



New Zealand Retirement Trust

ASB Balanced Fund



Fund Update

for the quarter ended 30 September 2018

This fund update was first made publicly available on 29 October 2018

What is the purpose of this update?

This document tells you how the ASB Balanced Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. AMP Wealth Management New Zealand Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

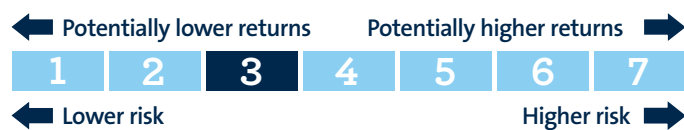
Description of this fund

The fund invests in a relatively high proportion of diversified growth assets and a lower proportion of diversified income assets. The fund aims to provide moderate to high total returns with a negative return expected less than one in every five years.

Total value of the fund	\$84,989,450
Number of investors in the fund	2,824
The date the fund started	21 September 2000

What are the risks of investing?

Risk indicator for the ASB Balanced Fund:



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at today.amp.co.nz/risk-profile-calculator.

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the past 5 years. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

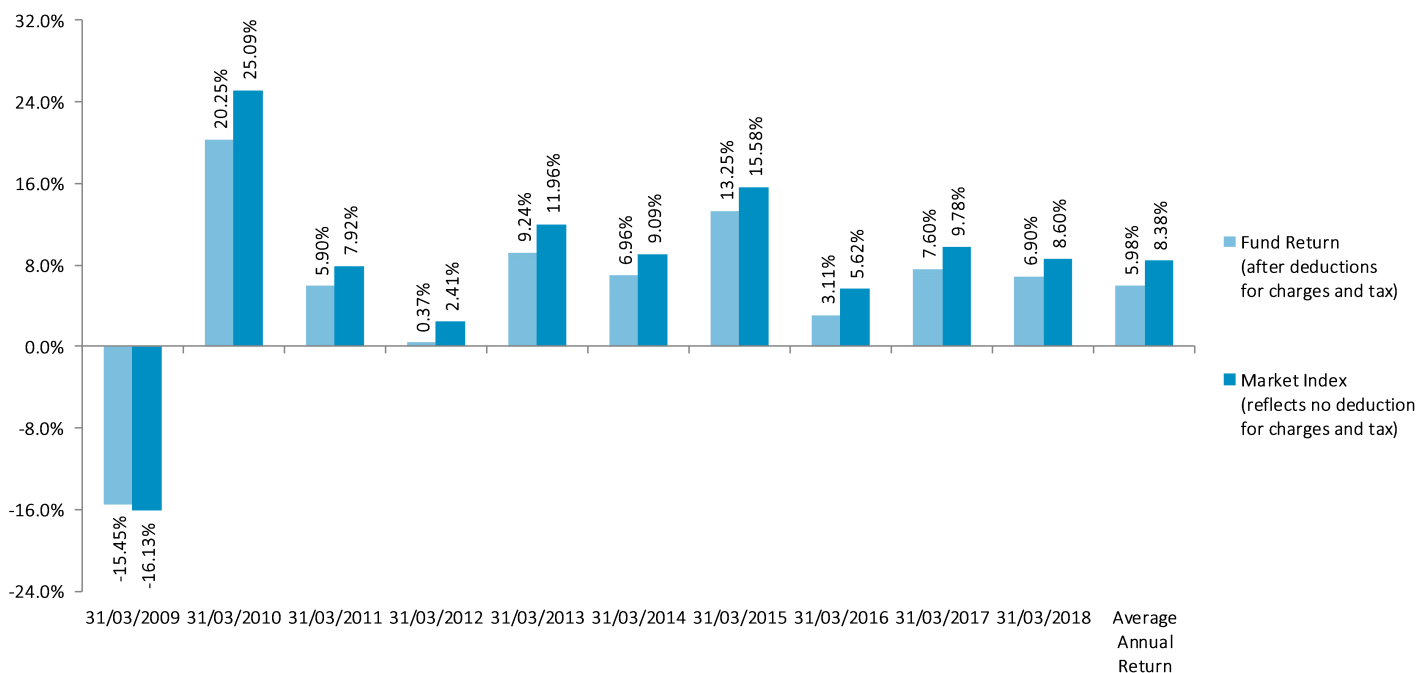
See the product disclosure statement (PDS) for more information about the risks associated with investing in this fund.

How has the fund performed?

	Average over past 5 years ¹	Past year ¹
Annual return (after deductions for charges and tax)	7.75%	8.40%
Annual return (after deductions for charges but before tax)	8.97%	8.72%
Market index annual return (reflects no deduction for charges and tax)	10.02%	9.32%

The market index annual return is based on a composite index, calculated using the target investment mix weightings of the underlying market indices that the fund invests into. Additional information about the market index is available on the offer register at disclose-register.companiesoffice.govt.nz. Index disclaimers can be found on the AMP website at amp.co.nz/indexdisclaimers.

Annual return graph



This shows the return after fund charges and tax for each of the last 10 years ending 31 March. The last bar shows the average annual return for the last 10 years, up to 30 September 2018.¹

Important: This does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

What fees are investors charged?

Investors in the ASB Balanced Fund are charged fund charges.² In the year to 30 June 2018 these were:

	% of net asset value
Total fund charges (estimated)³	0.89%*
Which are made up of -	
Total management and administration charges (estimated)	0.89%
Including -	
Manager's basic fee (estimated) ⁴	0.66%
Other management and administration charges (estimated) ^{4,5}	0.23%
Total performance-based fees	0.00%
Other charges	Dollar amount per investor or description of how charge is calculated
Member fee ⁶	\$107.52

* Based on a decrease in the other management and administration charges and the Manager's basic fee, the Manager estimates that the total fund charges for the next scheme year will reduce to 0.84% of the net asset value.

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the 'fees and other charges' document on the entry relating to the offer of interests in the New Zealand Retirement Trust maintained on the offer register (disclose-register.companiesoffice.govt.nz) for more information about those fees.

Small differences in fees and charges can have a big impact on your investment over the long term.

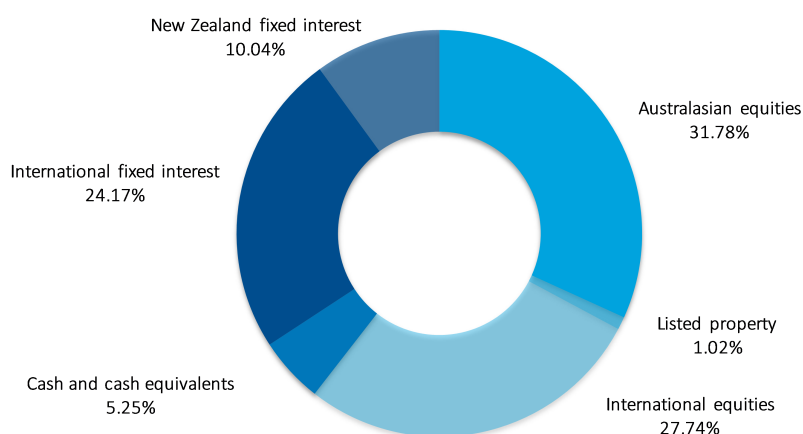
Example of how this applies to an investor

Craig had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Craig received a return after fund charges were deducted of \$840.00 (that is 8.40% of his initial \$10,000). Craig also paid \$107.52 in other charges. This gives Craig a total return after tax of \$732.48 for the year.

What does the fund invest in?

Actual investment mix⁷

This shows the types of assets that the fund invests in.



Target investment mix

This shows the mix of assets that the fund generally intends to invest in.

Asset Type	Allocation
Cash and cash equivalents	4.00%
New Zealand fixed interest	15.00%
International fixed interest	21.00%
Australasian equities	29.00%
International equities	26.00%
Listed property	5.00%
Unlisted property	0.00%
Commodities	0.00%
Other	0.00%

Top 10 investments⁷

Name	Percentage of fund net assets	Asset Type	Country	Credit rating (if applicable)
1 ASB Superannuation Master Trust-ASB Balanced Fund	100.00%	Interest in a diversified fund	New Zealand	N/A
2 -	-	-	-	-
3 -	-	-	-	-
4 -	-	-	-	-
5 -	-	-	-	-
6 -	-	-	-	-
7 -	-	-	-	-
8 -	-	-	-	-
9 -	-	-	-	-
10 -	-	-	-	-

The top 10 investments make up 100.00% of the fund.

Currency hedging

The Fund will (or will invest in underlying funds that will) fully hedge foreign currency exposure arising from International fixed interest back to New Zealand dollars; hedge foreign currency exposure arising from Australian equities, International equities (excluding emerging markets) and Listed property with a range of 50% - 100%; and not hedge foreign currency exposure arising from International equities of emerging markets.

Key personnel

Name	Current position	Time in current position	Other current position	Time in other current position
Simon John Hoole	Investment Committee Member	1 year and 8 months	Chief Financial Officer, AMP Financial Services	4 years and 9 months
Therese Mary Singleton	Investment Committee Member	3 years and 8 months	General Manager, Advice & Sales, AMP Financial Services	1 year and 9 months
Blair Robert Vernon	Investment Committee Member	7 years and 3 months	Managing Director, AMP Financial Services	1 year and 9 months

Further information

You can also obtain this information, the PDSs for the New Zealand Retirement Trust, and some additional information from the offer register at disclose-register.companiesoffice.govt.nz. The information in this fund update forms part of each PDS for the New Zealand Retirement Trust.

Notes

- 1 The returns include an estimated administration and service fee, which has been determined by using the average fee charged for the entire NZRT. Individual returns will depend on the administration and service fee applicable to the individual member. For more information relating to the administration and service fee applicable to you, please see the applicable PDS or the Member Booklet for your employer plan.
- 2 The management and administration charges are made up of the Manager's basic fee (comprising the investment management fee and administration fee) and the other management and administration charges (service fee and costs and expenses). The amounts stated in this fund update are the actual amounts charged to the fund (or estimated to be charged to the fund – see estimate notes below). However, the fees payable by any member will depend on the section of the Scheme they are a member of (including whether they are a member of the Scheme through an employer plan), and whether any reduction of the fee amounts has been agreed. Please see the 'fees and other charges' document on the entry relating to the offer of interests in the New Zealand Retirement Trust maintained on the offer register (disclose-register.companiesoffice.govt.nz), with your Member Booklet (if you are a member of an employer plan), to work out your fees.
- 3 The Total Fund Charges are inclusive of any applicable GST.
- 4 The total fund charges include administration fees and service fees that while calculated by reference to investment balances are not allocated to specific funds. As the actual amount of the fees charged to the fund cannot be reported, estimates have been used. The estimate for the administration fee is 0.31% and the estimate for the service fee is 0.04%. The estimates represent the percentage of the fees deducted from the Scheme for the year over the average funds under management for the Scheme for the year.
- 5 The other management and administration charges include estimates of underlying fund charges provided by underlying fund managers. The balance dates of the underlying fund(s) do not align with the balance date of the fund. To estimate the charges, AMP includes the underlying fund charges as at the relevant underlying fund(s) balance date, adjusted (where required) to reflect any material changes advised to AMP by the relevant underlying manager as having occurred during the intervening period.
- 6 You may receive the benefit of reduced member fees. For details of any discounts, please speak with your adviser or see your Member Booklet (if you are a member through an employer plan). Members of the NZRT Personal Superannuation Section are not currently charged member fees. Therefore the impact of these fees on you could be less than that set out in the example.
- 7 The actual investment mix and top ten investments have been calculated excluding cash and cash equivalents held for operational purposes.

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Want to know more?

For more information about the Scheme, please visit amp.co.nz/NZRT, contact us on 0800 800 267 or talk to your Adviser today. Your Adviser's disclosure statement is available from your Adviser on request and free of charge.