

KiwiSaver Survey

September Quarter 2014

All markets experienced growth during the third quarter of 2014, with the best performing sectors coming from outside New Zealand. This illustrates the importance of a well-diversified portfolio as those with a domestically focused KiwiSaver Scheme will have lagged.

Tim Murphy

| 22-October-14 |

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 2014.

This quarter we added the Kiwi Wealth KiwiSaver Scheme, six Grosvenor and two Westpac KiwiSaver funds to our database, meaning we now include all of the default providers.

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

Market Overview

The September quarter proved beneficial for investors, but the journey was far from smooth. The world was rocked by the shooting down of flight MH17 in eastern Ukraine and the radical actions of ISIS in its attempt to dominate the Middle East.

Scotland came close to becoming an independent country and the busy streets of Hong Kong temporarily came to a halt as activists pressed for greater independence from Beijing.

The divergence between the eurozone and U.S. economies was accentuated during the quarter. Improving economic readings in the U.S. have given the Federal Reserve confidence to wind down its quantitative easing program, while deteriorating economic conditions forced the European Central Bank (ECB) to step up its monetary policy actions. Deflation worries and cracks appearing in the usually resilient German economy have sparked fears that the bloc will slip back into recession.

A positive earnings season in New Zealand helped support the market's relatively expensive valuation. However, growth expectations have cooled as commodity prices have fallen sharply and economic data has become less positive. The Reserve Bank (RBNZ) raised the cash rate to 3.5% in July and expectations are that it will remain at that level until next year. A compelling National Party election victory at the end of the quarter provided a boost for the NZX.

The RBNZ intervened with the currency and it subsequently fell sharply against the US\$ during the period and provided a significant tailwind for market returns if left unhedged. The NZ\$ fell 11.4% to US78¢ from US88¢. Market returns from across the

Tasman were also enhanced as the NZ\$ fell 3.7% to A89¢ from A92¢.

That sharp depreciation meant that all major stock markets produced positive returns in NZ\$ terms for the September quarter. Global markets in aggregate were up 10.12%. Within this, the US market (S&P 500) rose 13.60%, the UK market (FTSE) gained 5.55% and the Japanese market (Nikkei) increased 10.66%. Across the Tasman, the S&P/ASX 200 returned 3.52% but without the currency-driven gains the story at home was much more subdued. The NZX 50 edged up 2.21%. However, after a strong start to the year, it was up nearly 11% for the year to 30 September.

Listed property tempered following its rally in the first half of the year, Global listed property decreased 1.04% if hedged (7.67% increase in NZ\$), while domestic listed property finished 3.01% higher.

Bond yields around the world continued to fall amid global economic worries and the ECB stepping up its monetary policy actions. The global Barclays Aggregate Bond index rose 12.71% in NZ\$ terms, 2.03% if hedged. The local yield curve flattened amid lessening inflationary pressure and global bond movements. The local composite fixed income index posted a 1.83% return.

Fund Manager Results

Investors were well rewarded during the quarter as all asset classes experienced growth. The active decision to allocate more capital to growth assets continued to prove beneficial for investors. This is best represented by the correlation between the average returns for the five categories and their respective weightings to growth assets. The aggressive category returned an impressive 3.84% on average and the conservative category was the weakest, returning 1.88% on average. Pleasingly for investors, all KiwiSaver schemes on our database had a positive quarter.

There were no standout performers across the categories, though **Milford KiwiSaver** deserves credit for topping the league tables in the balanced and moderate categories and **ASB KiwiSaver** for posting a solid performance across the board. In the single sector space, **OneAnswer KiwiSaver** was very strong in the international equities category.

It is more appropriate to evaluate the performance of a KiwiSaver scheme by studying its long-term returns. **Aon KiwiSaver Russell** is the most notable performer as it is at or near the top across all five categories. **ANZ KiwiSaver** continues to be the strongest of the default providers across the board. Greater international exposure than peers has meant **Kiwi Wealth KiwiSaver** has comfortably been the strongest performer in the aggressive category over the past three years.

The strongest-performing fund in the September quarter was **OneAnswer KiwiSaver Sustainable Growth**, which returned an impressive 8.77%. The strongest-performing fund over the long term is **OneAnswer KiwiSaver International Property**, which returned 14.44% annually to investors over the past five years.

Don't Forget About Tax

Taxation is relatively simple for KiwiSaver investors, who simply pass on their personal tax rates to their providers which then take care of it. However, not all investments are subject to tax and some parts of the market are significantly more tax-efficient than others. For example, capital gains tax is not charged on New Zealand and Australian shares, whereas international shares are treated differently and typically will pay more tax. Other factors that can affect the tax paid include fees and the impact of foreign exchange.

We use a proprietary Tax Cost Ratio to measure the effect of tax. This represents how much a fund's annualised return is reduced by taxes the investors pay. A lower ratio represents less tax paid by investors and therefore improved after-tax performance.

The table below gives an indication of how returns are affected by taxes and the differences between providers.

Name	5y pre-tax return (%pa)	5y post-tax return (%pa)	Tax Cost Ratio (%)
AMP KiwiSaver LS Balanced	7.77	5.96	1.68
ANZ Default Balanced	8.44	6.75	1.56
ASB Scheme's Balanced	8.45	6.77	1.55
Fisher TWO Balanced	7.92	6.41	1.39
Grosvenor Balanced	6.02	4.70	1.24
Kiwi Wealth Balanced	7.92	6.57	1.25
Mercer Balanced	8.35	6.49	1.71
Westpac Balanced	8.62	7.33	1.19

KiwiSaver investors should be wary of the effects of tax, as it has a direct impact on the growth of their retirement nest eggs. However, investors should not select investments solely on the basis of the level of taxation, as that can lead to poor investment decisions.

Assets Under Management

KiwiSaver assets on the Morningstar database grew to NZ\$23.39 billion at 30 September 2014 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 2014, with a steady 44.0% of KiwiSaver assets between them. AMP retained third spot ahead of Westpac, while Fisher Funds remained in fifth spot. New addition Kiwi Wealth enters the database in sixth spot.

The industry remains highly-concentrated, with the eight largest KiwiSaver providers accounting for 94.90% 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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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	31/03/2014 Total		Growth Assets %
		1-year	3-year	5-Year		Expense Ratio %	NZ Domiciled Assets %	
Default Options								
AMP (Default)	1246.6	6.7	6.2	5.1	23.40	0.58	67.9	20.1
ASB Scheme's Conservative (Default)	2277.2	7.1	6.4	5.7	30.00	0.38	56.6	19.9
BNZ Conservative (Default)	115.6	8.1	--	--	24.00	0.65	36.4	21.0
Fisher TWO Cash Enhanced (Default)	533.4	7.0	6.7	5.9	33.00	0.57	67.8	21.0
Grosvenor (Default)	1.1	--	--	--	*****	--	55.5	20.1
Kiwi Wealth (Default)	3.9	--	--	--	***	--	70.6	20.2
Mercer Conservative (Default)*	851.0	8.2	7.5	6.7	30.00	0.57	55.6	21.8
ANZ Default Conservative (Default)	795.7	8.0	7.2	6.7	24.00	0.51	38.7	23.2
Westpac Defensive (Default)	3.6	--	--	--	27.00	--	65.3	18.8
Peer Group Averages								
Default Options	5824.5	7.5	6.8	6.0	27.34**	0.54	56.60	20.7
Conservative (Including Default Options)	7127.6	7.4	7.1	6.2	28.50**	0.73	54.45	20.9
Moderate	3363.2	8.5	8.4	7.1	34.20**	0.93	39.52	33.2
Balanced	4891.1	10.4	11.4	8.1	34.20**	1.00	35.72	55.8
Growth	4412.6	11.9	13.2	9.2	33.00**	1.12	28.15	73.2
Aggressive	1790.7	12.4	14.1	8.3	36.00**	1.41	21.93	88.3

Quick Stats

KiwiSaver Total Market Size	\$m	23,388
Increase in Market Size last 3 months	\$m	3,450
Largest Providers	\$m	5,791 ANZ/OneAnswer
	\$m	4,494 ASB
Number of Providers		16
Number of Products		150
Highest 3-month Performance this Quarter	%	8.8 OneAnswer Sustainable Growth
Lowest 3-Month Performance this Quarter	%	-0.8 OneAnswer International Property
Highest 12-Month Performance this Quarter	%	18.3 Mercer Super Trust Global*
Lowest 12-Month Performance this Quarter	%	0.0 Grosvenor Trs-Tasm Sm Coms Shr

Estimated KiwiSaver Market Asset Allocation %

Cash & NZ Bonds	33.9
International Bonds	19.5
NZ Unlisted Property	0.7
NZ Listed Property	2.0
International Listed Property	1.8
NZ Shares	8.4
Australian Shares	4.8
International Shares	27.4
Other	1.5
Proportion in Income Assets:	53.4
Proportion in Growth Assets:	46.6

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Multi Sector Options

	Assets NZ\$m	Total Returns % p.a						Member Fee \$/year	31/03/2014 Total		Growth Assets %
		1-year		3-year		5-Year			Expense Ratio	NZ Domiciled Assets	
									%	%	
Conservative											
AMP (Default)	1246.6	6.7	(12)	6.2	(12)	5.1	(11)	23.40	0.58	67.9	20.1
ANZ Conservative	368.5	7.4	(5)	7.2	(6)	6.6	(5)	24.00	0.95	38.9	23.6
ANZ Default Conservative (Default)	796.2	8.0	(4)	7.2	(5)	6.7	(2)	24.00	0.51	38.7	23.2
Aon Russell Lifepoints Conservative	66.9	9.7	(1)	9.3	(1)	8.7	(1)	50.00	1.05	15.7	20.6
ASB Scheme's Conservative (Default)	2277.2	7.1	(7)	6.4	(10)	5.7	(8)	30.00	0.38	56.6	19.9
BNZ Conservative (Default)	112.7	8.1	(3)	--	--	--	--	24.00	0.65	36.4	21.0
FC Scheme's Conservative	95.5	7.1	(8)	6.3	(11)	5.7	(9)	36.00	0.39	56.6	19.9
Fisher Conservative	261.4	7.1	(9)	7.5	(2)	5.6	(10)	36.00	1.03	55.7	22.8
Fisher TWO Cash Enhanced (Default)	531.9	7.0	(10)	6.7	(9)	5.9	(7)	33.00	0.57	67.8	21.0
Grosvenor (Default)	1.1	--	--	--	--	--	--	*****	--	55.5	20.1
Kiwi Wealth Conservative	212.8	7.0	(11)	7.0	(7)	6.1	(6)	***	1.10	51.0	18.1
Kiwi Wealth (Default)	3.9	--	--	--	--	--	--	***	--	70.6	20.2
Mercer Conservative (Default)*	851.0	8.2	(2)	7.5	(3)	6.7	(3)	30.00	0.57	55.6	21.8
OneAnswer Conservative	298.5	7.4	(6)	7.3	(4)	6.6	(4)	24.00	0.94	38.9	23.6
Smartshares Conservative	3.4	5.7	(13)	6.7	(8)	5.1	(12)	****	0.80	100.0	20.0
Westpac Defensive (Default)	2.4	--	--	--	--	--	--	27.00	--	65.3	18.8
Average		7.4		7.1		6.2		28.50**	0.7	54.4	20.9
Morningstar NZ Multi Sector Conservative Index		7.3		6.4		5.8					19.2

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Multi Sector Options

	Assets NZ\$m	Total Returns % p.a.						Member Fee \$/year	31/03/2014 Total		Growth Assets %
		1-year		3-year		5-Year			Expense Ratio	NZ Domiciled Assets	
									%	%	
Moderate											
AMP LS Conservative	195.0	6.9	(16)	6.6	(14)	5.9	(14)	23.40	0.90	55.0	25.2
AMP LS Moderate	214.5	8.1	(11)	8.2	(8)	6.6	(9)	23.40	0.98	46.9	39.8
ANZ Conservative Balanced	401.8	9.0	(7)	9.7	(4)	8.0	(4)	24.00	0.94	31.9	39.3
ANZ Default Conservative Balanced	11.9	9.1	(5)	9.0	(5)	7.5	(5)	24.00	0.56	32.0	38.6
Aon Russell Lifepoints 2015	4.6	10.0	(3)	10.0	(2)	8.9	(2)	50.00	1.07	14.7	24.7
Aon Russell Lifepoints Moderate	11.5	11.0	(2)	11.4	(1)	9.5	(1)	50.00	1.13	11.7	40.9
ASB Scheme's Moderate	677.3	9.0	(8)	8.9	(6)	7.2	(6)	30.00	0.57	44.7	39.9
BNZ Moderate	95.3	9.5	(4)	--	--	--	--	24.00	0.83	26.1	36.3
FC Scheme's Active Conservative	6.9	8.2	(10)	8.1	(9)	6.4	(11)	36.00	0.78	30.0	28.8
FC Scheme's Moderate	23.6	9.0	(9)	8.9	(7)	7.2	(7)	36.00	0.58	44.8	39.8
Fidelity AC Conservative	4.2	7.0	(15)	--	--	--	--	36.36	1.26	7.2	30.3
Fidelity Conservative	49.4	6.6	(18)	7.3	(11)	6.3	(12)	36.36	1.00	50.5	25.3
Fisher TWO Conservative	90.7	7.2	(14)	7.6	(10)	6.7	(8)	33.00	1.04	62.7	29.4
Generate Conservative	4.8	6.3	(19)	--	--	--	--	36.00	1.27	87.7	32.8
Grosvenor AC Conservative	0.7	--	--	--	--	--	--	36.36	--	7.4	30.1
Grosvenor Conservative	44.8	6.6	(17)	6.1	(15)	5.7	(15)	36.00	1.17	51.1	25.1
Mercer Super Trust Conserv*	2.6	7.8	(12)	7.1	(13)	6.2	(13)	34.20	0.92	58.1	31.2
Milford Conservative	8.9	13.6	(1)	--	--	--	--	36.00	1.00	36.1	37.5
OneAnswer Conservative Balanced	98.9	9.1	(6)	9.8	(3)	8.1	(3)	24.00	0.94	31.9	39.3
Westpac Conservative	1411.1	7.8	(13)	7.3	(12)	6.5	(10)	27.00	0.72	53.2	24.8
Westpac Moderate	4.7	--	--	--	--	--	--	27.00	--	46.2	38.8
Average		8.5		8.4		7.1		34.20**	0.93	39.52	33.23
Morningstar NZ Multi Sector Moderate Index		9.2		8.4		6.8					39.6

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Multi Sector Options (continued)

	Assets NZ\$M	Total Returns % p.a						Member Fee \$/year	31/03/2014 Total		Growth Assets %
									Expense Ratio	NZ Domiciled Assets	
		1-year	3-year	5-Year	%	%	%				
Balanced											
AMP Fisher TWO Balanced	20.1	9.5	(16)	10.3	(16)	7.6	(15)	23.40	1.13	54.9	55.0
AMP LS Balanced	517.2	9.9	(15)	10.9	(12)	7.8	(13)	23.40	1.03	35.7	60.1
AMP LS Moderate Balanced	320.3	9.0	(20)	9.6	(20)	7.1	(17)	23.40	1.03	41.2	50.1
ANZ Balanced	817.5	10.5	(14)	12.1	(7)	9.2	(5)	24.00	0.99	26.5	52.8
ANZ Default Balanced	35.1	10.6	(10)	10.9	(13)	8.4	(9)	24.00	0.61	26.4	53.0
Aon OnePath Balanced	17.9	10.5	(13)	12.7	(4)	9.9	(2)	50.00	1.19	32.8	60.1
Aon Russell Lifepoints 2025	10.8	11.2	(8)	12.2	(5)	9.8	(3)	50.00	1.16	10.7	44.9
Aon Russell Lifepoints Balanced	38.1	12.2	(2)	13.5	(2)	10.3	(1)	50.00	1.20	7.7	60.9
ASB Scheme's Balanced	497.2	11.4	(6)	11.7	(9)	8.5	(7)	30.00	0.61	33.2	59.8
BNZ Balanced	67.9	10.7	(9)	--	--	--	--	24.00	0.93	23.5	51.5
FC Scheme's Active Balanced	28.6	11.9	(3)	11.9	(8)	7.7	(14)	36.00	0.83	34.6	56.8
FC Scheme's Balanced	31.1	11.4	(7)	11.7	(10)	8.4	(8)	36.00	0.63	33.3	59.7
Fidelity Balanced	119.1	9.1	(18)	9.9	(18)	6.7	(18)	36.36	1.06	32.7	54.0
Fidelity Ethical	13.0	7.7	(21)	10.9	(14)	7.6	(16)	36.36	1.24	31.7	55.1
Fisher TWO Balanced	409.6	9.4	(17)	10.7	(15)	7.9	(11)	33.00	1.14	54.9	55.0
Grosvenor Balanced	133.3	9.0	(19)	8.6	(21)	6.0	(19)	36.00	1.29	33.2	53.7
Grosvenor SRI Balanced	0.1	--	--	--	--	--	--	36.00	--	35.4	55.1
Kiwi Wealth Balanced	729.8	11.8	(4)	12.7	(3)	7.9	(10)	***	1.11	27.9	55.6
Mercer Super Trust Moderate*	46.3	10.6	(11)	10.0	(17)	7.8	(12)	34.20	0.74	45.7	53.0
Milford Balanced	49.8	13.8	(1)	15.7	(1)	--	--	36.00	1.48	33.5	61.5
OneAnswer Balanced	292.0	10.6	(12)	12.1	(6)	9.2	(4)	24.00	0.99	26.5	52.8
Smartshares Balanced	7.6	7.4	(22)	9.7	(19)	6.0	(20)	****	0.78	100.0	63.0
Westpac Balanced	689.0	11.4	(5)	11.3	(11)	8.6	(6)	27.00	0.83	39.5	59.2
Average		10.4		11.4		8.1		34.20**	1.00	35.7	55.8
Morningstar NZ Multi Sector Balanced Index		12.1		11.2		7.8					58.1

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		1-year		3-year		5-Year			Expense Ratio	NZ Domiciled Assets	
									%	%	
Growth											
AMP ANZ Balanced Plus	112.5	10.6	(22)	13.3	(14)	10.2	(7)	23.40	1.03	21.4	66.6
AMP LS Growth	410.7	11.5	(19)	13.0	(15)	8.5	(18)	23.40	1.08	26.2	79.9
AMP Tyndall Balanced	16.1	10.9	(21)	11.6	(21)	8.1	(22)	23.40	1.42	38.2	73.0
ANZ Balanced Growth	664.0	12.1	(13)	14.4	(7)	10.3	(6)	24.00	1.04	21.6	67.1
ANZ Default Balanced Growth	40.7	12.1	(12)	12.9	(16)	9.3	(13)	24.00	0.66	21.2	67.6
ANZ Default Growth	34.8	13.6	(3)	14.9	(4)	10.1	(8)	24.00	0.71	16.2	82.8
ANZ Growth	1187.1	13.5	(4)	16.8	(2)	11.5	(2)	24.00	1.09	16.1	82.9
Aon Russell Lifepoints 2035	9.2	12.5	(10)	14.2	(10)	10.5	(4)	50.00	1.21	7.3	63.9
Aon Russell Lifepoints Growth	18.1	13.2	(7)	15.2	(3)	10.9	(3)	50.00	1.25	4.8	75.7
Aon Tyndall Balanced	4.5	11.5	(18)	11.7	(20)	8.3	(21)	50.00	1.27	38.2	73.0
ASB Scheme's Growth	490.8	13.4	(5)	14.3	(8)	9.4	(11)	30.00	0.66	25.8	79.5
BNZ Growth	47.2	11.6	(16)	--	--	--	--	24.00	1.01	25.5	71.2
FC Scheme's Active Growth	30.1	14.2	(1)	14.6	(5)	8.5	(17)	36.00	0.87	34.3	76.5
FC Scheme's Growth	26.5	13.4	(6)	14.3	(9)	9.4	(12)	36.00	0.68	25.8	79.4
Fidelity Growth	53.1	10.6	(23)	11.7	(19)	7.1	(23)	36.36	1.26	25.9	72.5
Fisher TWO Growth	147.4	10.6	(24)	13.5	(12)	9.1	(14)	33.00	1.27	54.7	76.5
Forsyth Barr Balanced	11.4	8.0	(27)	8.1	(25)	4.9	(24)	36.00	1.53	45.0	65.2
Generate Growth	7.5	10.3	(26)	--	--	--	--	36.00	1.41	40.6	81.8
Grosvenor Balanced Growth	62.0	10.3	(25)	10.6	(24)	--	--	36.00	1.34	26.2	72.2
Mercer Balanced*	66.2	11.4	(20)	11.2	(23)	8.4	(19)	30.00	0.82	41.9	63.4
Mercer Super Trust Active Bal*	58.7	11.6	(17)	11.2	(22)	8.3	(20)	34.20	0.97	42.0	63.5
Mercer Super Trust Growth*	6.8	12.7	(9)	12.6	(17)	8.8	(15)	34.20	1.05	37.0	74.9
OneAnswer Balanced Growth	267.4	12.2	(11)	14.6	(6)	10.5	(5)	24.00	1.04	21.6	67.1
OneAnswer Growth	193.1	13.6	(2)	16.9	(1)	11.5	(1)	24.00	1.09	16.1	82.9
Staples Rodway Balanced*	19.6	11.8	(14)	13.9	(11)	10.0	(9)	40.00	1.63	28.6	65.0
Staples Rodway Growth*	9.6	11.6	(15)	12.0	(18)	8.5	(16)	40.00	1.99	23.4	72.9
Westpac Growth	417.6	13.1	(8)	13.4	(13)	9.7	(10)	27.00	0.89	34.3	80.1
Average		11.9		13.2		9.2		33.00**	1.12	28.1	73.2
Morningstar NZ Multi Sector Growth Index		13.8		13.2		8.7					70.5

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Morningstar KiwiSaver Report: 30 September 2014

Multi Sector Options (continued)

	Assets NZ\$M	Total Returns % p.a.						Member Fee \$/year	31/03/2014 Total		Growth Assets %
		1-year		3-year		5-Year			Expense Ratio	NZ Domiciled Assets	
									%	%	
Aggressive											
AMP LS Aggressive	188.8	12.4	(7)	14.5	(4)	8.9	(6)	23.40	1.14	21.9	89.9
Aon Russell Lifepoints 2045	8.6	13.5	(4)	16.0	(2)	11.2	(1)	50.00	1.26	4.3	78.6
Fidelity Aggressive Kiwi	19.2	12.0	(8)	14.0	(6)	7.7	(7)	36.36	1.41	23.1	82.5
Fidelity AC Growth	14.8	9.9	(11)	--	--	--	--	36.36	1.38	17.7	86.5
Fisher Growth	798.6	9.9	(10)	13.4	(7)	9.2	(4)	36.00	1.89	37.7	84.0
Forsyth Barr Growth	10.0	8.8	(12)	9.6	(10)	5.0	(10)	36.00	1.60	29.5	87.0
Generate Focused Growth	9.1	12.7	(6)	--	--	--	--	36.00	1.63	22.1	98.1
Grosvenor AC Growth	0.7	--	--	--	--	--	--	36.00	--	17.7	86.5
Grosvenor Geared Growth	4.0	12.9	(5)	13.2	(8)	6.7	(8)	36.00	2.02	18.7	98.2
Grosvenor High Growth	92.2	11.7	(9)	12.8	(9)	6.2	(9)	36.00	1.41	22.0	83.2
Kiwi Wealth Growth	575.0	16.4	(1)	18.3	(1)	9.0	(5)	***	1.14	7.7	92.4
Mercer High Growth*	58.9	14.2	(3)	14.5	(5)	9.7	(2)	30.00	0.93	31.7	90.5
Mercer Super Trust High Growth*	10.8	14.3	(2)	14.5	(3)	9.6	(3)	34.20	1.11	31.2	91.0
Average		12.4		14.1		8.3		36.00**	1.41	21.9	88.3
Morningstar NZ Multi Sector Aggressive Index		15.6		14.8		8.7					91.3

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Morningstar KiwiSaver Report: 30 September 2014

Single Sector Options

	Assets NZ\$M	Total Returns % p.a						Member Fee \$/year	31/03/2014 Total		Growth Assets %
									Expense Ratio	NZ Domiciled Assets	
		1-year	3-year	5-Year		%	%				
Cash											
AMP Cash	65.7	2.9	(16)	2.8	(13)	3.0	(7)	23.40	0.69	100.0	0.0
ANZ Cash	190.0	3.2	(7)	3.0	(7)	2.9	(10)	24.00	0.44	100.0	0.0
ANZ Default Cash	1.7	3.2	(8)	3.1	(5)	3.0	(8)	24.00	0.44	100.0	0.0
Aon OnePath Cash	3.1	2.6	(17)	2.6	(14)	2.7	(14)	50.00	0.90	100.0	0.0
Aon Tyndall Cash	1.4	3.1	(15)	3.2	(3)	3.3	(4)	50.00	0.88	100.0	0.0
ASB Scheme's NZ Cash	289.2	3.2	(5)	2.8	(11)	2.7	(11)	30.00	0.34	100.0	0.0
BNZ Cash	53.2	3.2	(11)	--	--	--	--	24.00	0.28	100.0	0.0
FC Scheme's NZ Cash	9.0	3.2	(6)	2.8	(12)	2.7	(12)	36.00	0.35	100.0	0.0
Fisher TWO Preservation	23.2	3.2	(13)	3.2	(4)	3.2	(5)	33.00	0.64	100.0	0.0
Grosvenor Enhanced Income	18.1	3.3	(4)	3.3	(1)	3.5	(1)	36.00	0.82	100.0	0.0
Kiwi Wealth Cash	26.3	3.5	(3)	--	--	--	--	***	0.94	100.0	0.0
Kiwi Wealth Cash Plus	19.9	3.9	(1)	--	--	--	--	***	0.93	86.1	0.0
Mercer Cash*	9.4	3.2	(10)	3.0	(6)	3.5	(2)	30.00	0.37	100.0	0.0
Mercer Super Trust Cash*	2.1	3.1	(14)	3.0	(8)	3.4	(3)	34.20	0.52	100.0	0.0
OneAnswer Cash	20.9	3.2	(12)	2.9	(10)	2.7	(13)	24.00	0.58	100.0	0.0
Staples Rodway Conservative*	20.9	3.7	(2)	3.3	(2)	3.1	(6)	40.00	1.19	100.0	0.0
Westpac Cash	226.7	3.2	(9)	2.9	(9)	2.9	(9)	27.00	0.47	100.0	0.0
Fixed Income											
Mercer Super Trust Fixed Intr*	1.0	7.1	(1)	5.0	(1)	6.0	(1)	34.20	0.86	38.4	0.0
OneAnswer International Fixed Interest	2.3	6.8	(2)	4.9	(2)	5.3	(3)	24.00	0.85	0.2	0.0
OneAnswer New Zealand Fixed Interest	5.2	4.9	(3)	3.8	(3)	6.0	(2)	24.00	0.84	100.0	0.0
International Equity											
FC Scheme's Active High Growth	3.7	18.3	(2)	17.8	(3)	9.0	(4)	36.00	0.94	6.2	93.8
FC Scheme's Global Sustainability	7.2	15.9	(5)	18.2	(2)	10.4	(2)	36.00	1.41	2.2	97.8
Fisher TWO Equity	46.2	11.9	(7)	15.3	(6)	8.8	(5)	33.00	1.32	47.8	95.3
Grosvenor International Share	5.4	17.1	(3)	15.7	(5)	--	--	36.00	1.48	1.4	98.6
Mercer Super Trust Global*	2.1	18.3	(1)	17.8	(4)	10.5	(1)	34.20	1.12	1.7	98.3
OneAnswer International Share	27.1	16.4	(4)	18.5	(1)	10.3	(3)	24.00	1.09	0.1	99.9
OneAnswer Sustainable Growth	2.5	15.7	(6)	14.4	(7)	7.1	(6)	24.00	1.55	4.4	95.7
Property											
Mercer Super Trust Real Assets*	1.0	10.8	(3)	11.0	(3)	8.9	(3)	34.20	1.36	29.1	97.7
OneAnswer Australasian Property	9.7	17.2	(1)	16.2	(2)	12.4	(2)	24.00	1.09	0.3	99.8
OneAnswer International Property	5.9	15.9	(2)	17.9	(1)	14.4	(1)	24.00	1.12	0.4	99.6

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Morningstar KiwiSaver Report: 30 September 2014

Single Sector Options (continued)

	Assets NZ\$m	Total Returns % p.a						Member Fee \$/year	31/03/2014 Total		
		1-year		3-year		5-Year			Expense Ratio	NZ Domiciled Assets	Australian Assets
									%	%	%
Australasian Equity											
Aon Milford	84.1	13.4	(5)	19.4	(2)	13.8	(2)	50.00	2.82	70.3	15.8
Grosvenor Socially Responsible	10.8	7.0	(7)	10.2	(7)	--		36.00	1.26	40.1	17.0
Grosvenor Trs-Tasm Sm Coms Shr	4.3	0.0	(8)	5.7	(8)	--		36.00	1.43	32.4	67.6
Mercer Super Trust Shares*	2.1	17.8	(1)	18.3	(5)	11.2	(5)	34.20	1.11	31.0	0
Mercer Super Trust TransTasman*	2.4	15.5	(3)	18.6	(3)	12.3	(4)	34.20	1.08	100.0	0
Milford Active Growth	282.4	13.9	(4)	19.7	(1)	13.9	(1)	36.00	2.59	70.3	15.8
OneAnswer Australasian Share	18.4	16.0	(2)	18.4	(4)	12.7	(3)	24.00	1.07	89.4	10.6
Smartshares Growth	23.4	10.4	(6)	14.4	(6)	7.7	(6)	****	0.80	100.0	0
Miscellaneous											
Fidelity Options	76.3	14.1		15.0		8.6		36.36	1.15		
Fidelity Capital Guaranteed	39.9	3.3		4.6		4.3		36.36	0.83		
Grosvenor Capital Guaranteed	0.0	--		--		--		36.00	--		
NZ Funds Growth	42.5	16.2		17.7		--		36.00	1.21		
NZ Funds Income	8.6	5.0		5.3		--		36.00	0.89		
NZ Funds Inflation	29.4	14.5		9.5		--		36.00	1.95		
Westpac Capital Protect Plan 1	11.0	16.1		16.6		10.5		27.00	1.60		
Westpac Capital Protect Plan 2	9.4	16.1		16.6		--		27.00	1.60		
Westpac Capital Protect Plan 3	15.2	16.1		16.6		--		27.00	1.60		
Westpac Capital Protect Plan 4	21.7	16.1		--		--		27.00	1.60		
Westpac Capital Protect Plan 5	18.1	16.1		--		--		27.00	1.60		

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Market Share Analysis

	AUM, Sept 2014				AUM, Dec 2013				AUM, Dec 2012				AUM, Dec 2011		
	\$M	%	Rank	Rank Change	\$M	%	Rank	Rank Change	\$M	%	Rank	Rank Change	\$M	%	Rank
By Provider															
AMP	3307.5	14.1	(3)		2861.5	15.1	(3)	▲	1485.5	10.3	(4)	▼	1178.1	10.8	(3)
ANZ/OneAnswer	5791.1	24.8	(1)		4602.7	24.2	(1)		3445.7	23.8	(1)		2513.7	23.0	(1)
Aon	278.7	1.2	(11)	▼	231.4	1.2	(9)	▲	180.5	1.2	(10)		135.8	1.2	(10)
ASB	4493.8	19.2	(2)		3682.6	19.4	(2)		2859.3	19.7	(2)		2188.0	20.0	(2)
BNZ	376.2	1.6	(9)	▲	184.2	1.0	(11)		--	--			--	--	
Fisher Funds	2308.9	9.9	(5)		1941.3	10.2	(5)	▲	660.0	4.6	(8)		476.7	4.4	(8)
Forsyth Barr	21.5	0.1	(15)		16.6	0.1	(15)	▼	12.3	0.1	(14)		8.3	0.1	(14)
Generate	21.4	0.1	(16)		3.3	0.0	(16)		--	--			--	--	
Grosvenor	766.6	3.3	(8)		648.8	3.4	(8)	▲	380.3	2.6	(9)		291.8	2.7	(9)
Kiwi Wealth	1567.6	6.7	(6)		1240.9	6.5	(6)		842.0	5.8	(6)	▲	640.1	5.9	(7)
Mercer	1121.4	4.8	(7)		958.2	5.0	(7)		806.6	5.6	(7)	▼	661.8	6.1	(6)
Milford	341.1	1.5	(10)		222.1	1.2	(10)	▲	99.1	0.7	(11)		38.9	0.4	(11)
NZ Funds	80.6	0.3	(12)		55.8	0.3	(12)		--	--			--	--	
Smartshares	34.4	0.1	(14)		29.6	0.2	(14)	▼	26.5	0.2	(13)		21.7	0.2	(13)
Staples Rodway	50.2	0.2	(13)		43.6	0.2	(13)	▼	35.4	0.2	(12)		28.0	0.3	(12)
Westpac	2826.9	12.1	(4)		2268.9	11.9	(4)	▼	1713.6	11.8	(3)	▲	1176.6	10.8	(4)
Closed/Merged Providers															
AXA to AMP, Early 2013									893.0	6.2	(5)		721.2	6.6	(5)
Tower to Fisher, Mid 2013									894.2	6.2	(5)		717.9	6.6	(6)
Fidelity to Grosvenor, Mid 2013									140.8	0.7	(12)		111.5	1.0	(12)
Brook, Mid 2014					10.2	0.1	(16)		7.1	0.0	(17)		5.9	0.1	(17)
Total	23,388				19,002				14,482				10,916		

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