



SuperRatings media release

Thursday 1 November 2018

Top KiwiSaver Schemes for 2019

SuperRatings has released its top-rated KiwiSaver schemes for 2019, along with a list of schemes that provide the highest value on a Net Benefit basis. Eight providers were awarded the 'Platinum' rating for 2019 in a year that saw strong competition within the Platinum and Gold bands.

SuperRatings' assessment criteria considers five key factors, including investments, fees, member servicing, scheme administration and governance. Schemes awarded a Platinum rating are well balanced across all key assessment criteria. We believe these schemes are well placed to deliver strong value for members and enhance retirement outcomes relative to their peers.

"The discussion about fees is extremely prevalent in the New Zealand market. While this is important, we believe that the Net Benefit (total earnings less all fees) is the key factor that contributes to overall value for KiwiSaver members," said SuperRatings Executive Director Kirby Rappell. "We have observed a number of schemes improve their outcomes over the year. There is a stronger focus by some providers on improving engagement with KiwiSaver members, but there remains a lot of work to do in this area. The average KiwiSaver member now has over \$17,000 in their account and this will also assist people to more closely monitor these savings."

7-year Net Benefit figures were calculated by SuperRatings, using schemes' returns net of fees and tax, which aims to show the dollar amount credited to a member's account. SuperRatings continues to be a strong proponent of Net Benefit as the key measure of overall value for a member despite the strong focus on fees across the market.

SuperRatings' Net Benefit methodology models investment returns achieved by each scheme over a seven-year period, as well as the fees charged over the period. The analysis uses a scenario of a member that has a salary of \$50,000 and a starting balance of \$20,000. It then assumes a contribution rate of 3.0% with a contribution tax of 17.5%.

The majority of KiwiSaver members' retirement savings sit in conservative funds, particularly for default members, analysis was also undertaken for balanced and growth funds. Across all fund types there is a significant divergence in outcomes for members. Two key insights can be drawn from the analysis:

- 1) Schemes that provide the highest Net Benefit outcomes for members are not necessarily those that charge the lowest fees;
- 2) Net Benefit outcomes for growth funds are significantly higher than that of conservative funds, which is not surprising given their higher growth asset allocation. This highlights the importance of members reviewing their current fund type to make sure it is suitable to their needs.

"Whilst the KiwiSaver market differs from its Australian counterpart in that members may use a scheme with a shorter term focus, such as saving for their first home, it is still important that the best fund type is chosen given their objectives. For members that are using KiwiSaver as a retirement vehicle, it is imperative that they check which option they are in to ensure it will help them realise their retirement goals." said Mr Rappell.

We welcome media enquiries regarding our research or information held in our database.

We are also able to provide commentary and customised tables or charts for your use.

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Require further information?

Simply visit our website:
www.superratings.com.au

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SuperRatings' Scheme Rating Criteria



Investment



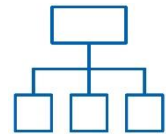
Fees & Charges



Member Servicing



Administration



Governance

New Zealand's top-rated schemes

Platinum Rated Schemes



- ASB KiwiSaver Scheme
- Fisher Funds TWO KiwiSaver Scheme
- Kiwi Wealth KiwiSaver Scheme
- Mercer KiwiSaver Scheme
- Milford KiwiSaver Plan
- New Zealand Defence Force KiwiSaver Scheme
- OneAnswer KiwiSaver Scheme
- Westpac KiwiSaver Scheme

Gold Rated Schemes



- AMP KiwiSaver Scheme
- ANZ Default KiwiSaver Scheme
- ANZ KiwiSaver Scheme
- Aon KiwiSaver Scheme
- BNZ KiwiSaver Scheme
- Booster KiwiSaver Scheme
- Fisher Funds KiwiSaver Scheme
- Generate KiwiSaver Scheme



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Conservative Funds - 7 Year Net Benefit Outcomes*		
Scheme Name	Fund	Net Benefit
Aon KiwiSaver Scheme	Conservative Fund**	\$ 12,199
SuperLife KiwiSaver Scheme	SuperLife ³⁰	\$ 9,471
Fisher Funds TWO KiwiSaver Scheme	Conservative Fund	\$ 9,172
Mercer KiwiSaver Scheme	Conservative	\$ 8,888
Fisher Funds KiwiSaver Scheme	Conservative Fund	\$ 8,847
Westpac KiwiSaver Scheme	Conservative Fund	\$ 8,820
ANZ Default KiwiSaver Scheme	Conservative Fund	\$ 8,679
OneAnswer KiwiSaver Scheme	Conservative Fund	\$ 8,590
ANZ KiwiSaver Scheme	Conservative Fund	\$ 8,535
Kiwi Wealth KiwiSaver Scheme	Conservative	\$ 8,307
Balanced Funds - 7 Year Net Benefit Outcomes*		
Scheme Name	Fund	Net Benefit
Milford KiwiSaver Scheme	Balanced Fund	\$ 20,504
Aon KiwiSaver Scheme	Balanced Fund***	\$ 18,367
Kiwi Wealth KiwiSaver Scheme	Balanced	\$ 14,310
OneAnswer KiwiSaver Scheme	Balanced Fund	\$ 14,181
ASB KiwiSaver Scheme	Balanced Fund	\$ 14,035
ANZ KiwiSaver Scheme	Balanced Fund	\$ 14,026
Westpac KiwiSaver Scheme	Balanced Fund	\$ 13,630
ANZ Default KiwiSaver Scheme	Balanced Fund	\$ 13,281
SuperLife KiwiSaver Scheme	SuperLife ⁶⁰	\$ 13,014
Mercer KiwiSaver Scheme	Balanced	\$ 12,949
Growth Funds - 7 Year Net Benefit Outcomes*		
Scheme Name	Fund	Net Benefit
Milford KiwiSaver Scheme	Active Growth Fund	\$ 30,796
Aon KiwiSaver Scheme	Growth Fund****	\$ 20,999
Kiwi Wealth KiwiSaver Scheme	Growth	\$ 20,040
OneAnswer KiwiSaver Scheme	Growth Fund	\$ 19,952
ANZ KiwiSaver Scheme	Growth Fund	\$ 19,757
ANZ Default KiwiSaver Scheme	Growth Fund	\$ 18,522
Westpac KiwiSaver Scheme	Growth Fund	\$ 16,977
ASB KiwiSaver Scheme	Growth Fund	\$ 16,963
Fisher Funds KiwiSaver Scheme	Growth Fund	\$ 16,224
Fisher Funds TWO KiwiSaver Scheme	Growth Fund	\$ 15,547

*Net Benefit outcomes are calculated over seven years and assume a contribution rate of 3.00%, contribution tax of 17.50%, salary of \$50,000 p.a. and a starting balance of \$20,000.

Russell LifePoints® Conservative Fund *Russell LifePoints® Balanced Fund ****Russell LifePoints® Growth Fund



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Release Ends

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