager strategy:

Manager/Asset Class	Allocation	Range
Principal Global Investors	23.30%	10 - 30%
Epoch Investment Partners	18.30%	10 - 30%
Davis Selected Advisors LP	28.80%	10 - 30%
WCM Investment Management	29.20%	10 - 30%
Nikko AM Limited (Cash)	0.20%	0 - 10%
Nikko AM Limited (Derivatives)	0.20%	0 - 20%

Nikko AM NZ's target is to exceed the Morgan Stanley Capital International All Countries World Index (MSCI ACWI), with net dividends reinvested (either NZD 139% hedged or unhedged as appropriate) by 3% p.a. before fees and taxes over a rolling three-year period.

Nikko AM's Portfolio Solutions Team, based in Singapore and Sydney has a top-down asset allocation approach to enable active management.



Principal Global Investors (PGI) equity investment team includes analysts based in offices throughout the US, UK and Asia. Stock selection is made following research on individual companies using technical analysis that does not necessarily follow an Index. PGI favours undervalued companies with sustainable business models.



Epoch Investment Partners, Inc.

Epoch Investment Partners (EIP) investment approach is designed to uncover opportunities that others may miss. In EIP's view the growth of free cash flow, and the intelligent use of that cash flow, represent the best predictor of long-term shareholder return. EIP look for strong company management with a commitment to financial transparency and a track record of delivering returns to shareholders. EIP are based in New York, USA.



Davis Selected Advisors, L.P. is an investment management firm that follows a boutique model with an "understand the business" philosophy and a patient, long-term investment approach. Davis is a global value manager which has operated for more than 60 years based in New York, USA.



WCM Investment Management (WCM) is a California-based boutique firm founded in 1976. The WCM investment philosophy is to follow a fundamental stock selection of individual companies to build a high conviction portfolio for their global growth strategy. Factors considered include unique services, company culture as well as valuation.

External Investment Managers - Nikko AM NZ



Asset Management

Nikko AM NZ utilises Goldman Sachs Asset Management Australia Pty Limited (GSAM) for its global fixed income asset exposure. GSAM is one of the world's largest asset managers with USD\$1.38 trillion in assets under supervision. GSAM's Global Fixed Income and Currency Team manages approximately AUD\$450 billion of global Fixed Income assets and has a breadth of investment management experience with over 250 investment professionals (as at 30 June 2018). The globally integrated team has independent strategy teams capturing value across top down (duration, cross sector, country by country) and bottom up (investment grade credit, high yield, securitised assets, government/agency and emerging market debt) strategies.

J.P.Morgan Asset Management

Nikko AM NZ utilises J.P. Morgan Alternative Asset Management Limited's (JPMAAM) multi-manager/multi-strategy fund, Multi-Strategy II Limited for its alternative asset exposure.

JPMAAM has been dedicated to the management of hedge fund products and solutions for nearly two decades. JPMAAM offers a broad range of products and capabilities aimed at helping investors achieve their strategic hedge fund and asset allocation objectives.

The Fund's stated investment objective is to generate capital appreciation over the long term through a diversified risk profile with relatively low volatility and a low correlation with traditional equity and Fixed Interest markets. The Fund seeks to accomplish this by allocating its assets primarily to a select group of experienced portfolio managers that invest in a variety of markets, either through investment funds or discretionary managed accounts. Portfolio managers are selected on the basis of factors including above-average investment histories and/or recognisable prospects, an identifiable track record and a substantial personal investment in the investment program.

External Investment Managers - Foreign & Colonial

Asteron Life also invests directly into Foreign & Colonial (F&C) unit trusts for its regional equity allocation to European and North American markets. The F&C unit trusts previously fell under F&C Asset Management (F&C AM), until F&C AM were acquired by BMO Global Asset Management (BMO GAM), and ultimately the BMO Financial Group in 2014. However, the F&C Brand has been retained by BMO GAM.



The Benchmarks are the MSCI North American Index for North American shares and the MSCI Europe Index for European shares. The target is to exceed the Benchmark Index with net dividends reinvested (25% hedged back to NZD) by 2% p.a. before fees over a rolling three-year period.



Authorised Investments include direct holdings in shares listed on major international stock exchanges or into pooled overseas share products offered by recognised fund management organisations.

For its North American allocation, the F&C unit trust uses strategies with low turnover, relying on the proprietary alpha model and portfolio construction to create an active portfolio explicitly excluding common factor effects e.g. momentum. For its European allocation, the F&C unit trust looks for growth opportunities within Europe's stock markets, avoiding biases to any investment style.

BMO GAM is a diversified investment management group with a history of innovation that can be traced back to 1817. They have a strong heritage in sustainability with a comprehensive suite of responsible investment funds. BMO GAM also have a Governance and Sustainable Investment team who have integrated environmental, social and governance (ESG) factors into a wide range of their investment processes.

Partnering with BMO Global Asset Management has allowed the combination of key strengths of both businesses. BMO Financial Group (TSX, NYSE: BMO) is a diversified financial services organization with total assets of US\$499 billion and close to 47,000 employees. BMO Global Asset Management has more than US\$252 billion in assets under management globally, making it one of the largest asset managers worldwide.

Asset Allocation Summary

Fund investment mandates are agreed between Asteron Life and Nikko AM NZ under the terms of the investment management agreement. Asset allocation within the investment mandates for each type of multi-sector fund is as follows:

Conservative Funds

Target - a return that exceeds the Benchmark Return (weighted by the asset allocation) by 1.25% p.a. before fees, over a rolling three-year period.

Asset Class	Asteron Benchmark
NZ/Aus Shares	13%
Overseas Shares	18%
NZ/Aus Bonds	39%
Overseas Bonds	10%
Cash	20%
Property	0%
Other	0%
TOTAL	100%
Growth Assets	31%
Income Assets	69%

Conservative funds take a low risk investment approach and invest in defensive, less risky assets like fixed income, and allocate less funds to riskier assets like equities. Typically, conservative funds have less than 30% in growth assets.

Balanced, Neutral and Managed Funds

Target - a return that exceeds the Benchmark Return (weighted by the asset allocation) by 1.7% p.a. before fees, over a rolling three-year period.

Asset Class	Asteron Benchmark
NZ/Aus Shares	19%
Overseas Shares	31%
NZ/Aus Bonds	17%
Overseas Bonds	5%
Cash	18%
Property	5%
Options	5%
TOTAL	100%
Growth Assets	60%
Income Assets	40%

Balanced funds are those that take a balanced approach between growth and income assets. Balanced funds generally have more than 30% in income assets but less than 70% in growth assets.

Note: FundSource does not currently collect asset allocation data so Asteron Average and FundSource Sector Average are not available.

Disclaimer: This is a FundSource document. Any representation or statement expressed in this document is made in good faith but on the basis that FundSource Limited is not able to be liable in respect of such representation or statement. Asteron Life is not liable in respect of any representation or statement made in the FundSource document. The information contained in the FundSource document should not be relied upon as a substitute for detailed advice from your authorised financial adviser. Copyright: FundSource Limited.

Asset Allocation Summary

Growth and Dynamic Funds

Target - a return that exceeds the Benchmark Return (weighted by the asset allocation) by 1.9% p.a. before fees, over a rolling three-year period.

Asset Class	Asteron Benchmark
NZ/Aus Shares	30%
Overseas Shares	35%
NZ/Aus Bonds	13%
Overseas Bonds	0%
Cash	12%
Property	5%
Options	5%
TOTAL	100%
Growth Assets	75%
Income Assets	25%

Growth funds take a more aggressive investment approach, with a greater proportion in riskier assets like equities and less in conservative assets like cash. Growth funds generally have more than 70% in growth assets.

Aggressive Funds

Target - a return that exceeds the Benchmark Return (weighted by the asset allocation) by 1.7% p.a. before fees, over a rolling three-year period.

Asset Class	Asteron Benchmark
Aggressive NZ/Aus Shares	20%
Overseas Shares	45%
NZ/Aus Bonds	0%
Overseas Bonds	0%
Cash	5%
Options	15%
Property	0%
Alternative Assets	15%
TOTAL	100%
Growth Assets	95%
Income Assets	5%

For a full breakdown of the asset allocations within each of Asteron Life's unit linked funds as at 31 March 2018, please refer to the below link.

<https://www.asteronlife.co.nz/investment-updates>

Currency hedging for specialist international equity funds

Global equities aim to be 25% hedged into NZD. To be clear, this applies to the single sector funds only, not the composite or aggressive funds which for practical purposes, the currency hedging into NZD may vary between 15-35%.

Note: FundSource does not currently collect asset allocation data so Asteron Average and FundSource Sector Average are not available.

Disclaimer: This is a FundSource document. Any representation or statement expressed in this document is made in good faith but on the basis that FundSource Limited is not able to be liable in respect of such representation or statement. Asteron Life is not liable in respect of any representation or statement made in the FundSource document. The information contained in the FundSource document should not be relied upon as a substitute for detailed advice from your authorised financial adviser. Copyright: FundSource Limited.

Performance Summary

FundSource star ratings are a comparison between funds investing in assets with similar characteristics using a return measure that has been adjusted for risk. The star ratings are purely quantitative and use the most recent 36 months of performance data. The funds in a sector are ranked according to their risk-adjusted return. The top and bottom 15% earn 5 stars and 1 star respectively, the next top and bottom 20% earn 4 stars and 2 stars, and the middle 30% earn 3 stars. In this way, the variability of performance return is considered. So where two funds in the same sector earn similar returns, but one is more volatile than the other, the more volatile fund is likely to get a lower star rating than the other. Alternatively, where two funds have similar volatility but one earns higher returns than the other, the fund with the higher return is likely to get a higher star rating.

FundSource quantitative data is supplied by Financial Express (FE) Australia. FE Australia manage a database of over 950 funds that are available to New Zealand Investors. Funds are grouped into three universes; NZ Managed Investments, NZ KiwiSaver and NZ Superannuation. These funds are then further grouped into sectors based on asset allocation and investment mandates so fund performance within these sectors can be compared like for like. All of the Asteron funds are constituents in the New Zealand Superannuation universe. Sector averages for this universe are displayed in the tables below. Sector averages for the New Zealand Managed Investments universe have also been added as a further comparison for Asteron fund performance. Asteron Life's own performance benchmarks have been used for the single-sector funds.

FundSource calculates performances with all figures rounded to four decimal places on an 'Exit to Exit' price basis, assuming investors are long term investors, with all distributions reinvested at ex-distribution prices. FundSource statistics are structured so similar type funds are grouped together with an appropriate asset class index.

Performance returns for periods of less than one year are non-annualised. Returns for periods of one year or more are shown as compound annual rates of return.

Returns for "Non-PIE" funds are calculated after tax and investment management fees have been deducted but before any policy charges or other fees which may apply.

Returns for PIEs are calculated after management fees but before tax. Net returns for Superplan and Retirement Savings Plan before 1 June 2008 have been grossed up to an equivalent pre-tax figure. Tax will be deducted from each investor's account at their Notified Investor Rate (NIR).

Returns for the indices are calculated gross of tax.

Returns shown are historical and not necessarily an indication of future performance.

Note: Investment entities with less than a three year history have no rating. Funds in sectors with less than 10 constituents are not rated. Star ratings do not include any qualitative analysis. While it is helpful to consider how volatile a fund has been in the past, it is also important to consider more forward looking qualitative elements such as analysis of the portfolio manager and the process they use in managing a fund.

* Represents a Fund closed to new investors.

**Asteron Life benchmark

† non-PIE fund

PSP = Personal Superannuation Plan

Note: 6 month returns are not annualised

Disclaimer: This is a FundSource document. Any representation or statement expressed in this document is made in good faith but on the basis that FundSource Limited is not able to be liable in respect of such representation or statement. Asteron Life is not liable in respect of any representation or statement made in the FundSource document. The information contained in the FundSource document should not be relied upon as a substitute for detailed advice from your authorised financial adviser. Copyright: FundSource Limited.

Performance Summary

Diversified Balanced Funds

Asteron Life Fund Performance as at 30 June 2018 - Annualised % Return							
Funds	6m	1Yr	3Yr	5Yr	7Yr	Fund Size \$M	Fund Rating
Investment Bond NZ Managed*†	3.53	11.99	7.26	8.40	7.94	2.37	★★★
Life Yield Global*†	3.95	12.78	8.21	9.26	8.76	23.35	★★★★
Lifeplan/Go Kidz Balanced*†	3.50	11.82	7.32	8.32	7.80	14.78	★★★
Retirement Savings Plan Managed Neutral*	3.73	12.31	8.25	9.73	9.46	17.90	★★★★★
Saveguard Plus/Mortgage Plus Managed*†	3.82	12.59	7.92	8.93	8.43	68.45	★★★★★
Superplan 2000 Balanced*	3.62	12.06	7.98	9.35	9.02	11.29	★★★★★
Superplan Balanced*	3.21	11.33	7.21	8.59	8.23	70.08	★★★★★
Wise Investment Managed*†	3.45	11.74	7.36	8.32	7.76	3.70	★★★
FundSource NZ Super: Diversified Balanced Sector Average	2.07	8.74	6.32	7.98	7.70		
FundSource NZ Managed Investments: Diversified Balanced Sector Average	0.68	7.04	3.56	5.01	4.58		

Diversified Defensive Funds

Asteron Life Fund Performance as at 30 June 2018 - Annualised % Return							
Funds	6m	1Yr	3Yr	5Yr	7Yr	Fund Size \$M	Fund Rating
Investment Bond Capital Protected*†	1.59	4.19	3.43	3.62	3.64	2.57	★★★★
Investment Bond Capital Secure*†	1.58	4.26	3.58	4.36	4.49	0.43	★★★★
Lifeplan/Go Kidz Conservative*†	2.76	8.47	5.28	5.84	5.59	0.32	★★★
Retirement Savings Plan Managed Conservative*	2.99	9.06	6.31	7.36	7.38	2.61	★★★★
Saveguard Plus/Mortgage Plus Conservative*†	2.77	8.92	5.80	6.32	6.07	0.69	★★★★
Superplan 2000 Conservative*	2.81	8.75	6.02	6.98	6.96	2.98	★★★★
Superplan Conservative*	2.39	7.79	5.13	6.07	6.08	6.00	★★★
FundSource NZ Super Diversified Defensive Sector Average	1.36	4.97	4.21	5.24	5.27		
FundSource NZ Managed Investments: Diversified Defensive Sector Average	0.42	5.15	2.26	2.59	2.15		

* Represents a Fund closed to new investors.

**Asteron Life benchmark

† non-PIE fund

PSP = Personal Superannuation Plan

Note: 6 month returns are not annualised

Disclaimer: This is a FundSource document. Any representation or statement expressed in this document is made in good faith but on the basis that FundSource Limited is not able to be liable in respect of such representation or statement. Asteron Life is not liable in respect of any representation or statement made in the FundSource document. The information contained in the FundSource document should not be relied upon as a substitute for detailed advice from your authorised financial adviser. Copyright: FundSource Limited.

Performance Summary

Diversified Growth Funds

Asteron Life Fund Performance as at 30 June 2018 - Annualised % Return							
Funds	6m	1Yr	3Yr	5Yr	7Yr	Fund Size \$M	Fund Rating
Lifeplan/Go Kidz Dynamic*†	4.70	15.40	9.43	10.32	9.42	2.66	★★★
Retirement Savings Plan Managed Growth*	4.80	15.67	10.23	11.64	11.02	33.76	★★★★★
Saveguard Plus/Mortgage Plus Aggressive*†	4.15	15.58	8.82	10.38	8.41	1.86	★★★★
Superplan 2000 Aggressive*	4.04	14.74	9.01	10.73	8.89	0.68	★★★★★
Superplan 2000 Dynamic*	4.80	15.59	9.90	11.14	10.40	3.57	★★★★★
Superplan Aggressive*	3.71	14.38	8.28	10.07	8.19	6.27	★★★★
Superplan Dynamic*	4.49	15.02	9.30	10.51	9.78	24.20	★★★★
FundSource NZ Super: Diversified Growth Sector Average	2.79	12.17	7.84	9.80	8.89		
FundSource NZ Managed Investments: Diversified Growth Sector Average	0.13	9.20	5.40	6.88	5.99		

Currency – New Zealand Dollar Funds

Asteron Life Fund Performance as at 30 June 2018 - Annualised % Return							
Funds	6m	1Yr	3Yr	5Yr	7Yr	Fund Size \$M	Fund Rating
Life Yield Capital*	0.84	1.75	1.95	2.20	2.31	3.88	★★★★
Lifeplan/Go Kidz Capital*	0.68	1.43	1.65	1.88	1.95	1.66	★★
Retirement Savings Plan Deposit*	1.01	2.12	2.45	2.91	3.00	3.40	★★★
Saveguard Plus/Mortgage Plus Money*	0.70	1.48	1.67	1.89	1.98	0.33	★★
Superplan 2000 Capital*	1.03	2.17	2.47	2.90	3.02	3.62	★★★★★
Superplan Capital*	0.76	1.62	1.92	2.35	2.48	19.50	★★★
FundSource NZ Super: Currency –NZD Sector Average	0.86	1.84	1.98	2.39	2.49		
FundSource NZ Managed Investments: Currency – NZD Sector Average	0.54	1.08	1.13	1.61	1.73		
S&P/NZX 90 Day Bank Bill Gross Index**	0.96	1.96	2.35	2.72	2.72		

* Represents a Fund closed to new investors.

**Asteron Life benchmark

† non-PIE fund

PSP = Personal Superannuation Plan

Note: 6 month returns are not annualised

Disclaimer: This is a FundSource document. Any representation or statement expressed in this document is made in good faith but on the basis that FundSource Limited is not able to be liable in respect of such representation or statement. Asteron Life is not liable in respect of any representation or statement made in the FundSource document. The information contained in the FundSource document should not be relied upon as a substitute for detailed advice from your authorised financial adviser. Copyright: FundSource Limited.

Performance Summary

Fixed Interest – New Zealand Dollars

Asteron Life Fund Performance as at 30 June 2018 - Annualised % Return							
Funds	6m	1Yr	3Yr	5Yr	7Yr	Fund Size \$M	Fund Rating
Lifeplan/Go Kidz NZ Bond*†	1.17	3.19	2.90	3.27	3.58	1.03	★★
Retirement Savings Plan NZ Fixed Interest*	1.57	4.28	3.96	4.60	5.15	1.36	★★★★★
Saveguard Plus/Mortgage Plus Fixed Interest*†	1.21	3.24	2.94	3.30	3.61	0.81	★★★
Superplan 2000 NZ Bond*	1.47	4.12	3.69	4.29	4.80	1.59	★★★★★
Superplan NZ Bond*	1.41	3.98	3.63	4.26	4.79	6.01	★★★
FundSource NZ Super Fixed Interest – NZD Sector Average	1.26	3.42	3.29	3.76	3.95		
FundSource NZ Managed Investments: Fixed Interest – NZD Sector Average	0.70	2.35	2.33	2.84	2.82		
S&P / NZX NZGS Index**	1.53	4.23	4.11	4.58	4.81		

Fixed Interest - Global Funds

Asteron Life Fund Performance as at 30 June 2018 - Annualised % Return							
Funds	6m	1Yr	3Yr	5Yr	7Yr	Fund Size \$M	Fund Rating
Lifeplan/Go Kidz Global Bond*†	0.00	0.84	2.57	3.31	3.48	0.18	★★★
Retirement Savings Plan International Fixed Interest*	-0.06	0.95	3.45	4.68	4.94	0.94	★★★★★
Superplan 2000 Global Bond*	0.41	1.41	3.39	4.40	4.64	0.57	★★★★★
Superplan Global Bond*	-0.11	0.85	3.20	4.30	4.56	1.56	★★★
FundSource NZ Super Fixed Interest – Global Sector Average	-0.06	1.02	2.96	3.97	4.27		
FundSource NZ Managed Investments: Fixed Interest – Global Sector Average	-0.16	2.56	1.38	1.59	1.34		
Barclays Capital Global Aggregate Index (hedged to NZD)**	0.21	2.20	4.31	5.55	5.89		

* Represents a Fund closed to new investors.

**Asteron Life benchmark

† non-PIE fund

PSP = Personal Superannuation Plan

Note: 6 month returns are not annualised

Disclaimer: This is a FundSource document. Any representation or statement expressed in this document is made in good faith but on the basis that FundSource Limited is not able to be liable in respect of such representation or statement. Asteron Life is not liable in respect of any representation or statement made in the FundSource document. The information contained in the FundSource document should not be relied upon as a substitute for detailed advice from your authorised financial adviser. Copyright: FundSource Limited.

Performance Summary

New Zealand Equity Funds

Asteron Life Fund Performance as at 30 June 2018 - Annualised % Return							
Funds	6m	1Yr	3Yr	5Yr	7Yr	Fund Size \$M	Fund Rating
Lifeplan/Go Kidz Trans Tasman**†	9.51	26.45	18.39	16.26	14.39	3.87	★★★★★
Retirement Savings Plan NZ Equities*	9.41	26.20	18.35	16.94	15.12	2.05	★★★★★
Saveguard Plus/Mortgage Plus Equity*†	9.84	27.32	19.19	17.39	15.59	9.46	★★★★
Superplan 2000 Trans Tasman*	9.47	26.32	18.33	16.81	15.08	8.16	★★★★★
Superplan Trans Tasman*	9.06	25.52	17.60	16.09	14.36	37.06	★★★★
FundSource NZ Super: Equity – New Zealand Sector Average	6.74	17.48	13.50	13.49	12.68		
FundSource NZ Managed Investments: Equity – New Zealand Sector Average	5.36	14.56	12.50	12.42	12.12		
S&P/NZX50 Index Gross with Imputation**	7.05	18.87	17.42	16.48	16.08		

Global Equity Funds

Asteron Life Fund Performance as at 30 June 2018 - Annualised % Return							
Funds	6m	1Yr	3Yr	5Yr	7Yr	Fund Size \$M	Fund Rating
Lifeplan/Go Kidz Global**†	3.83	17.61	7.64	10.91	9.81	3.38	★★★
Retirement Savings Plan International Equities*	3.81	17.56	8.42	12.02	11.48	4.21	★★★★
Saveguard Plus/ Mortgage Plus International Equity*†	4.04	18.19	8.02	11.12	10.25	7.08	★★★
Superplan 2000 Global*	4.01	17.85	8.38	11.86	11.12	3.38	★★★★
Superplan Global*	3.53	17.00	7.60	11.11	10.33	35.90	★★★
FundSource NZ Super: Equity – Global Sector Average	2.99	14.93	8.06	11.40	10.28		
FundSource NZ Managed Investments: Equity – Global Sector Average	0.48	13.21	5.18	8.61	7.74		
MSCI All Countries World Accumulation Index (25% hedged back to NZD)**(MSCI ACWI from June 2014 and previously The MSCI World Accumulation Index)	3.36	16.95	8.45	12.55	11.83		

* Represents a Fund closed to new investors.

**Asteron Life benchmark

† non-PIE fund

PSP = Personal Superannuation Plan

Note: 6 month returns are not annualised

Disclaimer: This is a FundSource document. Any representation or statement expressed in this document is made in good faith but on the basis that FundSource Limited is not able to be liable in respect of such representation or statement. Asteron Life is not liable in respect of any representation or statement made in the FundSource document. The information contained in the FundSource document should not be relied upon as a substitute for detailed advice from your authorised financial adviser. Copyright: FundSource Limited.

Performance Summary

Regional Equity Funds

Asteron Life Fund Performance as at 30 June 2018 - Annualised % Return							
Funds	6m	1Yr	3Yr	5Yr	7Yr	Fund Size \$M	Fund Rating
Lifeplan/Go Kidz European*†	2.19	15.47	5.56	10.18	9.64	1.42	★
Lifeplan/Go Kidz North American*†	3.54	19.50	8.28	12.21	11.62	1.87	★★★★
Saveguard Plus/ Mortgage Plus European Share*†	2.49	16.03	5.77	10.34	9.88	0.83	★★★★
Saveguard Plus/ Mortgage Plus North American Share*†	3.65	20.04	8.30	12.41	11.95	0.93	★★★★★
Superplan 2000 European*	2.67	16.10	6.39	11.35	10.87	1.53	★★★★
Superplan 2000 North American*	3.66	20.14	9.35	13.50	12.90	1.84	★★★★★
Superplan European*	2.44	15.16	5.72	10.65	10.14	16.67	★★
Superplan North American*	3.54	18.87	8.63	12.83	12.21	17.67	★★★★★
FundSource NZ Super: Equity – Regional Sector Average	1.38	15.10	7.70	10.59	9.58		
FundSource NZ Managed Investments: Equity – Regional Sector Average	-4.10	9.40	2.39	7.08	5.95		
MSCI Europe Index, with net dividends reinvested (25% hedged back to NZD)**	1.45	12.17	4.77	8.73	6.87		
MSCI North America Index, with net dividends reinvested (25% hedged back to NZD)**	6.22	20.69	11.15	15.14	14.78		

New Zealand Property Funds

Asteron Life Fund Performance as at 30 June 2018 - Annualised % Return							
Funds	6m	1Yr	3Yr	5Yr	7Yr	Fund Size \$M	Fund Rating
Retirement Savings Plan NZ Property*	2.70	10.11	7.94	9.86	10.21	0.97	-
FundSource NZ Super: Property – NZ Sector Average	1.59	8.96	7.59	9.22	9.89		
FundSource NZ Managed Investments: Property – NZ Sector Average	0.83	6.31	6.94	9.66	10.86		
S&P/NZX All Real Estate (Industry Group) Gross with Imputation**	2.35	9.87	9.86	11.60	12.29		

* Represents a Fund closed to new investors.

**Asteron Life benchmark

† non-PIE fund

PSP = Personal Superannuation Plan

Note: 6 month returns are not annualised

Disclaimer: This is a FundSource document. Any representation or statement expressed in this document is made in good faith but on the basis that FundSource Limited is not able to be liable in respect of such representation or statement. Asteron Life is not liable in respect of any representation or statement made in the FundSource document. The information contained in the FundSource document should not be relied upon as a substitute for detailed advice from your authorised financial adviser. Copyright: FundSource Limited.



FundSource is an independent New Zealand managed funds research house, supplying data to financial advisers and fund managers since 1987.

FundSource produces quantitative research and reports; for example, periodic industry trends and market composition report for industry participants including financial services providers, fund managers and government agencies as well as a number of other regular statistical publications for financial advisers and retail investors.

As a wholly-owned subsidiary of NZX, the operator of the New Zealand stock exchange, FundSource has access to a diverse range of multiple disciplines including legal, finance and investment analysts.

More information on FundSource can be found on our website www.fundsource.co.nz.



NZX provides high quality information, data and tools to support business decision making. We build and operate capital, risk and commodity markets and the infrastructure required to support them. We strive to make a meaningful difference to wealth creation for our shareholders, and the individuals, businesses and economies in which we operate.

NZX operates the securities, derivatives and energy markets in New Zealand, builds and maintains the infrastructure on which they operate, and provides a range of information and data that supports market growth and development on a global scale.

NZX owns a suite of securities and agricultural information businesses, managed fund research house FundSource, exchange traded fund provider Smartshares, and managed fund provider Super Life



FundSource Limited
Level 1, NZX Centre 11 Cable Street
PO Box 2959
DX: SP23501
Wellington, New Zealand
Telephone: +64 4 495 5058
Facsimile: +64 4 496 2893
Email: fundsource@fundsource.co.nz



NZX Limited
Level 1, NZX Centre 11 Cable Street
PO Box 2959
DX: SP23501
Wellington, New Zealand
Telephone: +64 4 472 7599
Facsimile: +64 4 496 2893
Email: info@nzx.com