

KiwiSaver Survey

September Quarter 2015

Volatility set into global equity markets during the quarter amid concerns about economic and financial uncertainty in China and potential contagion across global economies. Negative returns were felt across most KiwiSaver funds, although conservative funds found reprieve in positive cash and fixed interest markets. The majority of KiwiSaver funds were insulated from the significant sell-off in emerging markets shares.

Elliot Smith

|21-October-15|

Morningstar's quarterly KiwiSaver Survey is designed to help New Zealand investors assess the performance and other key characteristics of their KiwiSaver superannuation options. The accompanying tables show KiwiSaver fund returns for the one, three and five years to 30 September 2015.

We hope you find this KiwiSaver survey helpful and welcome any feedback.

Market Commentary

Volatility set into global equity markets during the September quarter following an extended period of calm in recent years. The turbulence seemed to stem from concerns about slowing growth and financial stresses in China. Global investors watched with intense scrutiny as senior Chinese officials tried to support rapidly declining stock markets, rebalance the slowing economy to a consumption-driven model and manage an over-valued currency pegged to the US dollar. Given the strong run in most major equity markets over the past few years, valuations were particularly susceptible to uncertainty or bad news. Both developed and emerging equity markets got punished as

investors veered to the safety of "risk-free" assets such as US, German and Japanese sovereign bonds.

Global markets fell 3.09% in aggregate (in NZD terms) during the quarter. Within this, the US S&P 500 fell 1.09%, the UK FTSE gave up 4.41%, the Euro Stoxx slipped 4.09% and the Japanese Nikkei slumped 7.18%. The damage was worse for NZD-hedged investments, as the NZ dollar fell 6.38%, 6.69%, 3.12% and 8.31% against the US dollar, British pound, Euro and Japanese yen respectively. Emerging markets did not fare well, in aggregate they gave up 13.08% (NZD terms).

Closer to home, there was no reprieve for the Australian equity market as resource stocks were sold off particularly heavily amid concerns of easing demand from China. The S&P/ASX 200 lost 6.58% (in AUD) while the NZD also strengthened 2.75% against the AUD, rubbing salt into the wound if exposure was left unhedged. The S&P/NZX50 was relatively resilient and "only" fell 2.33%. This was likely a result of a satisfactory earnings season with no major negative surprises, and the yield on offer helping limit capital loss.

Uncertainty surrounding the health of the US economy and how the Federal Reserve perceives it also heightened during the quarter. Many had expected Janet Yellen to raise interest rates in September as the stated US economic data targets for tightening had been reached. However, rates were kept on hold, Yellen stating subdued inflation and recent global economic and financial developments as the catalysts for no movement.

The heightened global uncertainty meant that government bonds from creditworthy countries were in demand. Global fixed interest markets were up 2.08%, as measured by the Barclays Global Aggregate NZD Hedged Index. The Reserve Bank of New Zealand stepped up monetary easing with two anticipated 25bps drops in the OCR in July and September. It pointed to the rapidly slowing dairy sector and low inflation as the impetus. This was positive for local bond investors as the S&P/NZX NZ Composite Index returned 2.18%.

The local listed property market came through the market turbulence largely unscathed as investors took comfort in its relatively defensive nature and, potentially, the Fed's decision to wait on rate rises provided some comfort. The S&P/NZX Property index gave up 0.2%. Global listed property held up reasonably well relative to broader global equities but after the effects of currency and hedging, the index we use to measure the sector fell 3.7%.

Quarterly Fund Manager Results

The change in tides regarding performance of the individual asset classes naturally meant a shift in the relative standings across KiwiSaver profiles during the quarter. There was a direct correlation between the performance of the Morningstar categories and their allocation to income assets such as cash and bonds. The conservative category was the lone positive performer with an average return of 0.20%, while the aggressive category had the worst average return of -4.47%. Although, looking over the longer term, the growth-orientated categories are still the top performers.

The turbulent market conditions resulted in a mix of top-performing KiwiSaver providers across the risk spectrum during the quarter. **Fisher Two** was the top performer within the conservative category as it benefitted from its exposure to direct property. **Generate** topped the moderate category again as strong security selection propelled returns. It has been the strongest moderate fund over the past year by a considerable margin. **Milford** was the top performer within the balanced category as a decision to dial back the exposure to growth assets has proved fruitful. **AMP Nikko** and **Forsyth Barr** were the top performers in the growth and aggressive categories respectively, this a result of greater exposure to NZ equities than peers, while the underlying performance of this exposure was also top notch in both instances.

It is most appropriate to evaluate performance of a KiwiSaver scheme by studying its long-term returns. **Aon Russell** and **ANZ** continue to be at or near the top of most categories and are the most consistent performers across the board. **Kiwi Wealth** continues to be a top performer within the aggressive category, while **Milford** comfortably tops the balanced category.

Impact of Slump in Emerging Markets

Emerging markets (EM) equities were the worst performing asset class during the quarter, however, the majority of KiwiSaver funds were not directly affected by the sell-off. Of the KiwiSaver managers that we cover, AMP and Mercer are the only providers that include emerging market shares in their strategic asset allocation. Within their balanced funds, they allocate 7.5% and 3.6% of the portfolio to the asset class respectively. Both AMP and Mercer provide sound long-term fundamental reasoning for their investment in EM equities and we think these allocations are reasonable.

Most KiwiSaver funds will have indirect exposure to the asset class by other means though. This is achieved through the underlying international equity managers investing in EM or multinational companies. For instance, Nestle is domiciled in Switzerland but a significant portion of its revenue comes from EM countries. As at 31 March 2015, the average allocation to

EM equities within balanced KiwiSaver funds was 1.81%. So most KiwiSaver funds were affected by the global equity market contagion, but were largely insulated from the worst of the EM declines.

For the most part, we commend the KiwiSaver providers for producing appropriately-diversified KiwiSaver funds. The strategic asset allocation across the board is sensible, with strong emphasis placed on long-term returns and preservation of capital. Volatile market conditions will provide some angst for investors but they should take comfort in their retirement nest egg if it is invested in the most appropriate risk profile.

Assets Under Management

KiwiSaver assets on the Morningstar database grew to NZ\$29.31 billion at 30 September 2015 from NZ\$954.10 million at 30 June 2008, which is a phenomenal growth rate. ANZ and ASB remained the dominant players at 30 September 2015, with a steady 44.1% of KiwiSaver assets between them. AMP retained third spot ahead of Westpac, while Fisher Funds remained in fifth spot.

The industry remains highly-concentrated, with the six largest KiwiSaver providers accounting for 86.1% of assets on our database.

About This Survey

This survey groups KiwiSaver options according to their mix of income and growth assets, or “asset allocation”. This is one of the most important decisions to make when saving for retirement. The term “income assets” refers to cash and fixed interest securities that generally produce stable and reliable returns but offer little opportunity for long-term capital growth. Returns from “growth assets” such as property and shares will be erratic – as recent market volatility has demonstrated – but over time have shown greater capacity for increasing in value. The mixture of income and growth assets is the major determinant of potential return and volatility.

Investors may notice differences between the returns published in this survey and those they see elsewhere. There are several possible reasons for this. First, the returns published here are all after fees but before tax. Second, we take the associated tax credit into consideration when calculating and publishing these returns, while some fund managers base their published performance figures on month-end unit prices only. ■■

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Morningstar KiwiSaver Report: 30 September 2015

Please note:

- Past performance is not a guide to future performance. This year's best performers can easily be next year's worst.
- Understanding your risk profile, and the mix of growth and income assets is critical.
- Fees are the one constant that will always eat away at your returns. Take a close look at the cost of your KiwiSaver Scheme.

Snapshot

	Assets NZ\$m	Total Returns % p.a			Member Fee \$/year	31/03/2015 Total		Growth Assets %
		1-year	3-year	5-Year		Expense Ratio %	NZ Domiciled Assets %	
Default Options								
AMP (Default)	1192.7	4.0	5.4	5.0	26.40	0.41	66.8	21.8
ANZ Default Conservative (Default)	902.5	6.6	6.6	6.6	24.00	0.55	43.5	20.2
ASB Conservative (Default)	2806.9	5.8	6.0	5.6	30.00	0.38	56.5	19.5
BNZ Conservative	219.4	4.6	--	--	23.55	0.58	50.8	19.0
Fisher TWO Cash Enhanced (Default)	607.9	6.0	6.0	6.0	28.32	0.56	66.7	19.0
Grosvenor (Default)	12.9	6.3	--	--	*****	0.26 ^	55.9	19.8
Kiwi Wealth Default	42.8	5.6	--	--	***	0.95	56.1	20.3
Mercer Conservative (Default)*	929.6	6.2	7.1	6.4	31.05	0.57	57.4	20.0
Westpac Defensive (Default)	36.4	5.8	--	--	20.25 ^	0.36 ^	65.1	18.8
Peer Group Averages								
Default Options	6714.7	5.6	6.2	5.9	27.22**	0.57	56.48	19.8
Conservative (Including Default Options)	8364.3	6.3	6.6	6.2	28.32**	0.78	51.08	19.2
Moderate	4333.0	6.3	7.3	7.0	28.17**	0.94	41.94	32.5
Balanced	6452.5	6.6	9.7	8.3	28.17**	1.03	32.47	53.9
Growth	5619.4	7.9	11.5	9.5	28.17**	1.14	28.06	72.4
Aggressive	2281.9	6.8	11.9	8.5	36.00**	1.50	20.88	87.6
Quick Stats								
KiwiSaver Total Market Size	\$m	29,305						
Increase in Market Size last 3 months	\$m	1,124						
Largest Providers	\$m	7,502	ANZ/OneAnswer					
	\$m	5,436	ASB					
Number of Providers		16						
Number of Products		123						
Highest 3-month Performance this Quarter	%	5.3	Grosvenor Options					
Lowest 3-Month Performance this Quarter	%	-7.2	AMP LS Aggressive					
Highest 12-Month Performance this Quarter	%	19.4	OneAnswer International Share					
Lowest 12-Month Performance this Quarter	%	-2.3	Grosvenor Trans-Tasman Share					
Estimated KiwiSaver Market Asset Allocation %								
Cash & NZ Bonds								34.6
International Bonds								19.2
NZ Unlisted Property								0.6
NZ Listed Property								1.9
International Listed Property								1.9
NZ Shares								7.7
Australian Shares								4.8
International Shares								27.8
Other								1.5
Proportion in Income Assets:								53.8
Proportion in Growth Assets:								46.1

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Morningstar KiwiSaver Report: 30 September 2015

Multi Sector Options

	Assets NZ\$M	Total Returns % p.a						Member Fee \$/year	31/03/2015 Total		Growth Assets %
		1-year		3-year		5-Year			Expense Ratio	NZ Domiciled Assets	
									%	%	
Conservative											
AMP (Default)	1192.7	4.0	(16)	5.4	(11)	5.0	(11)	26.40	0.41	66.8	21.8
ANZ Conservative	477.8	7.2	(4)	6.8	(6)	6.6	(4)	24.00	0.92	44.9	19.3
ANZ Default Conservative (Default)	897.1	6.6	(6)	6.6	(7)	6.6	(2)	24.00	0.55	43.5	20.2
Aon Russell Lifepoints Conservative	76.1	7.6	(2)	7.8	(1)	7.8	(1)	49.80	1.12	16.3	19.6
ASB Conservative (Default)	2806.9	5.8	(12)	6.0	(10)	5.6	(9)	30.00	0.38	56.5	19.5
BNZ Conservative	215.4	4.6	(14)	--	--	--	--	23.55	0.58	50.8	19.0
Fisher Conservative	351.1	6.4	(7)	7.0	(3)	6.4	(6)	36.00	1.00	56.4	21.6
Fisher TWO Cash Enhanced (Default)	605.0	6.0	(10)	6.0	(9)	6.0	(8)	28.32	0.56	66.7	19.0
Grosvenor (Default)	12.9	6.3	(8)	--	--	--	--	*****	0.26 ^	55.9	19.8
Kiwi Wealth Conservative	380.6	7.4	(3)	6.9	(4)	6.5	(5)	***	1.13	38.0	16.7
Kiwi Wealth Default	42.8	5.6	(13)	--	--	--	--	***	0.95	56.1	20.3
Mercer Conservative (Default)*	929.6	6.2	(9)	7.1	(2)	6.4	(7)	31.05	0.57	57.4	20.0
Milford Conservative#	19.4	9.7	(1)	--	--	--	--	36.00	1.02	47.0	12.8
OneAnswer Conservative	352.9	7.1	(5)	6.8	(5)	6.6	(3)	24.00	0.92	44.9	19.3
Smartshares Conservative	4.0	4.6	(15)	6.2	(8)	5.4	(10)	****	0.76	Und.	Und.
Westpac Defensive (Default)	35.1	5.8	(11)	--	--	--	--	20.25 ^	0.36 ^	65.1	18.8
Average		6.3		6.6		6.2		28.32**	0.78	51.1	19.2
Morningstar NZ Multi Sector Conservative Index		7.5		6.4		5.9					19.6

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	Assets NZ\$M	Total Returns % p.a					Member Fee \$/year	31/03/2015 Total		Growth Assets %	
								Expense Ratio %	NZ Domiciled Assets %		
		1-year	3-year	5-Year							
Moderate											
AMP LS Conservative	249.0	3.2	(14)	5.0	(11)	5.3	(11)	26.40	0.89	52.4	28.7
AMP LS Moderate	289.0	2.1	(15)	5.8	(9)	5.7	(9)	26.40	0.97	43.7	43.8
ANZ Conservative Balanced	549.6	7.8	(2)	8.7	(3)	8.0	(4)	24.00	0.92	38.7	34.1
ANZ Default Conservative Balanced	19.7	7.8	(3)	8.3	(5)	7.8	(5)	24.00	0.92	39.0	34.3
Aon Russell Lifepoints 2015	5.0	7.6	(6)	8.4	(4)	8.0	(3)	49.80	1.13	16.4	21.6
Aon Russell Lifepoints Moderate	18.0	7.8	(4)	9.7	(1)	8.7	(1)	49.80	1.18	12.3	39.4
ASB Moderate	901.2	6.7	(7)	7.9	(6)	7.0	(6)	30.00	0.56	45.1	39.1
BNZ Moderate	161.5	4.7	(13)	--	--	--	--	23.55	0.87	26.5	34.9
Fisher TWO Conservative	105.0	5.9	(9)	6.4	(8)	6.2	(8)	28.32	1.00	66.2	26.8
Generate Conservative	15.3	9.2	(1)	--	--	--	--	36.00	1.20	83.7	30.8
Grosvenor AC Conservative	9.3	5.6	(12)	--	--	--	--	27.00 ^	0.81	6.3	29.9
Grosvenor Conservative	108.2	5.9	(11)	5.1	(10)	5.5	(10)	36.99	1.02	52.3	24.4
Mercer Moderate*	29.2	--	--	--	--	--	--	31.05	--	51.3	35.6
OneAnswer Conservative Balanced	119.4	7.7	(5)	8.7	(2)	8.1	(2)	24.00	0.92	38.7	34.1
Westpac Conservative	1706.2	5.9	(10)	6.5	(7)	6.4	(7)	28.02	0.73	53.1	24.2
Westpac Moderate	47.5	6.2	(8)	--	--	--	--	20.25 ^	0.54 ^	45.5	38.7
Average		6.3		7.3		7.0		28.17**	0.94	41.9	32.5
Morningstar NZ Multi Sector Moderate Index		8.2		7.8		6.9					30.7

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Multi Sector Options (continued)

	Assets NZ\$M	Total Returns % p.a						Member Fee \$/year	31/03/2015 Total		Growth Assets %
		1-year		3-year		5-Year			Expense Ratio	NZ Domiciled Assets	
									%	%	
Balanced											
AMP Fisher TWO Balanced	23.8	5.6	(15)	8.1	(14)	7.1	(13)	26.40	1.22	56.4	53.2
AMP LS Balanced	630.6	0.9	(19)	7.1	(16)	6.7	(14)	26.40	1.02	32.9	63.6
AMP LS Moderate Balanced	414.0	1.7	(18)	6.5	(17)	6.2	(16)	26.40	1.01	38.2	53.4
ANZ Balanced	1139.5	8.4	(4)	10.6	(5)	9.3	(4)	24.00	0.97	30.7	51.3
ANZ Default Balanced	54.7	8.4	(5)	9.9	(10)	8.9	(8)	24.00	0.97	31.1	50.6
Aon ANZ Balanced	21.7	6.7	(11)	10.3	(7)	9.2	(5)	49.80	1.17	22.9	59.1
Aon Russell Lifepoints 2025	13.4	7.8	(7)	10.4	(6)	9.1	(6)	49.80	1.19	12.3	41.4
Aon Russell Lifepoints Balanced	54.2	8.1	(6)	11.6	(3)	9.7	(2)	49.80	1.26	8.3	59.4
ASB Balanced	687.3	7.2	(10)	10.1	(8)	8.4	(10)	30.00	0.60	34.4	58.4
BNZ Balanced	114.9	4.5	(17)	--	--	--	--	23.55	0.97	23.8	50.0
Fisher TWO Balanced	469.0	5.4	(16)	8.3	(12)	7.3	(12)	28.32	1.11	56.4	53.2
Grosvenor Balanced	294.7	6.1	(13)	7.4	(15)	6.1	(17)	36.99	1.14	32.3	53.2
Grosvenor SRI Balanced	16.5	7.5	(8)	--	--	--	--	27.00 ^	0.91 ^	32.9	52.5
Kiwi Wealth Balanced	1010.7	8.7	(2)	11.7	(2)	8.9	(7)	***	1.14	25.8	50.9
Mercer Balanced*	221.9	6.0	(14)	9.9	(11)	8.1	(11)	31.05	0.81	38.2	55.9
Milford Balanced	77.5	10.1	(1)	13.6	(1)	11.7	(1)	36.00	1.40	37.8	55.4
OneAnswer Balanced	355.4	8.6	(3)	10.7	(4)	9.4	(3)	24.00	0.97	30.7	51.3
Smartshares Balanced	8.7	6.6	(12)	8.3	(13)	6.3	(15)	****	0.76	Und.	Und.
Westpac Balanced	843.9	7.2	(9)	10.1	(9)	8.8	(9)	28.02	0.82	39.4	58.6
Average		6.6		9.7		8.3		28.17**	1.03	32.5	53.9
Morningstar NZ Multi Sector Balanced Index		9.8		10.7		8.4					54.9

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		1-year		3-year		5-Year			Expense Ratio	NZ Domiciled Assets	
									%	%	
Growth											
AMP ANZ Balanced Plus	147.9	7.6	(16)	11.1	(13)	9.9	(11)	26.40	1.11	26.0	63.4
AMP LS Growth	469.3	-0.6	(21)	8.0	(19)	7.1	(17)	26.40	1.01	23.4	83.9
AMP Nikko AM Balanced	21.4	9.7	(3)	10.8	(14)	8.6	(14)	26.40	1.29	40.6	72.0
ANZ Balanced Growth	937.7	9.0	(9)	12.5	(6)	10.6	(5)	24.00	1.02	25.0	65.9
ANZ Default Balanced Growth	64.3	8.9	(11)	11.6	(10)	10.0	(9)	24.00	1.02	25.5	65.4
ANZ Default Growth	52.6	9.1	(6)	13.3	(3)	11.1	(3)	24.00	1.07	20.1	80.5
ANZ Growth	1579.2	9.2	(5)	14.2	(2)	11.8	(2)	24.00	1.07	20.2	80.4
Aon Russell Lifepoints 2035	11.2	8.0	(13)	12.1	(7)	10.0	(10)	49.80	1.26	8.3	60.4
Aon Russell Lifepoints Growth	22.9	8.1	(12)	13.1	(4)	10.5	(6)	49.80	1.30	5.2	74.6
Aon Nikko AM Balanced	5.6	8.9	(10)	10.7	(15)	8.5	(15)	49.80	1.33	40.6	72.0
ASB Growth	701.3	7.2	(17)	12.1	(8)	9.4	(12)	30.00	0.64	27.6	77.5
BNZ Growth	86.2	4.1	(20)	--	--	--	--	23.55	1.06	26.1	70.1
Fisher TWO Growth	176.8	4.7	(19)	9.9	(16)	8.4	(16)	28.32	1.20	51.1	75.1
Forsyth Barr Balanced	13.9	9.9	(2)	8.3	(18)	6.6	(18)	36.00	1.50	45.8	67.0
Generate Growth	36.1	13.1	(1)	--	--	--	--	36.00	1.65 ^	39.7	77.8
Grosvenor Balanced Growth	145.9	6.4	(18)	9.1	(17)	6.4	(19)	36.99	1.19	29.1	68.4
Mercer Growth*	21.9	--	--	--	--	--	--	31.05	--	27.9	77.1
OneAnswer Balanced Growth	321.9	9.0	(8)	12.6	(5)	10.7	(4)	24.00	1.03	25.0	65.9
OneAnswer Growth	232.0	9.3	(4)	14.3	(1)	11.9	(1)	24.00	1.07	20.2	80.4
Staples Rodway Balanced*	22.8	8.0	(14)	11.4	(11)	10.2	(7)	40.81	1.28	35.0	60.3
Staples Rodway Growth*	11.3	9.1	(7)	11.1	(12)	9.1	(13)	40.81	1.46	20.1	75.6
Westpac Growth	537.1	7.9	(15)	12.0	(9)	10.1	(8)	28.02	0.86	35.1	78.1
Average		7.9		11.5		9.5		28.17**	1.14	28.1	72.4
Morningstar NZ Multi Sector Growth Index		10.9		12.6		9.4					70.9

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Morningstar KiwiSaver Report: 30 September 2015

Multi Sector Options (continued)

	Assets NZ\$M	Total Returns % p.a					Member Fee \$/year	31/03/2015 Total			Growth Assets %
								Expense Ratio %	NZ Domiciled Assets %		
		1-year	3-year	5-Year							
Aggressive											
AMP LS Aggressive	205.1	-1.3	(10)	8.7	(8)	7.5	(5)	26.40	1.09	18.7	94.3
Aon Russell Lifepoints 2045	10.8	7.8	(4)	13.6	(2)	10.7	(1)	49.80	1.31	5.2	75.6
Fisher Growth	950.6	5.9	(8)	12.0	(4)	8.1	(4)	36.00	1.40	33.9	87.8
Forsyth Barr Growth	12.3	11.0	(2)	10.0	(7)	7.4	(6)	36.00	1.58	34.5	85.8
Generate Focused Growth	47.3	13.3	(1)	--	--	--	--	36.00	1.90	21.9	92.4
Grosvenor AC Growth	25.6	3.2	(9)	--	--	--	--	27.00 ^	0.87 ^	14.3	82.9
Grosvenor Geared Growth	5.3	6.6	(5)	11.5	(5)	7.0	(7)	36.99	2.85	14.9	97.4
Grosvenor High Growth	130.2	6.1	(7)	10.9	(6)	6.7	(8)	36.99	1.25	21.5	83.8
Kiwi Wealth Growth	808.9	9.5	(3)	16.3	(1)	10.7	(2)	***	1.19	15.5	84.5
Mercer High Growth*	85.9	6.1	(6)	12.4	(3)	9.6	(3)	31.05	0.91	28.5	91.5
Average		6.8		11.9		8.5		36.00**	1.50	20.9	87.6
Morningstar NZ Multi Sector Aggressive Index		11.5		14.4		9.9					87.7

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Morningstar KiwiSaver Report: 30 September 2015

Single Sector Options

	Assets NZ\$M	Total Returns % p.a						Member Fee \$/year	31/03/2015 Total		Growth Assets %
		1-year		3-year		5-Year			Expense Ratio	NZ Domiciled Assets	
									%	%	
Cash											
AMP Cash	73.4	3.2	(12)	3.0	(12)	3.0	(10)	26.40	0.73	100.0	0.0
ANZ Cash	236.9	3.7	(2)	3.3	(8)	3.2	(6)	24.00	0.42	100.0	0.0
ANZ Default Cash	2.9	3.5	(6)	3.2	(9)	3.2	(5)	24.00	0.42	100.0	0.0
Aon ANZ Cash	3.5	3.0	(13)	2.7	(13)	2.8	(12)	49.80	0.87	100.0	0.0
Aon Nikko AM Cash	1.4	3.5	(9)	3.3	(6)	3.3	(1)	49.80	0.85	100.0	0.0
ASB NZ Cash	339.1	3.6	(3)	3.3	(7)	3.0	(11)	30.00	0.34	100.0	0.0
BNZ Cash	83.0	3.0	(14)	--	--	--	--	23.55	0.29	100.0	0.0
Fisher TWO Preservation	25.8	3.5	(5)	3.4	(2)	3.3	(4)	28.32	0.66	100.0	0.0
Grosvenor Enhanced Income	18.2	3.4	(10)	3.3	(5)	3.3	(2)	36.99	0.77	100.0	0.0
Kiwi Wealth Cash	72.1	3.8	(1)	3.7	(1)	--	--	***	0.85	100.0	0.0
Mercer Cash*	14.3	3.6	(4)	3.3	(4)	3.3	(3)	31.05	0.38	100.0	0.0
OneAnswer Cash	25.2	3.5	(7)	3.1	(11)	3.1	(8)	24.00	0.56	100.0	0.0
Staples Rodway Conservative*	23.6	3.3	(11)	3.3	(3)	3.2	(7)	40.81	0.99	100.0	0.0
Westpac Cash	258.7	3.5	(8)	3.2	(10)	3.0	(9)	28.02	0.45	100.0	0.0
Fixed Interest											
OneAnswer International Fixed Interest	2.6	6.7		4.9		5.1		24.00	0.84	0.1	0.0
OneAnswer New Zealand Fixed Interest	5.4	8.9		4.0		5.7		24.00	0.72	100.0	0.0
International Share											
Fisher TWO Equity	55.8	3.0	(4)	10.8	(4)	7.7	(4)	28.32	1.28	35.1	91.2
Grosvenor International Share	6.8	7.3	(3)	14.6	(3)	8.2	(3)	36.99	1.34	2.4	97.6
Mercer Shares*	8.1	--	--	--	--	--	--	31.05	--	27.6	98.7
OneAnswer International Share	33.7	19.4	(1)	19.5	(1)	12.6	(1)	24.00	1.08	0.1	99.9
OneAnswer Sustainable Growth	4.2	13.3	(2)	15.0	(2)	8.7	(2)	24.00	1.55	2.9	97.1
Property											
OneAnswer Australasian Property	11.8	13.7		13.9		14.8		24.00	1.07	0.3	99.7
OneAnswer International Property	7.6	12.8		12.9		12.6		24.00	1.09	0.5	99.5

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Morningstar KiwiSaver Report: 30 September 2015

Single Sector Options (continued)

	Assets NZ\$M	Total Returns % p.a						Member Fee \$/year	31/03/2015 Total		Australian Assets %
									Expense Ratio %	NZ Domiciled Assets %	
		1-year	3-year	5-Year							
Australasian Equity											
Aon Milford	99.5	10.0	(2)	15.2	(2)	14.2	(2)	49.80	1.55	70.8	16.4
Grosvenor Socially Responsible	15.4	7.3	(4)	8.7	(5)	6.1	(5)	36.99	1.32	32.6	23.5
Grosvenor Trans-Tasman Share	4.4	-2.3	(6)	1.5	(6)	-0.7	(6)	36.99	1.22	51.9	48.1
Milford Active Growth	381.2	10.6	(1)	15.6	(1)	14.5	(1)	36.00	1.49	70.8	16.4
OneAnswer Australasian Share	18.4	2.6	(5)	14.3	(3)	13.2	(3)	24.00	1.06	90.4	9.6
Smartshares Growth	26.3	8.8	(3)	13.4	(4)	8.5	(4)	****	0.79	Und.	Und.
Miscellaneous											
Grosvenor Capital Guaranteed	42.0	2.7	--	--	--	--	--	27.00 ^	0.59 ^		
Grosvenor Options	82.4	9.0	--	--	--	--	--	27.00 ^	0.74 ^		
Kiwi Wealth Cash Plus	40.3	4.3	3.8	--	--	--	***		0.91		
NZ Funds Growth	66.3	13.1	16.2	--	--	--	36.00		4.41		
NZ Funds Income	11.2	1.5	3.2	--	--	--	36.00		1.15		
NZ Funds Inflation	40.8	-0.8	5.3	--	--	--	36.00		2.56		
Westpac Capital Protect Plan 1	12.4	8.4	15.0	11.2	--	--	28.02		1.58		
Westpac Capital Protect Plan 2	9.5	8.4	15.0	11.2	--	--	28.02		1.58		
Westpac Capital Protect Plan 3	15.1	8.4	15.0	--	--	--	28.02		1.58		
Westpac Capital Protect Plan 4	21.7	8.4	15.0	--	--	--	28.02		1.58		
Westpac Capital Protect Plan 5	18.0	8.4	--	--	--	--	28.02		1.58		

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Market Share Analysis

	AUM, Sep 2015				AUM, Dec 2014				AUM, Dec 2013				AUM, Dec 2012						
	\$M	%	Rank	Rank Change	\$M	%	Rank	Rank Change	\$M	%	Rank	Rank Change	\$M	%	Rank				
By Provider	AMP	3716.3	12.7	(3)					3440.1	13.7	(3)		2861.5	15.2	(3)	▲	1485.5	10.4	(4)
	ANZ/OneAnswer	7502.3	25.6	(1)					6320.8	25.2	(1)		4602.7	24.5	(1)		3445.7	24.1	(1)
	Aon	343.3	1.2	(11)					301.5	1.2	(11)	▼	231.4	1.2	(10)	▲	180.5	1.3	(11)
	ASB	5435.9	18.5	(2)					4707.8	18.7	(2)		3682.6	19.6	(2)		2859.3	20.0	(2)
	BNZ	661.1	2.3	(9)					450.7	1.8	(9)	▲	184.2	1.0	(12)		--	--	
	Fisher Funds	2739.0	9.3	(5)					2431.8	9.7	(5)		1941.3	10.3	(5)	▲	660.0	4.6	(9)
	Forsyth Barr	26.2	0.1	(16)	▲				22.2	0.1	(17)	▼	16.6	0.1	(16)	▲	12.3	0.1	(17)
	Generate	98.7	0.3	(13)	▲				36.1	0.1	(15)	▲	3.3	0.0	(18)		--	--	
	Grosvenor	917.9	3.1	(8)					800.7	3.2	(8)		303.1	1.6	(8)	▲	93.9	0.7	(14)
	Kiwi Wealth	2355.5	8.0	(6)					1972.4	7.9	(6)		1240.9	6.6	(6)	▲	849.1	5.9	(7)
	Mercer	1310.9	4.5	(7)					1024.1	4.1	(7)		843.8	4.5	(7)	▲	717.2	5.0	(8)
	Milford	478.1	1.6	(10)					390.9	1.6	(10)	▲	222.1	1.2	(11)	▲	99.1	0.7	(13)
	NZ Funds	118.3	0.4	(12)					91.1	0.4	(12)	▲	55.8	0.3	(13)		--	--	
	Smartshares	38.9	0.1	(15)	▼				36.5	0.1	(14)	▲	29.6	0.2	(15)	▲	26.5	0.2	(16)
	Staples Rodway	57.7	0.2	(14)	▼				51.8	0.2	(13)	▲	43.6	0.2	(14)	▲	35.4	0.2	(15)
	Westpac	3505.2	12.0	(4)					3009.5	12.0	(4)		2268.9	12.1	(4)	▼	1713.6	12.0	(3)
Closed/Merged Providers																			
	AXA to AMP, Early 2013																893.0	6.2	(6)
	Tower to Fisher, Mid 2013																894.2	6.2	(5)
	Fidelity to Grosvenor, Mid 2013																140.8	1.0	(12)
	Brook, Mid 2014												10.2	0.0	(17)		7.1	0.0	(18)
	FirstChoice, End 2014								31.6	0.1	(16)		231.7	1.2	(9)		199.4	1.4	(10)
Total		29,305							25,120				18,773				14,313		