

Analysis of New Zealand Retail Managed Funds as at June 2018

Release Date: 2 October 2018

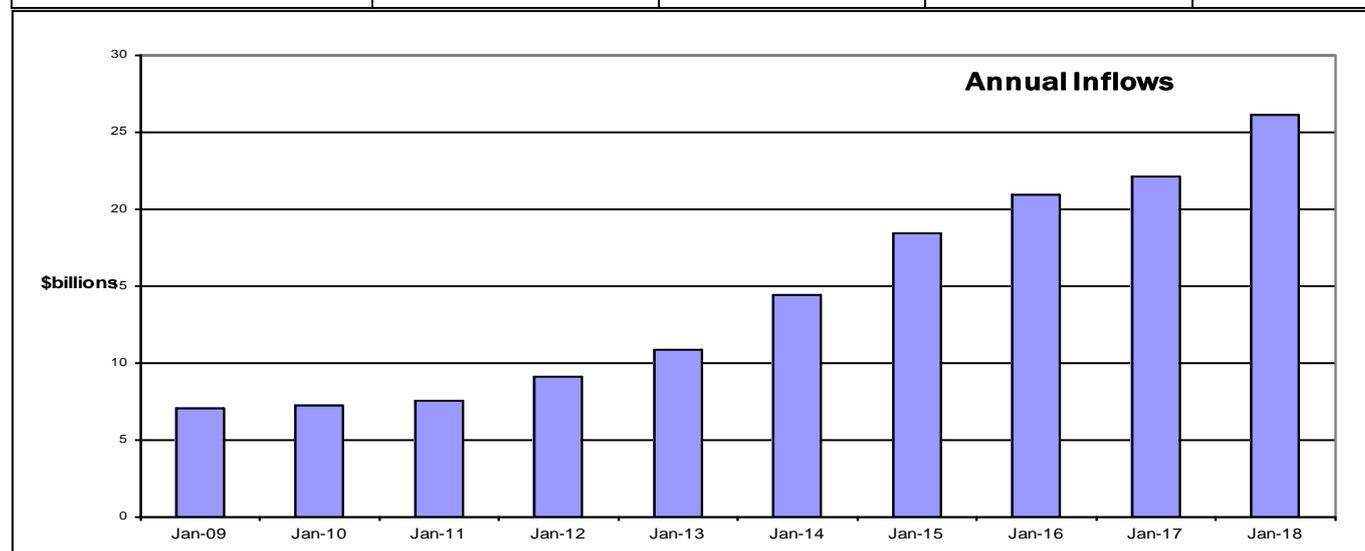
NZ\$3.7bn Growth in New Zealand Retail Managed Funds during June Quarter 2018

Retail Managed Funds grew 4.0% during the June 2018 quarter to NZ\$96.3bn while over the whole of 2017/18 they were up 14.4%. Nearly half of this growth was due to further significant net fund flows experienced during the past year with good performances on underlying investment markets accounting for the rest. Of the individual sub-markets KiwiSaver continued to outperform up another 19.8%. Unit Trusts & Managed Funds also increased by 10.4% while by contrast the Other Superannuation market was relatively flat up only 1.2% and Insurance & Investment Bonds continue to decline, down 5.4%. All the leading companies reported increases in their funds under management with the highest percentage growth being recorded by BNZ (40.5%), Milford (32.5%), Kiwi Wealth (21.9%), ASB (20.4%), Booster (20.2%), Fisher (16.0%), BT / Westpac (13.1%) and ANZ (11.9%).

Gross Inflows for the year to June were NZ\$26.1bn which was up 18.0% on the previous twelve months total; during the June quarter reported Inflows increased 8.3%. Mercer, Generate, BNZ, ASB, BT / Westpac, Milford and Kiwi Wealth all reported 20% plus, indeed in the case of the first three much higher, increases in their annual Inflows.

Funds Under Management								
NZ\$millions	Jun-18		Mar-18		Jun-17		Growth Rates	
							Qtrly	Annual
ANZ Investments	26,974	28.0%	25,968	28.0%	24,108	28.6%	3.9%	11.9%
ASB Group Investments	14,182	14.7%	13,475	14.6%	11,775	14.0%	5.2%	20.4%
BT / Westpac NZ	11,789	12.2%	11,472	12.4%	10,426	12.4%	2.8%	13.1%
AMP NZ	11,579	12.0%	11,362	12.3%	10,994	13.1%	1.9%	5.3%
Fisher Funds	5,908	6.1%	5,664	6.1%	5,091	6.0%	4.3%	16.0%
Mercer NZ	5,891	6.1%	5,699	6.2%	5,408	6.4%	3.4%	8.9%
Milford Asset Management	5,501	5.7%	5,132	5.5%	4,151	4.9%	7.2%	32.5%
Kiwi Wealth	3,870	4.0%	3,713	4.0%	3,174	3.8%	4.2%	21.9%
BNZ	1,782	1.9%	1,646	1.8%	1,268	1.5%	8.3%	40.5%
Booster	1,496	1.6%	1,419	1.5%	1,245	1.5%	5.4%	20.2%
Other Companies	7,321	7.6%	7,058	7.6%	6,565	7.8%	3.7%	11.5%
Totals	96,294	100.0%	92,608	100.0%	84,204	100.0%	4.0%	14.4%

Analysis By Market								
KiwiSaver	50,787	52.7%	48,479	52.3%	42,398	50.4%	4.8%	19.8%
Other Superannuation	6,722	7.0%	6,591	7.1%	6,645	7.9%	2.0%	1.2%
Unit Trusts & Managed Funds	38,490	40.0%	37,245	40.2%	34,848	41.4%	3.3%	10.4%
Insurance & Investment Bonds	295	0.3%	292	0.3%	312	0.4%	1.0%	-5.4%
Totals	96,294	100.0%	92,608	100.0%	84,204	100.0%	4.0%	14.4%



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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.

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