

Analysis of New Zealand Retail Managed Funds as at December 2017

Release Date: 26 March 2018

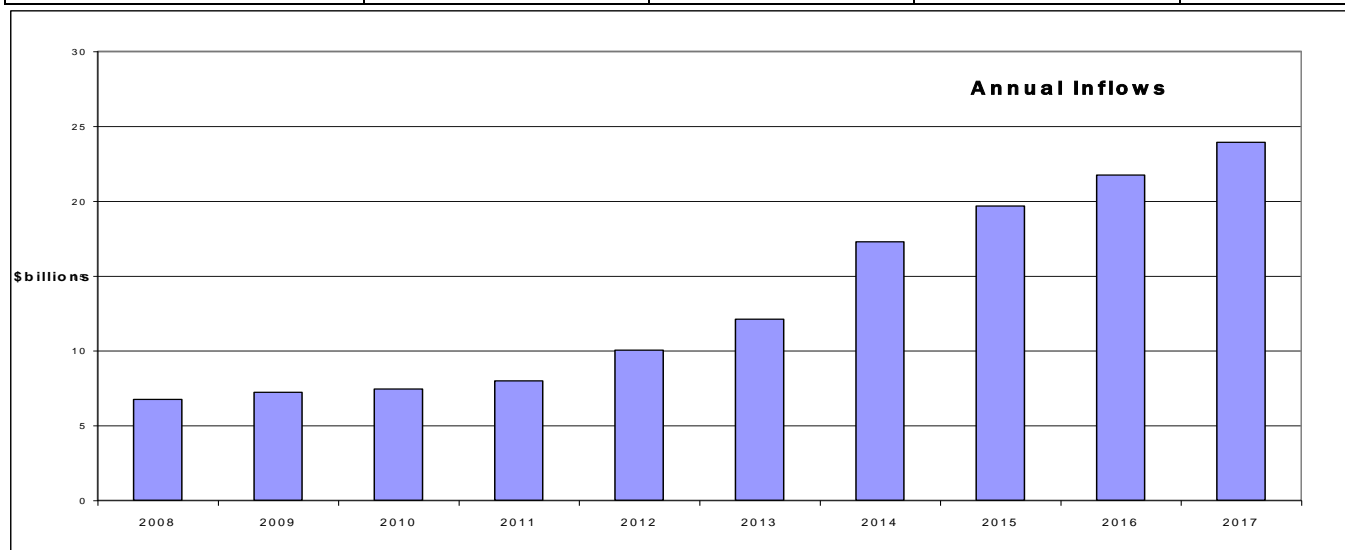
New Zealand Retail Managed Funds jump NZ\$4.3bn during December Quarter 2017

New Zealand Retail Managed Funds were up strongly by 4.9% during the December 2017 quarter to total NZ\$92.2bn. Over the whole of the past year they climbed yet another 15.9% which was in line with the average growth rate experienced over the previous 4 years. While in 2017 the mood on underlying investment markets was buoyant they also remain volatile and unpredictable and as we go to press so far in 2018 the main international stock exchanges have already fallen by between 3% and 10%. BNZ (46.8%), Milford (28.6%), Kiwi Wealth (27.9%), ASB (24.2%), Booster (23.7%), Fisher (19.8%), BT / Westpac (15.7%), ANZ (13.8%) and Mercer (11.7%) all reported double digit percentage increases in their Retail funds under management.

Gross Inflows during 2017 of NZ\$23.9bn were up by 10.1% building further on the very strong 22% plus average recorded over the previous five years. There was the usual dip in reported Inflows growth during the December quarter which saw them decline 3.2% due to KiwiSaver seasonality factors. Year on year BNZ, ASB, BT / Westpac, Kiwi Wealth, Generate, Milford, AMP and Fisher all posted above average Inflow growth rates while on the other hand those of market leader ANZ were lower.

Funds Under Management								
NZ\$millions	Dec-17		Sep-17		Dec-16		Growth Rates	
							Qtrly	Annual
ANZ Investments	26,054	28.2%	24,979	28.4%	22,889	28.8%	4.3%	13.8%
ASB Group Investments	13,464	14.6%	12,797	14.5%	10,838	13.6%	5.2%	24.2%
AMP NZ	11,566	12.5%	11,214	12.7%	10,735	13.5%	3.1%	7.7%
BT / Westpac NZ	11,265	12.2%	10,797	12.3%	9,738	12.2%	4.3%	15.7%
Mercer NZ	5,715	6.2%	5,559	6.3%	5,116	6.4%	2.8%	11.7%
Fisher Funds	5,623	6.1%	5,332	6.1%	4,691	5.9%	5.4%	19.8%
Milford Asset Management	4,829	5.2%	4,339	4.9%	3,756	4.7%	11.3%	28.6%
Kiwi Wealth	3,655	4.0%	3,407	3.9%	2,857	3.6%	7.3%	27.9%
BNZ	1,550	1.7%	1,424	1.6%	1,056	1.3%	8.8%	46.8%
Booster	1,409	1.5%	1,325	1.5%	1,140	1.4%	6.4%	23.7%
Other Companies	7,110	7.7%	6,780	7.7%	6,773	8.5%	4.9%	5.0%
Totals	92,241	100.0%	87,953	100.0%	79,588	100.0%	4.9%	15.9%

Analysis By Market								
KiwiSaver	47,820	51.8%	45,176	51.4%	38,496	48.4%	5.9%	24.2%
Other Superannuation	6,919	7.5%	6,726	7.6%	6,554	8.2%	2.9%	5.6%
Unit Trusts & Managed Funds	37,188	40.3%	35,739	40.6%	34,227	43.0%	4.1%	8.7%
Insurance & Investment Bonds	314	0.3%	311	0.4%	312	0.4%	0.8%	0.7%
Totals	92,241	100.0%	87,953	100.0%	79,588	100.0%	4.9%	15.9%



Release Date: 26 March 2018

About the Media Release

The Media Release is provided by Strategic Insight, Actuaries and Researchers. Strategic Insight are specialists in providing accurate statistical information and analyses covering the financial services, funds management and life insurance markets. This Media Release is designed to give managing directors, marketing managers and other senior managers a timely and comprehensive overview of the performance of individual companies and the overall market.

Data Collection and Estimation Techniques

Data is collected from companies in the managed funds market covering funds under management, gross inflows, gross outflows, net inflows unit prices and investment return rates. Gross Inflows represents an indication of new business sales. Data is thoroughly checked and queries are raised with data providers if data is significantly different from trends or compared to other companies. Where inflow or outflow data is unavailable, we make estimates based on market behaviour from similar investments in compatible markets. When companies provide actual inflow and outflow data these replace estimates. This estimation procedure, coupled with our rigorous direct data collection, enables us to prepare high quality, reasonable and comprehensive data for every Manager.

Disclaimer and Conditions of Use

This report and material has been prepared by Strategic Insight (Asset International Australia Pty Ltd, a Strategic Insight company, ACN 147 440 140, ABN 42 147 440 140) ("Vendor").

From September 2016, "Plan For Life, Actuaries & Researchers" will be known as "Strategic Insight, Actuaries & Researchers" as part of a company-wide global rebranding and growth strategy. For our clients, the only change will be in our name and logo. There will be no change to the products and services we currently provide. The company's legal entities in Australia will remain in place and there will be no change to existing agreements.

Vendor has taken all reasonable care in preparing this Report and takes no responsibility for inadvertent errors and omissions, or those due to information received from other parties. If any errors or omissions are found, these should be brought to our attention so that appropriate corrective action can be taken. Vendor takes no responsibility for the subsequent use of the material provided.

Vendor, its employees and associated persons make no recommendations, representations, warranties nor provide opinions, implied or otherwise about the suitability in general terms of a particular asset type or insurance and its suitability for any particular individual or organization. This report is provided as an information service and is not suitable to be acted upon as life insurance advice without additional input from an Authorised Representative of an Australian Financial Services Licence Holder. In particular, Vendor advises that in preparing this report it did not take into account the individual goals and objectives, anticipated resources, current situation, attitudes or other circumstances of any particular person. In this regard any such user must consult with an appropriate Authorised Representative of an Australian Financial Services Licence Holder. The information provided on financial products does not constitute financial product advice and users of this information should obtain independent advice before making any financial decision.

Vendor is an Australian Financial Services Licence Holder; none of its employees and associated persons are currently Authorised Representatives of a Licence Holder. Vendor is a research company. Actuarial services are provided by and under the independent control of Somari Systems Pty Ltd ABN 97 006 233 923 (Simon Solomon & Associates). No part of this publication may be reproduced or distributed in any form without express prior written consent from Vendor. Acknowledgement is given to APRA for cross-reference to items appearing in its Annual and Half-annual Reports on Life Companies.

Products and Services

Simfund Dash Australia is an online interactive reporting and analysis tool designed to support the financial industry in its product, marketing, distribution, benchmarking and research efforts covering Australian superannuation and investment markets with data provided by Strategic Insight. It combines a web-based database with a powerful analytical application that generates professional, presentation-ready fund industry analyses and reports in seconds. www.simfunddash.com

Further Information:

Daniel Morris

Senior Manager

Email: Daniel.Morris@strategic-i.com

Tel: +61 3 9886 4400

Address: 217 Blackburn Road, Mt Waverley VIC 3149

Website: www.strategic-i.com.au