

A dark grey banner with the text 'media:release' in a light blue, lowercase, sans-serif font. The background of the banner shows a blurred image of a stock market ticker board with various numbers and text like 'SX stock' and 'on the c'.

For immediate release: Tuesday 20 April

Good returns for the quarter; great returns for the year

The quarter and year to March 31 saw very strong returns for growth assets with New Zealand direct property a notable exception said AMP Capital Investors' head of investment strategy, Jason Wong.

Most growth assets provided very healthy returns; Global Property returned 5.8% for the quarter and 101.1% for the year, while New Zealand Direct Property underperformed falling -12.6% for the quarter and -30.2% for the year. Hedged Global Equities returned 3.9% for the quarter and 61.0% for the year and Unhedged Global Equities, 5.0% and 24.9% respectively. New Zealand Equities returned 2.7% for the quarter and 27.8% for the year.

Returns for income assets were positive with the New Zealand Fixed Interest fund returning 2.5% for the December quarter and 7.0% for the year, and Global Fixed Interest, 2.6% and 5.1%.

AMP Capital's Conservative Diversified Fund returned 1.9% and for the year, 8.9%, its Balanced Diversified fund returned 1.9% for the quarter and 16.9% for the year and its Growth Diversified Fund returned 1.9% and 24.3% respectively. The new Balanced Responsible Investment Fund returned 3.2% for the quarter.

"The global economic recovery is well underway," said Mr Wong. Share markets have broken out to new recovery highs. Although a short-term pause or correction is a high risk, the cyclical recovery in shares is likely to continue.

"Shares might no longer seem cheap but they should continue to be supported by stronger economic conditions and very easy liquidity conditions. Relative to other asset classes, shares remain attractive.

"After such a strong run, it is natural to expect a rockier ride ahead. But other major asset classes such as bonds and property are not without risk either. It still feels like the cyclical rally in shares has more to go, but we are becoming more alert to potholes in the road ahead," said Mr Wong.

AMP Capital Investors Fund Returns

Returns to 31 March 2010	Quarter Return 31/3/10	Annual Return 31/3/10	3-Year Return p.a. 31/3/10	5-year Return p.a. 31/3/10
Individual Sectors – Before Tax and Fees				
Strategic Equity Growth	3.3%	29.2%	-2.4%	8.3%
NZ Equities Active	2.2%	26.5%	-3.4%	6.0%
NZ Equity (Average)	2.7%	27.8%	-2.9%	7.1%
Global Equities – Unhedged	5.0%	24.9%	N/A	N/A
Global Equities – Hedged	3.9%	61.0%	N/A	N/A
Property	-12.6%	-30.2%	-7.8%	3.4%
New Zealand Fixed Interest	2.5%	7.0%	10.3%	8.3%
Global Fixed Interest	2.6%	5.1%	N/A	N/A
Cash	0.9%	4.0%	7.0%	7.3%
Global Property	5.8%	101.1%	N/A	N/A
Managed Diversified Funds – Before Tax and Fees				
Conservative Fund	1.9%	8.9%	6.5%	8.1%
Balanced Fund	1.9%	16.9%	1.8%	7.1%
Growth Fund	1.9%	24.3%	-2.7%	5.9%
Balanced Fund – Responsible Investment	3.2%	N/A	N/A	N/A
Passive Funds – Before Tax and Fees				
Global Equities – Passive	6.9%	21.5%	-4.0%	3.4%
Index Performance				
MSCI Gross Index	5.9%	22.6%	-5.2%	3.0%
MSCI Gross Index – Hedged	5.1%	48.2%	-4.5%	N/A
NZSX50 Comp w/ICs	1.5%	27.6%	-5.9%	3.0%
NZX Bills Gross Index	0.7%	2.9%	6.4%	6.9%
NZX Bond Index	2.3%	4.1%	7.4%	6.8%
Citigroup World Government Bond Index	1.7%	5.0%	N/A	N/A

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