

# KiwiSaver Performance Survey September Quarter 2011

Market volatility in the third quarter of 2011 resulted in negative returns for those invested in growth assets. But it also presents a great buying opportunity for KiwiSavers with long-term investment horizons.

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 three months and one, two, three, and four years to 30 September 2011. There were no fund additions this quarter.

## Market Overview

September was a difficult quarter. Questions were again raised about the ability of the highly-indebted United States and European nations to pay down their borrowings, the market becoming more suspicious as the months went on. This led some commentators to predict a double-dip recession. However, it was the Standard & Poor's downgrade of the United States' credit rating on 5 August for which this quarter will probably be best remembered.

Fixed interest was the place to be over the past quarter and also the past year, the composite index of New Zealand government and corporate bonds posting a return of 3.18 percent for the past

three months and 7.91 percent for the past 12 months. Global bonds (fully-hedged back to the \$NZ) posted similar results over the three months to 30 September, up 3.65 percent, also up a solid 5.60 percent over the past year.

New Zealand listed property also showed its defensive characteristics, producing a positive return for the September 2011 quarter and a very strong 15.01 percent return for the past year. Global listed property, on the other hand, suffered heavily, down 15.02 percent over the three months to 30 September 2011 (on a fully-hedged basis), and also dipped slightly into the red over the year.

KiwiSaver funds with heavy weightings in Australian shares will have struggled, as the market across the ditch fell -13.27 percent in \$NZ terms over the past three months, and is down 11.68 percent over the past year. Global sharemarkets followed the same trend as Australia, down -9.90 percent in \$NZ terms for the September quarter, and also down -7.96 percent over the 12 months to 30 September 2011.

## **Greed and Fear**

It's been a tough few months for investors in the higher-risk KiwiSaver options. For those with a longer-term investment time horizon, though, falling markets represent a time to think about buying, rather than after a period of strong performance. It's a good time to remember one of the many insightful sayings of one of the world's most famous investors, Warren Buffett: "Be fearful when others are greedy, and be greedy when others are fearful."

## **Fund Manager Results**

The mixed returns from sharemarkets meant that KiwiSaver options with higher exposures to income assets (cash and fixed interest) outperformed those with more invested in growth assets (shares and property) over the September 2011 quarter. Multi-Sector Conservative and Moderate options were generally the best performers over these three months.

The OnePath, Brook, and Mercer multi-sector options were consistently among the best-performing KiwiSaver funds during the quarter. Among the single-sector vehicles, cash and New Zealand fixed income funds were the best performers – unsurprisingly, given the returns from these asset classes.

Looking out over one, three (and now) four years is of course a better indicator of a fund manager's performance record.

It should come as no surprise that the conservative funds have been the best-performing options.

The best-performing multi-sector fund over the past four years has been **Aon Russell Lifepoints Conservative**. The number two and three spots went to **OnePath Conservative** and **SIL Conservative**. The Brook Professional KiwiSaver, OnePath, and SIL KiwiSaver funds and the Fidelity KiwiSaver funds deserve mention for consistency in returns across the various multi-sector categories for the first four years of the KiwiSaver scheme's operation. **AMP OnePath Balanced Plus**, **Brook Professional Growth**, and **Fisher Funds Growth** also

deserve mention as the only options to post positive returns in the Multi-Sector Growth and Aggressive categories.

Of the single-sector options, the strongest one-year performances were produced by **SIL KiwiSaver Australasian Property**, **SIL KiwiSaver Australasian Share**, and **SIL New Zealand Fixed Interest**. **Milford Aggressive** was the best-performing single-sector fund over the past four years, and with a return of 9.45 percent was the best-performing KiwiSaver fund overall.

## **Fidelity Options KiwiSaver**

**Fidelity Options KiwiSaver** suffered a loss of -23.79 percent over the September quarter. As we have stated before, this option should only be used by investors who understand the acute risks of investing in such a vehicle, and who have a very long-term time horizon. The sudden fall in August in particular was not necessarily surprising, as the fund also suffered a similar dramatic loss in late 2008. The Fidelity fund was until the June 2011 quarter the best-performing KiwiSaver fund on the Morningstar database. The most recent quarter's result demonstrates that no product can continuously be on top of the performance tables, and acts as a reminder of its inherent volatility.

## **Taking a Closer Look at After-Tax Returns**

Morningstar has begun producing after-tax returns for the majority of KiwiSaver funds on our database. We will continue to produce our KiwiSaver survey on a gross of tax, net of fee basis, but our clients can now assess and compare the after-tax performance of the various options.

So what do the results look like? We will be providing more detailed analysis in future reports. However, as Table 1 over shows, in most cases the top-performing fund on a pre-tax basis is the top-performing fund on a post-tax basis as well, which is pleasing to see.

**Table 1: Pre- and Post-Tax Returns From Five Best-Performing Multi-Sector Balanced KiwiSaver Funds, Year to 30 September 2011**

Name	1 Yr Return (Pre-Tax) %	1 Yr Return (Pre-Tax) Rank	1 Yr Return (Post-Tax) %	1 Yr Return (Post-Tax) Rank	Difference Between Pre- and Post-Tax Returns %
OnePath KiwiSaver - Balanced	3.48	1	1.97	1	-1.51
Westpac KiwiSaver – Balanced	2.85	2	1.25	2	-1.60
SIL KiwiSaver - Balanced	2.45	3	1.08	3	-1.37
National Bank KiwiSaver - Balanced	2.43	4	1.07	4	-1.36
ANZ KiwiSaver - Balanced	2.41	5	1.06	6	-1.35

Source: Morningstar. Post-tax returns are calculated at the highest Portfolio Investment Entity tax rate.

### Assets Under Management

KiwiSaver assets on the Morningstar database have grown from NZ\$954.10 million at 30 June 2008 to NZ\$9.55 billion at 30 September 2011, a phenomenal growth rate. OnePath and ASB remained the dominant players at 30 September 2011, with 45.50 percent of KiwiSaver assets between them, up marginally on the last quarter. The industry remains highly-concentrated: the eight largest KiwiSaver providers manage almost 95.0 percent of the assets on the Morningstar database.

**ASB Conservative Default** is now the first billion-dollar KiwiSaver option.

### 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. ■■■

*Chris Douglas is Co-Head of Fund Research with Morningstar Australasia.*

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# KiwiSaver Performance Survey - Returns to 30 September 2011



## 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.

## Default Options

	Assets (\$m)	3-month (%)	1-year (%)	2-year (%pa)	3-year (%pa)	4-Year (%pa)	Est. Total Fee (%)	Additional Fee \$/year	Growth Assets
AMP Default Fund	392.9	-0.83	2.55	3.54	3.24	3.22	0.55	36.00	20.9
ASB Scheme's Cnsv (Default)	1079.3	0.13	3.28	4.84	5.25	4.35	0.43	30.00	19.5
AXA Income Plus (Default)	506.5	-0.54	2.62	4.81	5.89	3.67	0.53	36.72	20.0
Mercer Conservative (Default)*	506.0	0.25	3.31	5.42	6.68	4.75	0.53	34.20	20.6
OnePath Conservative (Default)	477.4	0.98	4.76	5.91	5.82	4.95	0.45	33.00	20.2
TOWER Cash Enhanced (Default)	360.4	0.24	3.78	4.72	4.73	4.37	0.51	33.00	22.2

## Peer Group Averages

	Assets (\$m)	3-month (%)	1-year (%)	2-year (%pa)	3-year (%pa)	4-Year (%pa)	Est. Total Fee (%)	Additional Fee \$/year**	Growth Assets
Default Options	3322.5	0.04	3.38	4.87	5.27	4.22	0.50	33.60	
Conservative (Including Default Options)	3921.4	-0.19	3.34	4.89	5.11	4.25	0.67	35.10	
Moderate	1239.3	-1.61	2.62	5.03	4.79	2.72	0.80	35.10	
Balanced	1622.9	-3.90	0.66	3.72	3.37	0.64	0.88	36.00	
Growth	1401.2	-6.00	-0.20	3.32	2.20	-1.66	0.92	34.20	
Aggressive	659.6	-8.26	-3.49	1.12	1.48	-2.91	0.99	36.00	

## Multisector Options

### Conservative

	Assets (\$m)	3-month (%)	1-year (%)	2-year (%pa)	3-year (%pa)	4-Year (%pa)	Est. Total Fee (%)	Additional Fee \$/year	Growth Assets
AMP Default Fund	392.9	-0.83 (12)	2.55 (14)	3.54 (13)	3.24 (13)	3.22 (12)	0.55	36.00	20.9
ANZ Conservative	65.4	0.21 (6)	4.02 (3)	5.59 (5)	5.30 (7)	4.57 (6)	0.92	24.00	19.7
Aon Russell Lifepoints Cnsv	31.8	-0.18 (10)	3.52 (6)	7.85 (1)	7.51 (1)	5.40 (1)	0.56	50.00	Und.
ASB Scheme's Cnsv (Default)	1079.3	0.13 (8)	3.28 (8)	4.84 (8)	5.25 (9)	4.35 (8)	0.43	30.00	19.5
AXA Income Plus (Default)	506.5	-0.54 (11)	2.62 (12)	4.81 (10)	5.89 (3)	3.67 (11)	0.53	36.72	20.0
FC Scheme's Tracker Cnsv	58.0	0.13 (7)	3.26 (9)	4.81 (9)	5.28 (8)	4.30 (9)	0.43	36.00	19.5
Fidelity Capital Guarant Kiwi	25.3	-0.14 (9)	2.61 (13)	3.78 (12)	3.81 (12)	--	0.84	36.00	11.5
Fidelity Conservative Kiwi Fd	31.3	-1.57 (15)	1.92 (15)	4.87 (7)	4.43 (11)	4.23 (10)	0.94	36.00	33.4
Fisher Funds Conservative Fund	117.4	-1.05 (14)	3.10 (11)	2.84 (15)	--	--	0.95	36.00	10.0
Mercer Conservative (Default)*	506.0	0.25 (2)	3.31 (7)	5.42 (6)	6.68 (2)	4.75 (4)	0.53	34.20	20.6
National Bank Conservative	95.0	0.22 (5)	4.01 (4)	5.60 (4)	5.34 (6)	4.63 (5)	0.92	24.00	19.7
OnePath Conservative (Default)	477.4	0.98 (1)	4.76 (1)	5.91 (2)	5.82 (4)	4.95 (2)	0.45	33.00	20.2
SIL Conservative	172.4	0.22 (4)	4.04 (2)	5.64 (3)	5.43 (5)	4.79 (3)	0.87	24.00	19.7
Smartshares Conservative	2.3	-0.88 (13)	3.25 (10)	3.15 (14)	2.81 (14)	2.03 (13)	0.85%/\$40	0.00	20.0
TOWER Cash Enhanced (Default)	360.4	0.24 (3)	3.78 (5)	4.72 (11)	4.73 (10)	4.37 (7)	0.51	33.00	22.2
<i>Average</i>		<i>-0.19</i>	<i>3.34</i>	<i>4.89</i>	<i>5.11</i>	<i>4.25</i>	<i>0.67</i>	<i>35.10*</i>	
<i>Morningstar Multi-Sector Conservative Index</i>		<i>0.14</i>	<i>3.12</i>	<i>4.86</i>	<i>4.92</i>	<i>4.58</i>			<i>19.2</i>

### Moderate

	Assets (\$m)	3-month (%)	1-year (%)	2-year (%pa)	3-year (%pa)	4-Year (%pa)	Est. Total Fee (%)	Additional Fee \$/year	Growth Assets
AMP LS Conservative Fund	51.5	-0.43 (2)	3.39 (5)	4.89 (12)	4.92 (11)	4.43 (2)	0.88	36.00	52.1
AMP LS Moderate Fund	95.9	-1.94 (13)	2.05 (13)	4.11 (15)	2.98 (16)	1.97 (14)	0.98	36.00	60.9
ANZ Conservative Balanced	61.9	-1.73 (11)	3.37 (7)	5.40 (6)	4.77 (13)	3.01 (10)	0.92	24.00	34.7
Aon Russell Lifepoints 2015	2.6	-1.60 (9)	2.71 (10)	7.26 (1)	6.39 (1)	3.62 (3)	0.60	50.00	Und.
Aon Russell Lifepoints Mod	5.7	-2.50 (14)	2.16 (12)	6.79 (2)	5.69 (3)	2.78 (11)	0.64	50.00	Und.
ASB Scheme's Moderate	252.8	-2.50 (15)	1.71 (14)	4.66 (13)	4.13 (14)	2.07 (13)	0.63	30.00	39.2
AXA Conservative	20.1	-0.61 (5)	2.94 (8)	5.18 (10)	6.08 (2)	--	1.04	36.72	25.0
FC Scheme's Active Cnsv	4.9	-1.59 (8)	1.64 (16)	3.84 (16)	5.02 (9)	2.70 (12)	0.83	36.00	28.8
FC Scheme's Tracker Moderat	13.2	-2.50 (16)	1.69 (15)	4.63 (14)	4.10 (15)	1.86 (15)	0.63	36.00	39.2
Grosvenor Conservative Fund	20.6	0.08 (1)	3.44 (3)	5.19 (9)	5.26 (5)	4.51 (1)	0.98	39.96	22.5
Mercer Super Trust Conserv*	1.5	-0.53 (4)	2.92 (9)	4.93 (11)	5.63 (4)	3.22 (7)	0.88	34.20	32.0
National Bank Conservative Bal	80.3	-1.72 (10)	3.38 (6)	5.41 (5)	4.78 (12)	3.02 (9)	0.92	24.00	34.7
OnePath Conservative Balanced	2.5	-0.52 (3)	4.25 (2)	5.42 (4)	5.15 (8)	3.09 (8)	0.50	33.00	34.8
SIL Conservative Balanced	56.1	-1.73 (12)	3.43 (4)	5.52 (3)	4.97 (10)	3.23 (6)	0.87	24.00	34.7
Smartshares Balanced	5.2	-6.00 (17)	-1.48 (17)	1.60 (17)	1.23 (17)	-2.93 (16)	0.85%/\$40	0.00	60.0
TOWER Conservative	38.5	-0.64 (6)	2.46 (11)	5.36 (7)	5.22 (6)	3.39 (5)	0.88	33.00	33.2
Westpac Conservative Fund	526.1	-0.81 (7)	4.45 (1)	5.29 (8)	5.16 (7)	3.54 (4)	0.62	31.08	28.5
<i>Average</i>		<i>-1.61</i>	<i>2.62</i>	<i>5.03</i>	<i>4.79</i>	<i>2.72</i>	<i>0.80</i>	<i>35.10*</i>	
<i>Morningstar Multi-Sector Moderate Index</i>		<i>-1.97</i>	<i>1.60</i>	<i>4.49</i>	<i>4.59</i>	<i>3.02</i>			<i>39.6</i>

# KiwiSaver Performance Survey - Returns to 30 September 2011



<b>Balanced</b>	Assets (\$m)	3-month (%)	1-year (%)	2-year (%pa)	3-year (%pa)	4-Year (%pa)	Est. Total Fee (%)	Additional Fee \$/year	Growth Assets
AMP LS Balanced Fund	142.0	-3.98 (15)	0.30 (13)	3.18 (17)	1.46 (22)	-0.68 (19)	1.03	36.00	66.8
AMP LS Moderate Balanced Fund	135.5	-3.40 (7)	0.82 (11)	3.40 (15)	1.76 (21)	0.17 (14)	1.03	36.00	69.7
AMP TOWER Balanced Fund	8.4	-3.40 (6)	-0.48 (18)	3.79 (12)	2.60 (17)	0.62 (12)	1.24	36.00	69.2
ANZ Balanced	95.9	-3.70 (10)	2.41 (5)	4.95 (6)	4.12 (10)	1.34 (7)	0.97	24.00	49.6
Aon OnePath Balanced	6.8	-4.46 (17)	1.84 (8)	5.85 (2)	5.75 (1)	2.47 (2)	0.71	50.00	Und.
Aon Russell Lifepoints 2025	4.2	-3.89 (14)	1.32 (10)	6.17 (1)	4.17 (8)	0.72 (11)	0.68	50.00	Und.
Aon Russell Lifepoints Bal	29.1	-4.99 (20)	0.59 (12)	5.60 (3)	3.54 (11)	-0.49 (16)	0.71	50.00	Und.
ASB Scheme's Balanced	188.9	-5.18 (23)	-0.01 (15)	3.73 (13)	2.67 (16)	-0.60 (17)	0.68	30.00	59.2
AXA Balanced	89.7	-4.88 (19)	-0.62 (19)	3.21 (16)	4.31 (7)	-0.90 (20)	1.07	36.72	60.0
Brook Professional Balanced Fd	1.2	-1.90 (1)	0.05 (14)	1.11 (22)	2.30 (19)	3.08 (1)	0.99	30.00	44.8
FC Scheme's Active Balanced	17.5	-6.07 (24)	-2.15 (23)	1.78 (21)	2.48 (18)	-1.14 (21)	0.88	36.00	56.8
FC Scheme's Tracker Balncd	15.6	-5.17 (22)	-0.02 (16)	3.69 (14)	2.79 (15)	-0.66 (18)	0.68	36.00	59.2
Fidelity Balanced Kiwi Fund	67.7	-5.12 (21)	-2.22 (24)	2.10 (20)	2.89 (14)	2.34 (3)	1.00	36.00	62.2
Fidelity Ethical Kiwi	6.3	-3.13 (5)	-0.12 (17)	2.91 (18)	2.08 (20)	--	1.17	36.00	59.8
Forsyth Barr Balanced Port	4.1	-3.88 (13)	-0.73 (21)	0.23 (23)	1.09 (23)	--	0.65	30.00	63.4
Grosvenor Balanced Fund	59.2	-3.78 (12)	-1.18 (22)	2.22 (19)	3.07 (13)	1.42 (5)	1.08	39.96	49.0
Mercer Balanced*	25.7	-3.52 (8)	1.34 (9)	4.14 (10)	4.34 (6)	-0.45 (15)	0.75	34.20	64.5
Mercer Super Trust Moderate*	13.2	-2.54 (4)	1.86 (7)	4.36 (9)	5.36 (2)	0.92 (9)	0.68	34.20	54.0
Milford Balanced	2.6	-2.49 (3)	2.19 (6)	--	--	--	1.05	36.00	53.4
National Bank Balanced	144.0	-3.70 (9)	2.43 (4)	4.95 (5)	4.16 (9)	1.38 (6)	0.97	24.00	49.6
OnePath Balanced	5.9	-2.12 (2)	3.48 (1)	4.78 (7)	4.37 (4)	1.10 (8)	0.55	33.00	50.2
SIL Balanced	142.3	-3.70 (11)	2.45 (3)	5.00 (4)	4.35 (5)	1.58 (4)	0.92	24.00	49.6
TOWER Balanced	187.6	-4.00 (16)	-0.63 (20)	3.81 (11)	3.46 (12)	0.46 (13)	0.98	33.00	57.7
Westpac Balanced Fund	229.8	-4.52 (18)	2.85 (2)	4.66 (8)	4.43 (3)	0.82 (10)	0.72	31.08	66.9
<i>Average</i>		<i>-3.90</i>	<i>0.66</i>	<i>3.72</i>	<i>3.37</i>	<i>0.64</i>	<i>0.88</i>	<i>36.00*</i>	
<i>Morningstar Multi-Sector Balanced Index</i>		<i>-4.16</i>	<i>-0.54</i>	<i>3.03</i>	<i>2.40</i>	<i>-0.25</i>			<i>58.1</i>

<b>Growth</b>	Assets (\$m)	3-month (%)	1-year (%)	2-year (%pa)	3-year (%pa)	4-Year (%pa)	Est. Total Fee (%)	Additional Fee \$/year	Growth Assets
AMP LS Growth Fund	116.7	-6.29 (16)	-1.67 (19)	1.97 (21)	-1.29 (24)	-3.85 (20)	1.08	36.00	87.3
AMP OnePath Balanced Plus Fund	28.3	-3.70 (3)	2.78 (3)	5.84 (1)	3.26 (7)	1.32 (1)	1.08	36.00	69.6
AMP Tyndall Balanced Fund	6.4	-4.96 (6)	-0.88 (16)	3.17 (17)	1.60 (18)	-1.18 (9)	1.08	36.00	65.5
ANZ Balanced Growth	65.9	-5.69 (11)	1.47 (8)	4.47 (7)	3.37 (5)	-0.47 (4)	1.02	24.00	64.6
ANZ Growth	141.2	-7.67 (20)	0.44 (12)	3.87 (12)	2.53 (12)	-2.37 (14)	1.07	24.00	79.0
Aon Russell Lifepoints 2035	3.8	-5.76 (14)	0.14 (14)	5.19 (2)	2.27 (14)	-1.63 (10)	0.75	50.00	Und.
Aon Russell Lifepoints Growth	7.5	-6.43 (17)	-0.27 (15)	4.84 (3)	1.81 (16)	-2.29 (13)	0.77	50.00	Und.
Aon Tyndall Balanced	1.9	-4.83 (5)	-1.17 (18)	3.43 (14)	1.74 (17)	--	0.78	50.00	Und.
ASB Scheme's Growth	174.1	-7.90 (24)	-1.98 (20)	2.43 (19)	0.97 (21)	-3.32 (17)	0.73	30.00	79.4
FC Scheme's Active Growth	16.3	-8.97 (25)	-4.78 (24)	-0.05 (23)	0.99 (19)	-3.69 (19)	0.93	36.00	76.5
FC Scheme's Tracker Growth	12.5	-7.90 (23)	-1.99 (21)	2.41 (20)	0.98 (20)	-3.39 (18)	0.73	36.00	79.4
Fidelity Growth Kiwi Fund	30.3	-7.15 (19)	-4.17 (23)	0.43 (22)	0.84 (22)	-0.14 (2)	1.07	36.00	75.0
Forsyth Barr Growth Portfolio	3.6	-5.77 (15)	-2.30 (22)	-1.49 (24)	-0.84 (23)	--	0.65	30.00	75.9
Grosvenor Balanced Growth	14.9	-6.97 (18)	-5.10 (25)	--	--	--	1.13	39.96	71.2
Mercer Super Trust Active Bal*	35.5	-3.47 (1)	1.24 (9)	4.02 (10)	4.33 (1)	-0.49 (6)	0.90	34.20	64.3
Mercer Super Trust Growth*	2.7	-4.61 (4)	0.57 (10)	3.28 (16)	3.24 (8)	-2.17 (12)	0.98	34.20	76.2
National Bank Balanced Growth	117.3	-5.70 (12)	1.49 (7)	4.49 (6)	3.37 (6)	-0.47 (5)	1.02	24.00	64.6
National Bank Growth	229.7	-7.71 (21)	0.41 (13)	3.87 (13)	2.44 (13)	-2.47 (15)	1.07	24.00	79.0
OnePath Balanced Growth	7.0	-3.67 (2)	2.79 (1)	4.09 (9)	3.56 (4)	-0.87 (8)	0.60	33.00	65.0
OnePath Growth	6.8	-5.15 (7)	2.16 (5)	3.37 (15)	2.62 (10)	-2.78 (16)	0.65	33.00	79.5
SIL Balanced Growth	130.1	-5.71 (13)	1.52 (6)	4.52 (5)	3.59 (3)	-0.23 (3)	0.97	24.00	64.6
SIL Growth Fund	91.5	-7.72 (22)	0.46 (11)	3.96 (11)	2.74 (9)	-2.17 (11)	1.02	24.00	79.0
Staples Rodway Balanced*	8.7	-5.56 (10)	2.19 (4)	4.69 (4)	2.59 (11)	--	1.08	39.96	62.5
Staples Rodway Growth*	5.3	-5.35 (8)	-1.10 (17)	2.52 (18)	2.18 (15)	--	1.23	39.96	69.1
Westpac Growth Fund	143.2	-5.42 (9)	2.78 (2)	4.36 (8)	3.93 (2)	-0.52 (7)	0.77	31.08	82.3
<i>Average</i>		<i>-6.00</i>	<i>-0.20</i>	<i>3.32</i>	<i>2.20</i>	<i>-1.66</i>	<i>0.92</i>	<i>34.20*</i>	
<i>Morningstar Multi-Sector Growth Index</i>		<i>-5.57</i>	<i>-1.78</i>	<i>2.21</i>	<i>1.51</i>	<i>-1.86</i>			<i>70.5</i>

# KiwiSaver Performance Survey - Returns to 30 September 2011



<b>Aggressive</b>	Assets (\$m)	3-month (%)	1-year (%)	2-year (%pa)	3-year (%pa)	4-Year (%pa)	Est. Total Fee (%)	Additional Fee \$/year	Growth Assets
AMP LS Aggressive Fund	96.8	-7.80 (7)	-3.01 (8)	1.16 (8)	-2.69 (10)	-5.67 (10)	1.13	36.00	96.1
Aon Russell Lifepoints 2045	3.7	-7.58 (5)	-1.01 (5)	4.29 (1)	0.38 (7)	-3.98 (5)	0.81	50.00	Und.
AXA Growth	66.7	-8.27 (8)	-3.29 (9)	1.22 (7)	2.13 (3)	-4.28 (6)	1.03	36.72	85.0
Brook Professional Growth Fund	4.2	-3.47 (1)	-1.44 (6)	0.39 (9)	2.46 (2)	2.46 (1)	0.99	30.00	77.5
Fidelity Aggressive Kiwi Fund	10.6	-13.74 (13)	-8.51 (11)	-1.19 (10)	0.19 (8)	-1.93 (3)	1.14	36.00	99.8
Fisher Funds Growth Fund	338.5	-7.60 (6)	-4.30 (10)	3.10 (2)	8.62 (1)	1.32 (2)	1.05	36.00	71.2
Grosvenor Geared Growth Fund	1.6	-10.30 (12)	-9.12 (13)	-2.46 (11)	--	--	1.18	39.96	94.6
Grosvenor High Growth Fund	43.5	-10.23 (11)	-8.85 (12)	-2.82 (12)	-1.99 (9)	-5.30 (9)	1.18	39.96	97.5
Mercer High Growth*	18.0	-6.65 (3)	-0.74 (1)	2.63 (4)	1.85 (5)	-4.33 (7)	0.85	34.20	93.3
Mercer Super Trust High Growth*	4.8	-6.62 (2)	-0.89 (2)	2.38 (5)	1.74 (6)	-4.45 (8)	1.03	34.20	93.3
TOWER Growth	54.1	-6.86 (4)	-2.17 (7)	2.88 (3)	2.11 (4)	-2.98 (4)	1.08	33.00	78.8
Westpac Capital Protect Plan 1	9.0	-9.16 (10)	-1.00 (4)	1.81 (6)	--	--	0.72	31.08	99.8
Westpac Capital Protect Plan 2	7.8	-9.15 (9)	-0.99 (3)	--	--	--	0.72	31.08	99.8
<i>Average</i>		<i>-8.26</i>	<i>-3.49</i>	<i>1.12</i>	<i>1.48</i>	<i>-2.91</i>	<i>0.99</i>	<i>36.00*</i>	
<i>Morningstar Multi-Sector Aggressive Index</i>		<i>-8.03</i>	<i>-4.62</i>	<i>0.30</i>	<i>-0.85</i>	<i>-4.57</i>			<i>91.3</i>

# KiwiSaver Performance Survey - Returns to 30 September 2011



## Single Sector Options

<b>Cash</b>	Assets (\$m)	3-month (%)	1-year (%)	2-year (%pa)	3-year (%pa)	4-Year (%pa)	Est. Total Fee (%)	Additional Fee \$/year	Growth Assets
AMP Cash Fund	31.9	0.69 (10)	3.27 (7)	3.27 (6)	3.81 (5)	4.85 (4)	0.73	36.00	0.0
ANZ Cash	31.7	0.78 (4)	3.26 (8)	2.68 (13)	3.09 (15)	--	0.42	24.00	0.0
Aon OnePath Cash	2.4	0.66 (12)	3.01 (12)	2.90 (9)	3.33 (9)	4.69 (6)	0.42	50.00	Und.
Aon Tyndall Cash	1.0	0.75 (7)	3.53 (4)	3.43 (5)	3.96 (4)	--	0.43	50.00	Und.
ASB Scheme's NZ Bank Deposit	178.5	0.61 (13)	2.68 (15)	2.59 (14)	3.13 (12)	4.49 (8)	0.38	30.00	0.0
AXA Cash	17.8	0.60 (15)	2.81 (14)	2.94 (8)	3.41 (7)	4.26 (11)	0.83	36.72	0.0
FC Scheme's NZ Cash	8.3	0.60 (14)	2.66 (16)	2.56 (15)	3.11 (13)	4.46 (9)	0.38	36.00	0.0
Grosvenor Enhanced Income Fund	12.4	0.69 (11)	3.59 (3)	3.90 (3)	4.21 (3)	5.42 (1)	0.73	39.96	0.0
Mercer Cash*	9.3	0.85 (1)	3.86 (1)	4.08 (1)	4.43 (1)	5.38 (2)	0.35	34.20	0.0
Mercer Super Trust Cash*	1.6	0.84 (2)	3.60 (2)	4.01 (2)	4.33 (2)	5.29 (3)	0.50	34.20	0.0
National Bank Cash	52.0	0.78 (5)	3.26 (9)	2.69 (12)	3.10 (14)	--	0.42	24.00	0.0
OnePath Cash Fund	1.1	0.79 (3)	3.37 (6)	2.87 (10)	3.34 (8)	4.55 (7)	0.40	33.00	0.0
SIL Cash Fund	14.5	0.76 (6)	3.10 (11)	2.45 (16)	2.86 (16)	4.30 (10)	0.52	24.00	0.0
Staples Rodway Conservative*	11.7	0.74 (8)	3.46 (5)	3.50 (4)	3.28 (10)	--	0.83	39.96	0.0
TOWER Preservation	15.8	0.73 (9)	3.13 (10)	3.10 (7)	3.62 (6)	4.82 (5)	0.51	33.00	0.0
Westpac Cash Fund	127.8	0.60 (16)	2.88 (13)	2.85 (11)	3.26 (11)	--	0.37	31.08	0.0

<b>Fixed Income</b>	Assets (\$m)	3-month (%)	1-year (%)	2-year (%pa)	3-year (%pa)	4-Year (%pa)	Est. Total Fee (%)	Additional Fee \$/year	International
Mercer Super Trust Fixed Intr*	0.8	3.05 (3)	4.71 (2)	7.52 (2)	9.87 (1)	8.39 (1)	0.83	34.20	79.9
SIL International Fixed Int	1.4	3.74 (1)	4.20 (3)	6.08 (3)	7.24 (2)	8.16 (2)	0.77	24.00	99.5
SIL New Zealand Fixed Interest	4.1	3.46 (2)	8.24 (1)	9.48 (1)	6.67 (3)	6.73 (3)	0.77	24.00	0.0

<b>Property</b>	Assets (\$m)	3-month (%)	1-year (%)	2-year (%pa)	3-year (%pa)	4-Year (%pa)	Est. Total Fee (%)	Additional Fee \$/year	International
Mercer Super Trust Real Assets*	0.5	-3.36 (2)	5.50 (2)	6.01 (3)	-0.15 (2)	-5.23 (2)	1.08	34.20	0.0
SIL Australasian Property	5.2	-1.11 (1)	11.71 (1)	6.83 (2)	3.56 (1)	-3.13 (1)	1.02	24.00	9.7
SIL International Property	3.3	-17.04 (3)	-2.11 (3)	9.45 (1)	-3.76 (3)	-8.82 (3)	1.02	24.00	95.2

<b>Australasian Equity</b>	Assets (\$m)	3-month (%)	1-year (%)	2-year (%pa)	3-year (%pa)	4-Year (%pa)	Est. Total Fee (%)	Additional Fee \$/year	Australian Assets
Aon Milford	27.9	-1.39 (1)	3.69 (3)	5.84 (1)	--	--	0.78	50.00	25.6
Grosvenor Socially Responsible	4.9	-8.12 (5)	-6.19 (7)	--	--	--	1.08	39.96	23.3
Grosvenor Trs-Tasm Sm Coms Shr	2.7	-12.19 (8)	-16.51 (8)	--	--	--	1.08	39.96	68.0
Mercer Super Trust Shares*	0.9	-8.64 (6)	-2.46 (5)	1.07 (5)	0.76 (4)	-6.77 (4)	1.08	34.20	7.6
Mercer Super Trust TransTasman*	0.7	-3.70 (4)	4.36 (2)	2.44 (4)	2.72 (3)	-4.27 (3)	1.08	34.20	25.0
Milford Aggressive	30.7	-1.39 (1)	3.69 (3)	5.83 (2)	9.91 (1)	9.45 (1)	1.05	36.00	25.6
SIL Australasian Share	9.1	-2.40 (3)	9.03 (1)	4.55 (3)	4.71 (2)	-3.69 (2)	1.02	24.00	13.6
Smartshares Growth	12.8	-10.07 (7)	-4.98 (6)	-0.11 (6)	-0.89 (5)	-8.11 (5)	0.85%/\$40	0.00	0

<b>International Equity</b>	Assets (\$m)	3-month (%)	1-year (%)	2-year (%pa)	3-year (%pa)	4-Year (%pa)	Est. Total Fee (%)	Additional Fee \$/year	International
FC Scheme's Active High Growth	1.6	-13.65 (7)	-9.60 (5)	-3.06 (6)	-4.86 (6)	--	1.03	36.00	93.8
FC Scheme's Global Sustain	2.8	-11.26 (3)	-7.73 (2)	-0.32 (3)	2.40 (1)	--	1.53	36.00	99.5
Grosvenor International Share	2.5	-11.49 (4)	-10.70 (7)	--	--	--	1.23	39.96	96.7
Mercer Super Trust Global*	1.0	-10.64 (1)	-5.22 (1)	0.36 (1)	-0.42 (2)	-8.12 (3)	1.08	34.20	100.0
SIL International Share	12.2	-12.62 (5)	-8.87 (4)	-0.89 (4)	-2.36 (4)	-6.10 (1)	1.02	24.00	98.9
SIL Sustainable Growth Fund	0.9	-11.11 (2)	-10.54 (6)	-3.03 (5)	-4.50 (5)	--	1.22	24.00	96.4
TOWER Equity	17.2	-12.95 (6)	-8.02 (3)	-0.31 (2)	-1.43 (3)	-7.90 (2)	1.13	33.00	97.5

<b>Miscellaneous</b>	Assets (\$m)	3-month (%)	1-year (%)	2-year (%pa)	3-year (%pa)	4-Year (%pa)	Est. Total Fee (%)	Additional Fee \$/year	Growth Assets
Fidelity Options Kiwi Fund	41.5	-23.79 (1)	-10.36 (1)	-0.30 (1)	0.48 (1)	5.75 (1)	1.07	36.00	100.0

## Assets Under Management - By Provider

	Sept 2011				December 2010				December 2009				December 2008		
	\$m	%	Rank	Rank Change	\$m	%	Rank	Rank Change	\$m	%	Rank	Rank Change	\$m	Rank	%
AMP	1106.1	11.6	(3)		897.2	12.1	(3)		595.6	13.0	(3)		266.0	13.7	(3)
Aon	128.4	1.3	(11)		104.9	1.4	(11)	▼	70.1	1.5	(10)		28.1	1.4	(10)
ASB	2024.3	21.2	(2)		1527.4	20.6	(2)		932.7	20.4	(2)		409.4	21.1	(2)
AXA	700.9	7.3	(5)		560.4	7.6	(5)		372.4	8.1	(5)		168.7	8.7	(5)
Brook	5.4	0.1	(16)		4.6	0.1	(16)	▼	3.4	0.1	(14)		1.3	0.1	(14)
Fidelity	212.9	2.2	(9)		174.3	2.4	(9)		85.3	1.9	(9)		29.5	1.5	(9)
Fisher	455.9	4.8	(8)		203.0	2.7	(8)		116.6	2.5	(8)		45.0	2.3	(8)
Forsyth Barr	7.6	0.1	(15)		5.5	0.1	(15)		--	--			--	--	
Grosvenor	162.4	1.7	(10)		127.1	1.7	(10)	▲	58.9	1.3	(11)		22.4	1.2	(11)
Mercer	622.3	6.5	(7)		486.3	6.6	(7)		332.9	7.3	(7)		143.3	7.4	(7)
Milford	33.3	0.3	(12)	▲	18.1	0.2	(14)		--	--			--	--	
OnePath	2324.0	24.3	(1)		1771.9	23.9	(1)		1045.9	22.9	(1)		423.1	21.8	(1)
Smartshares	20.3	0.2	(14)	▼	18.3	0.2	(13)		12.7	0.3	(13)		5.6	0.3	(13)
Staples Rodway	25.7	0.3	(13)	▼	20.9	0.3	(12)		13.6	0.3	(12)		6.1	0.3	(12)
Tower	673.7	7.1	(6)		541.1	7.3	(6)		358.8	7.8	(6)		165.0	8.5	(6)
Westpac	1043.7	10.9	(4)		739.0	10.0	(4)		406.1	8.9	(4)		196.4	10.1	(4)
Closed Schemes					198.7	2.7			168.2	3.7			31.2	1.6	
<b>Total</b>	<b>9547.0</b>				<b>7398.6</b>				<b>4573.2</b>				<b>1941.0</b>		

Returns are before tax and after fees. Estimated Total Fee is the sum of the ongoing Management Fees, the Trustee Fees, and Administration fees. The performance for AMP, AXA, Forsyth Barr and Tower reflects fees that are charged as a percentage of your account balance and paid by cancelling units. Please contact Morningstar if you require clarification. Additional fees are dollar-based Administration or Membership Fees payable in addition to the Total Fee, and are not reflected in the fund's performance. We have adjusted the performances of the Huljich Wealth Management funds reported in this survey. We have elected to change the start date of the funds to 31 October 2008 as a result of the additional payments made by Peter Huljich in December 2007 and October 2008. We have taken this action to improve the validity of cross-sectional analysis undertaken using our database. More specifically, investment returns should solely reflect investment activities. \*\* - Indicates a median rather than a mean. (a) Total Fee is a minimum of \$40 or 0.85 percent dependent upon account balance. Und. = Undisclosed. \* - Indicates Performance numbers supplied directly from the Provider rather than calculated independently by Morningstar.

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