

# KiwiSaver Performance Survey

## March Quarter 2012

Strong returns from sharemarkets meant that growth-focused KiwiSaver funds produced the best returns over the three months to 31 March 2012.

Chris Douglas  
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Morningstar has released its quarterly KiwiSaver Performance Survey, designed to help New Zealand investors assess the performance of their KiwiSaver superannuation options.

The accompanying tables show KiwiSaver fund returns for the one, three, and four years to 31 March 2012. There were no fund additions this quarter.

From this quarter we now have a consistent and robust measure of the total cost of a KiwiSaver scheme. Regular readers will notice that we have changed the Estimated Total Fee column to a Total Expense Ratio (TER) to the end of the last financial year (31 March 2011). We'll explore this in more detail later in this commentary.

We have also added a '3-Year Investor Return' column for our rotating content in this quarter's survey. Investor returns are cashflow-weighted returns which take into account a fund's quarterly asset-weighted returns. We all know that many KiwiSaver investors don't just invest a lump sum at day one and leave it, but rather deposit a regular payment each pay cheque. As a result, most KiwiSaver investors had very little money in the

early years of the scheme (when markets sold off), but have been investing constantly throughout the past four-and-a-half years. As the 3-Year Investor Return shows, there have been some very strong double-digit returns which may more appropriately illustrate an investor's KiwiSaver journey.

We hope you find this performance overview helpful, and as always, welcome any feedback you may have.

### Market Overview

Sharemarkets responded positively during the first quarter of 2012, overseas markets showing the best form. Japan and Germany sprinted ahead 19.26 and 17.78 percent respectively. The S&P500 Index shot up 12.59 percent, while the United Kingdom's FTSE100 was more lacklustre, only managing 4.64 percent. This still translated into an overall gain for the MSCI World Index of 6.50 percent. The best-performing asset classes were New Zealand and global listed property, up 8.04 and 8.02 percent respectively. The New Zealand sharemarket's 7.17 percent return lagged its global counterpart, but was still healthy, while the Australian sharemarket was also marginally ahead of New Zealand with an 8.40 percent return.

Global bonds posted solid low single-digit results for the first three months of 2012, delivering a 1.78 percent return. The New Zealand Government Stock Index contracted marginally with an -0.64 percent return, but corporate bonds posted an 0.34 percent gain. The \$NZ remained very strong relative to the \$US, and continued to strengthen over the quarter.

### **Fund Manager Results**

The strong returns from sharemarkets meant that KiwiSaver funds with higher exposures to growth assets (shares and property) outperformed those with more invested in income assets (cash and fixed interest) over the March 2012 quarter. Single-sector equities and Multi-Sector Growth and Aggressive options were the best performers over the first three months of 2012, continuing the trend in the last three months of 2011 and illustrating how quickly markets can turn after poor 2011 market returns.

Aon KiwiSaver Russell was consistently the best performer across the various multi-sector categories. Other providers deserving mention for top results were AXA, Mercer, and SIL KiwiSaver. The first two had strong performers in the contrasting Conservative and Aggressive multi-sector categories.

Sharemarket-oriented vehicles led the way among the single-sector funds over the March quarter, global property and global share funds the best performers among the single-sector KiwiSaver options, unsurprisingly given the returns from these asset classes. The best-performing option for the quarter, though, was **Grosvenor KiwiSaver Trans-Tasman Small Companies Share**, which was up 14.16 percent over these three months, although this same fund was in the red over the past 12 months with a -12.03 percent loss.

Looking out over three and four years is of course a better indicator of a fund manager's performance record. As the poor performance from the global financial crisis drops off, we are starting to see some divergence in these numbers. For the first time, it's the growth and aggressive funds which are the best performers over a three-year period. Here, **Fisher Funds KiwiSaver Growth KiwiSaver** was the best-performing multi-

sector fund, Aon KiwiSaver Russell Lifepoints, AXA, and Mercer also consistent performers.

However, once the market fall period of the financial crisis – when markets fell 20.0 percent and more – is added in, the Conservative funds rise to the top of the tables. The best-performing multi-sector fund over the past four years has been **Aon Russell Lifepoints Conservative**, while the number two and three spots went to **Grosvenor KiwiSaver Conservative** and **AMP KiwiSaver LifeSteps Conservative**. The Aon KiwiSaver and SIL KiwiSaver funds deserve mention for consistency in returns across the various multi-sector categories over the past four years.

Of the single-sector options, the strongest one-year performances to 31 March 2012 were produced by New Zealand listed property and fixed interest funds. **Milford Active Growth** (formerly Milford Aggressive) was the best-performing single-sector option over the past four years, and with a return of 9.44 percent per annum was the best-performing KiwiSaver option overall. This was followed by **Mercer Super Trust KiwiSaver Fixed Interest** and **SIL International Fixed Interest**.

### **Finally, Consistency and Transparency on Fees**

We pay a great deal of attention to fees at Morningstar, for a very simple reason: they are the one constant in future performance results that fund managers can control. Higher fees erode performance outcomes, which is why we spend considerable time and effort attempting to understand fee structures, and making judgements as to whether or not we consider they are appropriate.

Previously, we simply added the various fee components that were disclosed in the investment statement to come up with an estimated total fee. But this number did not include all fee components. In this quarterly performance survey, we have now replaced this with the total cost per fund at the end of the last financial year: 31 March 2011. The issue of fees is a murky one: there are a number of ways to calculate the overall cost of making a KiwiSaver investment. In this exercise, we have followed the global standard proposed by the International

Organisation of Securities Commissions (IOSCO). In line with this standard, the calculated Total Expense Ratio (TER) does not incorporate any dollar-based account fees.

The formula for the calculation of the TER is calculated at the end of each financial year:

Total Expense Ratio = (total expense per fund / Average 12-month fund net asset Value) \* 100

The TER expresses the expense ratio for a sub-fund or a type of share against the average net asset value (of the sub-fund or unit respectively) over a given period in the past. The TER should reflect the past record, and should not be an estimate for the present or future. In other words, the TER is the annual percentage reduction in investor returns that would result from operating costs if markets were to remain flat and the fund's portfolio were to be held and not traded during a period.

Our TER numbers include all standard fees such as management fee, administration fee, trustee fee, and marketing and legal expenses. The TER also includes performance fees, underlying sub-fund fees (whether they are unit trusts, individual managed accounts, or listed investment trusts). The TER excludes transaction costs, dollar-based account fees, and entry/exit fees.

We will be updating this number to 31 March 2012 in the September quarterly survey.

### **Assets Under Management**

KiwiSaver assets on the Morningstar database have grown from NZ\$954.10 million at 30 June 2008 to NZ\$11.26 billion at 31 March 2012, a phenomenal growth rate. OnePath and ASB remained the dominant players at 31 March 2012, with 45.80 percent of KiwiSaver assets between them. This represented a marginal increase on the previous quarter-end.

The industry remains highly-concentrated: the eight largest KiwiSaver providers manage almost 95.0 percent of the assets on the Morningstar database.

The rankings of various KiwiSaver providers have been largely static, especially those in the top 10. However, there was one big change over the March quarter: Westpac moved up one place to third place overall in KiwiSaver total assets at the expense of AMP.

### **About This Survey**

This survey groups KiwiSaver options according to their mix of income and growth assets, or their 'asset allocation'. This is one of the most important decisions to make when saving for retirement income. The term 'income assets' refers to cash and fixed interest securities which 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 have over time 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 in other sources. There are several possible reasons for this. Firstly, the returns published here are all after fees, but before tax. Secondly, 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 Survey 03/2012

**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 \$M	Total Returns % p.a			Investor Return % p.a 3-Year	31/03/2011 TER %	Member Fee \$/year	Growth Assets %
		1-year	3-year	4-Year				
<b>Default Options</b>								
AMP Default Fund	434.9	3.4	5.1	4.2	4.8	0.54	36.00	21.6
ASB Scheme's Cnsv (Default)	1254.0	4.8	6.7	5.4	6.1	0.36	30.00	20.1
AXA Income Plus (Default)	571.4	5.0	8.2	5.5	7.4	0.53	36.72	22.9
Mercer Conservative (Default)*	570.2	5.6	9.0	5.8	7.6	0.57	34.20	20.4
OnePath Conservative (Default)	536.6	6.4	7.5	5.7	7.2	0.54	33.00	20.1
TOWER Cash Enhanced (Default)	399.5	5.2	6.8	4.9	6.3	0.58	33.00	20.2
<b>Peer Group Averages</b>								
Default Options	3766.5	5.1	7.2	5.3	6.6	0.52	33.60**	
Conservative (Including Default Options)	4417.3	5.0	7.2	5.3	6.4	0.81	33.00**	
Moderate	1532.3	4.9	8.9	5.2	7.6	0.92	36.00**	
Balanced	1632.0	2.8	9.8	3.9	7.8	1.01	36.00**	
Growth	2039.1	2.1	10.9	3.1	8.6	1.07	34.20**	
Aggressive	757.2	-2.1	11.6	2.1	7.6	1.29	36.00**	
<b>Quick Stats</b>								
KiwiSaver Total Market Size	\$m	11,257						
Increase in Market Size last 3 months	\$m	958						
Increase in Market Size last 12 months	\$m	3,156						
Largest Providers	\$m	2,771	OnePath					
	\$m	2,379	ASB					
	\$m	1,315	Westpac					
Largest Product	\$m	1,254	ASB KiwiSaver Scheme's Cnsv (Default)					
Largest Category	\$m	4,417	Morningstar Conservative Category					
Number of Providers		16						
Number of Products		134						
Highest 3-month Performance this Quarter	%	14.2	Grosvenor KiwiSaver Trs-Tasm Sm Coms Shr					
Lowest 3-Month Performance this Quarter	%	-0.5	SIL KiwiSaver-New Zealand Fixed Interest					
Highest 12-Month Performance this Quarter	%	16.1	SIL KiwiSaver-Australasian Property					
Lowest 12-Month Performance this Quarter	%	-12.0	Grosvenor KiwiSaver Trs-Tasm Sm Coms Shr					

Estimated KiwiSaver Market Asset Allocation %	
Cash & NZ Bonds	40.2
International Bonds	19.0
NZ Unlisted Property	1.2
NZ Listed Property:	1.7
International Listed Property	2.1
NZ Shares	9.5
Australian Shares	4.6
International Shares	20.3
Other	1.5
Proportion in Income Assets:	59.2
Proportion in Growth Assets:	40.8

# Morningstar KiwiSaver Survey 03/2012

## Multi Sector Options

	Assets \$M	Total Returns % p.a				Investor Return % p.a		31/03/2011 TER %	Member Fee \$/year	Growth Assets %	
		1-year	3-year	4-Year	3-Year						
<b>Conservative</b>											
AMP Default Fund	434.9	3.4	(12)	5.1	(11)	4.2	(11)	4.8	0.54	36.00	21.6
ANZ Conservative	77.0	6.0	(4)	7.3	(7)	5.5	(7)	6.9	1.15	24.00	17.3
Aon Russell Lifepoints Cnsv	37.3	7.9	(1)	12.1	(1)	7.3	(1)	9.4	1.13	50.00	Und.
ASB Scheme's Cnsv (Default)	1254.0	4.8	(10)	6.7	(9)	5.4	(9)	6.1	0.36	30.00	20.1
AXA Income Plus (Default)	571.4	5.0	(8)	8.2	(3)	5.5	(6)	7.4	0.53	36.72	22.9
FC Scheme's Tracker Cnsv	66.1	4.8	(9)	6.7	(10)	5.4	(8)	6.2	0.37	36.00	20.1
Fidelity Capital Guarant Kiwi	27.9	3.1	(13)	4.7	(12)	--	--	4.1	0.98	36.00	10.7
Fisher Funds Conservative Fund	131.2	4.0	(11)	--	--	--	--	--	1.50	24.00	10.6
Mercer Conservative (Default)*	570.2	5.6	(6)	9.0	(2)	5.8	(2)	7.6	0.57	34.20	20.4
National Bank Conservative	112.9	5.9	(5)	7.4	(6)	5.6	(5)	6.9	1.15	24.00	17.3
OnePath Conservative (Default)	536.6	6.4	(2)	7.5	(4)	5.7	(3)	7.2	0.54	33.00	20.1
SIL Conservative	195.8	6.0	(3)	7.4	(5)	5.7	(4)	7.0	1.12	24.00	17.3
Smartshares Conservative	2.6	2.4	(14)	4.2	(13)	3.1	(12)	3.9	0.87	--	20.0
TOWER Cash Enhanced (Default)	399.5	5.2	(7)	6.8	(8)	4.9	(10)	6.3	0.58	33.00	20.2
Average		5.0		7.2		5.3		6.4		33.00**	18.4
Morningstar Multi-Sector Conservative Index		4.5		6.1		5.4					18.3
<b>Moderate</b>											
AMP LS Conservative Fund	64.6	5.1	(8)	6.0	(17)	5.9	(2)	5.9	0.82	36.00	28.6
AMP LS Moderate Fund	112.2	4.2	(13)	6.6	(16)	4.4	(16)	6.1	0.92	36.00	41.4
ANZ Conservative Balanced	74.8	5.6	(6)	9.0	(8)	5.2	(7)	7.8	1.15	24.00	30.3
Aon Russell Lifepoints 2015	3.1	6.8	(1)	13.1	(2)	6.3	(1)	11.0	1.06	50.00	Und.
Aon Russell Lifepoints Mod	6.6	6.3	(2)	13.3	(1)	5.9	(3)	11.4	1.12	50.00	Und.
ASB Scheme's Moderate	306.2	3.6	(15)	9.4	(4)	4.6	(14)	7.6	0.45	30.00	40.1
AXA Conservative	25.8	4.8	(11)	8.7	(10)	--	--	6.8	1.08	36.72	28.8
FC Scheme's Active Cnsv	5.6	3.1	(17)	7.9	(13)	4.9	(12)	6.5	0.83	36.00	Und.
FC Scheme's Tracker Moderat	15.3	3.6	(14)	9.4	(5)	4.4	(15)	7.8	0.52	36.00	40.1
Fidelity Conservative Kiwi Fd	34.7	3.4	(16)	7.4	(14)	5.2	(8)	6.0	1.11	36.00	35.1
Grosvenor Conservative Fund	24.1	5.3	(7)	7.9	(12)	5.7	(4)	6.6	1.07	39.96	24.6
Mercer Super Trust Conserv*	1.8	4.6	(12)	9.5	(3)	4.7	(13)	7.5	1.03	34.20	31.6
National Bank Conservative Bal	97.6	5.6	(4)	9.0	(7)	5.2	(6)	7.8	1.15	24.00	30.3
OnePath Conservative Balanced	2.8	5.7	(3)	8.6	(11)	5.1	(10)	8.0	0.59	33.00	35.1
SIL Conservative Balanced	63.8	5.6	(5)	9.2	(6)	5.4	(5)	8.4	1.11	24.00	30.3
TOWER Conservative	44.1	5.0	(9)	8.9	(9)	5.0	(11)	6.9	0.92	33.00	31.6
Westpac Conservative Fund	649.2	4.8	(10)	7.2	(15)	5.2	(9)	6.7	0.74	31.08	30.0
Average		4.9		8.9		5.2		7.6		36.00**	32.7
Morningstar Multi-Sector Moderate Index		2.9		7.7		5.2					34.2

# Morningstar KiwiSaver Survey 03/2012

## Multi Sector Options (continued)

	Assets \$M	Total Returns % p.a				Investor Return % p.a		31/03/2011 TER	Member Fee	Growth Assets	
		1-year	3-year	4-Year	3-Year	%	\$/year	%			
<b>Balanced</b>											
AMP LS Balanced Fund	169.1	3.5	(10)	7.9	(17)	3.3	(17)	6.9	0.95	36.00	63.6
AMP LS Moderate Balanced Fund	161.5	3.4	(11)	7.3	(20)	3.4	(13)	6.5	0.95	36.00	54.1
AMP TOWER Balanced Fund	9.9	2.2	(13)	8.5	(14)	3.4	(15)	6.6	0.96	36.00	55.4
ANZ Balanced	120.3	5.0	(3)	10.4	(9)	4.8	(5)	8.6	1.19	24.00	45.1
Aon OnePath Balanced	7.9	5.0	(2)	13.2	(3)	6.7	(1)	11.1	1.20	50.00	Und.
Aon Russell Lifepoints 2025	5.1	5.4	(1)	14.1	(2)	4.6	(6)	11.4	1.15	50.00	Und.
Aon Russell Lifepoints Bal	31.1	4.6	(8)	14.4	(1)	4.2	(9)	14.8	1.16	50.00	Und.
ASB Scheme's Balanced	229.1	1.9	(16)	10.9	(5)	3.4	(14)	8.5	0.44	30.00	59.7
AXA Balanced	105.7	1.3	(17)	11.3	(4)	3.6	(11)	8.4	1.07	36.72	63.9
Brook Professional Balanced Fd	1.3	0.8	(19)	4.9	(21)	3.2	(18)	3.8	1.26	30.00	60.9
FC Scheme's Active Balanced	20.4	0.3	(20)	9.3	(13)	2.8	(19)	6.9	0.90	36.00	Und.
FC Scheme's Tracker Balanced	18.5	1.9	(15)	10.9	(6)	3.4	(16)	8.7	0.56	36.00	59.7
Fidelity Balanced Kiwi Fund	77.1	-0.3	(21)	7.6	(18)	4.3	(7)	5.0	1.20	36.00	59.6
Fidelity Ethical Kiwi	7.2	2.7	(12)	8.3	(15)	--	--	5.9	1.22	36.00	59.4
Grosvenor Balanced Fund	69.9	0.9	(18)	8.1	(16)	4.1	(10)	5.8	1.17	39.96	49.4
Mercer Super Trust Moderate*	17.8	3.5	(9)	10.6	(7)	4.8	(3)	6.2	0.85	34.20	51.2
Milford Balanced	4.5	4.9	(4)	--	--	--	--	--	1.07	36.00	60.5
National Bank Balanced	179.7	4.9	(6)	10.4	(10)	4.8	(4)	8.5	1.20	24.00	45.1
OnePath Balanced	6.9	4.8	(7)	9.5	(12)	4.3	(8)	8.4	0.63	33.00	50.6
SIL Balanced	165.4	4.9	(5)	10.5	(8)	4.9	(2)	9.2	1.16	24.00	45.1
Smartshares Balanced	5.8	-2.2	(22)	7.3	(19)	1.1	(20)	5.1	0.84	--	60.0
TOWER Balanced	217.7	2.0	(14)	9.8	(11)	3.5	(12)	7.1	0.99	33.00	55.4
Average		2.8		9.8		3.9		7.8	1.01	36.00**	55.5
Morningstar Multi-Sector Balanced Index		0.7		7.9		3.5		--			52.9

# Morningstar KiwiSaver Survey 03/2012

## Multi Sector Options (continued)

	Assets \$M	Total Returns % p.a.				Investor Return % p.a.		31/03/2011 TER	Member Fee	Growth Assets	
		1-year	3-year	4-Year	3-Year	%	\$/year	%			
<b>Growth</b>											
AMP LS Growth Fund	139.9	1.7	(18)	8.6	(24)	1.1	(25)	7.2	0.99	36.00	79.7
AMP OnePath Balanced Plus Fund	34.2	5.0	(1)	11.4	(15)	4.9	(1)	10.0	1.08	36.00	59.3
AMP Tyndall Balanced Fund	7.6	1.2	(19)	8.9	(22)	2.8	(17)	6.5	0.90	36.00	71.2
ANZ Balanced Growth	84.6	4.2	(5)	11.8	(13)	4.2	(4)	9.3	1.24	24.00	59.9
ANZ Growth	176.6	3.5	(10)	13.1	(4)	3.5	(9)	9.8	1.28	24.00	75.0
Aon Russell Lifepoints 2035	4.6	4.2	(6)	14.8	(2)	3.2	(15)	13.1	1.22	50.00	Und.
Aon Russell Lifepoints Growth	8.9	3.8	(7)	15.0	(1)	2.9	(16)	12.1	1.25	50.00	Und.
Aon Tyndall Balanced	2.3	1.1	(20)	9.1	(21)	3.5	(8)	7.4	1.26	50.00	Und.
ASB Scheme's Growth	212.7	-0.1	(24)	12.1	(9)	2.0	(22)	9.0	0.44	30.00	78.9
FC Scheme's Active Growth	19.2	-1.9	(26)	9.7	(19)	1.7	(24)	7.1	0.97	36.00	Und.
FC Scheme's Tracker Growth	15.0	-0.1	(23)	12.1	(8)	1.9	(23)	9.3	0.59	36.00	78.9
Fidelity Growth Kiwi Fund	34.5	-2.8	(28)	8.2	(25)	2.4	(20)	4.9	1.27	36.00	74.0
Forsyth Barr Balanced Port	5.0	1.1	(21)	5.3	(27)	--	--	3.6	1.49	30.00	64.5
Forsyth Barr Growth Portfolio	4.4	-0.6	(25)	5.5	(26)	--	--	3.0	1.56	30.00	81.8
Grosvenor Balanced Growth	19.7	-2.8	(27)	--	--	--	--	--	1.22	39.96	72.1
Mercer Balanced*	30.5	3.0	(12)	12.2	(6)	3.3	(12)	8.9	0.80	34.20	62.3
Mercer Super Trust Active Bal*	41.4	2.9	(13)	12.0	(10)	3.2	(14)	9.4	1.05	34.20	62.9
Mercer Super Trust Growth*	3.3	2.0	(17)	12.2	(7)	2.3	(21)	9.9	1.14	34.20	73.2
National Bank Balanced Growth	148.5	4.3	(4)	11.8	(12)	4.2	(5)	9.2	1.24	24.00	59.9
National Bank Growth	285.1	3.5	(11)	13.0	(5)	3.4	(11)	9.8	1.28	24.00	75.0
OnePath Balanced Growth	8.6	3.8	(8)	10.4	(18)	3.4	(10)	8.8	0.68	33.00	64.4
OnePath Growth	8.3	2.8	(14)	11.2	(16)	2.5	(19)	9.4	0.73	33.00	78.9
SIL Balanced Growth	152.5	4.3	(3)	11.9	(11)	4.4	(3)	10.3	1.21	24.00	59.9
SIL Growth Fund	108.0	3.6	(9)	13.2	(3)	3.7	(7)	11.4	1.26	24.00	75.0
Staples Rodway Balanced*	10.7	4.9	(2)	11.8	(14)	3.3	(13)	10.3	Und.	39.96	59.1
Staples Rodway Growth*	6.2	0.7	(22)	8.9	(23)	2.5	(18)	7.3	Und.	39.96	69.5
Westpac Balanced Fund	289.0	2.3	(16)	9.4	(20)	4.5	(2)	7.4	0.81	31.08	67.4
Westpac Growth Fund	177.9	2.6	(15)	10.5	(17)	4.0	(6)	8.5	0.86	31.08	88.9
Average		2.1		10.9		3.1		8.6	1.07	34.20**	70.5
Morningstar Multi-Sector Growth Index		-0.7		8.8		2.7		--			66.3



# Morningstar KiwiSaver Survey 03/2012

## Multi Sector Options (continued)

	Assets \$M	Total Returns % p.a				Investor Return % p.a		31/03/2011 TER	Member Fee	Growth Assets	
		1-year	3-year	4-Year	3-Year	%	\$/year	%			
<b>Aggressive</b>											
AMP LS Aggressive Fund	113.0	0.7	(2)	9.1	(8)	0.0	(9)	7.6	1.06	36.00	92.4
Aon Russell Lifepoints 2045	4.5	3.0	(1)	15.6	(2)	1.7	(5)	12.4	1.30	50.00	Und.
AXA Growth	79.7	-2.2	(7)	12.3	(5)	1.6	(6)	8.2	1.03	36.72	88.7
Brook Professional Growth Fund	4.9	-0.7	(6)	6.7	(10)	3.3	(2)	5.0	1.28	30.00	80.3
Fidelity Aggressive Kiwi Fund	12.5	-6.5	(9)	9.7	(7)	2.9	(3)	5.7	1.31	36.00	99.9
Fisher Funds Growth Fund	397.2	-4.8	(8)	16.2	(1)	7.1	(1)	8.4	2.43	24.00	71.7
Grosvenor Geared Growth Fund	1.9	-6.6	(10)	--	--	--	--	--	1.27	39.96	97.3
Grosvenor High Growth Fund	51.4	-6.6	(11)	7.9	(9)	0.0	(10)	4.2	1.27	39.96	98.9
Mercer High Growth*	21.9	0.2	(4)	13.5	(3)	1.1	(7)	9.2	0.90	34.20	88.3
Mercer Super Trust High Growth*	5.8	0.2	(5)	13.3	(4)	1.0	(8)	7.3	1.19	34.20	88.6
TOWER Growth	64.4	0.5	(3)	12.0	(6)	1.9	(4)	8.1	1.14	33.00	79.6
Average		-2.1		11.6		2.1		7.6	1.29	36.00**	88.6
Morningstar Multi-Sector Aggressive Index		-3.8		7.9		1.0		--			88.8

# Morningstar KiwiSaver Survey 03/2012

## Single Sector Options

	Assets \$M	Total Returns % p.a.				Investor Return % p.a.		31/03/2011 TER	Member Fee	Growth Assets	
		1-year	3-year	4-Year	3-Year	%	\$/year	%			
<b>Cash</b>											
AMP Cash Fund	35.7	2.8	(10)	3.2	(5)	4.3	(5)	3.1	0.66	36.00	0.0
ANZ Cash	39.8	3.1	(8)	2.7	(13)	--	--	2.9	0.60	24.00	0.0
Aon OnePath Cash	2.8	2.6	(12)	2.9	(10)	3.9	(8)	2.9	0.89	50.00	Und.
Aon Tyndall Cash	1.2	3.1	(5)	3.3	(4)	4.4	(4)	3.3	0.90	50.00	Und.
ASB Scheme's NZ Bank Deposit	202.0	2.4	(16)	2.6	(14)	3.7	(11)	2.6	0.31	30.00	0.0
AXA Cash	19.2	2.5	(14)	3.1	(7)	3.8	(10)	2.9	0.83	36.72	0.0
FC Scheme's NZ Cash	9.2	2.4	(15)	2.5	(15)	3.7	(12)	2.5	0.32	36.00	0.0
Grosvenor Enhanced Income Fund	13.7	3.3	(1)	3.9	(1)	4.7	(3)	3.6	0.82	39.96	0.0
Mercer Cash*	10.5	3.3	(2)	3.8	(2)	4.8	(1)	3.7	0.57	34.20	0.0
Mercer Super Trust Cash*	1.8	3.2	(4)	3.7	(3)	4.7	(2)	3.6	0.63	34.20	0.0
National Bank Cash	63.4	3.1	(7)	2.7	(12)	--	--	2.9	0.60	24.00	0.0
OnePath Cash Fund	1.2	3.2	(3)	2.9	(11)	4.0	(7)	3.0	0.44	33.00	0.0
SIL Cash Fund	18.0	3.0	(9)	2.5	(16)	3.5	(14)	2.6	0.85	24.00	0.0
Staples Rodway Conservative*	13.6	3.1	(6)	3.1	(6)	3.8	(9)	3.2	Und.	39.96	0.0
TOWER Preservation	17.3	2.7	(11)	3.0	(8)	4.1	(6)	2.9	0.53	33.00	0.0
Westpac Cash Fund	148.3	2.6	(13)	2.9	(9)	3.7	(13)	2.9	0.45	31.08	0.0
<b>Miscellaneous</b>											
Fidelity Options Kiwi Fund	51.2	-7.3		10.6		7.4		5.7	1.12	36.00	Und.
Westpac Capital Protect Plan 1	9.7	-1.6		10.6		--		11.0	1.56	31.08	99.6
Westpac Capital Protect Plan 2	8.3	-1.6		--		--		--	1.57	31.08	99.6
Westpac Capital Protect Plan 3	13.4	-1.6		--		--		--	N.Ap	31.08	99.6
Westpac Capital Protect Plan 4	19.2	--		--		--		--	N.Ap	31.08	99.6
											(%)
<b>Fixed Income</b>											
Mercer Super Trust Fixed Intr*	1.0	8.7	(2)	10.4	(1)	7.8	(1)	8.3	0.95	34.20	0.0
SIL International Fixed Int	1.7	8.3	(3)	5.6	(3)	6.9	(2)	5.9	1.06	24.00	0.0
SIL New Zealand Fixed Interest	4.9	8.8	(1)	8.2	(2)	6.9	(3)	8.1	0.98	24.00	0.0
<b>Property</b>											
Mercer Super Trust Real Assets*	0.6	4.8	(3)	22.2	(2)	-0.6	(2)	15.1	1.25	34.20	98.4
SIL Australasian Property	6.0	16.1	(1)	15.0	(3)	3.4	(1)	14.4	1.23	24.00	99.1
SIL International Property	4.1	5.3	(2)	32.0	(1)	-1.0	(3)	24.4	1.27	24.00	99.4
<b>International Equity</b>											
FC Scheme's Active High Growth	1.9	-5.5	(5)	9.1	(5)	--	--	4.2	1.13	36.00	Und.
FC Scheme's Global Sustain	3.5	-4.9	(3)	9.7	(3)	--	--	5.4	1.66	36.00	99.5
Grosvenor International Share	3.1	-6.0	(7)	--	--	--	--	--	1.32	39.96	97.0
Mercer Super Trust Global*	1.3	-2.4	(1)	13.5	(1)	-1.6	(3)	10.1	1.20	34.20	95.1
SIL International Share	15.2	-2.9	(2)	9.2	(4)	1.1	(1)	7.5	1.25	24.00	98.6
SIL Sustainable Growth Fund	1.1	-5.6	(6)	6.0	(6)	--	--	3.7	1.75	24.00	95.9
TOWER Equity	21.1	-5.1	(4)	11.7	(2)	-0.9	(2)	7.7	1.16	33.00	98.2

# Morningstar KiwiSaver Survey 03/2012

## Single Sector Options (continued)

	Assets \$M	Total Returns % p.a				Investor Return % p.a		31/03/2011 TER	Member Fee	Australian Assets	
		1-year	3-year	4-Year	3-Year	%	\$/year	%			
<b>Australasian Equity</b>											
Aon Milford	33.8	8.1	(1)	--	--	--	1.39	50.00	25.2		
Grosvenor Socially Responsible	5.8	-5.9	(7)	--	--	--	1.17	39.96	36.1		
Grosvenor Trs-Tasm Sm Coms Shr	3.4	-12.0	(8)	--	--	--	1.17	39.96	66.6		
Mercer Super Trust Shares*	1.1	-1.5	(5)	12.7	(1)	-0.2	(4)	9.1	1.20	34.20	7.4
Mercer Super Trust TransTasman*	0.8	0.5	(4)	10.0	(4)	2.2	(3)	7.5	1.20	34.20	24.0
Milford Active Growth	44.6	8.1	(1)	12.0	(2)	10.7	(1)	--	1.02	36.00	25.2
SIL Australasian Share	10.1	2.6	(3)	11.3	(3)	2.3	(2)	9.6	1.23	24.00	8.2
Smartshares Growth	14.5	-5.5	(6)	9.4	(5)	-1.3	(5)	6.2	0.85	--	0

## Market Share Analysis

By Provider	AUM, Mar 2012				AUM, Dec 2011				AUM, Dec 2010				AUM, Dec 2008		
	\$M	%	Rank	Rank Change	\$M	%	Rank	Rank Change	\$M	%	Rank	Rank Change	\$M	%	Rank
AMP	1282.6	11.4	(4)	▼	1178.1	11.4	(3)		897.2	12.1	(3)		595.6	13.0	(3)
Aon	149.0	1.3	(11)		135.8	1.3	(11)		104.9	1.4	(11)	▼	70.1	1.5	(10)
ASB	2378.7	21.1	(2)		2188.0	21.2	(2)		1527.4	20.6	(2)		932.7	20.4	(2)
AXA	801.8	7.1	(5)		744.4	7.2	(5)		560.4	7.6	(5)		372.4	8.1	(5)
Brook	6.2	0.1	(16)		5.9	0.1	(16)		4.6	0.1	(16)	▼	3.4	0.1	(14)
Fidelity	245.2	2.2	(9)		226.1	2.2	(9)		174.3	2.4	(9)		85.3	1.9	(9)
Fisher	528.4	4.7	(8)		476.7	4.6	(8)		203.0	2.7	(8)		116.6	2.5	(8)
Forsyth Barr	9.4	0.1	(15)		8.3	0.1	(15)		5.5	0.1	(15)		2.1	0.0	(15)
Grosvenor	193.0	1.7	(10)		177.2	1.7	(10)		127.1	1.7	(10)	▲	58.9	1.3	(11)
Mercer	709.8	6.3	(7)		661.8	6.4	(7)		486.3	6.6	(7)		332.9	7.3	(7)
Milford	49.1	0.4	(12)		38.9	0.4	(12)	▲	18.1	0.2	(14)		--	--	
OnePath	2771.2	24.6	(1)		2513.7	24.4	(1)		1771.9	23.9	(1)		1045.9	22.9	(1)
Smartshares	22.9	0.2	(14)		21.7	0.2	(14)	▼	18.3	0.2	(13)		12.7	0.3	(13)
Staples Rodway	30.5	0.3	(13)		28.0	0.3	(13)	▼	20.9	0.3	(12)		13.6	0.3	(12)
Tower	764.1	6.8	(6)		717.9	7.0	(6)		541.1	7.3	(6)		358.8	7.8	(6)
Westpac	1315.0	11.7	(3)	▲	1176.6	11.4	(4)		753.1	10.2	(4)		406.1	8.9	(4)
Closed Schemes					0.0	0.0			184.6	2.5			166.1	3.6	
<b>Total</b>	<b>11256.9</b>				<b>10299.2</b>				<b>7398.6</b>				<b>4573.2</b>		