

# M I N D E R

Market Intelligence Decision Maker's Resource

Issue 659, 10 September 2010

In this issue...

News	2
People	4
Retail Statistics	5
Total Retail Investment Trusts Market Summary — March 2010 Quarter & Statistics Commentary	
Insurance Statistics	7
Life Insurance Industry Inflows — Ordinary (Non Superannuation) Investment — Year Ended March 2010	
Master Funds	8
Master Fund Product Comparisons — Top 20 Products By Cash Flow — Allocated Pension — Year Ended March 2010	
Rates	9
Week Commencing 30 August 2010:	
—	Lifetime Immediate Annuity Rates — Maxi mum Initial and Nil Trail Commission
—	Term Certain Annuity Rates — Nil Initial and Nil Trail Commission

## PLAN FOR LIFE

ACTUARIES & RESEARCHERS

### Industry News

The **ACCC** has again rejected **NAB** and **AXA**'s proposal; **NGS Super** and **Cuesuper** are to merge; **Navigator Access** is closing to new business; industry and retail super funds meet at a price point; and member contributions have fallen.

**FSU** recently had Equal Pay Week to highlight the gender pay gap in the financial services industry, which is 10 per cent higher than any other industry; **Russell** research shows that super funds need to improve governance practises; and the results of the **Suncorp Life** "Attitudes to Superannuation in Australia Survey" are out.

### People

In this edition we have new appointments, scandals and redundancies.

The weekly snapshot of the marketplace follows.

Editor

Jessica Lloyd

[jlloyd@planforlife.com.au](mailto:jlloyd@planforlife.com.au)

"The most courageous act is still to think for yourself. Aloud."

- Coco Chanel

Gabrielle Bonheur Chanel, a.k.a. "Coco" Chanel, was a French fashion designer who persistently pursued expensive simplicity in design and gave life to modern feminine elegance. She was the only fashion designer to ever be named on *Time 100: The Most Important People of the Century*, having founded the Chanel brand. The name "Coco" was thought to come from a song she used to sing in the cabaret, however Chanel said it came from the word 'cocette', French for 'kept woman'. She died in 1971.



## ACCC Rejects NAB Proposal

The ACCC (The Australian Competition and Consumer Commission) has again rejected the proposed undertakings offered by NAB and AXA in relation to NAB's proposal to acquire the Australian and New Zealand arms of AXA Asia Pacific (AXA AP).

The ACCC remains opposed to the transaction because "it would be likely to result in a substantial lessening of competition in the relevant retail investment platform market", despite NAB and AXA proposing to sell off the North platform to IOOF to even the playing field.

The ACCC's deputy chairman Peter Kell said, "The undertakings as proposed place a heavy reliance upon IOOF having sufficient distribution capability to provide an effective competitive constraint upon existing key players in the foreseeable future."

"The proposed undertakings do not include the distribution network of financial planners or the North products (which provide scale by way of funds under management) that currently support the North platform. The exclusion of distribution assets and the North products in the proposed undertakings impacts directly on the ongoing viability and competitiveness of the divestiture business. The proposed undertakings are also dependent on third parties to complete certain actions, and involve complex and long term behavioural obligations that present risks.

"The ACCC found that, together, these factors raised considerable uncertainty as to whether the proposed purchaser operating the North platform administration business would be able to provide an effective competitive constraint to a combined NAB-AXA, and thereby restore competition lost should the proposed acquisition proceed," Mr Kell said. (Source: ACCC)

## NGS Super and Cuesuper Merger

NGS Super and Cuesuper have an in-principle agreement to merge. The merged entity would be a \$3.5 billion fund with almost 100,000 members, and would take place April 2011. Both funds have similar membership profiles - white collar, educated professionals - which make for a close fit in terms of strategy and member needs.

The merger is awaiting approval, but once it is finalised, Cuesuper members will transition to new arrangements within NGS Super. Cuesuper employees will continue to be employed by the new entity, and two Cuesuper board members will serve on the NGS Super board for at least three years. Both funds have the same outsourcing provider, Mercer, which will ease the transition burden considerably. (Source: NGS Super)

## Navigator Access Closing to New Business

Following a strategic review, Navigator Access Super and Pension and Navigator Access Investment (collectively known as Navigator Access) will be closed to new business as of the end of September. The reason provided is that Navigator Access only has \$378 million in funds under management (at 30 June 2010) and is not as widely supported as the full service Navigator platform offer. Those invested in Navigator Access are not required to take any action, and they will still be able to make contributions and transactions as per usual. (Source: MLC)

## Industry and Retail Super Fund Price Converge

Research by Tria Investment Partners has found that industry and retail superannuation funds are now converging in price. There is a commonly-held notion that industry funds are less costly than retail funds, however now this appears to be void in some instances. Data has shown that in 2004, industry funds charged fees of 66 basis points on a \$50,000 member balance; in 2009 this has increased to 101 basis points - only 2 points less than the new generation retail price point.

Andrew Baker, managing partner of Tria Investment Partners, warned delegates at the Wraps, Platforms and Masterfunds conference recently that this wasn't a good thing: he says its a serious strategic mistake to have made, with rapid price increases from a segmented market that is positioned on price making it very competitive, and really challenging industry fund's fundamental proposition based on value. (Source: Tria Investment Partners, Investor Daily)

## Member Contributions Fall

Since June 2009 superannuation contributions have fallen by 9 per cent, show the latest APRA (Australian Prudential Regulation Authority) figures. A total of \$5.2 billion was put into superannuation to June 2010, compared with \$5.7 billion to June 2009.

Industry fund member contributions fell by 7 per cent, from \$1.0 billion to \$9.5 million, while retail fund contributions fell by 13 per cent from \$3.7 billion to \$3.3 billion. AIST (Australian Institute of Superannuation Trustees) puts the drop down to changes in contribution cap limits, with the decrease in voluntary contributions a symptom of new tax arrangements where high income earners can't put away as much as they might have previously.

Member inflows have remained strong, with retail contributions increasing from \$1.9 bil-

lion in the March quarter to \$3.3 billion in June 2010, and industry fund contributions increasing from \$494 million to \$945 million during the same period. (Source: APRA, Investor Daily)

### FSU: Financial Services Still Suffering Gender Pay Gap

September 4 marked the Financial Services Union's (FSU) Equal Pay Week. The week is to highlight the extra 66 days a financial year that a woman needs to work in order to equal the pay of their male colleagues. This is based on the overall Australian gender pay gap of 18 per cent, however in the financial services sector the gap is 10 per cent higher, sitting at 28 per cent. Part of the campaign is to educate people on exactly how much women miss out on financially for various reasons. Some stats include:

- Women are two and a half times more likely to live in poverty in their old age than men; by 2019 women, on average, will have half the amount of superannuation that men have often due to being out of the workforce to take care of a family.
- In 2009 female graduate salaries were, on average, \$3,000 less per annum than that of their male colleagues. In some industries the difference is even higher.

The FSU is meeting with NAB and Members' Equity Bank to do gender pay equity audits, with the ultimate aim to identify pay gaps, discover the reasons for the gaps or barriers to women having higher paid roles, and make recommendations to overcome any gender pay gaps. NAB had a review in 2006/07, and a progress audit is being done, and Workforce Victoria is assisting with the first gender equality audit of the Members' Equity Bank.

The FSU works to negotiate pay equity clauses in enterprise agreements, and are awaiting the results of a pay equity test case in Fair Work Australia. The election issues mean waiting to hear about two key initiatives are on hold, with improvements to be made to the Equal Opportunity for Women in the Workplace Act, and improved legislation on the Making it Fair Report. (Source: FSU)

### Super Funds Need to Improve Governance Practices

Russell research has shown that super funds will need to pay much closer attention to the decision-making process and board composition, as the response to the Cooper Review is set to tighten governance standards.

The survey was conducted on 40 super funds, 12 with under \$500 million in funds under management, and 28 over \$500 million, and revealed that, despite generally being in good

governance shape, critical decisions were being made by too many people, with a lack of delegation slowing down implementation and harming efficiency.

Half of all funds didn't have an independent director, with the Cooper Review recommending that at least one should exist in every fund. Questions have also been raised about the appropriate backgrounds of trustee members, with 70 per cent of funds having between one and four members with a finance and investment background, and a worrying five per cent had none at all with this background; most funds have between five and 10 trustee members.

"Given the lack of rigorous evidence on current governance practices, particularly around the investment process, we undertook research to see what areas needed improvement as the scrutiny on funds increases," said Keith Knapman, director investment consulting, at Russell Investments.

"While the survey shows good governance practices prevail on the whole, many boards are still ineffective in delegating to their investment committees. There is also some way to go in composing a board with an appropriate level of capability and independence." (Source: Russell)

### Suncorp Life Survey Results

The second annual Suncorp Life "Attitudes to Superannuation in Australia Survey" has taken a look at consumers views on super and retirement issues. Key findings were:

- 32 per cent have no idea what their super balance is - up 9 per cent on 2009
- 32 per cent were checking their balances once yearly or less, with 14 per cent not checking their balance at all - an increase of 5 per cent on 2009 figures
- 28 per cent said they still lacked confidence in their super as an investment
- 52 per cent said that having enough money saved for retirement was one of their top three concerns in life
- 57 per cent are becoming increasingly worried they won't have enough money to retire on
- 29 per cent said they know their super won't be enough to retire on, but don't know what to do about it
- 41 per cent of those haven't thought about how they will fund their retirement
- 42 per cent said they lack confidence in super due to ongoing regulatory changes that the government makes, with 52 per cent of those respondents over 55 years of age

## New Appointments

### **FSP - Allan Crane, National Recruitment Manager**

Financial Services Partners (FSP) has appointed Allan Crane to the newly created position of national recruitment manager. The focus of the role is to recruit new firms to FSP, and offer assistance to existing practices in the dealer group with their recruitment and acquisition requirements. (Source: FSP)

### **AMIST - Megan Pham, Chief Investment Officer**

The Australian Meat Industry Superannuation Trust (AMIST) has appointed Megan Pham as its first CIO. Her most recent role was as an investment officer at NGS Super. (Source: AMIST)

### **Morgan Stanley - Three Senior Macquarie Advisers**

Three senior financial advisers have been appointed to the wealth management arm of Morgan Stanley Smith Barney (MSSB). All three - Mark O'Sullivan, Chris Watson and James Gosnell - are ex-Macquarie Private Wealth advisers, and all incidentally left Macquarie of their own accord. (Source: Morgan Stanley Smith Barney)

### **Perpetual - Nathan Parkin, Small-Cap Analyst**

Perpetual Investments has appointed Nathan Parkin as an equity analyst in the small-cap team. Parkin started with Perpetual in 1997, but has been working at 452 Capital most recently, during a 7-year absence from Perpetual. (Source: Perpetual)

### **ING Australia - Patrick Clarke, Head of Product Innovation**

Ex-BT Financial Group retirement product specialist Patrick Clarke is the new head of product innovation at ING Australia. The role includes the development of new products, and running ING's e-businesses. Prior to his role at BT, Clarke worked at Aviva and Advance Funds Management. (Source: Investor Daily)

### **Perpetual Investments - Gemma Dooley, General Manager - Institutional Business & Investment Research, Equities; Matthew McKinnon, General Manager - Retail Sales, Equities**

Gemma Dooley is Perpetual's new GM of institutional business and investment research in equities. Dooley has over 18 years experience in the industry, and was most recently Perpetual's GM of investment research in Australian equities. Prior to this she was with BT.

Matthew McKinnon is the new GM of retail sales in equities. He has over 16 years industry experience, and most recently was Perpetual's GM of Australian equities retail sales. Prior to his varying roles at Perpetual, McKinnon worked at IOOF, Portfolio Partners and Rothschild Australia. (Source: Perpetual)

### **AMP Financial Services - Hugh Humphrey, MD of Hillross**

Hugh Humphrey has been appointed MD of Hillross as of 15 November. Humphrey was most recently the director of mobile and convergence at Singtel Optus, and prior to that, worked at Vodafone, PriceWaterhouseCoopers, and IBM. Ray Djani will continue in the acting MD role until Humphrey starts. (Source: AMP)

## Scandals

### **Peter Stokes - Fake Investment Adviser**

In the early 2000's, Peter Stokes, Marianna Casella, and Ken McDowel held out that they were investment advisers, despite failing to hold the appropriate licenses. During this time funds were raised from investors to be used as project establishment fees/business opportunities locally and overseas, with around \$3.4 million raised from 15 investors.

The investors were promised a return of 200 per cent for an investment period of between 61 days and 90 days, with all, unsurprisingly, failing to see any return on their money. The three "advisers" were the promoters of the scheme, and were paid a commission from the funds. The charges for the three were for 'holding out to be an investment adviser' but changed to 'carried out on an investment advice business' contrary to the Corporations Act.

A Queensland district court has upheld the appeal of Stokes against his conviction and sentence. He was sentenced to four months' imprisonment fully suspended, and released on a \$1,000 good behaviour bond for two years. (Source: ASIC)

## Redundancies

### **Macquarie Private Wealth - Huge Job Losses**

Following an internal review, Macquarie Private Wealth has let go of around 30 employees via redundancy several weeks ago. Macquarie has not commented on why the staff were let go, or which jobs they were. (Source: Investor Daily)

### **MLC - Job Losses to Come**

The consolidation of MLC's back office operations for its MasterKey Custom and Navigator platforms is to cause some redundancies, MLC has said. The transition is expected to take around 12 months. (Source: Investor Daily)

### Total Retail Investment Trusts Market Summary - March 2010 Quarter

\$millions	Funds Under Management						Year Ended Mar-10				Quarter Ended Mar-10				FUM Growth Rates	
	Mar-10		Dec-09		Mar-09		Inflows		Outflows		Inflows		Outflows		Qtrly	Annual
BT Financial	19,756	14.4%	19,869	14.5%	16,001	14.3%	6,025	21.4%	6,092	21.7%	922	15.1%	1,011	15.9%	-0.6%	23.5%
Commonwealth/Colonial	15,522	11.3%	15,622	11.4%	12,199	10.9%	1,891	6.7%	2,171	7.7%	407	6.7%	666	10.5%	-0.6%	27.2%
Macquarie	15,458	11.2%	15,283	11.1%	12,059	10.8%	3,945	14.0%	2,673	9.5%	897	14.7%	630	9.9%	1.1%	28.2%
National Australia/MLC	15,343	11.2%	15,277	11.1%	12,134	10.8%	2,297	8.2%	2,730	9.7%	483	7.9%	573	9.0%	0.4%	26.4%
AXA Australia	8,082	5.9%	7,934	5.8%	6,398	5.7%	1,216	4.3%	1,085	3.9%	266	4.4%	269	4.2%	1.9%	26.3%
Other Companies	63,320	46.1%	63,366	46.1%	53,086	47.5%	12,787	45.4%	13,368	47.5%	3,115	51.1%	3,199	50.4%	-0.1%	19.3%
<b>Totals</b>	<b>137,481</b>	<b>100.0%</b>	<b>137,350</b>	<b>100.0%</b>	<b>111,876</b>	<b>100.0%</b>	<b>28,163</b>	<b>100.0%</b>	<b>28,119</b>	<b>100.0%</b>	<b>6,091</b>	<b>100.0%</b>	<b>6,347</b>	<b>100.0%</b>	<b>0.1%</b>	<b>22.9%</b>

#### Analysis By Market

Unit Trusts & Managed Funds	32,680	23.8%	33,756	24.6%	29,665	26.5%	3,703	13.1%	6,162	21.9%	824	13.5%	1,498	23.6%	-3.2%	10.2%
Investment Master Funds	104,801	76.2%	103,594	75.4%	82,210	73.5%	24,459	86.9%	21,956	78.1%	5,267	86.5%	4,850	76.4%	1.2%	27.5%
<b>Totals</b>	<b>137,481</b>	<b>100.0%</b>	<b>137,350</b>	<b>100.0%</b>	<b>111,876</b>	<b>100.0%</b>	<b>28,163</b>	<b>100.0%</b>	<b>28,119</b>	<b>100.0%</b>	<b>6,091</b>	<b>100.0%</b>	<b>6,347</b>	<b>100.0%</b>	<b>0.1%</b>	<b>22.9%</b>

#### Analysis By Investment Sector

Capital Guaranteed	46	0.0%	42	0.0%	3	0.0%	55	0.2%	7	0.0%	10	0.2%	2	0.0%	8.5%	1579.2%
Cash	2,175	1.6%	1,937	1.4%	2,173	1.9%	671	2.4%	959	3.4%	172	2.8%	188	3.0%	12.3%	0.1%
Equity Balanced	15,258	11.1%	13,152	9.6%	9,838	8.8%	1,229	4.4%	1,707	6.1%	318	5.2%	483	7.6%	16.0%	55.1%
Equity Growth	11,650	8.5%	11,380	8.3%	7,750	6.9%	1,428	5.1%	1,374	4.9%	320	5.3%	395	6.2%	2.4%	50.3%
Fixed Interest	5,302	3.9%	5,023	3.7%	5,025	4.5%	1,008	3.6%	1,378	4.9%	240	3.9%	296	4.7%	5.5%	5.5%
Managed Growth	11,840	8.6%	12,156	8.9%	10,301	9.2%	1,358	4.8%	1,809	6.4%	323	5.3%	476	7.5%	-2.6%	14.9%
Managed Stable	3,380	2.5%	3,223	2.3%	2,908	2.6%	372	1.3%	522	1.9%	96	1.6%	141	2.2%	4.9%	16.2%
Mortgage	5,268	3.8%	5,696	4.1%	5,937	5.3%	104	0.4%	1,059	3.8%	26	0.4%	347	5.5%	-7.5%	-11.3%
Overseas	8,845	6.4%	8,121	5.9%	6,946	6.2%	1,364	4.8%	1,678	6.0%	312	5.1%	400	6.3%	8.9%	27.3%
Property	3,782	2.8%	3,785	2.8%	3,257	2.9%	425	1.5%	495	1.8%	81	1.3%	108	1.7%	-0.1%	16.1%
Mixed Portfolios	69,935	50.9%	72,834	53.0%	57,739	51.6%	20,147	71.5%	17,132	60.9%	4,191	68.8%	3,511	55.3%	-4.0%	21.1%
<b>Totals</b>	<b>137,481</b>	<b>100.0%</b>	<b>137,350</b>	<b>100.0%</b>	<b>111,876</b>	<b>100.0%</b>	<b>28,163</b>	<b>100.0%</b>	<b>28,119</b>	<b>100.0%</b>	<b>6,091</b>	<b>100.0%</b>	<b>6,347</b>	<b>100.0%</b>	<b>0.1%</b>	<b>22.9%</b>

### Total Retail Investment Trusts Market Summary - March 2010 Quarter

#### Market Summary

This product market comprises:

- Retail unlisted trusts (excluding Cash Trusts)
- Investment Master Funds

#### Industry Level Commentary

Overall the Retail Investment Funds market recovered strongly up by 22.9% to stand at \$137.5bn over the year to the end of March 2010. Inflows rose by 11.6% to \$28.2bn however Outflows were actually down year on year by 12.3% to \$28.1bn.

Investment Master Funds bounced back sharply by 27.5% to \$104.8bn giving them a 76.2% market share. Unit Trusts & Managed Funds also increased but by a more modest 10.2% to stand at \$32.7bn.

The Equity Balanced (up 2.3% to 11.1%) and Equity Growth (up 1.6% to 8.5%) investment sectors both increased their market shares. On the other hand Mortgage (down 1.5% to 3.8%), Mixed Portfolios (down 0.7% to 50.9%) and Managed Growth (down 0.6% to 8.6%) all lost market share.

#### Individual Company Performance

AMP (up 33.5% to \$5.4bn), Macquarie (up 28.2% to \$15.5bn) and Commonwealth/Colonial (up 27.2% to \$15.5bn) recorded the highest rates of funds under management growth. In fact of all the leading companies only Bendigo Bank (down 10.4% to \$1.7bn) reported any reduction in its business.

BT (up 148.9% to \$6.0bn), due again to its St George takeover, AMP (up 41.8% to \$1.2bn) and ING Australia (up 27.4% to \$0.9bn) all experienced significant Inflow increases.

Bendigo (down 59.3% to \$0.5bn), Perpetual (down 36.7% to \$0.8bn) and Commonwealth/Colonial (down 33.6% to \$2.2bn) reported substantially lower Outflows as did most of the major companies.

**The above analysis is based on the Marketer view of the Retail Market. This view considers market share from the perspective of the company that distributes or markets the product. The marketer view separates any badged/white labelled products from the Administrator and assigns the funds to the companies that actually distribute the product.**

**Further Information: This report on retail statistics is an extract of Plan For Life Reporting. Further reports and analyses, tailored to your needs, are also available.**

### Life Insurance Industry Inflows - Risk Business - Year Ended March 2010

Risk Business Inflows	Year Ended	Annual	Market	Year Ended	Market	Year Ended	Market
	Mar-10	Growth	Share	Mar-09	Share	Mar-08	Share
	\$millions			\$millions		\$millions	
National Australia/MLC Group	1,333.8	13.4%	15.8%	1,176.1	15.5%	1,048.5	16.0%
CommInsure Group	1,163.6	-0.9%	13.8%	1,174.0	15.4%	999.3	15.2%
ING Australia Group	1,069.4	11.0%	12.7%	963.2	12.7%	834.6	12.7%
TOWER Group	946.3	33.2%	11.2%	710.4	9.3%	693.8	10.6%
AMP Group	766.5	12.2%	9.1%	683.3	9.0%	611.4	9.3%
AIA Australia	728.8	10.8%	8.6%	657.8	8.6%	340.1	5.2%
AXA Australia Group	682.9	6.3%	8.1%	642.2	8.4%	603.1	9.2%
Suncorp Group	661.1	5.7%	7.8%	625.3	8.2%	588.6	9.0%
BT/Westpac Group	424.2	11.0%	5.0%	382.3	5.0%	323.5	4.9%
MetLife Insurance	251.4	-1.0%	3.0%	253.8	3.3%	222.4	3.4%
Others	399.8	18.9%	4.7%	336.4	4.4%	290.6	4.4%
<b>Total</b>	<b>8,427.8</b>	<b>10.8%</b>	<b>100.0%</b>	<b>7,604.7</b>	<b>100.0%</b>	<b>6,555.7</b>	<b>100.0%</b>

### Commentary

The Risk Market continues to enjoy solid and relatively stable upward growth experiencing a further 10.8% increase in annual Inflows. The best Risk business growth rates year on year were achieved by TOWER (33.2%), National Australia/MLC (13.4%), AMP (12.2%), ING (11.0%), BT/Westpac (11.0%) and AIA (10.8%)

### Master Fund Product Comparisons - Top 20 Products By Cash Flow - Investment - Year Ended March 2010

Company Name	Product Name	Cash Flow \$m YE Mar2010	Inflow \$m YE Mar2010	Outflow \$m YE Mar2010	Investment Income \$m YE Mar2010	FUM \$m Mar2010	FUM \$m Mar2009
Macquarie Investment Man.	Macquarie Wrap Solutions - Investment Manager	1,204.90	3,284.16	2,079.26	2,341.93	12,173.13	9,476.85
BT Financial Group	Wrap Investment	461.48	3,667.08	3,205.60	474.80	4,526.09	3,412.19
Colonial First State	FirstChoice Wholesale Investments	383.59	1,001.45	617.86	927.39	4,640.19	3,236.57
Hillross Financial Services	Rabo Wrap	233.83	255.61	21.78	0.17	250.08	0.00
MLC Investments	MasterKey Investment Fundamentals	202.86	271.60	68.74	155.08	790.39	432.33
Oasis Funds Management	Investor Directed Portfolio Service	179.08	391.14	212.06	252.63	1,289.12	858.54
Asgard	eWRAP Investment	132.47	1,372.28	1,239.81	939.18	5,509.33	3,642.47
MLC Investments	MasterKey Custom Investment Service	129.68	727.51	597.83	744.95	3,827.88	2,982.23
AXA Australia	North Investment	122.62	137.10	14.48	24.30	188.78	47.57
AXA Australia	SOLAR Investment Wrap	118.78	359.64	240.86	150.70	1,370.18	1,087.11
Hillross Financial Services	Macquarie Wrap	106.98	115.49	8.51	15.88	169.29	34.84
IOOF Investments	Pursuit Select Investment	93.61	161.70	68.09	49.44	347.10	183.65
Colonial First State	FirstChoice Investment	92.23	692.16	599.93	860.52	4,088.78	3,111.99
Hillross Financial Services	Personalised Portfolio Services	89.75	123.30	33.55	15.68	156.11	46.39
Perpetual Funds	Select Investment Fund	89.12	264.00	174.88	250.78	1,346.22	986.97
Lifeplan Aust Friendly Soc.	Next Generation	83.38	90.47	7.09	2.77	89.07	6.26
Macquarie Investment Man.	Private Portfolio and Banking Management Service	82.30	603.84	521.54	599.86	3,071.31	2,394.76
netwealth	Investment Wrap	79.46	245.81	166.35	183.17	1,041.00	721.20
MLC Investments	MasterKey Investment Service	78.84	285.47	206.63	470.77	1,957.65	1,446.06
IPAC Securities	Strategic Investment Trust	43.55	164.66	121.11	0.00	1,193.01	904.19

#### Marketer View

This view considers market share from the perspective of the company which distributes or markets the product. This view separates any badged/white labelled products from the Administrator and assigns the funds to the separate companies that distribute the product. Detailed splits of BT's badged Wrap products have not been provided to Plan For Life. We will endeavour to obtain precise figures in this regard and where possible the funds attributed to each marketer.

### Lifetime Immediate Annuity Rates - Maximum Initial and Nil Trail Commission

Single Life Annuities, \$100,000 Purchase Price, Monthly Payments, Guaranteed 10 Years, Week Commencing 30 August 2010

	2% INCREASE						CPI INDEXATION				LEVEL INCOME			
	MALE AGE 65		FEMALE AGE 65		MALE AGE 60		MALE AGE 65		FEMALE AGE 65		MALE AGE 65		FEMALE AGE 65	
	Initial Annual Income	R	Initial Annual Income	R	Initial Annual Income	R	Initial Annual Income	R	Initial Annual Income	R	Annual Income	R	Annual Income	R
CommInsure	5,021	1	4,626	1	4,143	1	4,752	1	4,376	1	6,293	1	5,891	1

Joint Life Annuities, \$100,000 purchase price, 85% Reversion, Monthly Payments, Guaranteed 10 Years, Week Commencing 30 August 2010

	2% INCREASE				CPI INDEXATION				LEVEL INCOME			
	M65 F65		M65 F60		M65 F65		M65 F60		M65 F65		M65 F60	
	Initial Annual Income	R	Initial Annual Income	R	Initial Annual Income	R	Initial Annual Income	R	Annual Income	R	Annual Income	R
CommInsure	4,314	1	4,010	1	4,070	1	3,731	1	5,574	1	5,298	1

### Term Certain Annuity Rates - Nil Initial and Nil Trail Commission

Term Certain Annuities, \$100,000 Purchase Price, 100% RCV, Monthly Payments, Nil Increase, Week Commencing 30 August 2010

	1 Year			2 Year			3 Year			4 Year			5 Year		
	Annual Income	Yield %pa	R	Annual Income	Yield %pa	R	Annual Income	Yield %pa	R	Annual Income	Yield %pa	R	Annual Income	Yield %pa	R
Challenger Life	5,340	5.34	1	5,736	5.74	1	5,847	5.85	1	5,959	5.96	1	6,072	6.07	1
CommInsure	3,697	3.70	2	3,900	3.90	2	4,170	4.17	2	4,401	4.40	2	4,420	4.42	2

Notes: Yields are monthly nominal returns expressed as a rate per annum.

The annuity rates for the Challenger Guaranteed Annuity, without selecting ongoing fee-for-service, are the same as Challenger's Guaranteed Income Plan with Nil commission.



**PLAN FOR LIFE**  
ACTUARIES & RESEARCHERS

# M I N D E R

Market Intelligence Decision Maker's Resource

Plan For Life Pty Ltd,  
PO Box 2398 Mt. Waverley VIC 3149 AUSTRALIA

Tel 03 9886 4400

Fax 03 9886 4522

Web [www.planforlife.com.au](http://www.planforlife.com.au)

Email [planforlife@planforlife.com.au](mailto:planforlife@planforlife.com.au)

#### Disclaimer

The content of Minder is based on information collected from financial organisations (or in the case of Rates from software supplied by them), APRA and the ABS. Acknowledgment is given to APRA and the ABS where information is applied at industry level. Companies' data is used wherever possible; where it is not used, reasonable estimates have been made, particularly in the case of certain inflows and outflows, which may be based on industry trends. No responsibility is taken for any erroneous material so obtained, nor for the way in which MINDER material is subsequently used. Any items which companies detect, which they believe are not correct or which they want changed, should be brought promptly to our attention; minor rounding differences may apply to some totals.