

KiwiSaver Survey

December Quarter 2014

Investors across all KiwiSaver categories were rewarded in 2014, as both income and growth assets performed positively. However, the recent market strength is unlikely to be sustained in the future. Investors should also be wary of chasing performance, and focus on ensuring that they're in the most appropriate risk profile for their personal circumstances.

Tim Murphy
| 22-January-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 31 December 2014.

During the quarter there were no new funds added to the database, however the Fidelity KiwiSaver funds were merged into the Grosvenor KiwiSaver scheme. Fidelity Life sold its KiwiSaver scheme to Grosvenor Financial Services in July 2013.

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

Market Commentary

Volatility was a key characteristic of global markets over the last quarter of 2014. The rapid and sudden fall in the price of oil was a major contributor to that. Many investors were caught off guard as the price of crude oil approximately halved to US\$50 amid decreased demand from China and India, greater production in the U.S. and OPEC's decision to maintain production levels. The divergence between the Eurozone and U.S.

economies also remained in focus as investors contemplated when rates in the States will begin to rise and what measures may be necessary to solve the bloc's growth and unemployment issues.

In this environment, global markets in aggregate were up just 0.84% in NZ dollar terms. Within this, the US market (S&P 500) was up 4.64%, the UK market (FTSE) fell 4.32% and the Japanese market (Nikkei) slipped 1.55% (rallied 7.90% in Yen).

The NZ dollar strengthened against major trading partners and provided a headwind for market returns if left unhedged. The NZ\$ rose 0.90% to US78¢ from US78¢ and rallied 5.30% to EURO.64 from EURO.61. The local dollar also strengthened against the Aussie dollar, rising 7.48% to AUD0.96 from AUD0.89. Naturally, that hurt returns from across the Tasman, with the S&P/ASX 200 falling 3.83% in NZD terms even though it rose 3.11% in local currency.

The local stock market returned an impressive 5.96% during the quarter following the convincing National Party election victory at the end of September. The RBNZ has also indicated that

potential monetary tightening will be pushed out later than originally expected, providing a tailwind for listed companies.

Listed property continued to rally locally and around the globe as investors search for income-producing assets in a world of falling yields. Global listed property rallied 13.04% to cap off an extremely strong year, while domestic listed property also finished the year strongly with a gain of 10.00%.

Bond yields continued to fall around the globe amid growth and inflation worries, thereby resulting in strong returns for bond investors. The global Barclays Aggregate Bond index rose 3.16% in NZ\$ terms and the local composite fixed income index produced a return of 2.96%.

Fund Manager Results

Investors across all categories were rewarded during the quarter as both income and growth assets exhibited positive performance. As most asset classes registered positive returns there was little disparity between the average returns for the five categories. The growth category was the strongest, posting 3.38%, while the conservative category was the weakest, returning 2.41%.

Generate KiwiSaver and **Kiwi Wealth KiwiSaver** were the standout performers during the quarter as they led the league tables in the growth categories. **Aon KiwiSaver Russell** was the strongest performer in the income categories as their allocation to international bond markets helped propel returns. **Milford KiwiSaver Conservative** continues to be the stand-out fund in the moderate 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. These funds have historically sat at the higher end of the growth/income split for each category range thereby benefiting from strong performance of equities. **ANZ KiwiSaver** continues to be the strongest of the default providers across the board, benefiting from greater exposure to international markets than competitors. Greater

international exposure than peers has also meant **Kiwi Wealth KiwiSaver** has comfortably been the strongest performer in the aggressive category over the past three years.

Be Wary of Performance Chasing

Every performance survey opens with the premise that past performance is no indication of future performance. This is very much the case here and a point we emphasise. Buying an investment when it is running hot and selling when it slumps is a common investing mistake.

Market returns have been extremely strong in recent times across all asset classes. Improving economic conditions, falling interest rates and accommodative monetary policy from central banks around the world have helped propel markets forward. However, these conditions will not last forever. Equity markets have surpassed their pre-GFC highs in many places and some central banks, including the RBNZ and the Federal Reserve, will look to tighten monetary policy in the foreseeable future. As a result, it will likely be difficult for bond and equity managers alike to post returns over the next five years similar to those achieved in the last five

With this in mind, it's easy to see that swapping KiwiSaver providers on the back of five-year performance numbers alone may be a poor decision. Instead, we believe that it's important for investors to first make sure that they are in the most appropriate risk profile (from conservative to aggressive). This decision, which corresponds with asset allocation, is likely to be the key determinant of future performance.

While growth assets (equities and listed property) post more volatile returns, they should offer higher long-term results overall. Investors with a considerable period of time to retirement are typically better suited to be invested in the risky end of the spectrum (in the growth and aggressive profiles) because they are less likely to need to sell their investments at a time when markets are down. Their longer time horizon affords them the ability to hold on through tough times and enjoy subsequent rebounds. Conversely, investors who are in or nearing retirement

are generally better off in less risky profiles (Conservative and Moderate, for example) because a shorter time horizon makes them less able to recover from capital losses. Thus, the active decision to choose an appropriate risk profile can pay off significantly in the long-run.

Assets Under Management

KiwiSaver assets on the Morningstar database grew to NZ\$25.23 billion at 31 December 2014 from NZ\$954.10 million at 30 June 2008, which is a phenomenal growth rate. ANZ and ASB remained the dominant players at 31 December 2014, with a steady 43.8% 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 eight largest KiwiSaver providers accounting for 94.50% 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. ■■

Tim Murphy is Director of Manager Research with Morningstar Australasia.

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Morningstar KiwiSaver Report: 31 December 2014

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)	1241.7	6.8	(11)	6.2	(11)	5.1	(11)	23.40	0.58	67.6	20.6
ANZ Conservative	399.7	9.0	(3)	7.5	(4)	6.8	(4)	24.00	0.95	38.8	23.4
OnePath Conservative (Default)	830.7	9.5	(2)	7.5	(5)	7.0	(2)	24.00	0.51	39.5	22.1
Aon Russell Lifepoints Conservative	71.9	10.4	(1)	9.9	(1)	8.9	(1)	50.00	1.05	15.8	20.7
ASB Scheme's Conservative (Default)	2486.3	7.4	(10)	6.3	(10)	5.9	(9)	30.00	0.38	55.9	20.0
BNZ Conservative	137.5	8.6	(5)	--	--	--	--	24.00	0.65	49.4	21.2
FC Scheme's Conservative	0.7	7.4	(9)	6.3	(9)	5.9	(10)	36.00	0.39	55.9	20.0
Fisher Conservative	281.1	6.5	(12)	7.4	(6)	5.9	(8)	36.00	1.03	55.3	22.1
Fisher TWO Cash Enhanced (Default)	553.6	8.4	(7)	6.8	(8)	6.0	(7)	33.00	0.57	69.4	21.0
Grosvenor (Default)	3.4	--	--	--	--	--	--	****	--	55.5	20.1
Kiwi Wealth Conservative	308.5	7.6	(8)	7.2	(7)	6.4	(6)	***	1.10	51.0	18.1
Kiwi Wealth Default	11.6	--	--	--	--	--	--	***	--	70.6	20.2
Mercer Conservative (Default)*	881.3	8.5	(6)	7.9	(2)	6.8	(5)	30.00	0.57	52.7	21.6
OneAnswer Conservative	314.4	9.0	(4)	7.6	(3)	6.9	(3)	24.00	0.94	38.8	23.4
Smartshares Conservative	3.5	--	--	--	--	--	--	****	0.80	Und.	Und.
Westpac Defensive (Default)	7.4	--	--	--	--	--	--	27.00	--	65.3	18.8
Average		8.3		7.3		6.5		28.50**	0.7	52.1	20.9
Morningstar NZ Multi Sector Conservative Index		7.8		6.3		5.9					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	210.4	7.2	(17)	6.4	(13)	5.8	(14)	23.40	0.90	54.7	25.6
AMP LS Moderate	238.0	7.9	(14)	7.9	(8)	6.3	(11)	23.40	0.98	46.2	40.6
ANZ Conservative Balanced	444.6	10.3	(6)	10.0	(4)	8.2	(4)	24.00	0.94	32.1	38.9
OnePath Conservative Balanced	13.8	10.6	(3)	9.5	(5)	7.9	(5)	24.00	0.56	32.2	38.8
Aon Russell Lifepoints 2015	4.9	10.5	(4)	10.7	(2)	9.0	(2)	50.00	1.07	15.8	22.8
Aon Russell Lifepoints Moderate	12.7	11.0	(2)	12.0	(1)	9.6	(1)	50.00	1.13	11.8	41.0
ASB Scheme's Moderate	752.3	9.2	(10)	8.7	(7)	7.3	(6)	30.00	0.57	44.2	40.1
BNZ Moderate	113.4	10.0	(7)	--	--	--	--	24.00	0.83	26.2	36.5
FC Scheme's Active Conservative	2.3	7.4	(16)	7.9	(9)	6.3	(10)	36.00	0.78	Und.	Und.
FC Scheme's Moderate	1.1	9.2	(9)	8.7	(6)	7.3	(7)	36.00	0.58	44.2	40.1
Fisher TWO Conservative	95.3	8.6	(11)	7.6	(10)	6.8	(8)	33.00	1.04	63.9	29.4
Generate Conservative	8.1	9.7	(8)	--	--	--	--	36.00	1.27	93.9	29.1
Grosvenor AC Conservative	5.5	--	--	--	--	--	--	36.36	--	7.4	30.1
Grosvenor Conservative	97.6	8.0	(13)	5.7	(14)	5.9	(13)	36.00	1.17	51.1	25.1
Mercer Super Trust Conserv*	2.8	7.7	(15)	7.5	(12)	6.3	(12)	34.20	0.92	52.4	31.5
Milford Conservative	11.5	16.4	(1)	--	--	--	--	36.00	1.00	34.0	39.3
OneAnswer Conservative Balanced	104.5	10.3	(5)	10.1	(3)	8.3	(3)	24.00	0.94	32.1	38.9
Westpac Conservative	1493.6	8.6	(12)	7.6	(11)	6.7	(9)	27.00	0.72	53.2	24.8
Westpac Moderate	12.8	--	--	--	--	--	--	27.00	--	46.2	38.8
Average		9.6		8.6		7.3		33.00**	0.91	41.18	33.96
Morningstar NZ Multi Sector Moderate Index		9.7		8.3		7.0					39.6

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Morningstar KiwiSaver Report: 31 December 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	
									%	%	
Balanced											
AMP Fisher TWO Balanced	21.5	10.8	(11)	10.8	(13)	7.8	(13)	23.40	1.13	54.9	55.3
AMP LS Balanced	549.9	8.9	(18)	10.4	(15)	7.4	(15)	23.40	1.03	35.2	60.8
AMP LS Moderate Balanced	348.2	8.5	(19)	9.2	(17)	6.8	(16)	23.40	1.03	40.8	50.6
ANZ Balanced	916.6	11.3	(5)	12.4	(7)	9.4	(5)	24.00	0.99	26.3	53.5
OnePath Balanced	39.9	11.7	(2)	11.5	(10)	8.8	(6)	24.00	0.61	26.2	53.1
Aon OnePath Balanced	19.4	11.2	(7)	13.0	(4)	9.8	(2)	50.00	1.19	33.3	59.7
Aon Russell Lifepoints 2025	11.7	11.0	(9)	12.9	(5)	9.7	(3)	50.00	1.16	11.7	43.1
Aon Russell Lifepoints Balanced	40.6	11.5	(4)	14.2	(2)	10.1	(1)	50.00	1.20	7.8	61.0
ASB Scheme's Balanced	570.7	10.2	(15)	11.2	(12)	8.4	(9)	30.00	0.61	33.0	60.0
BNZ Balanced	81.7	10.8	(10)	--	--	--	--	24.00	0.93	23.7	51.7
FC Scheme's Active Balanced	9.1	10.6	(13)	11.6	(8)	7.7	(14)	36.00	0.83	Und.	Und.
FC Scheme's Balanced	1.7	10.2	(14)	11.3	(11)	8.4	(10)	36.00	0.63	33.0	59.9
Fisher TWO Balanced	432.1	10.7	(12)	10.6	(14)	7.9	(11)	33.00	1.14	54.9	55.3
Grosvenor Balanced	263.9	9.4	(17)	8.2	(18)	6.1	(17)	36.00	1.29	33.2	53.7
Grosvenor SRI Balanced	13.6	--	--	--	--	--	--	36.00	--	35.4	55.1
Kiwi Wealth Balanced	876.5	11.1	(8)	13.1	(3)	8.5	(8)	***	1.11	27.9	55.6
Mercer Super Trust Moderate*	49.5	9.7	(16)	10.4	(16)	7.8	(12)	34.20	0.74	40.9	53.1
Milford Balanced	59.1	14.0	(1)	16.3	(1)	--	--	36.00	1.48	34.4	69.2
OneAnswer Balanced	314.4	11.5	(3)	12.5	(6)	9.5	(4)	24.00	0.99	26.3	53.5
Smartshares Balanced	8.0	--	--	--	--	--	--	****	0.78	Und.	Und.
Westpac Balanced	734.0	11.3	(6)	11.6	(9)	8.7	(7)	27.00	0.83	39.5	59.2
Average		10.8		11.7		8.4		33.00**	0.99	32.5	56.0
Morningstar NZ Multi Sector Balanced Index		10.3		10.7		7.8					58.1

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Multi Sector Options (continued)

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		1-year		3-year		5-Year			Expense Ratio	NZ Domiciled Assets	
									%	%	
Growth											
AMP ANZ Balanced Plus	122.0	12.2	(10)	13.9	(10)	10.1	(9)	23.40	1.03	21.3	66.1
AMP LS Growth	430.5	9.7	(25)	12.3	(17)	7.8	(22)	23.40	1.08	25.3	80.9
AMP Tyndall Balanced	17.3	10.6	(20)	11.7	(19)	8.2	(20)	23.40	1.42	38.9	71.8
ANZ Balanced Growth	747.9	12.3	(9)	14.8	(7)	10.5	(6)	24.00	1.04	20.8	68.2
OnePath Balanced Growth	45.5	12.6	(6)	13.6	(12)	9.7	(11)	24.00	0.66	20.7	68.3
ANZ Default Growth	39.6	13.6	(2)	15.6	(4)	10.6	(5)	24.00	0.71	16.0	83.4
ANZ Growth	1315.4	13.2	(4)	17.1	(2)	11.6	(2)	24.00	1.09	16.4	83.0
Aon Russell Lifepoints 2035	9.7	11.5	(13)	14.8	(6)	10.3	(7)	50.00	1.21	7.8	62.1
Aon Russell Lifepoints Growth	20.2	11.8	(12)	15.9	(3)	10.7	(3)	50.00	1.25	4.8	75.8
Aon Tyndall Balanced	4.7	10.5	(21)	11.6	(20)	8.1	(21)	50.00	1.27	38.9	71.8
ASB Scheme's Growth	562.2	10.9	(18)	13.5	(14)	9.2	(12)	30.00	0.66	25.7	79.8
BNZ Growth	58.0	11.2	(15)	--	--	--	--	24.00	1.01	26.1	71.3
FC Scheme's Active Growth	10.3	11.4	(14)	14.1	(8)	8.4	(17)	36.00	0.87	Und.	Und.
FC Scheme's Growth	1.9	10.9	(17)	13.5	(13)	9.2	(13)	36.00	0.68	25.7	79.8
Fisher TWO Growth	158.0	12.1	(11)	13.4	(15)	9.1	(14)	33.00	1.27	53.2	77.9
Forsyth Barr Balanced	11.8	7.8	(26)	7.7	(24)	4.7	(23)	36.00	1.53	45.0	65.2
Generate Growth	12.9	13.6	(1)	--	--	--	--	36.00	1.41	48.7	77.9
Grosvenor Balanced Growth	122.9	9.9	(24)	10.2	(23)	--	--	36.00	1.34	26.2	72.2
Mercer Balanced*	70.9	10.1	(23)	11.4	(22)	8.4	(18)	30.00	0.82	38.4	63.1
Mercer Super Trust Active Bal*	60.8	10.2	(22)	11.5	(21)	8.4	(19)	34.20	0.97	38.0	63.8
Mercer Super Trust Growth*	7.2	10.9	(19)	12.8	(16)	8.8	(15)	34.20	1.05	34.3	74.6
OneAnswer Balanced Growth	287.2	12.5	(7)	14.9	(5)	10.6	(4)	24.00	1.04	20.8	68.2
OneAnswer Growth	207.7	13.3	(3)	17.1	(1)	11.7	(1)	24.00	1.09	16.4	83.0
Staples Rodway Balanced*	20.5	12.4	(8)	14.0	(9)	10.2	(8)	40.00	1.63	28.1	66.5
Staples Rodway Growth*	10.1	11.1	(16)	12.1	(18)	8.8	(16)	40.00	1.99	19.8	76.6
Westpac Growth	452.1	12.8	(5)	13.8	(11)	9.8	(10)	27.00	0.89	34.3	80.1
Average		11.5		13.4		9.3		31.50**	1.12	27.7	73.3
Morningstar NZ Multi Sector Growth Index		11.3		12.7		8.5					70.5

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Multi Sector Options (continued)

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		1-year		3-year		5-Year			Expense Ratio	NZ Domiciled Assets	
									%	%	
Aggressive											
AMP LS Aggressive	195.3	10.2	(8)	13.6	(6)	8.2	(6)	23.40	1.14	20.7	91.0
Aon Russell Lifepoints 2045	9.3	11.9	(4)	16.6	(2)	10.8	(1)	50.00	1.26	4.8	76.8
Fisher Growth	837.7	6.8	(10)	14.1	(5)	8.4	(5)	36.00	1.89	36.4	84.9
Forsyth Barr Growth	10.4	8.9	(9)	9.4	(9)	4.9	(9)	36.00	1.60	29.5	87.0
Generate Focused Growth	15.1	14.0	(2)	--	--	--	--	36.00	1.63	28.6	93.8
Grosvenor AC Growth	18.1	--	--	--	--	--	--	36.00	--	17.7	86.5
Grosvenor Geared Growth	4.2	12.3	(3)	12.9	(7)	6.7	(7)	36.00	2.02	18.7	98.2
Grosvenor High Growth	117.1	10.3	(7)	12.3	(8)	6.2	(8)	36.00	1.41	22.0	83.2
Kiwi Wealth Growth	698.3	14.2	(1)	18.8	(1)	10.0	(2)	***	1.14	7.7	92.4
Mercer High Growth*	63.8	11.9	(5)	14.6	(4)	9.6	(3)	30.00	0.93	30.6	90.7
Mercer Super Trust High Growth*	11.4	11.9	(6)	14.7	(3)	9.6	(4)	34.20	1.11	30.0	91.8
Average		11.2		14.1		8.3		36.00**	1.41	22.4	88.7
Morningstar NZ Multi Sector Aggressive Index		11.2		13.9		8.4					91.3

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Morningstar KiwiSaver Report: 31 December 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	65.3	3.1	(16)	2.8	(13)	3.0	(8)	23.40	0.69	100.0	0.0
ANZ Cash	199.0	3.6	(5)	3.1	(8)	3.0	(9)	24.00	0.44	100.0	0.0
OnePath Cash	1.9	3.5	(6)	3.1	(6)	3.1	(7)	24.00	0.44	100.0	0.0
Aon OnePath Cash	3.4	2.9	(17)	2.6	(14)	2.7	(14)	50.00	0.90	100.0	0.0
Aon Tyndall Cash	1.4	3.3	(14)	3.3	(1)	3.4	(4)	50.00	0.88	100.0	0.0
ASB Scheme's NZ Cash	304.8	3.5	(8)	3.0	(12)	2.8	(13)	30.00	0.34	100.0	0.0
BNZ Cash	60.0	3.2	(15)	--	--	--	--	24.00	0.28	100.0	0.0
FC Scheme's NZ Cash	0.3	3.6	(4)	3.0	(10)	2.8	(12)	36.00	0.35	100.0	0.0
Fisher TWO Preservation	23.5	3.5	(9)	3.3	(3)	3.2	(5)	33.00	0.64	100.0	0.0
Grosvenor Enhanced Income	18.2	3.5	(7)	3.3	(4)	3.4	(3)	36.00	0.82	100.0	0.0
Kiwi Wealth Cash	53.7	3.7	(3)	--	--	--	--	***	0.94	100.0	0.0
Kiwi Wealth Cash Plus	23.7	4.5	(1)	--	--	--	--	***	0.93	86.1	0.0
Mercer Cash*	9.6	3.4	(11)	3.1	(5)	3.5	(1)	30.00	0.37	100.0	0.0
Mercer Super Trust Cash*	2.1	3.4	(12)	3.1	(7)	3.4	(2)	34.20	0.52	100.0	0.0
OneAnswer Cash	22.3	3.5	(10)	3.0	(11)	2.8	(11)	24.00	0.58	100.0	0.0
Staples Rodway Conservative*	21.2	3.8	(2)	3.3	(2)	3.1	(6)	40.00	1.19	100.0	0.0
Westpac Cash	232.8	3.4	(13)	3.0	(9)	2.9	(10)	27.00	0.47	100.0	0.0
Fixed Income											
Mercer Super Trust Fixed Intr*	1.0	7.9	(2)	5.6	(1)	6.0	(2)	34.20	0.86	31.0	0.0
OneAnswer International Fixed Interest	2.4	10.2	(1)	5.5	(2)	5.9	(3)	24.00	0.85	0.3	0.0
OneAnswer New Zealand Fixed Interest	5.3	7.7	(3)	3.7	(3)	6.2	(1)	24.00	0.84	100.0	0.0
International Equity											
FC Scheme's Active High Growth	1.5	10.3	(4)	16.4	(4)	8.5	(5)	36.00	0.94	Und.	Und.
FC Scheme's Global Sustainability	2.6	16.2	(1)	19.2	(1)	10.9	(1)	36.00	1.41	5.5	94.5
Fisher TWO Equity	50.3	13.9	(2)	14.4	(5)	8.6	(4)	33.00	1.32	47.5	94.1
Grosvenor International Share	5.9	9.6	(6)	14.1	(6)	--	--	36.00	1.48	1.4	98.6
Mercer Super Trust Global*	2.2	11.7	(3)	16.7	(3)	10.3	(2)	34.20	1.12	2.2	97.8
OneAnswer International Share	28.1	9.8	(5)	17.0	(2)	9.9	(3)	24.00	1.09	0.3	99.7
OneAnswer Sustainable Growth	3.0	8.5	(7)	12.4	(7)	6.4	(6)	24.00	1.55	7.2	92.8
Property											
Mercer Super Trust Real Assets*	1.3	12.6	(3)	11.9	(3)	9.2	(3)	34.20	1.36	27.9	99.1
OneAnswer Australasian Property	10.5	23.5	(2)	19.4	(1)	13.9	(2)	24.00	1.09	0.6	99.4
OneAnswer International Property	6.7	28.4	(1)	18.7	(2)	15.6	(1)	24.00	1.12	0.2	99.8

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Morningstar KiwiSaver Report: 31 December 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	91.4	14.6	(4)	20.2	(4)	13.8	(2)	50.00	2.82	67.3	19.1
Grosvenor Socially Responsible	11.6	9.5	(6)	10.6	(6)	--		36.00	1.26	40.1	17.0
Grosvenor Trs-Tasm Sm Coms Shr	4.2	1.4	(7)	4.6	(7)	--		36.00	1.43	32.4	67.6
Mercer Super Trust Shares*	2.1	13.5	(5)	18.2	(5)	11.1	(5)	34.20	1.11	30.5	0
Mercer Super Trust TransTasman*	2.6	16.9	(2)	20.8	(2)	12.6	(4)	34.20	1.08	100.0	0
Milford Active Growth	320.2	14.8	(3)	20.4	(3)	13.9	(1)	36.00	2.59	67.3	19.1
OneAnswer Australasian Share	19.7	21.4	(1)	21.1	(1)	13.1	(3)	24.00	1.07	91.3	8.7
Smartshares Growth	24.9	--	--	--	--	--		****	0.80	Und.	Und.
Miscellaneous											
Grosvenor Capital Guaranteed	39.9	--	--	--	--	--		36.00	--		
Grosvenor Options	74.7	--	--	--	--	--		36.00	--		
NZ Funds Growth	48.2	11.8		18.5		--		36.00	1.21		
NZ Funds Income	10.0	4.5		5.0		--		36.00	0.89		
NZ Funds Inflation	32.9	11.6		9.0		--		36.00	1.95		
Westpac Capital Protect Plan 1	11.2	15.1		16.8		10.5		27.00	1.60		
Westpac Capital Protect Plan 2	9.6	15.1		16.8		10.5		27.00	1.60		
Westpac Capital Protect Plan 3	15.5	15.1		16.8		--		27.00	1.60		
Westpac Capital Protect Plan 4	22.1	15.1		16.8		--		27.00	1.60		
Westpac Capital Protect Plan 5	18.4	15.1		--		--		27.00	1.60		

Market Share Analysis

	AUM, Dec 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	3440.1	13.6	(3)		2861.5	15.3	(3)	▲	1485.5	10.5	(4)	▼	1178.1	11.0	(3)
ANZ/OneAnswer	6320.8	25.1	(1)		4602.7	24.7	(1)		3445.7	24.3	(1)		2513.7	23.5	(1)
Aon	301.5	1.2	(11)	▼	231.4	1.2	(9)		180.5	1.3	(9)		135.8	1.3	(9)
ASB	4707.8	18.7	(2)		3682.6	19.7	(2)		2859.3	20.1	(2)		2188.0	20.5	(2)
BNZ	450.7	1.8	(9)	▲	184.2	1.0	(11)		--	--			--	--	
Fisher Funds	2431.8	9.6	(5)		1941.3	10.4	(5)	▲	660.0	4.6	(8)		476.7	4.5	(8)
Forsyth Barr	22.2	0.1	(16)	▼	16.6	0.1	(15)	▼	12.3	0.1	(14)		8.3	0.1	(14)
Generate	36.1	0.1	(15)	▲	3.3	0.0	(16)		--	--			--	--	
Grosvenor	800.7	3.2	(8)		303.1	1.6	(8)	▲	93.9	0.7	(11)	▼	65.7	0.6	(10)
Kiwi Wealth	1972.4	7.8	(6)		1240.9	6.7	(6)		842.0	5.9	(6)	▲	640.1	6.0	(7)
Mercer	1168.8	4.6	(7)		958.2	5.1	(7)		806.6	5.7	(7)	▼	661.8	6.2	(6)
Milford	390.9	1.5	(10)		222.1	1.2	(10)		99.1	0.7	(10)	▲	38.9	0.4	(11)
NZ Funds	91.1	0.4	(12)		55.8	0.3	(12)		--	--			--	--	
Smartshares	36.5	0.1	(14)		29.6	0.2	(14)	▼	26.5	0.2	(13)		21.7	0.2	(13)
Staples Rodway	51.8	0.2	(13)		43.6	0.2	(13)	▼	35.4	0.2	(12)		28.0	0.3	(12)
Westpac	3009.5	11.9	(4)		2268.9	12.2	(4)	▼	1713.6	12.1	(3)	▲	1176.6	11.0	(4)
Closed/Merged Providers															
AXA to AMP, Early 2013									893.0	6.3	(5)		721.2	6.7	(5)
Tower to Fisher, Mid 2013									894.2	6.3	(5)		717.9	6.7	(6)
Fidelity to Grosvenor, Mid 2013									140.8	0.8	(11)		111.5	1.0	(11)
Brook, Mid 2014					10.2	0.1	(16)		7.1	0.0	(17)		5.9	0.1	(17)
Total	25,233				18,656				14,196				10,690		

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