

Analysis of New Zealand Retail Managed Funds as at March 2020

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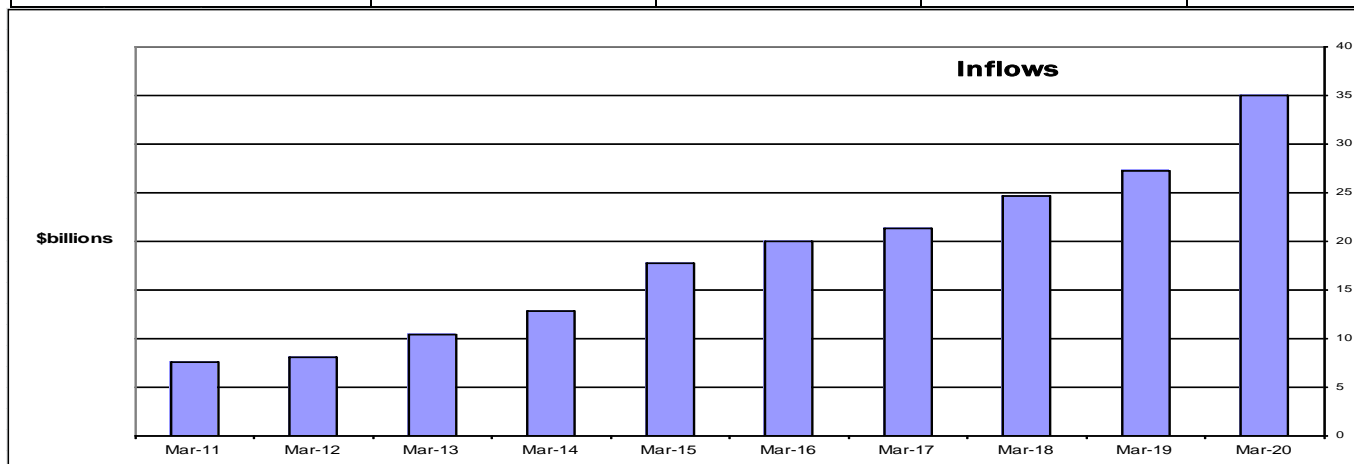
New Zealand Retail Managed Funds drop \$9.1bn during March Quarter 2020

Overall Retail Managed Funds at the end of March totalled NZ\$105.9bn, which was up 3.7% over the past year despite dropping 7.9% during the March quarter due to global investment markets dropping sharply with the fall initiated by the extraordinary quarantine measures enforced to slow the spread of the COVID-19 pandemic. They have since partially bounced back (US markets almost fully) but remain volatile and uncertain as economies worldwide continue to be in trouble with the spread of the virus out of control in many countries and the spectre of a 2nd wave of infections rapidly growing. The performances of the four leading companies was subdued and mixed with both ANZ (1.4%) and ASB (2.4%) slightly higher, BT / Westpac (0.3%) flat and AMP (-6.1%) lower. Meanwhile Milford (21.6%) and a couple of smaller companies BNZ (27.5%) and Booster (12.6%) reported double digit annual growth rates.

During the latest March quarter reported Gross Inflows jumped 25.9% to NZ\$10.4bn, while year on year they were up by 28.5%. Meanwhile corresponding Outflows increased even more sharply, up by a third, implying the past year was a period of higher volatility. Very significant annual Inflow growth was experienced by almost all participants including particular some well over 30% increases that were reported by Milford (76.0%), Generate (58.2%), Fisher (52.5%), BNZ (49.5%), ANZ (38.0%) and Mercer (37.9%).

Funds Under Management								
NZ\$millions	Mar-20		Dec-19		Mar-19		Growth Rates	
							Qtrly	Annual
ANZ Investments	27,035	25.5%	29,313	25.5%	26,665	26.1%	-7.8%	1.4%
ASB Group Investments	15,753	14.9%	17,004	14.8%	15,390	15.1%	-7.4%	2.4%
BT / Westpac NZ	12,816	12.1%	13,713	11.9%	12,775	12.5%	-6.5%	0.3%
AMP NZ	10,947	10.3%	12,091	10.5%	11,653	11.4%	-9.5%	-6.1%
Milford Asset Management	7,532	7.1%	8,293	7.2%	6,193	6.1%	-9.2%	21.6%
Fisher Funds	6,970	6.6%	7,595	6.6%	6,469	6.3%	-8.2%	7.8%
Mercer NZ	5,953	5.6%	6,523	5.7%	6,052	5.9%	-8.7%	-1.6%
Kiwi Wealth	4,490	4.2%	4,770	4.1%	4,276	4.2%	-5.9%	5.0%
BNZ	2,763	2.6%	2,753	2.4%	2,168	2.1%	0.4%	27.5%
Booster	1,919	1.8%	2,060	1.8%	1,704	1.7%	-6.9%	12.6%
Other Companies	9,760	9.2%	10,912	9.5%	8,856	8.7%	-10.6%	10.2%
Totals	105,939	100.0%	115,027	100.0%	102,199	100.0%	-7.9%	3.7%

Analysis By Market								
KiwiSaver	61,758	58.3%	66,254	57.6%	57,001	55.8%	-6.8%	8.3%
Other Superannuation	6,297	5.9%	7,122	6.2%	6,835	6.7%	-11.6%	-7.9%
Unit Trusts & Managed Funds	37,651	35.5%	41,388	36.0%	38,086	37.3%	-9.0%	-1.1%
Insurance & Investment Bonds	234	0.2%	263	0.2%	277	0.3%	-11.2%	-15.5%
Totals	105,939	100.0%	115,027	100.0%	102,199	100.0%	-7.9%	3.7%



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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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