

Summary

- The total value of funds under management decreased to \$257b (-2.6%) during the quarter. This is the first decrease recorded since March 2020.
- Kiwisaver and Other Superannuation schemes were both down this quarter (-2.5% and -5.0% respectively).
- Fund holdings by asset class saw the first fall in listed shares since March 2020 (-5.9%) , units in trusts also took a fall (-7.6%) while cash holdings were up 3.0%.
- Fund holdings by product type saw private wealth fall 4.5%. Cash management trusts also took a fall (-3.4%), while retail unit trusts and wholesale clients stayed very flat.

Total funds under management take a fall for the first time since COVID-19 pandemic began

Total funds under management decreased 2.6% to \$257.3b for the quarter ended 31st March 2022. This is an annual increase of 8.2%.

This fall in total funds under management is likely due to a combination of factors including rising interest rates, and rising inflation.

Kiwisaver and Other Superannuation record quarterly drop

Kiwisaver and Other Superannuation schemes also fell in Q1 2022.

Kiwisaver net assets decreased 2.5% this quarter to \$92.3b. Despite this fall, Kiwisaver is recording a 10.8% increase from Q1 2021.

Similarly, Other Superannuation decreased this quarter falling 5.0% to \$35.1b. This is a 5.2% increase from Q1 2021.

Figure 1: Total Funds under Management

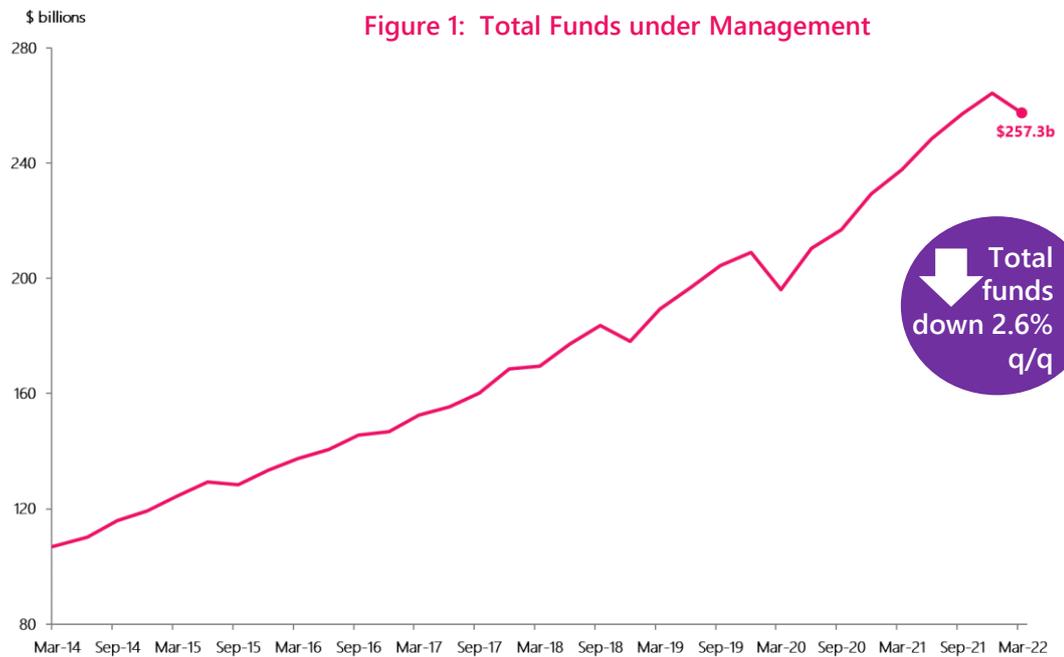


Figure 2: KiwiSaver & Other Superannuation

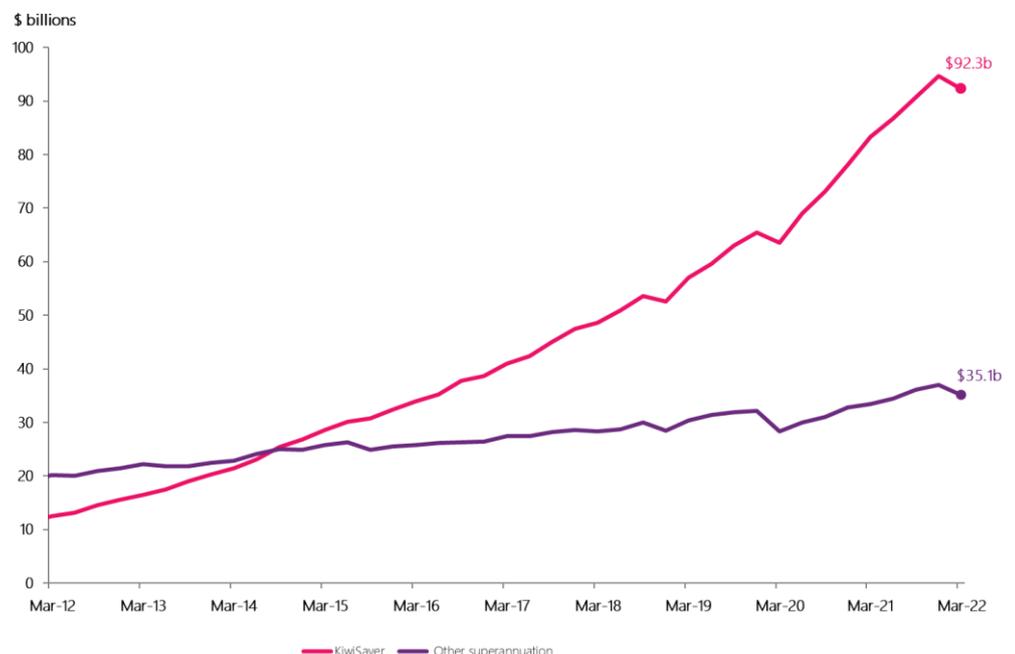
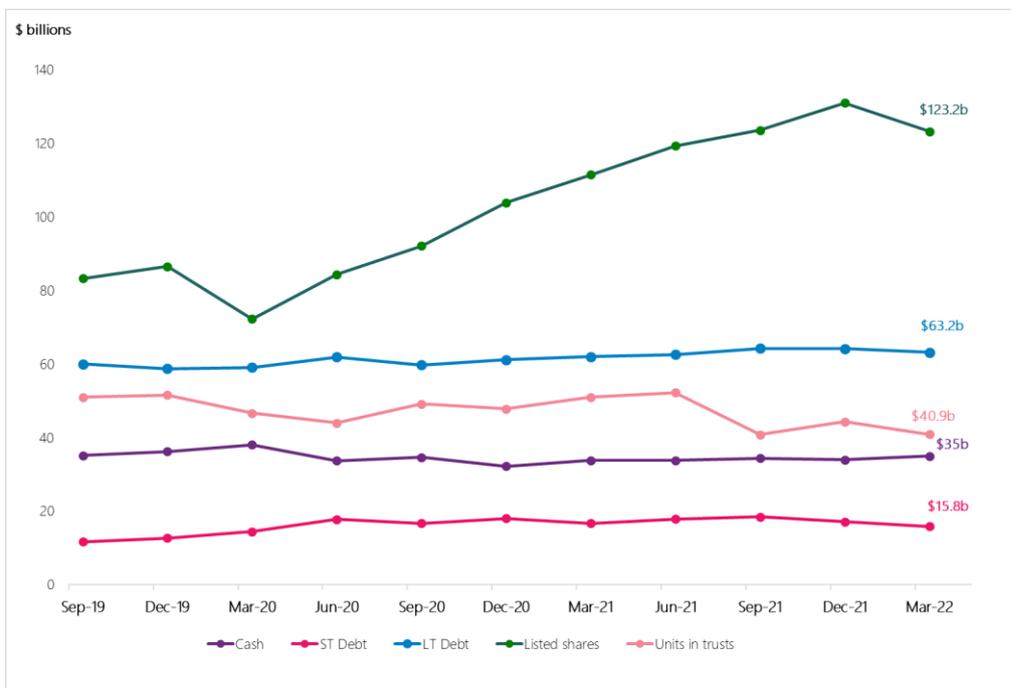


Figure 3: Funds by Asset Class



Listed shares take a hit

Total industry holdings of listed shares has taken a fall this quarter, down 5.9% from \$131b to \$123.2b. This is the first fall recorded since the March 2020 quarter where we saw the effects of the COVID-19 pandemic.

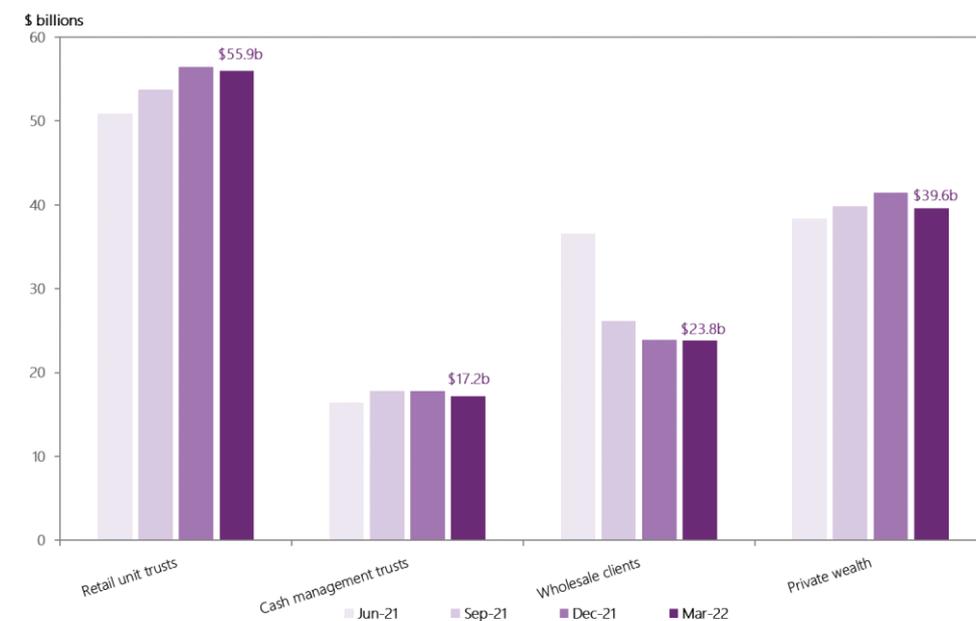
Long term debt securities stayed flat again this quarter, falling 1.5% to \$63.2b from \$64.2b last quarter.

Units in trusts decreased 7.6% to \$40.9b. This comes after the sharp fall seen in the September 2021 quarter, which was due to one large provider historically reporting cross invested funds in wholesale trusts.

Cash holdings have increased slightly, up 3.0% from \$33.9b to \$35b.

Short term debt securities holdings were down 7.6% to \$15.8b. This is a 5.3% decrease year on year.

Figure 4: Funds by Product Type



Private wealth decreases for first time since March 2020

Private Wealth has decreased 4.5% this quarter from \$41.4b to \$39.6b. Private Wealth tends to hold a large proportion of shares, so this decrease is in-line with the 5.9% decrease in listed shares. This is the first decrease reported since the March 2020 quarter.

The value of Retail Unit Trusts stayed very flat this quarter falling 0.9% to \$55.9b. Retail Unit Trusts have been increasing steadily since December 2020, and this is the first time they have been flat.

Cash management trusts fell 3.4% to \$17.2b.

Wholesale clients have stayed very flat this quarter, falling 0.3% to \$23.8b. The sharp fall seen in the September 2021 quarter was due to one large provider historically reporting cross invested funds in wholesale trusts.

About the Managed Funds Survey (QMFS & AMFS)

All figures in this report are drawn from the Quarterly Managed Funds Survey and the Annual Managed Funds Survey, which covers Managed Funds with:

- Total funds under management \$1+ billion. (QMFS)
- Funds under \$1 billion are collected annually at the end of quarter 1. (AMFS)

The QMFS covers 34 funds who make up approximately 93% of the total funds managed in New Zealand. The annual survey attempts to cover the remaining 7%, surveying 31 small funds. For the purposes of this survey we do not include ACC and the NZ Super Fund as these are government providers of insurance and pensions and as such are not included as a part of household savings.

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