

ANZ Smart Choice Super Employer diversified funds: review of asset allocation ranges

PRODUCT UPDATE | MAY 2016

Following a recent review of the ANZ Smart Choice Super diversified funds' strategic asset allocation ranges, an increase in the ranges for diversified funds will be implemented, effective 31 May 2016.

Which funds are impacted by this change?

The following funds, referred to collectively as 'the Funds' will be affected:

Life Stage Investment options:

- 1940s
- 1950s
- 1960s
- 1970s
- 1980s
- 1990s

Diversified – Risk based:

- ANZ Smart Choice Super Conservative
- ANZ Smart Choice Super Moderate
- ANZ Smart Choice Super Growth
- OptiMix Conservative
- OptiMix Moderate
- OptiMix Balanced
- OptiMix Growth
- OptiMix High Growth

Which Product Disclosure Statement PDS will be affected by this change?

- ANZ Smart Choice Super (for Employers and their Employees)
- ANZ Smart Choice Super for QBE Management Services PTY LTD and their Employees

The increase in ranges will be reflected in the relevant PDS at the next reissue.

Change in the asset allocation ranges for the Funds

ANZ Wealth's investment research team regularly reviews the strategic asset allocation of its funds. Following a recent review, effective 31 May 2016, an increase in the asset allocation ranges for diversified funds will be implemented.

The increase in the asset allocation ranges will provide an enhanced ability to add value to the Funds' portfolio through the active asset allocation process, and will also improve portfolio management efficiency. (Active asset allocation is the process of increasing or decreasing exposure to relevant asset classes within permitted strategic asset allocation ranges).

This change is to ensure the Funds can continue to meet their investment objectives, deliver more consistent returns and manage downside risks more effectively by allowing increased flexibility in making active asset allocation decisions. It will not change the Funds' investment strategies, investment objectives or level of investment risk. There will be no changes to benchmark allocations at this time.

What does the change in the asset allocation range mean for investors?

For existing investors, these changes will take place automatically on 31 May 2016. Investors are not required to take any action.

Strategic asset allocation ranges by fund

The revised range for strategic asset allocation ranges for each of the Funds is outlined in the tables below.

Life Stage Investment options:

1940s

Asset Class	New effective 31 May 2016	
	Min Range (%)	Max Range (%)
Cash	24	60
Australian fixed Interest	12.5	38.5
Global fixed Interest	4.5	30.5
Global Property Securities	0	10
Australian shares	1	27
International shares	0	17

1950s

Asset Class	New effective 31 May 2016	
	Min Range (%)	Max Range (%)
Cash	3	44
Australian fixed Interest	0.5	36.5
Global fixed Interest	0	31.5
Global Property Securities	0	19
Australian shares	4	40
International shares	1	37

1960s

Asset Class	New effective 31 May 2016	
	Min Range (%)	Max Range (%)
Cash	0	32
Australian fixed Interest	0	36.5
Global fixed Interest	0	33.5
Global Property Securities	0	19
Australian shares	8.5	54.5
International shares	6.5	52.5

1970s

Asset Class	New effective 31 May 2016	
	Min Range (%)	Max Range (%)
Cash	0	27.5
Australian fixed Interest	0	30.5
Global fixed Interest	0	30
Global Property Securities	0	19
Australian shares	16.5	62.5
International shares	12.5	58.5

1980s

Asset Class	New effective 31 May 2016	
	Min Range (%)	Max Range (%)
Cash	0	25
Australian fixed Interest	0	28
Global fixed Interest	0	28
Global Property Securities	0	19
Australian shares	20	66
International shares	16	62

1990s

Asset Class	New effective 31 May 2016	
	Min Range (%)	Max Range (%)
Cash	0	25
Australian fixed Interest	0	27
Global fixed Interest	0	27
Global Property Securities	0	19
Australian shares	21	67
International shares	17	63

Diversified – Risk based:

ANZ Smart Choice Super Conservative

Asset Class	New effective 31 May 2016	
	Min Range (%)	Max Range (%)
Cash	24	60
Australian fixed Interest	12.5	38.5
Global fixed Interest	4.5	30.5
Global Property Securities	0	10
Australian shares	1	27
International shares	0	17

ANZ Smart Choice Super Moderate

Asset Class	New effective 31 May 2016	
	Min Range (%)	Max Range (%)
Cash	0	41
Australian fixed Interest	0	36
Global fixed Interest	0	32
Global Property Securities	0	19
Australian shares	5.5	41.5
International shares	3	39

ANZ Smart Choice Super Growth

Asset Class	New effective 31 May 2016	
	Min Range (%)	Max Range (%)
Cash	0	29
Australian fixed Interest	0	33.5
Global fixed Interest	0	31.5
Global Property Securities	0	19
Australian shares	13	59
International shares	10	56

OptiMix Conservative

Asset Class †	New effective 31 May 2016	
	Min Range (%)	Max Range (%)
Cash	7	43
Australian fixed interest	5	31
International fixed interest	7	33
Global Property/Infrastructure securities	0	12
Australian shares	0	25
International shares	0	23
Alternative shares	5	29

† The maximum exposure to growth assets for the OptiMix Conservative Fund is 42%. International shares may include exposure to emerging market and/or global small cap securities.

OptiMix Moderate

Asset Class †	New effective 31 May 2016	
	Min Range (%)	Max Range (%)
Cash	0	31
Australian fixed interest	0	32
International fixed interest	0	35
Global Property/Infrastructure securities	0	12
Australian shares	2	38
International shares	1	37
Alternative shares	5	33

† The maximum exposure to growth assets for the OptiMix Moderate Fund is 64%. International shares may include exposure to emerging market and/or global small cap securities.

OptiMix Balanced

Asset Class †	New effective 31 May 2016	
	Min Range (%)	Max Range (%)
Cash	0	27
Australian fixed interest	0	31
International fixed interest	0	32
Global Property/Infrastructure securities	0	12
Australian shares	6	52
International shares	4	50
Alternative shares	6	34

† The maximum exposure to growth assets for the OptiMix Balanced Fund is 84%. International shares may include exposure to emerging market and/or global small cap securities.

OptiMix Growth

Asset Class †	New effective 31 May 2016	
	Min Range (%)	Max Range (%)
Cash	0	23
Australian fixed interest	0	27
International fixed interest	0	29
Global Property/Infrastructure securities	0	12
Australian shares	12	58
International shares	11	57
Alternative shares	4	33

† International shares may include exposure to emerging market and/or global small cap securities.

OptiMix High Growth

Asset Class †	New effective 31 May 2016	
	Min Range (%)	Max Range (%)
Cash	0	23
Australian fixed interest	0	23
International fixed interest	0	23
Global Property/Infrastructure securities	0	12
Australian shares	20	66
International shares	19	65
Alternative shares	3	28



† International shares may include exposure to emerging market and/or global small cap securities.

Any questions?

If you have any questions or require further information, please:

- call Customer Services on 13 12 87, weekdays between 8.30am and 6.30pm (AEST)
- email us at anzsmartchoice@anz.com
- speak to your financial planner.

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