

Attitudes towards New Zealand's financial markets

Investor confidence research
May 2018

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Background

The FMA commissioned Buzz Channel to measure New Zealanders' attitudes towards and confidence in New Zealand's financial markets.

This is the sixth year the FMA has carried out investor confidence research, but the first year Buzz Channel has been involved.

The main research objectives were to:

- Measure the level of confidence the New Zealand public have in the New Zealand financial markets;
- Measure perceptions and awareness of the FMA;
- Capture the level of understanding of diversification and risk/return trade off.

An online survey was conducted using Buzz Channel's research panel, buzzthepeople.

Fieldwork took place between 8th and 17th May 2018.

A total of n=1011 New Zealanders aged 18 years and over took part in the research in 2018. The data has been weighted by age, gender, region, and ethnicity to ensure results are representative of the New Zealand population.

The margin of error on this sample is +/-3% at the 95% confidence level.

Summary

Confidence in New Zealand's financial markets:

Confidence in New Zealand's financial markets has remained stable since 2017, with 66% of investors feeling 'fairly' or 'very' confident.

Confidence is considerably higher among those who are more knowledgeable about investments and the risk associated with them indicating a clear dynamic between awareness and knowledge regarding the financial markets and the level of confidence people have in the financial markets. The more experienced investors who do not only have a KiwiSaver scheme are the most confident about New Zealand's financial markets and its regulation. These investors are more likely to be male, aged 40 years and over, and earning higher personal and household income.

On the other hand females and the younger age groups under 30 years are the least likely to have an investment and significantly less likely to follow the financial markets, and are therefore the least knowledgeable and confident. They are more likely to be non-investors, or have only a KiwiSaver investment, and are more likely to say they don't know enough to have an opinion on some of the topics asked. However, people aged under 30 years who *are* knowledgeable about the financial markets have similar confidence levels to those aged 30 years and over.

The top reasons given for being confident in the New Zealand financial markets is stability of the background environment in the markets and/or economy. On the other hand the main reasons given for not feeling confident in the financial markets is a general lack of faith, and lack of knowledge.

Summary

Awareness and perceptions of FMA and regulation:

Awareness of the Financial Markets Authority is higher than in 2013, remaining stable over the last four years with four in ten New Zealanders having heard of the FMA. Those aware of the FMA are more likely to be investors and indicate higher confidence overall in the financial markets and its effective regulation.

Four in ten New Zealanders agree that the FMA supports the integrity of New Zealand's financial markets, and over half don't have an opinion on this (56%). Agreement has decreased slightly since 2017, with more people now unsure and giving a 'don't know' response to the question (particularly non-investors). Only a very small proportion of New Zealanders disagree that the FMA supports the integrity of New Zealand's financial markets (4%).

Types of investments:

The majority of New Zealanders aged 18 years and over (84%) have at least one investment in the New Zealand financial markets, the most common investment being KiwiSaver at 63%. It's interesting to see that a high proportion of New Zealanders aged 18 to 29 years have a KiwiSaver scheme (79%). 28% of New Zealanders indicated the only investment they have is KiwiSaver, the profile of these KiwiSaver exclusive investors is similar to the profile of non-investors, the main difference being that the non-investors are less likely to live in Auckland.

Summary

Diversification and the risk/return trade off:

Diversification:

Half of New Zealanders aged 18 years and over said they have heard of and understand 'diversification' and virtually all of these people correctly identified 'Investing all your money across different investment choices such as shares, property and cash' as diversification. However only 17% also identified all other options as 'not diversification' indicating that perhaps people are not as knowledgeable as they think on this topic.

Not surprisingly, investors, and those aware of FMA, are more likely to say they understand diversification.

Risk/return trade off:

A lower proportion of New Zealanders understand risk/return trade off than understand diversification (42%). Again it's the investors, and those aware of FMA, who are more likely to say they understand risk/return trade off.

When it comes to investment types, New Zealanders overall are more knowledgeable and able to give an opinion about risk level associated with the following: *Term deposits, Residential property, KiwiSaver funds.*

On the other hand, New Zealanders are less knowledgeable overall about the higher risk investments: *Hybrid bonds, Derivatives, Property syndicates, Private equity funds, Shares in a company through equity crowdfunding.*

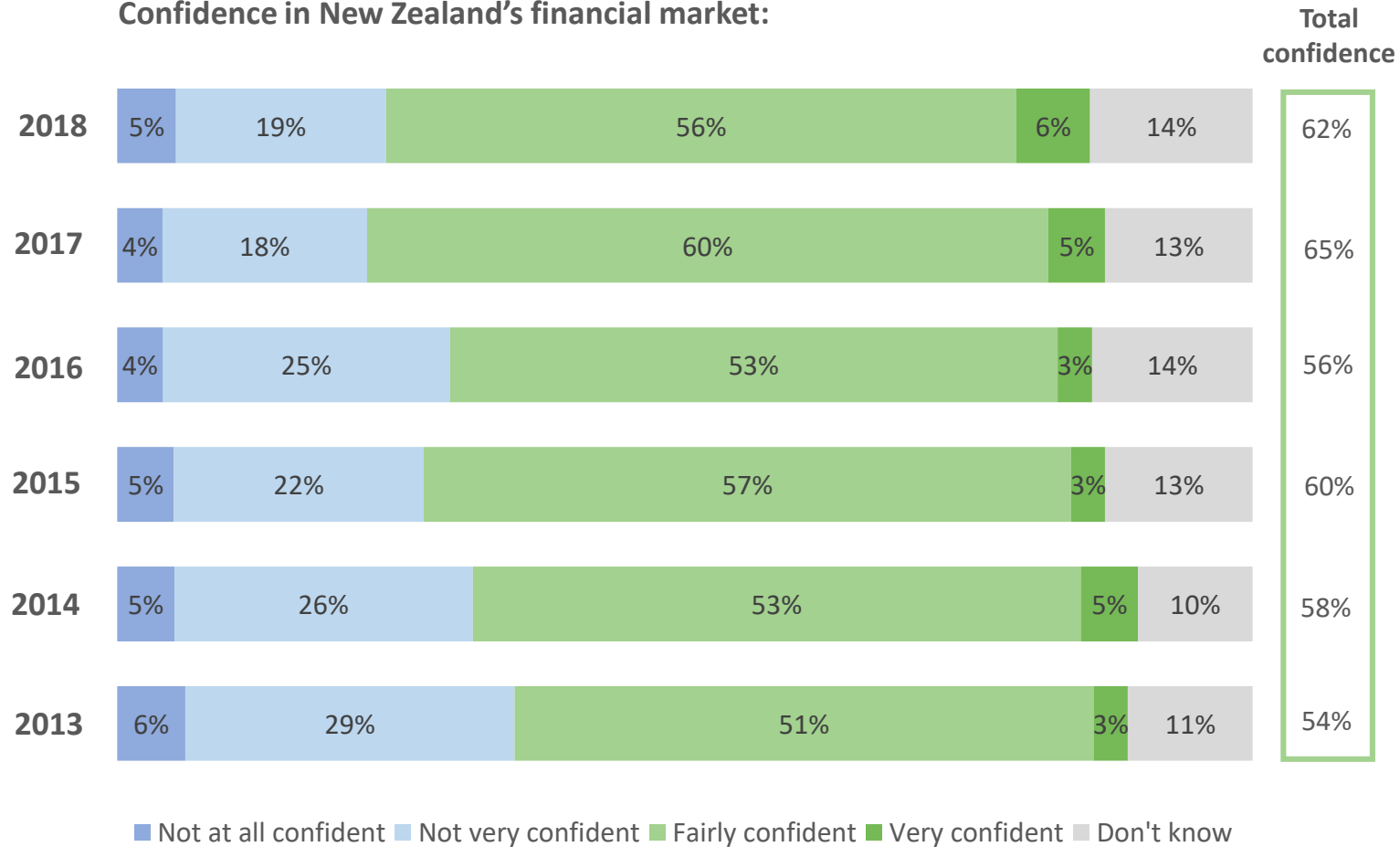
It's concerning that women feel significantly less knowledgeable than men about all investment types and the risk associated with them, except for: *Term deposits, Residential property, KiwiSaver conservative and balanced funds.*



Confidence in New Zealand's financial markets

Financial market confidence over time

Confidence in New Zealand's financial market:



New Zealanders' confidence overall in the financial markets sits at 62% this year. This is down slightly from last year, however this movement is not statistically significant.

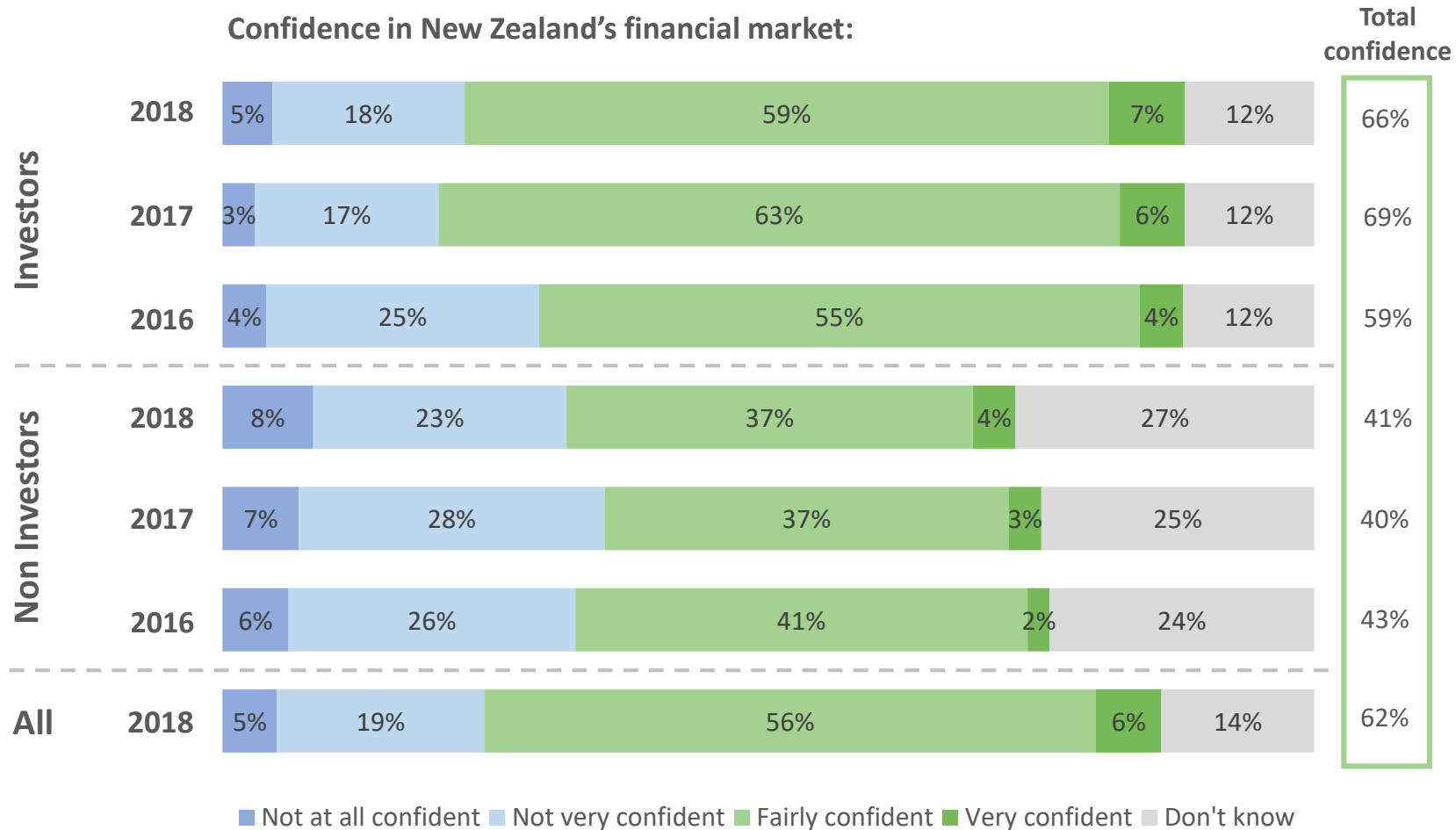
Males are more likely to be 'very confident' in New Zealand's financial markets (10% vs 4% of females).

New Zealanders who are currently unemployed are more likely to say they are 'not very confident' in the financial markets (37% vs 19% of the total sample).

Consistent with previous surveys, investors are more confident than the general population – see next slide.

Investor/non-investor confidence

Confidence in New Zealand's financial market:



There have been no significant movements in confidence levels among investors or non-investors compared to 2017.

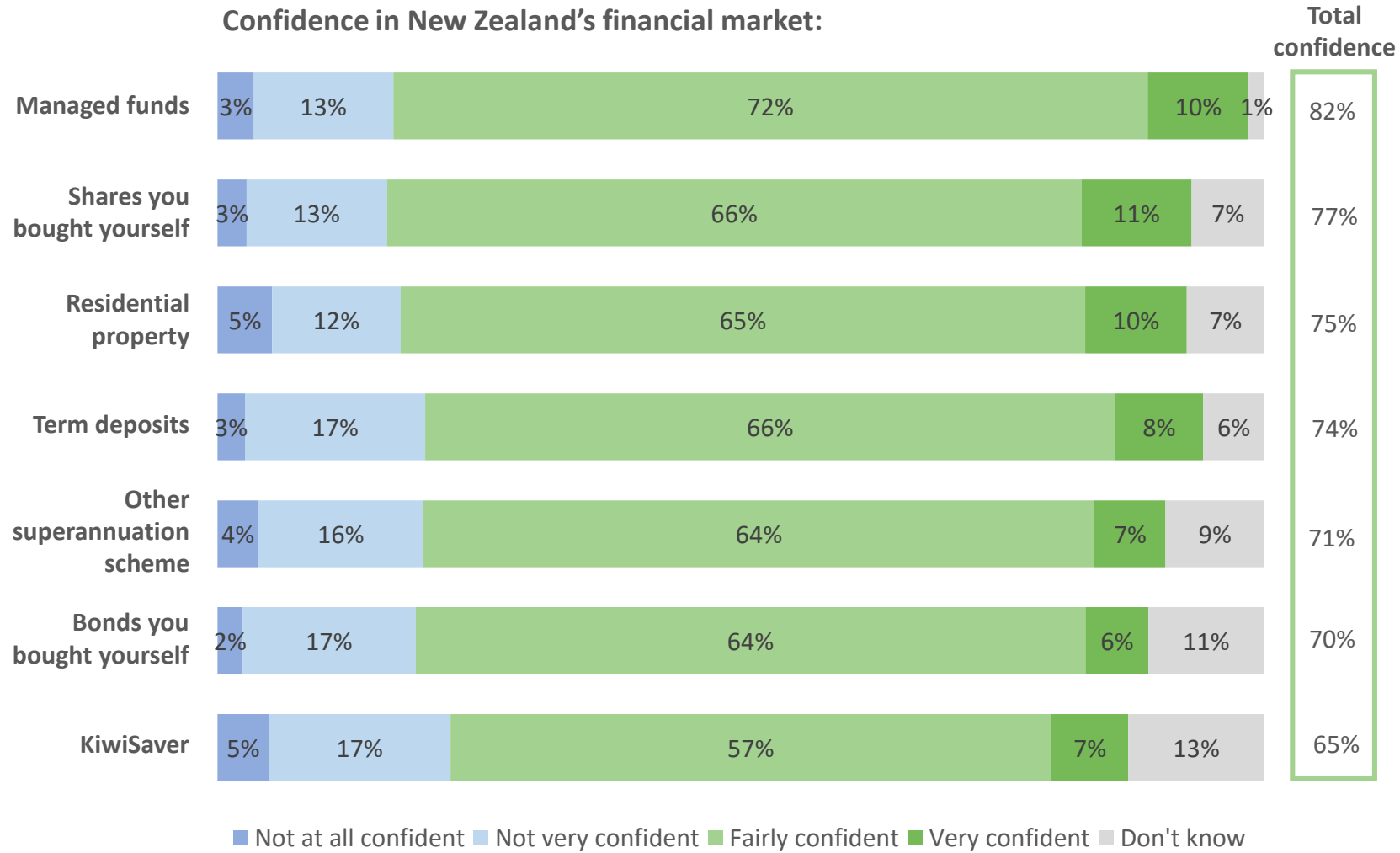
As found in previous waves, investors tend to be more confident in the financial markets than non-investors.

Those who said they have heard of and understand diversification and/or risk/return trade off indicate higher confidence in the financial markets (73% and 74% total confidence respectively).

Confidence by investment type held

Confidence is highest among investors who have a Managed Fund and lowest among those with a KiwiSaver scheme.

Confidence in New Zealand's financial market:



■ Not at all confident ■ Not very confident ■ Fairly confident ■ Very confident ■ Don't know

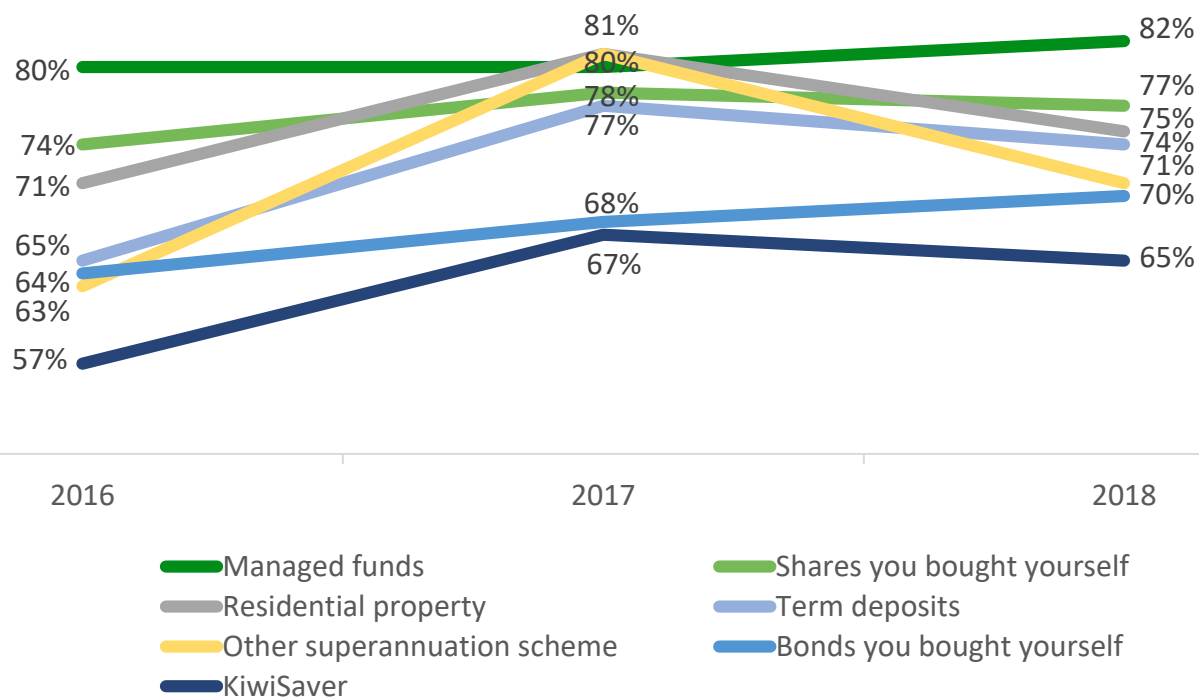
How much confidence do you have in New Zealand's financial markets? Are you...

Base: Managed funds n=114; Shares you bought yourself n=189; Residential property n=116; Term deposits n=325; Other superannuation scheme n=144; Bonds you bought yourself n=99; KiwiSaver n=641.

Investor confidence over time by investment type held

Confidence in New Zealand's financial market (2017 vs 2018):

Shows % of total confidence (fairly or very confident)



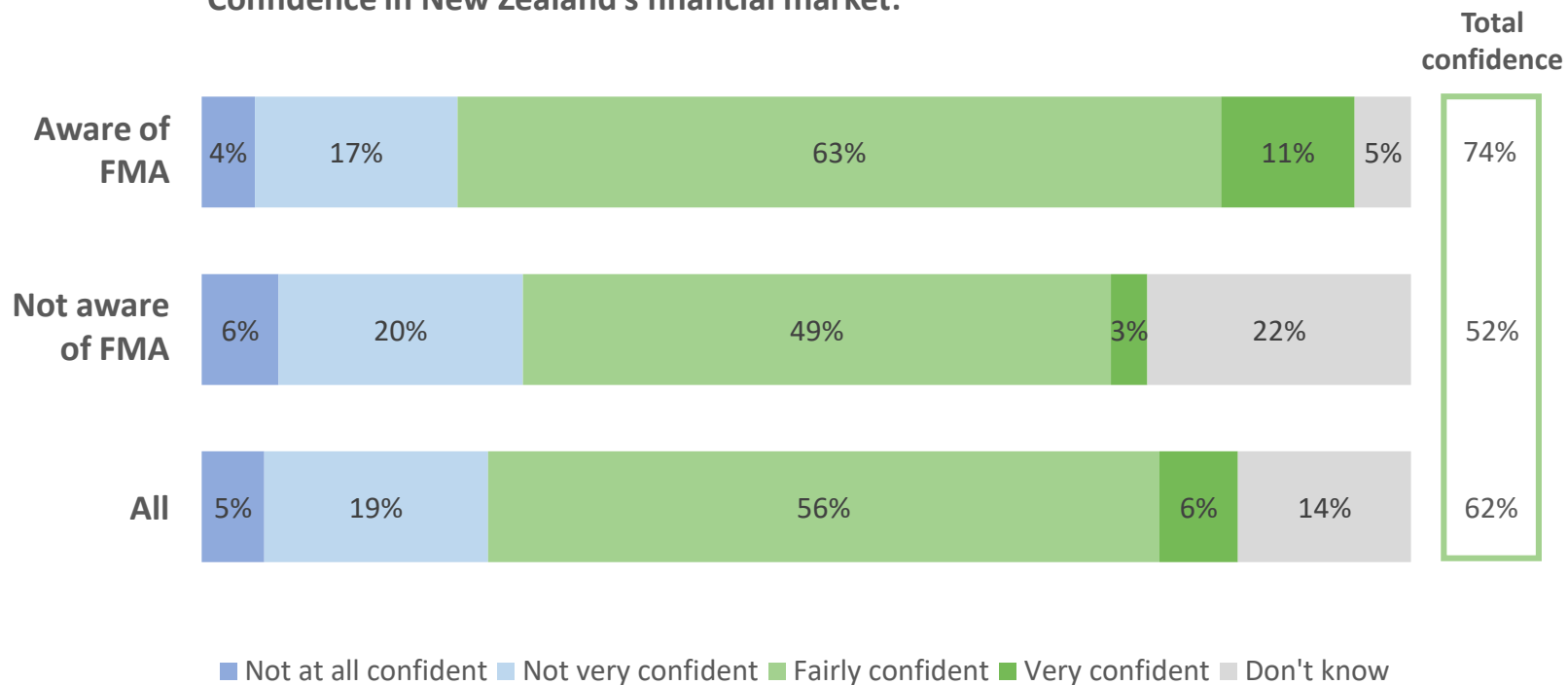
Confidence in the financial markets has remained fairly stable compared to a year ago across all investment types held, except for superannuation schemes (other than KiwiSaver) where there has been a slight drop in confidence among these investors.

How much confidence do you have in New Zealand's financial markets? Are you...

Base: Managed funds n=114; Shares you bought yourself n=189; Residential property n=116; Term deposits n=325; Other superannuation scheme n=144; Bonds you bought yourself n=99; KiwiSaver n=641.

Confidence by awareness of FMA

Confidence in New Zealand's financial market:



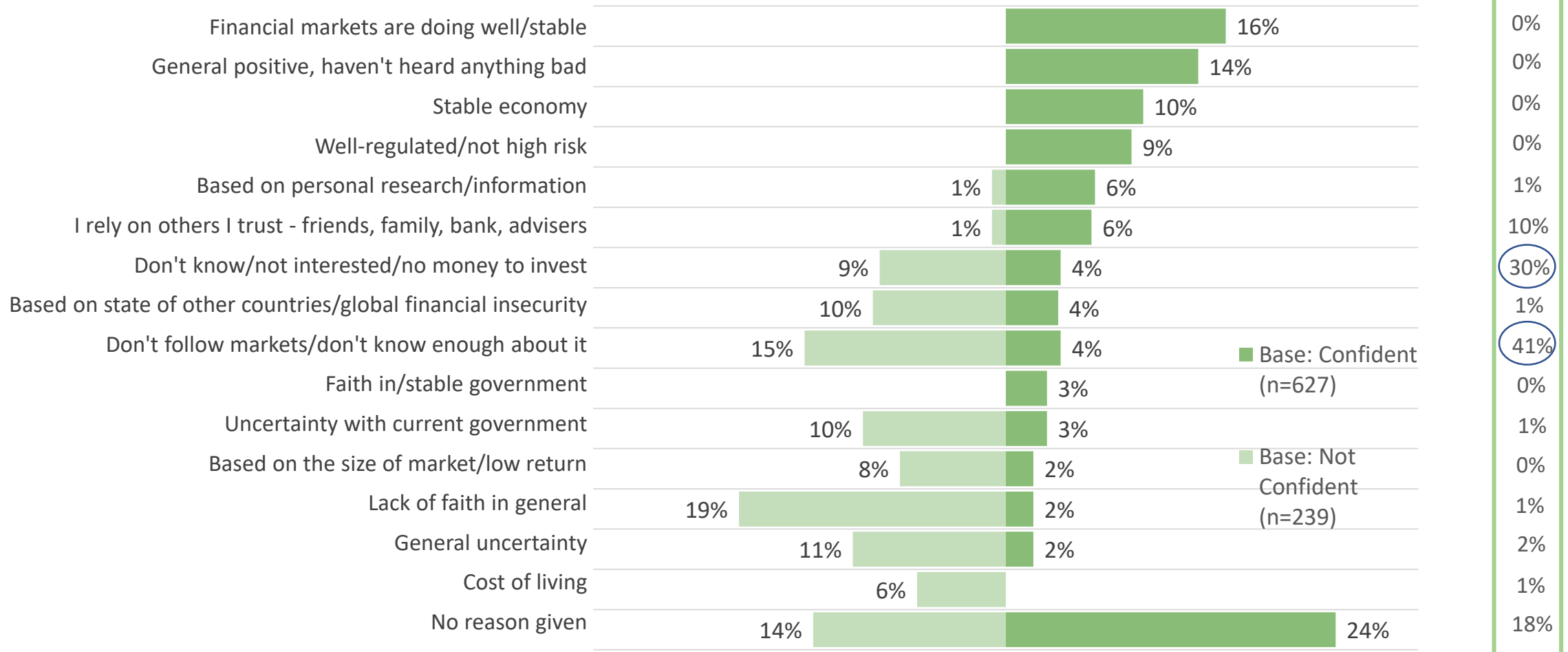
New Zealanders aware of the FMA are far more likely to be confident in the financial markets.

Similarly, those who agree or strongly agree with the statement, 'The FMA supports the integrity of NZ's financial markets', are more likely to be confident (80% total confidence in the financial markets).

Reasons for level of confidence

The top reason given for being confident in the New Zealand financial markets is stability of the markets and /or economy. The main reasons given for not feeling confident is a general lack of faith, followed by a lack of knowledge.

Base: Don't know level of confidence (n=145)



Example quotes – reasons confident in the financial markets

“Even with proposed market corrections, things appear stable - we have had a prolonged period of growth - that couldn't have gone on forever.”

“Financial markets fairly stable when compared to worldwide equivalents.”

“I believe New Zealand's financial market is stable and I'll be able to invest and save in the current climate.”

“I feel we are a pretty stable country in terms of financial markets.”

“I think we are in a semi strong position with our financial markets and trust the government to keep the economy going.”

“Market regulation has improved enormously since the 'cowboy' days of the 1970-80s.”

“I think the NZ market is solid over long term growth.”

“Lack of corruption, introduced safeguards on the back of past failure.”

“While the markets are always reactive, they have an element of hope and optimism and usually trend up.”

“Don't hear about too many rip-offs and when you do it's usually people investing to get rich quick which never works. The rules have tightened up considerably since the 90s too.”

Example quotes – reasons not confident in the financial markets

"I'm not confident because of lack of personalised service and information. A pamphlet/booklet with banking jargon is not helpful."

"I don't know where to start to learn, apart from bank's websites, about alternative investments."

"Because I don't keep up to date/understand the markets."

"Always uncertain just how well they are coping. I get to the stage of not knowing who to trust. So many differing opinions that you hear or read about."

"I don't believe most New Zealanders are financially savvy. I don't trust most financial advisers to look after my interests."

"As has been shown in recent history, the financial markets are not adverse to being manipulated by persons who the public have no control over. KiwiSaver is a prime example of the 'Company' is making very good profits at the behest of individuals.."

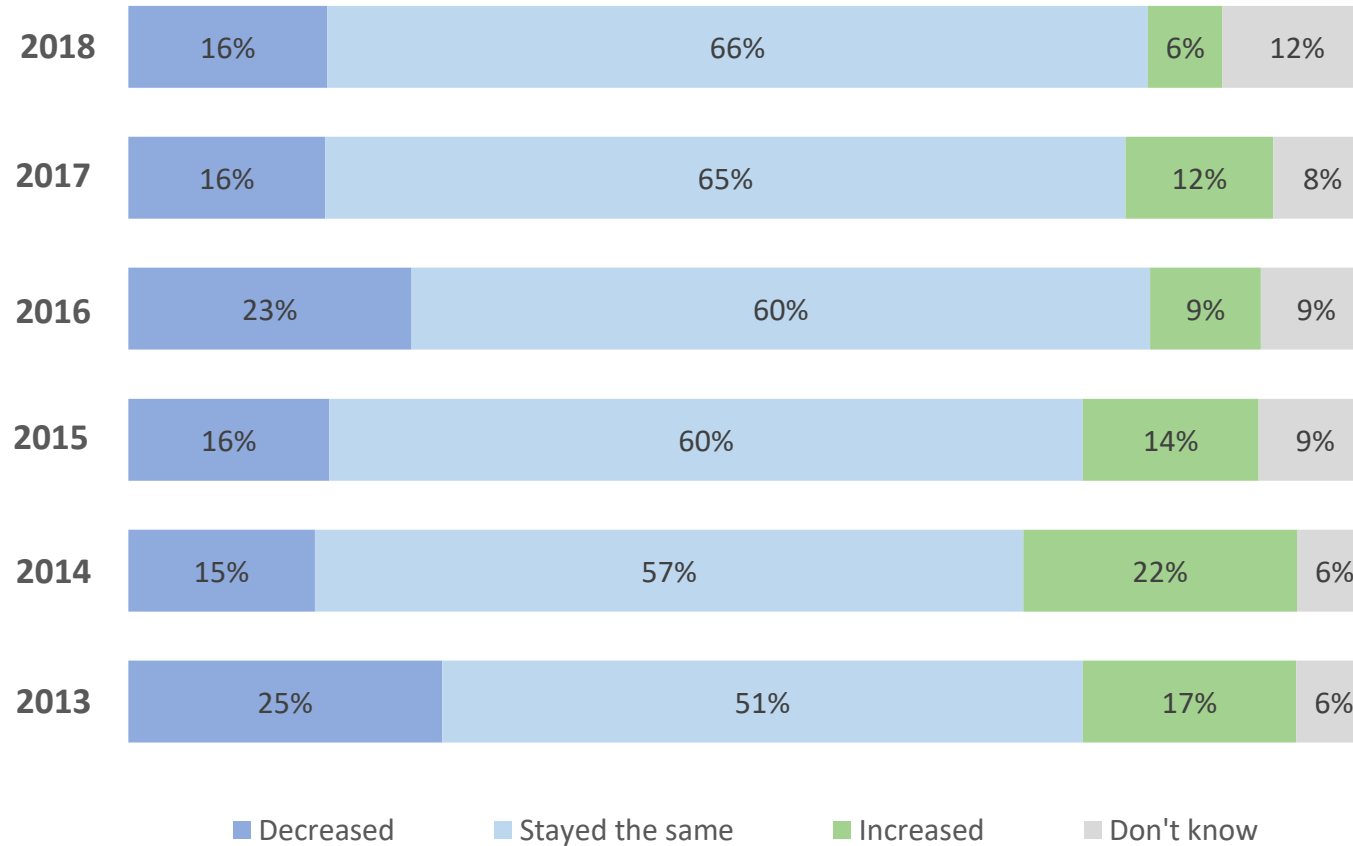
"I do not pay much attention to NZ's financial market so don't have an informed opinion about it.."

"I don't know how safe my money is because share prices can go up and down too quickly."

"Markets can go up or down .. caused by unexpected external factors."

Changes in confidence over time

Changes in the level of confidence in New Zealand's financial market over the last year:



Two thirds of New Zealanders say their confidence in the financial markets hasn't changed over the last year.

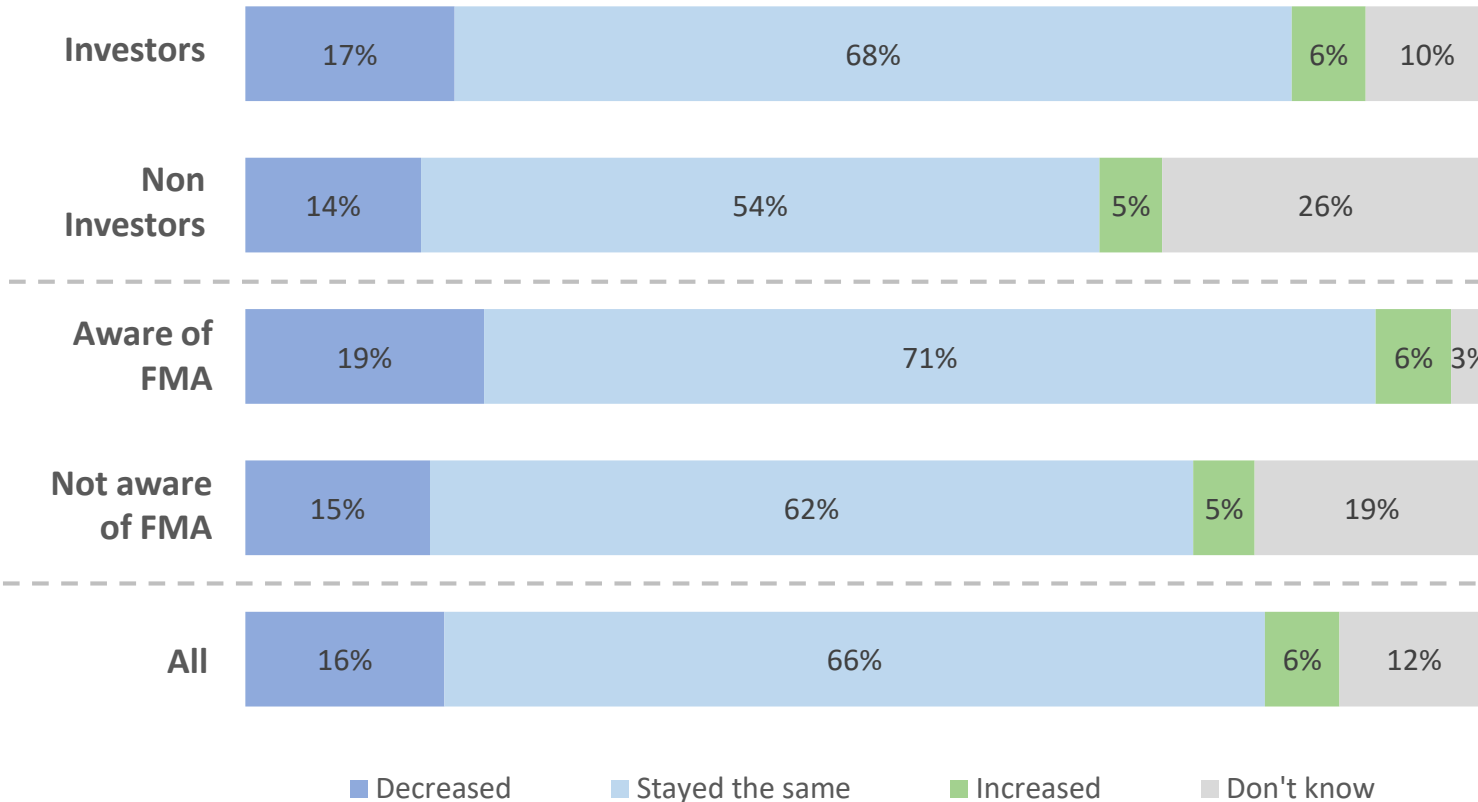
The proportion of New Zealanders saying their confidence has increased over the last year is significantly lower than previous years. However confidence hasn't decreased, instead it seems that more New Zealanders feel unsure. This change is equally apparent across all investment types held.

Among the 16% who identified a decrease in their confidence since last year there was higher mention of a lack of faith, cost of living, and uncertainty with the current government as reasons for their decrease in level of confidence.

Households with an annual income between \$100K and \$150K are more likely to say that their confidence level has remained the same (76%).

Changes in confidence by investor/ non-investor and awareness of FMA

Changes in the level of confidence in New Zealand's financial market over the last year:

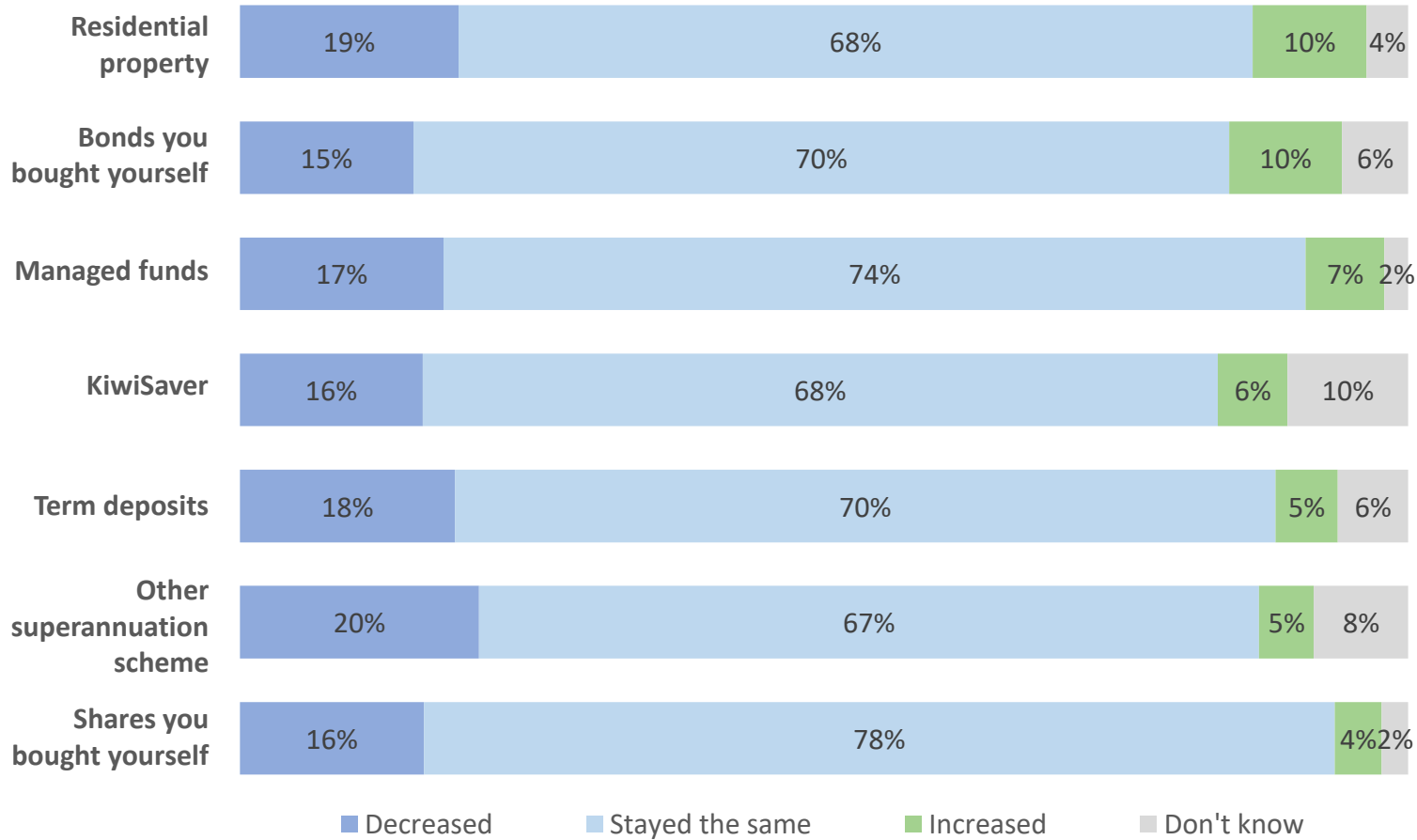


Investors are more likely to say that their confidence level has remained the same since last year (68%), whereas non-investors are more likely to be unsure how their confidence has changed (26% don't know).

Similarly, respondents aware of the FMA are more likely to say that their confidence level has remained the same (71%), whereas those unaware of the FMA are more likely to be unsure how their confidence has changed (19% don't know).

Changes in confidence by investment type held

Changes in the level of confidence in New Zealand's financial market over the last year:



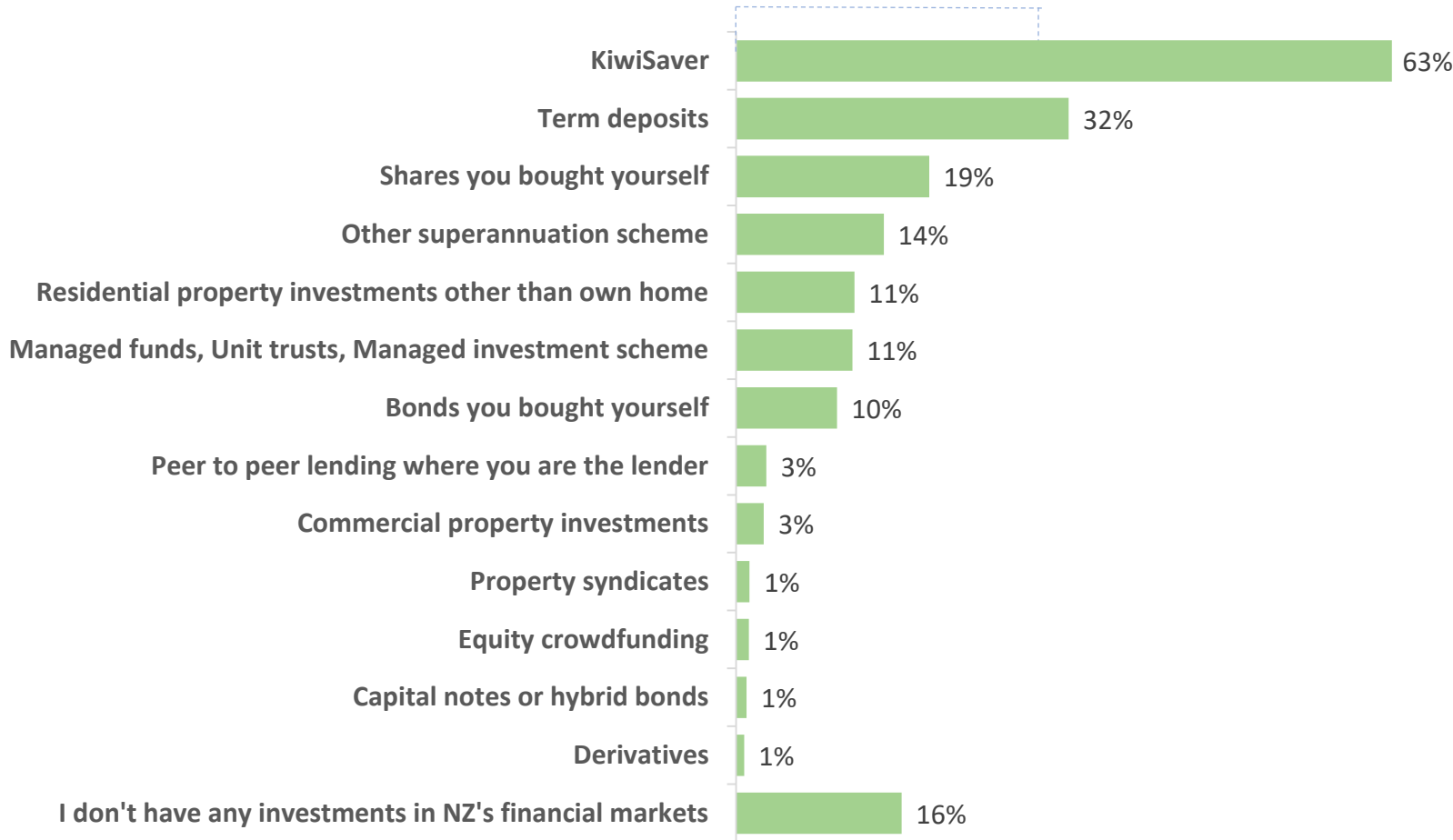
And has your level of confidence in New Zealand's financial markets increased, decreased or stayed the same over the last year? Base: Managed funds n=114; Shares you bought yourself n=189; Residential property n=116; Term deposits n=325; Other superannuation scheme n=144; Bonds you bought yourself n=99; KiwiSaver n=641.



Investment types and investor profiles

Investment types held

For 28% of New Zealanders 18 years and over, KiwiSaver is their only investment



84% of New Zealanders have some form of investment.

New Zealanders aged 18 to 29 years are significantly more likely to have a KiwiSaver scheme (79%) than those aged 30 years and over.

Aucklanders are more likely to have a KiwiSaver scheme (71%) and/or a Managed Fund (18%).

And those aged 60 years and over are significantly more likely to have term deposits (44% 60-69 years, 67% 70 years and over).

New Zealand investors overall are more likely to be:

- male;
- in full-time paid employment;
- married/ living with a partner;
- have an annual household income of \$100,000 or more.

On average investors have 2 to 3 investment types each.

'KiwiSaver only' investors



Investors who only have KiwiSaver are **more likely** to be:

- female
- aged between 18 and 39 years old
- flatting
- single or full time parent
- earning an annual household income between \$50,000 and \$150,000

AND:

- unsure about whether or not the investment materials were helpful
- unsure about their confidence in the financial markets and its regulation
- unaware of the FMA, diversification, risk/ return trade off

Investors - excluding 'KiwiSaver only' investors



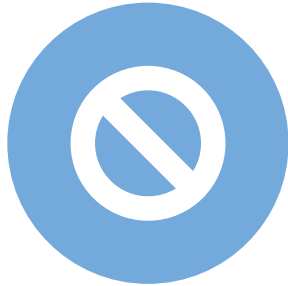
Investors who don't only have KiwiSaver are **more likely** to be:

- male
- 60 years and over
- a couple with no kids at home
- in full time employment or retired
- have an annual household income over \$100,000

AND:

- have found investment materials helpful in their decision to invest
- be fairly confident in the financial markets and its regulation
- be aware of FMA, and agree that FMA supports the integrity of the financial markets
- say the financial markets have 'stayed the same' as last year
- say they understand diversification and risk/ return trade off

Non-investors



Non-investors are **more likely** to be:

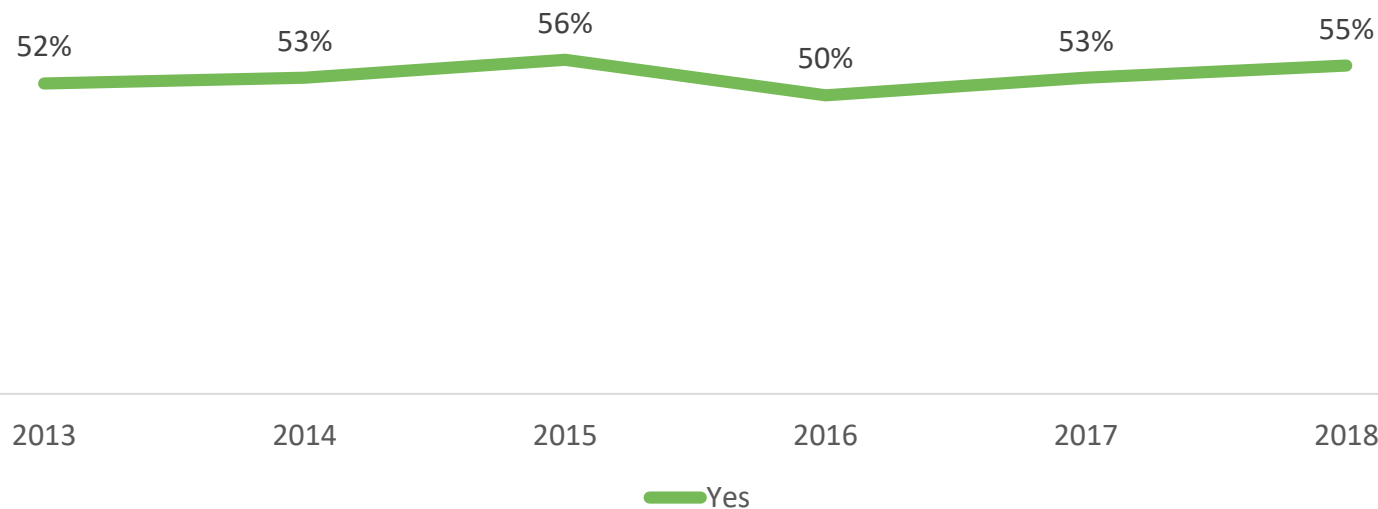
- female
- single
- living alone
- unemployed
- earning an annual personal income of under \$20,000 and/or total household income under \$50,000
- living outside of Auckland

AND:

- unsure about their confidence in the financial markets and its regulation
- unaware of the FMA, diversification, risk/ return trade off
- not have an opinion about the FMA supporting the integrity of the financial markets

Investment materials helping to make an informed decision

Did the investment materials you received help you make an informed decision:



Thinking about your most recent investment, did the investment materials you received (e.g. prospectuses, investment statements, product disclosure statements or adviser disclosure statements etc.) help you make an informed decision about whether or not to invest?

Base: (All Investors) 2013 n=742; 2014 n=749; 2015 n=763; 2016 n=885; 2017 n=891; 2018 n=570 (only those who received materials)

Two thirds of investors received investment materials, and over half of these investors found the information helpful.

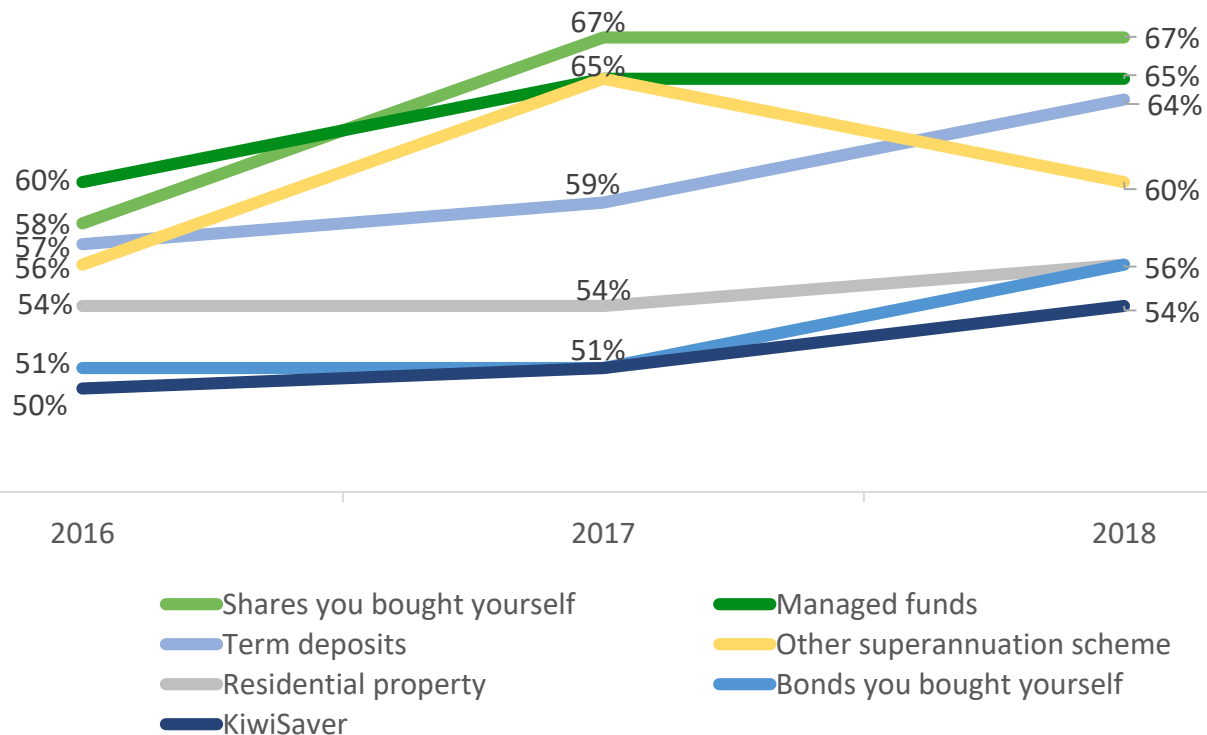
Investors aware of FMA were more likely to find the material they received useful.

Those investors who found the information useful, are also more likely to be confident in New Zealand's financial markets, and/or confident that it is being effectively regulated.

Investors who didn't receive any materials are also more likely to be unsure whether or not their confidence in the financial markets has changed over the last year.

Investment materials by investment type held – over time

Did the investment materials you received help you make an informed decision:
Shows those investors who answered 'Yes'



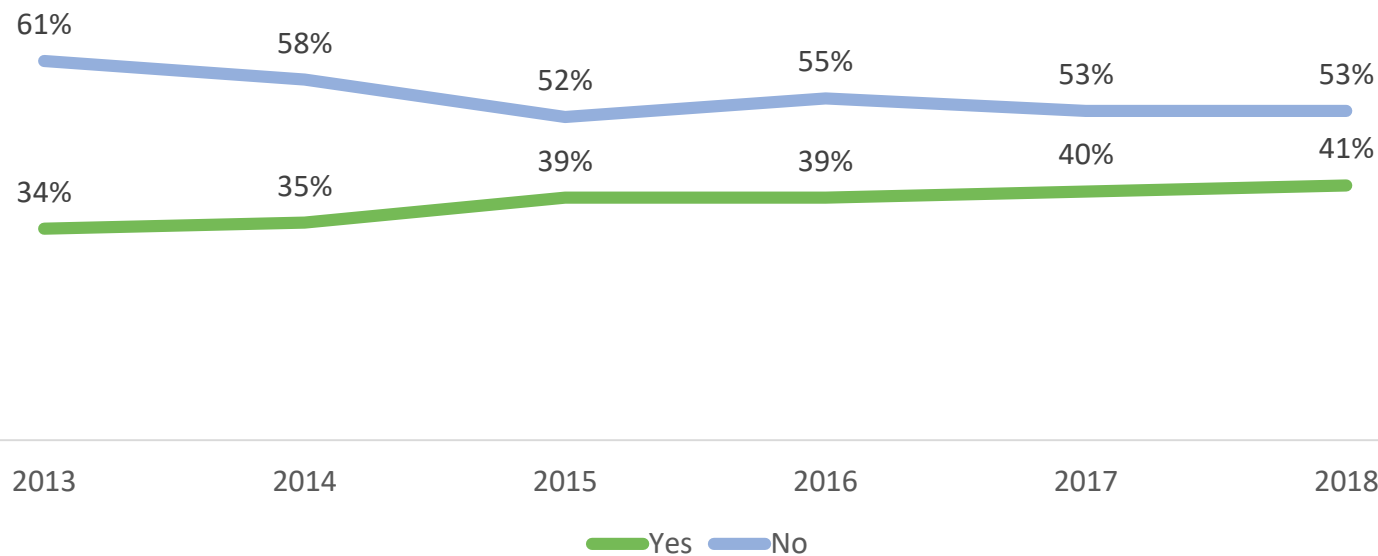
Perceptions of the helpfulness of investment materials has increased since a year ago among investors with Term Deposits, Bonds, KiwiSaver, and decreased among investors with superannuation schemes other than KiwiSaver.

Thinking about your most recent investment, did the investment materials you received (e.g. prospectuses, investment statements, product disclosure statements or adviser disclosure statements etc.) help you make an informed decision about whether or not to invest? Base (those who received materials): Managed funds n=114; Shares you bought yourself n=189; Residential property n=116; Term deposits n=325; Other superannuation scheme n=104; Bonds you bought yourself n=99; KiwiSaver n=436

Awareness and perceptions of FMA and regulation

Awareness of FMA

Have you heard of the Financial Markets Authority (FMA):



41% of New Zealanders are aware of the FMA. This has remained stable since 2015.

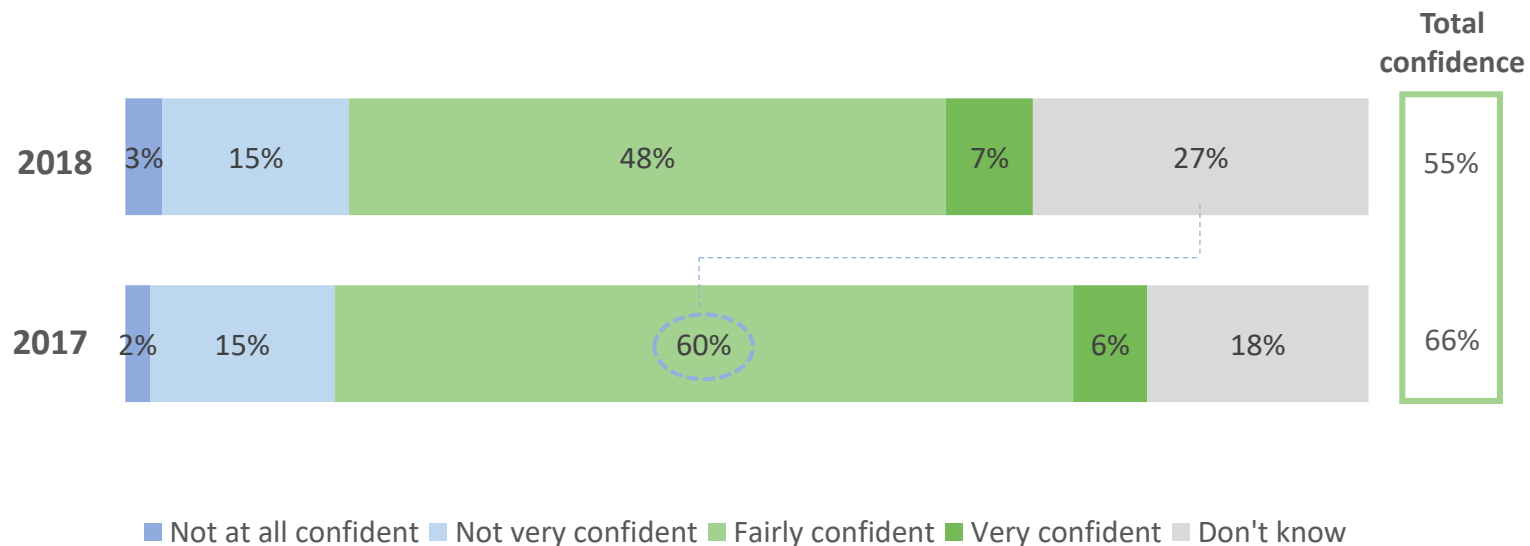
Males are significantly more likely to be aware of the FMA (54% vs 29% of females). Younger New Zealanders (aged 18 to 29 years) are less likely to be aware of the FMA (26% aware).

New Zealanders in full time employment, married/couples living together, or households earning over \$150K annually, are also more likely to be aware of the FMA.

Interestingly, those aware of the FMA are more likely to have any type of investment except for 'bonds you bought yourself'.

Confidence the markets are effectively regulated

Confidence in New Zealand's financial markets being effectively regulated:



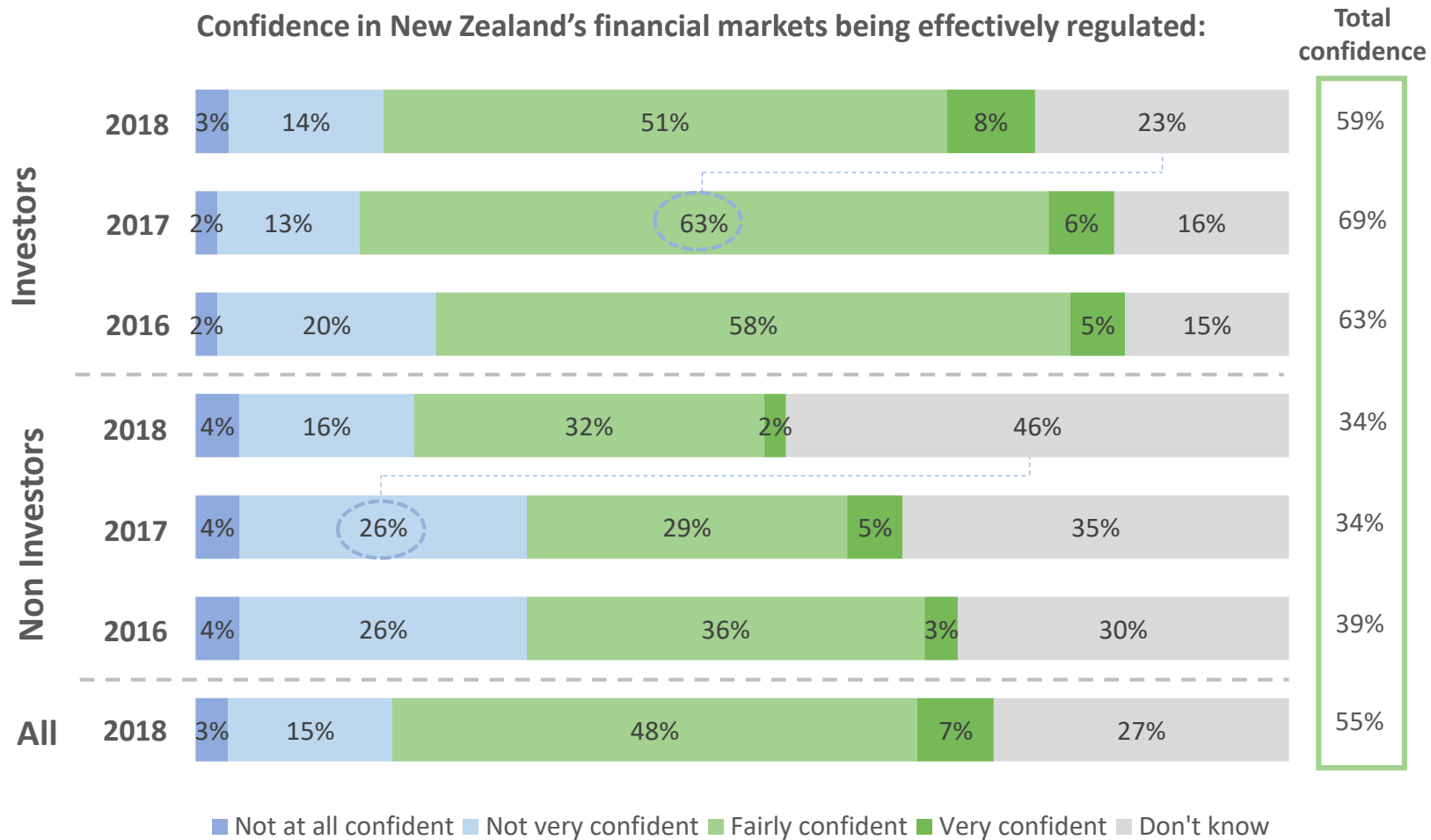
The total confidence in New Zealand's financial markets being effectively regulated is significantly lower compared to 2017 results.

However, it is important to note that we are not seeing a higher proportion of New Zealanders who are not confident, but rather there are significantly more indicating they are uncertain how confident they feel.

It is likely that this can largely be explained by a change to the question wording in 2018, where an explanation about who is responsible for regulation was removed.

2017 question wording: *The responsibility for ensuring effective regulation and oversight of New Zealand's financial services and markets is shared by the FMA and front line regulators, including NFX, and supervisors (or trustees) of both managed funds and KiwiSaver providers). How confident are you that New Zealand's financial markets are effectively regulated?*

Investor/non-investor confidence in effective regulation



Nearly half of non-investors don't have an opinion about whether New Zealand's financial markets are effectively regulated or not (46% don't know).

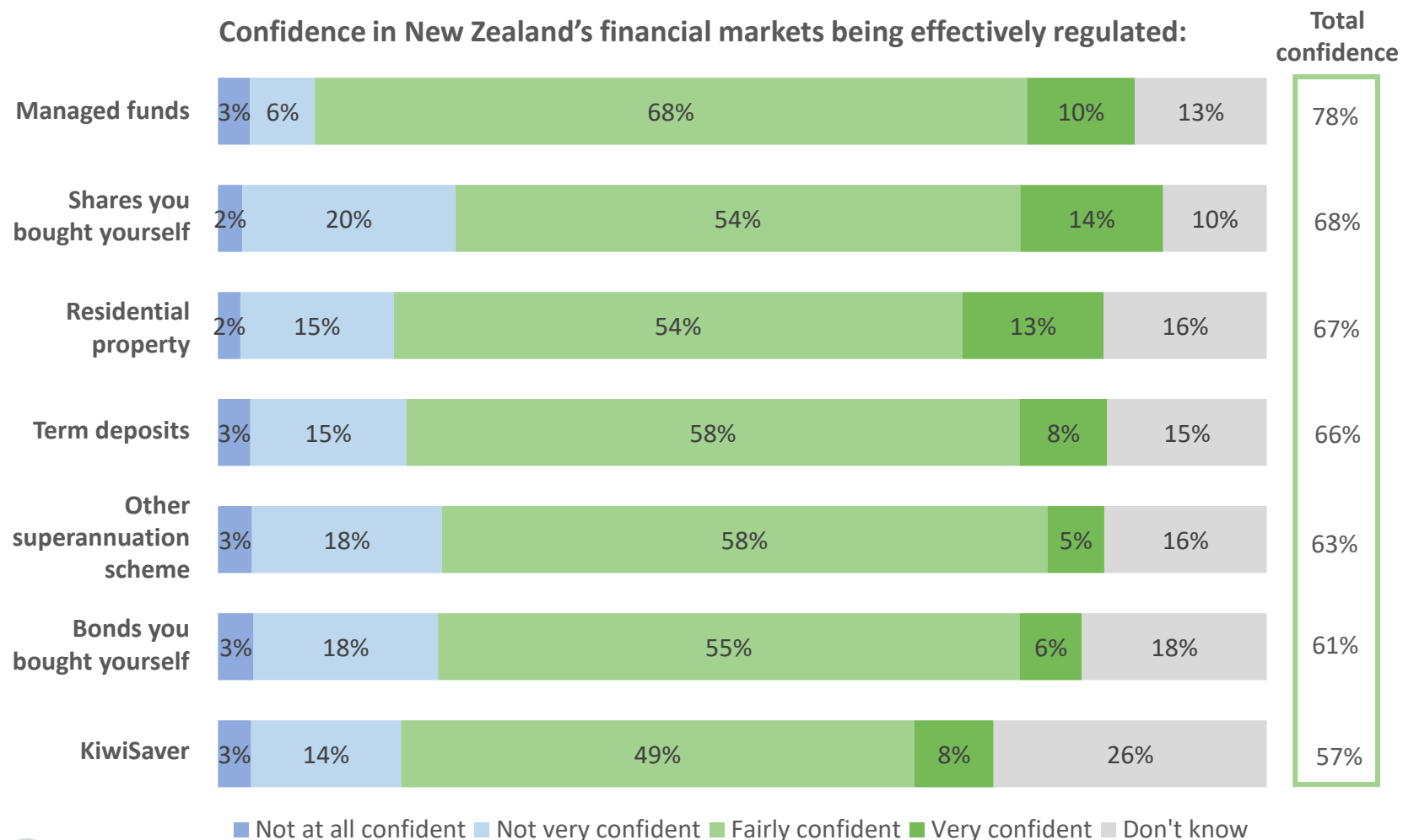
The change in wording of the confidence in regulation question has likely resulted in fewer investors indicating they are 'fairly confident' and a corresponding increase in the proportion of investors uncertain of their level of confidence.

A third of non-investors indicate they are confident, which is consistent with 2017 results. However the proportion of non-investors who are 'not very confident' has decreased and the proportion uncertain about their confidence has increased. Again this is likely an impact of the question wording change.

When asked the reasons for level of confidence in regulation, investors are more likely to say they have confidence in FMA governance/ government regulation, whereas non-investors are more likely to say they don't know enough or are not interested.

Confidence in effective regulation by investment type held

Confidence in New Zealand's financial markets being effectively regulated:

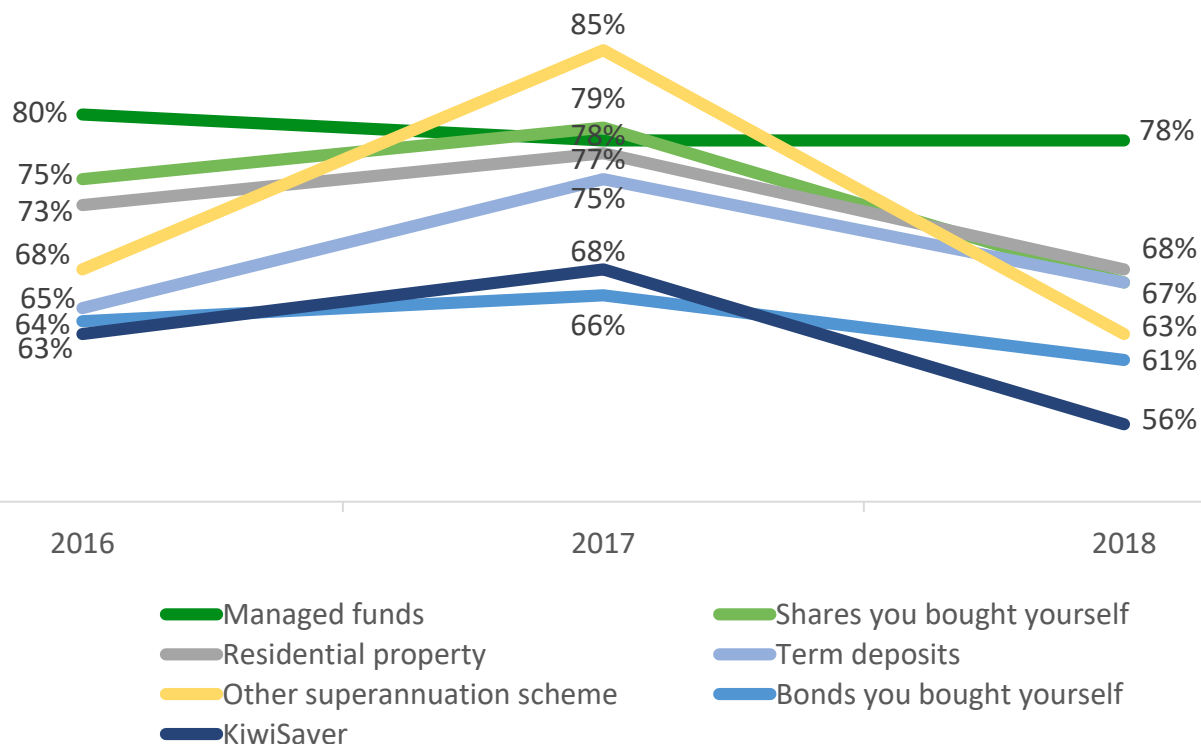


Confidence in the effective regulation of the financial markets is highest among investors who have Managed Funds.

Those indicating the lowest confidence in effective regulation are those with a KiwiSaver scheme – these investors are the most likely to be uncertain about their level of confidence

Confidence in effective regulation by investment type - over time

Confidence in New Zealand's financial markets being effectively regulated (2017 vs 2018): Shows % of total confidence (fairly or very confident)



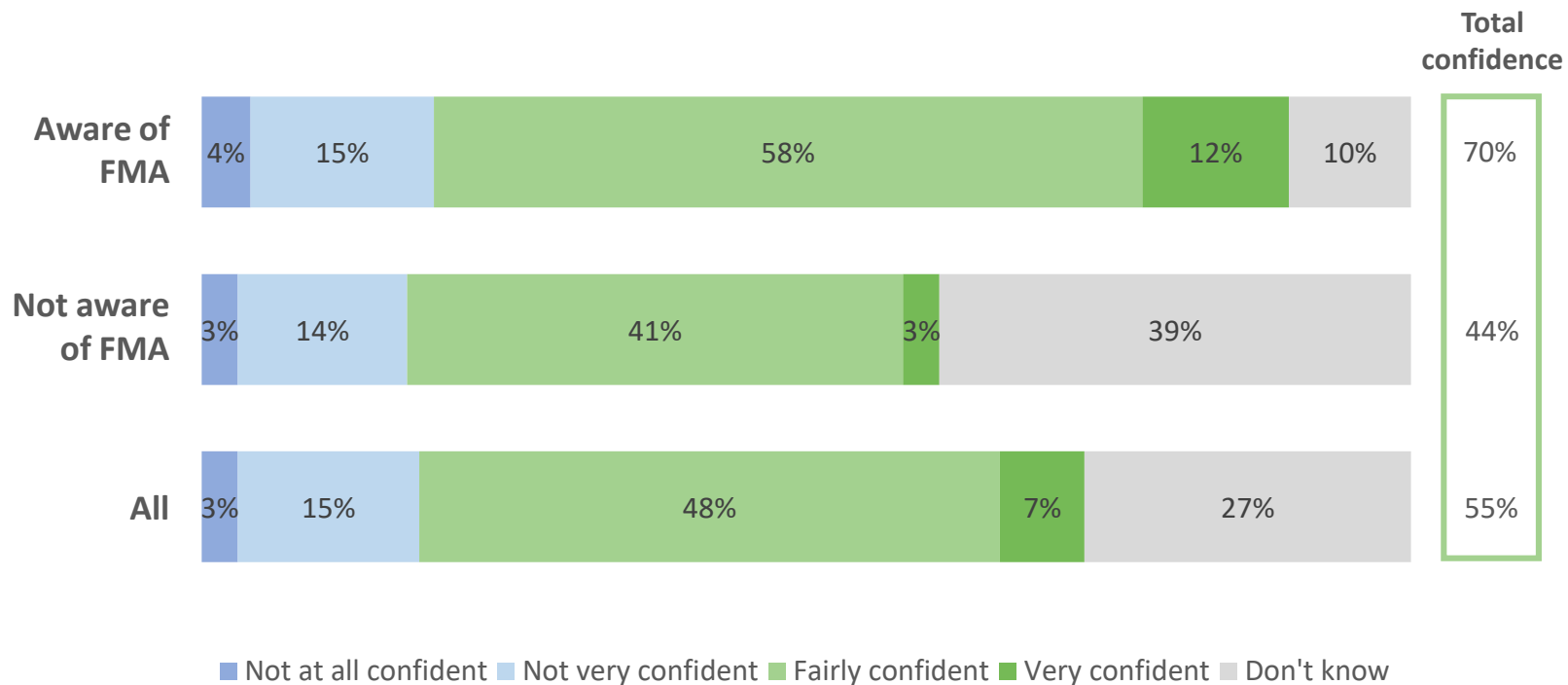
Confidence in the financial markets being effectively regulated is lower across all of the investment types in 2018 except for investors who have a Managed Fund.

The change in question wording will be driving this result to some extent.

The investors with Managed Funds tend to be more confident and knowledgeable about the financial markets and associated risks so it makes sense that changing the question wording has had less impact on their perceptions.

Confidence in effective regulation by awareness of FMA

Confidence in New Zealand's financial markets being effectively regulated:



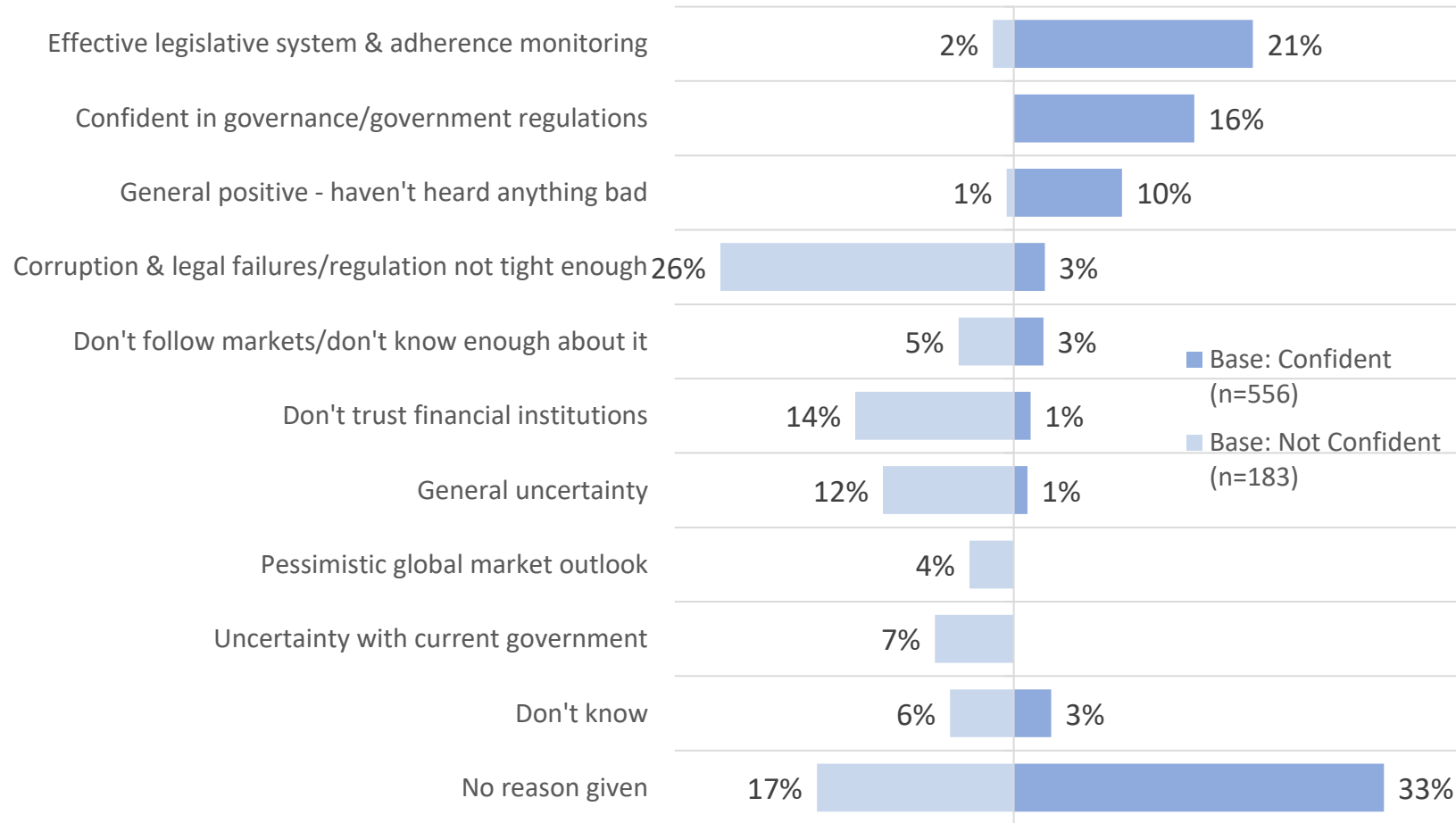
70% of New Zealanders who are aware of the FMA are confident that the financial markets are being effectively regulated.

Males and those in the higher income brackets (earning \$100-\$150K per annum) are more likely to be 'very confident' in the markets being effectively regulated.

Those aware of the FMA are more likely to mention effective legislation system and adherence monitoring, and also mention they have confidence in governance/government regulation. Whereas, those unaware of FMA are more likely to not know enough or have no interest.

Overall, those who lack confidence in the regulation of the financial markets (and particularly those aware of FMA) are more likely to cite 'corruption & legal failures/regulation not tight enough' and 'financial institutions profiteering/don't trust banks or advisers/bad experience in past' as reasons for their lack of confidence.

Reasons for level of confidence in effective regulation



A third of those who indicated they are confident the financial markets are effectively regulated didn't give a reason for their confidence. The top reasons that were given include comments about there being an effective legislative system and adherence monitoring, and confidence in the government regulations (the FMA was specifically mentioned by some).

Example quotes – reasons confident in regulation

“Because we have effective governance.”

“Introduction of the FMA and the strict regulations within it give me the confidence.”

“The regulators keep a reasonably good handle on how the markets are going.”

“Been improvements in recent years and sector being watched more now by legislators to protect people from reckless institutions.”

“I think the New Zealand financial institutions are regulated because they operate publicly, and government departments responsible must have a way of monitoring to ensure every financial institution is registered.”

“Reasonably effective regulatory bodies have been established in the past decade or two.”

“There is a watchdog organisation exists called Financial Market Authority that regulates the NZ Financial Market. This organisation seems to work well. It recently identified a few financial companies with fraudulent behaviour.”

“New rules and regulations that have been imposed over the last 5 years have made for a safer environment in NZ.”

“Some people will find a way around regulations, so they're not perfect. But, on the whole, they do help keep the market honest.”

“New Zealand has regulatory authorities that appear to be independent and working in the best interests of the country.”

Example quotes – reasons not confident in regulation

“Banks and financial institutions are making too much money from the end users of their services.”

“Will be interesting to see the review of banking practices in light of the issues facing Australian banks at the moment.”

“I do not spend time thinking about the financial markets/seeking information.”

“Apart from investing in a term deposit, I actually don't know much about New Zealand's financial market (not interested), and how it is regulated or any major changes that occurred in the last 10 years.”

“Because financial institutions, especially banks seem to have a pretty free reign to do what they want. Also I have a general distrust of the financial market because of what has happened internationally over the last decade or two”

“It is obvious there is plenty of insider trading. Just look at trades for the week before either a very positive or negative announcement.”

“Don't know all the checks and balances to ensure regulation compliance.”

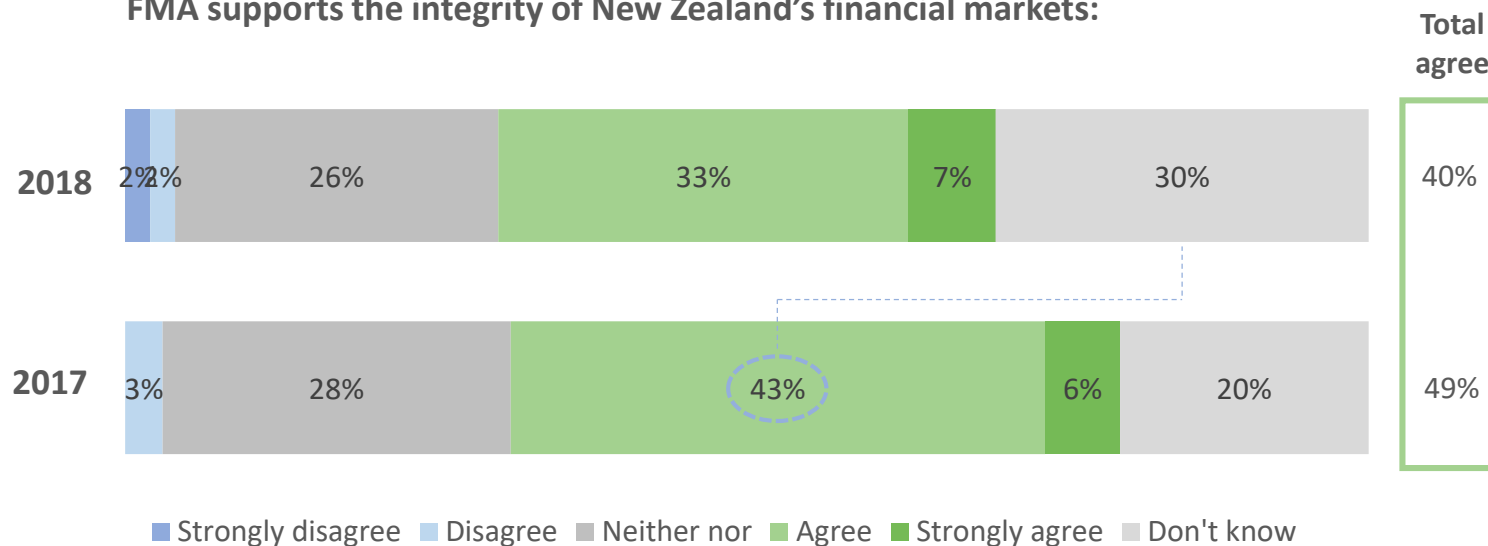
“There are too many reports of people making lots of money at the top and the little guy gets left with nothing when things go wrong.”

“Regulation should bring fairness/equity to all.. seems the gap between rich and poor is widening not shrinking.”

“I don't know enough about how the regulations work to make an informed decision.”

Perceptions of FMA's support of the financial markets integrity – over time

FMA supports the integrity of New Zealand's financial markets:



2018 sees significantly more New Zealanders uncertain as to whether or not the FMA supports the integrity of New Zealand's financial markets.

New Zealanders who are confident in the financial markets, and/or are confident it is effectively regulated, are more likely to agree or strongly agree that the FMA is supporting its integrity.

Males are more likely to agree or strongly agree that the FMA supports the integrity of the financial markets (47% top 2 box).

Similar to those aware, New Zealanders in full time employment, married /couples living together, or households earning between \$100 and \$150K annually, are more likely to agree that FMA supports the integrity of the financial markets.

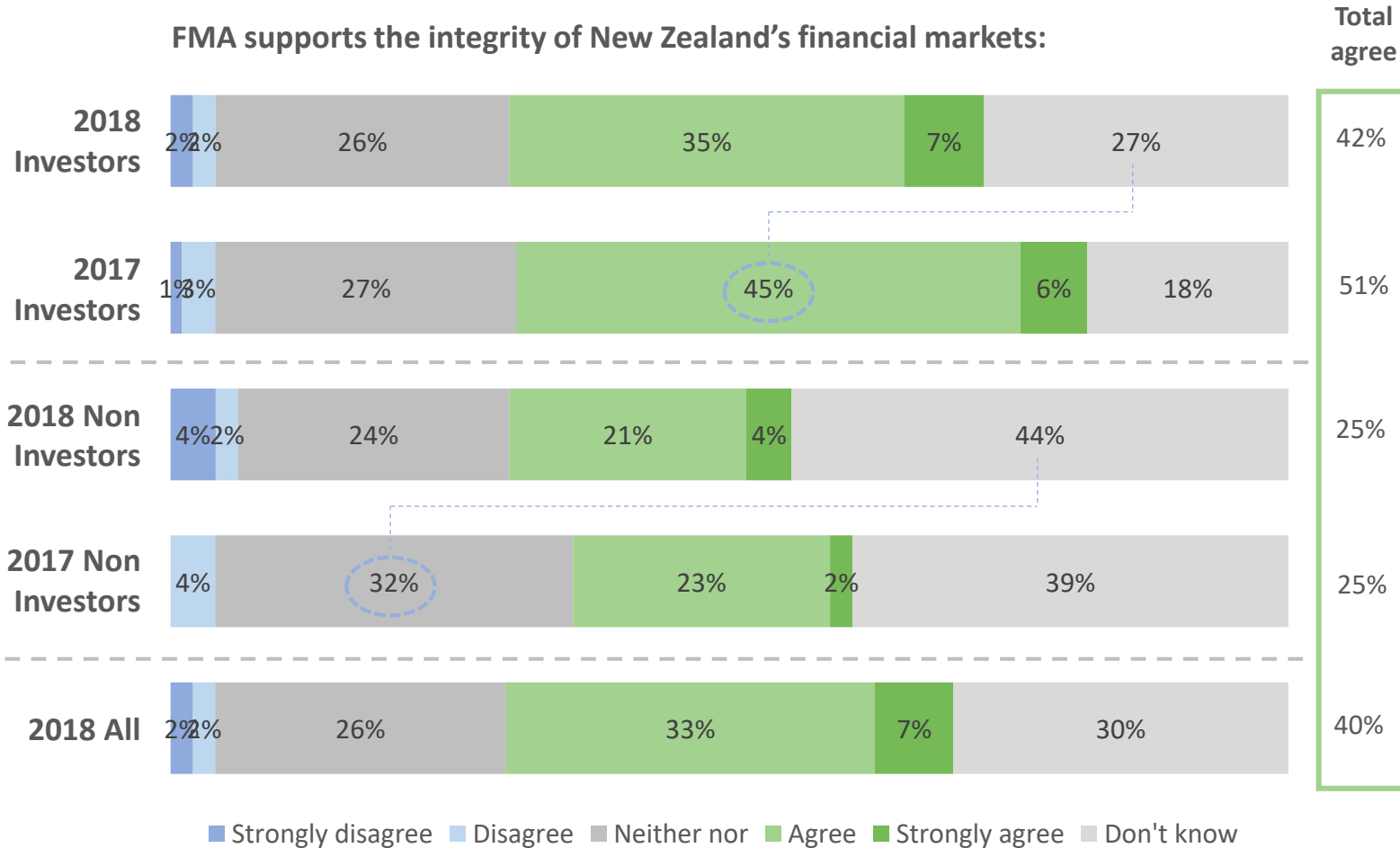
One of the primary roles of the FMA is to support the integrity of New Zealand's financial markets which, for investors, means making sure NZ financial service providers operate in a way that is fair, honest and effective.

To what extent do you agree or disagree that 'The FMA supports the integrity of NZ's financial markets'?

Base: 2018 n=1011; 2017 n=1000

Investor/non-investor perceptions

FMA supports the integrity of New Zealand's financial markets:



Investors are more likely to be aware of the FMA, and to agree that the FMA supports the integrity of New Zealand's financial markets.

Similar to investors' confidence in regulation, we are seeing a proportion of investors moving from agreeing that the FMA supports the integrity of the financial markets to being unsure or not knowing.

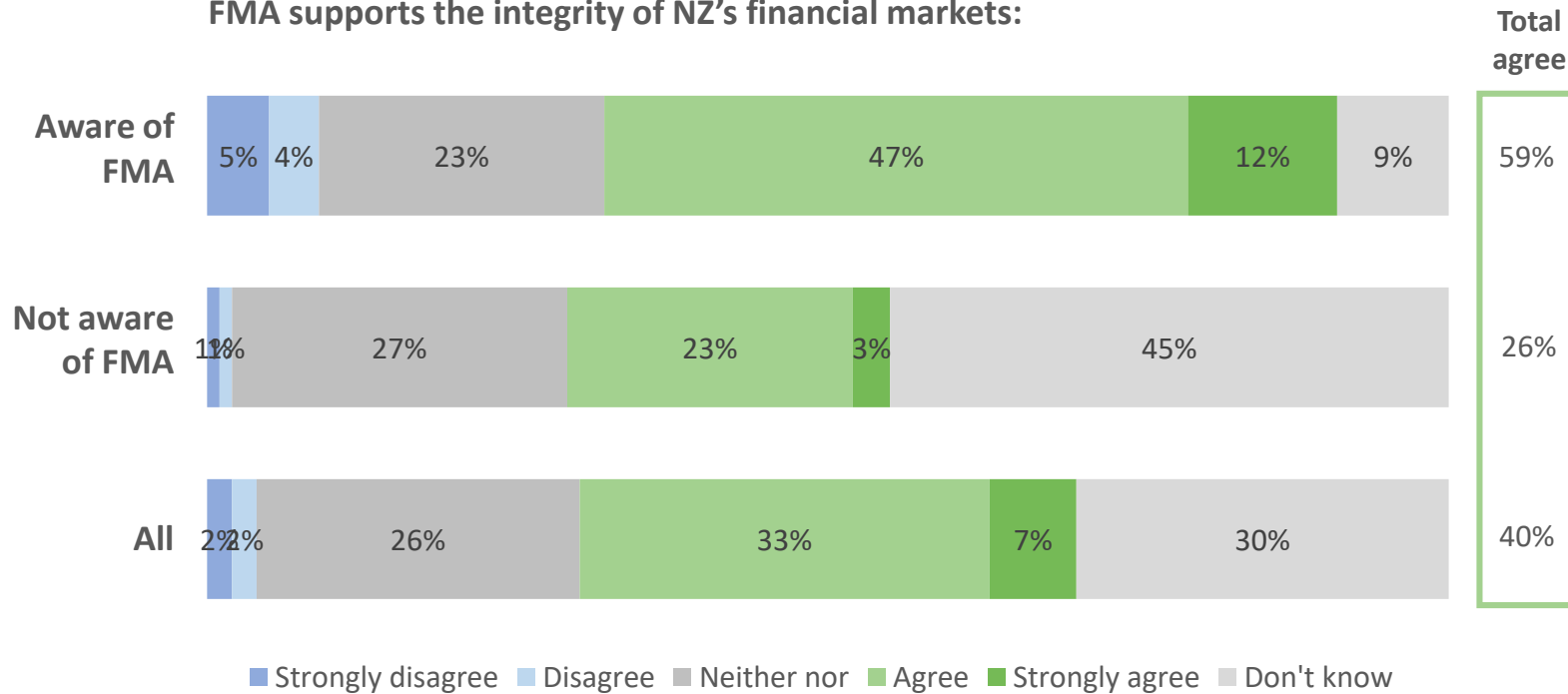
Non-investors are more likely to be unsure or not know whether or not FMA supports the integrity of the financial markets.

One of the primary roles of the FMA is to support the integrity of New Zealand's financial markets which, for investors, means making sure NZ financial service providers operate in a way that is fair, honest and effective.

To what extent do you agree or disagree that 'The FMA supports the integrity of NZ's financial markets'? Base: Investors 2018 n=849; Investors 2017 n=891; Non Investors 2018 n=162; Non Investors 2017 n=109; All n=1011

Perceptions of FMA by awareness

FMA supports the integrity of NZ's financial markets:



New Zealanders who are aware of the FMA are more likely to have an opinion, about FMA supporting the integrity of the New Zealand financial markets, whether positive or negative, in comparison to those not aware.

Significantly more of those aware of FMA agree or strongly agree that the FMA supports the integrity of New Zealand's financial markets (59%) .

Additionally, New Zealanders who understand diversification and/or the risk/return trade off, are more likely to agree or strongly agree that the FMA supports the financial markets' integrity.

One of the primary roles of the FMA is to support the integrity of New Zealand's financial markets which, for investors, means making sure NZ financial service providers operate in a way that is fair, honest and effective.

To what extent do you agree or disagree that 'The FMA supports the integrity of NZ's financial markets'?

Base: Aware of FMA n=419; Not aware of FMA n=531; All n=1011

BUSINESS

Issue 154
Monday, 10th May 2010
Buzzchannel

Economy of the European Union

Marketing is defined as the process of coming up or putting a unique name or design for a certain product, having a good brand identity about your business, and advertising in various ways to increase its profit. Marketing is a process that involves many different aspects, from the product and services you offer.

Are you interested in an idea for a high-end, high-quality product or a low-cost, high-volume product? It's important to be clear on what you want to do before you start. You should consider the market you want to enter and the competition you will face. You should also think about the distribution channels you will use.

World Bank's stock at time high

It is a process to allow an organization to focus attention on the greatest opportunities to increase sales and achieve the company's target.

Marketing strategy's goal is to increase sales and profit. It involves a long-term plan of marketing that has to do with the company's objectives and the way the company will be based on its objectives. The objective will be based on the company's vision and mission. A marketing strategy helps an organization to focus on the right areas of marketing and to work with the right mix of marketing activities to achieve a good balance of sales and marketing activities.

Putting your strategy into action is the most important part of marketing. Marketing budgets will be set at the same time as your strategy. It is important to have a clear idea of what you want to achieve and to have a plan of how you will achieve it. You should also have a clear idea of how you will measure your progress and how you will adjust your strategy if necessary.

Lastly, implementation should be a continuous process. It is important to have a clear idea of what you want to achieve and to have a plan of how you will achieve it. You should also have a clear idea of how you will measure your progress and how you will adjust your strategy if necessary.

UN rate rise chances exceed as jobs growth slows



Understanding of diversification and the risk/return trade off

Understanding of diversification

51%

I have heard of this and understand it

27%

I have heard of this but don't really understand it

22%

I haven't heard of this

Which is diversification:

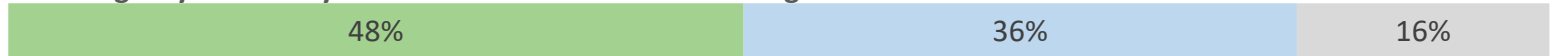
Investing all your money across different investment choices such as shares, property and cash:



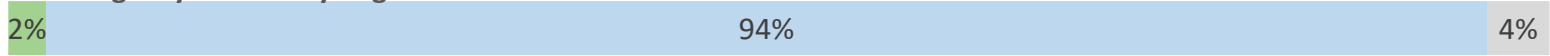
Investing all your money among shares in different industries:



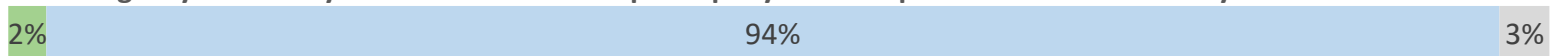
Investing all your money between two or three fund managers:



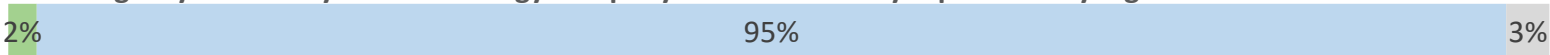
Investing all your money in government bonds:



Investing all your money in shares in a blue chip company that has performed well over 10 years:



Investing all your money in a technology company that has recently reported very high returns:



■ Is diversification ■ Not diversification ■ Unsure

96% of those who said they have heard of and understand diversification correctly identified 'Investing all your money across different investment choices such as shares, property and cash' as diversification – **but only 17% were able to do this and correctly identify all other options as 'not diversification'**. This indicates people don't really understand diversification as well as they think they do.

Not surprisingly, investors (63%), and those aware of FMA (77%), are more likely to say they understand diversification.

Understanding of risk/return trade off

42%

I have heard of this and understand it

32%

I have heard of this but don't really understand it

27%

I haven't heard of this

A lower proportion of New Zealanders understand the risk/return trade off than understand diversification (42% vs 51% understand diversification).

As for diversification, it's the investors (51%), and those aware of FMA (65%), who are more likely to say they understand the risk/return trade off.

An investment with a high rate of return is more likely to have...

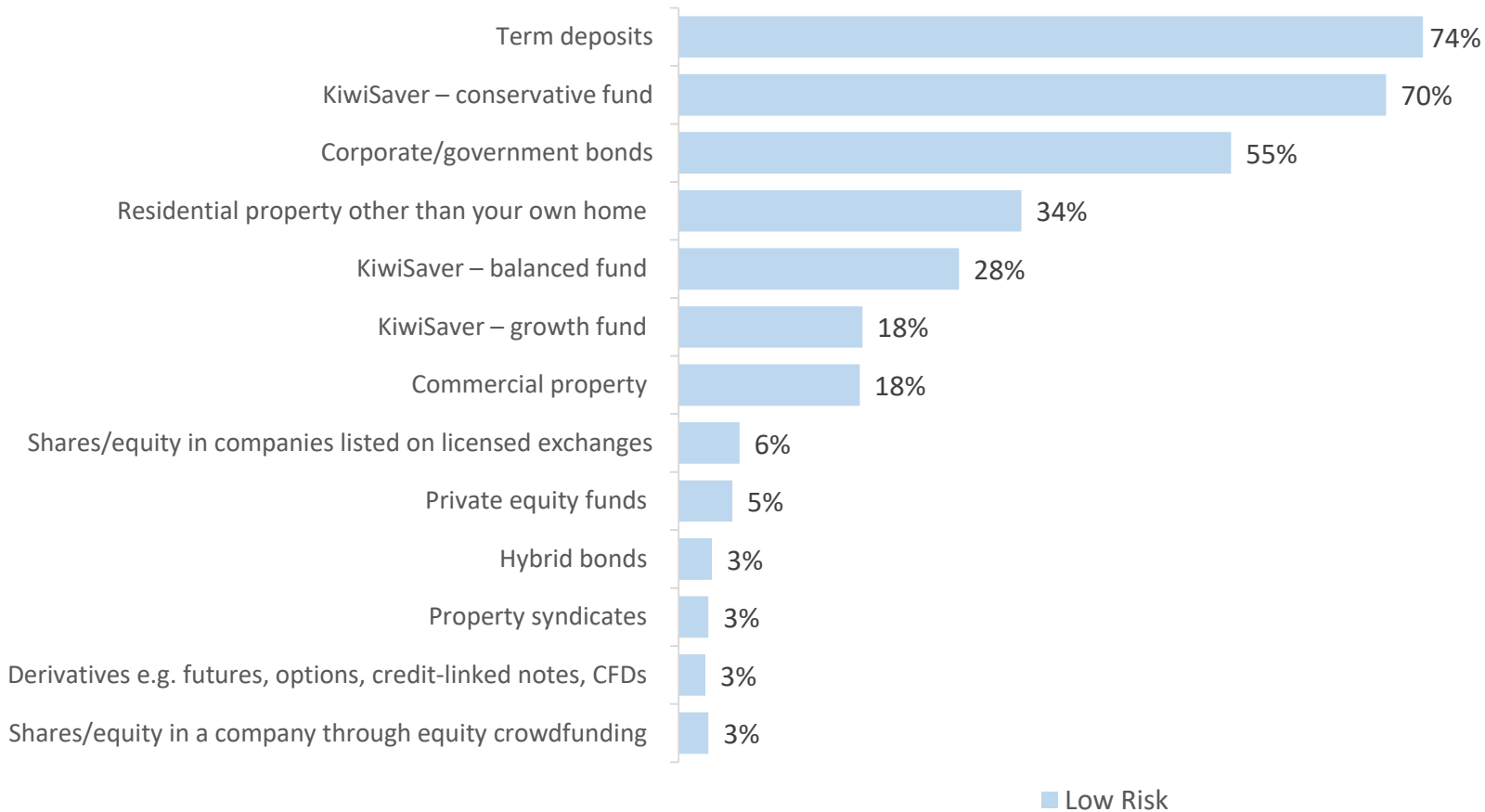


Which of the following statements best describes your understanding of these investing principles? Base: All n=1011

An investment with a high rate of return is more likely to have...
Base: 'Understands risk/return trade off' n=431

Investments seen as low risk

How much risk do you associate with the below investment types:



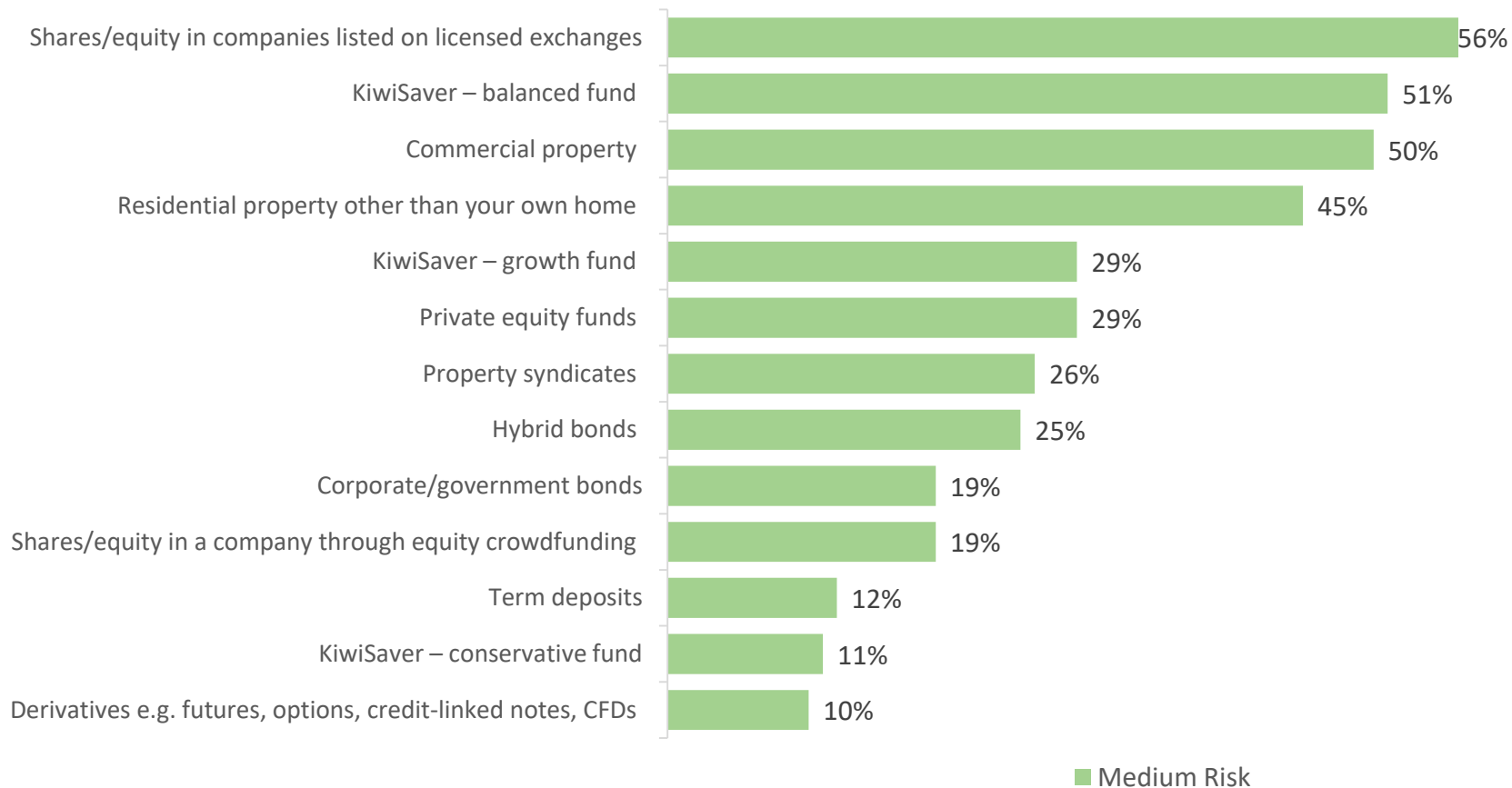
The majority of New Zealanders are aware of term deposits as a safe, low risk investment.

Term deposits and KiwiSaver (conservative fund) are considered to be the lowest risk investments – mentioned by seven in ten New Zealanders.

Just over half consider Corporate / government bonds to be a safe, low risk investment.

Medium risk investments

How much risk do you associate with the below investment types:

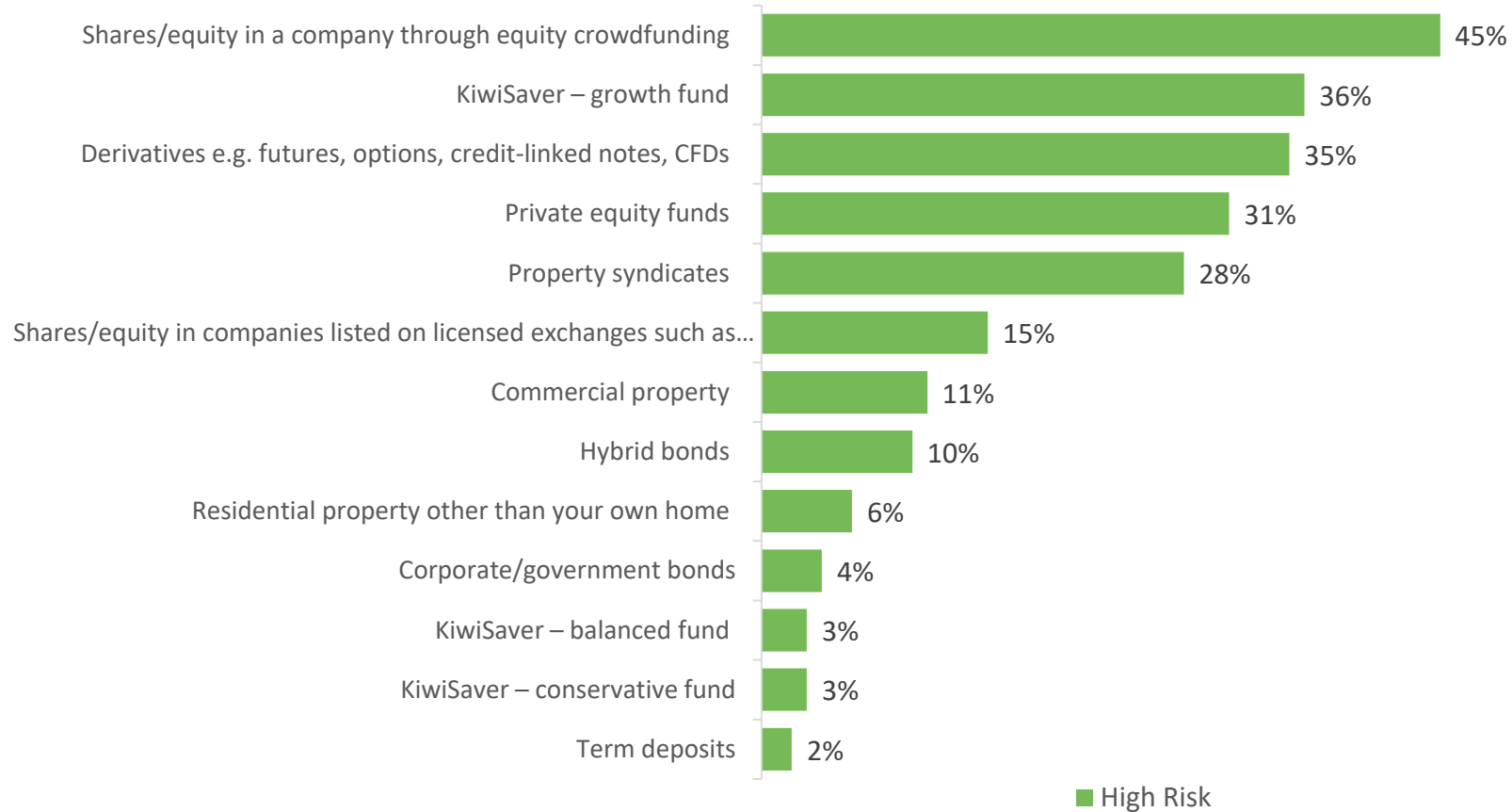


Around half of New Zealanders consider shares listed on licensed exchanges, KiwiSaver (balanced fund), commercial and residential property to be medium risk investments.

Of these four investment types, KiwiSaver (balanced fund) and residential property are also considered to have the lowest risk associated with them.

Investments seen as high risk

How much risk do you associate with the below investment types:



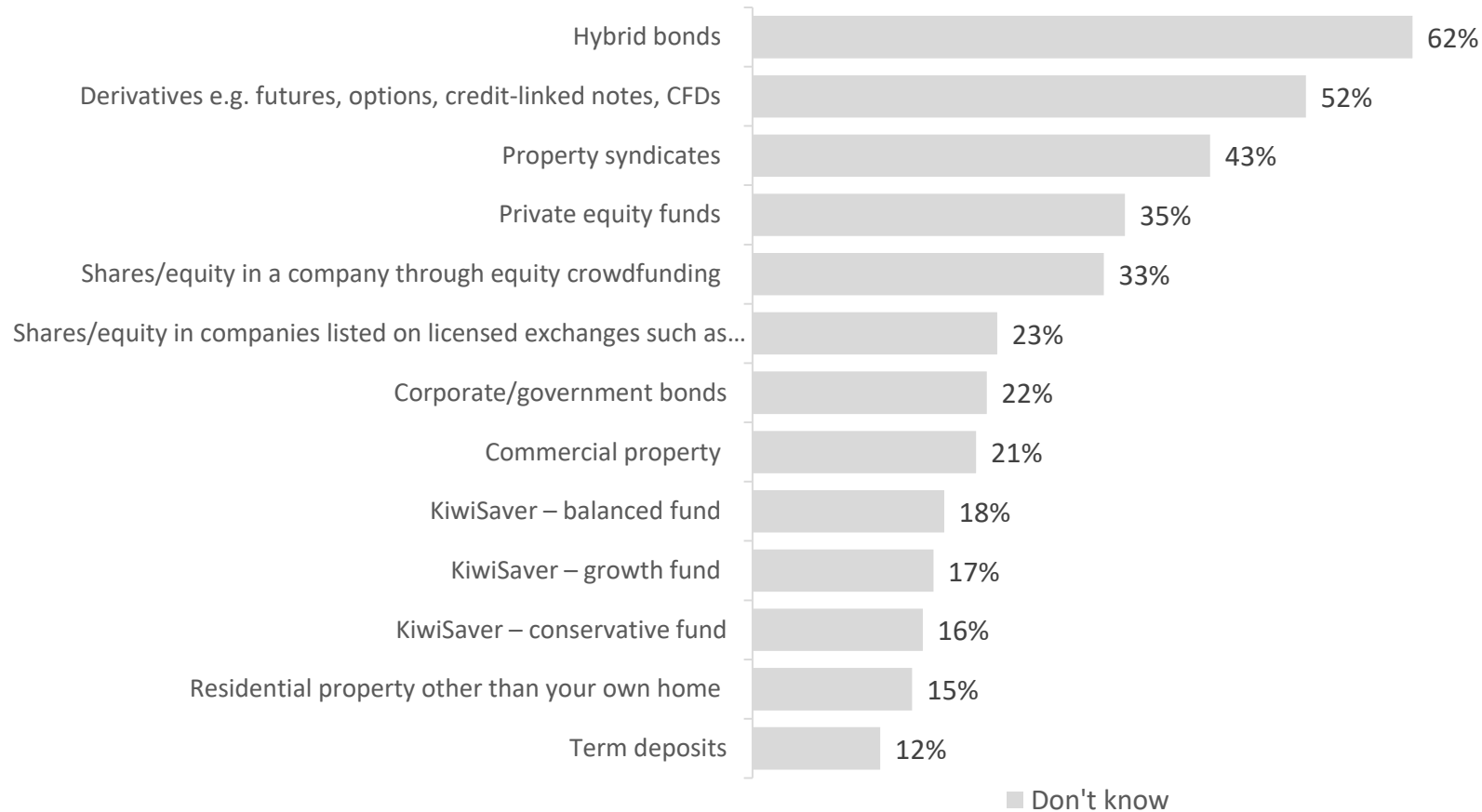
The investment types that are least understood are the ones most associated with high risk.

Investors are significantly more knowledgeable about all of the investment types, compared to the non-investors, and particularly the high risk investments.

Females and the younger New Zealanders under 30 years are less knowledgeable about the high risk investments.

Uncertainty about investment risk

How much risk do you associate with the below investment types:



When it comes to investment types, New Zealanders overall are more knowledgeable and able to give an opinion about risk level associated with:

- Term deposits;
- Residential property;
- KiwiSaver funds.

On the other hand New Zealanders are less knowledgeable overall about:

- Hybrid bonds;
- Derivatives;
- Property syndicates;
- Private equity funds;
- Shares in a company through equity crowdfunding.

Males are significantly more knowledgeable than females about all investment types, and the risk associated, except for:

- Term deposits;
- Residential property;
- KiwiSaver conservative and balanced funds.

BUSINESS

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Economy of the European Union

Marketing is defined as the process of coming up or putting a unique name or design for a certain product, having a good brand strategy about how to reach a target audience in getting a high success in your overall competition. You determine your customers and what they can have or expect from the products and services you offer.

Are you interested in an area that is considered to be one of the highest, high-quality product or a low-cost, high-value product? It's impossible to be both. You should consider on placing what you consider need you to be. Your target is the main foundation of your brand. All the promotional elements should be connected with your logo to

be your trademark to set your brand apart from other brands. High-quality products are more expensive to produce and distribute. In the past, you should consider on placing what you consider need you to be. Your target is the main foundation of your brand. All the promotional elements should be connected with your logo to



Appendix

World Bank's stock at time high

It is a pleasure to allow an organization to focus attention on the greatest opportunities to increase sales and achieve the company's target.

Marketing strategy's goal is to increase sales and achieve advantage over other competitors. It includes a firm and long-term activities of marketing that has to work. The strategy of a company's objectives and its work. The strategy of a company's objectives and its work. The strategy of a company's objectives and its work.

Putting your strategy into action is best done by having clear, shared goals. Marketing budgets will be set at the same time it will also come from your general budget. The work with your strategy is to create a marketing, advertising and branding strategy that will help you identify, measure and maximize sales. The marketing plan should be reviewed. It should have the same goals as your other marketing plans and should be updated during the duration your other.

Early implementation should be important to ensure that you are on track. This will help you see your progress and adjust as needed. A marketing strategy is a plan that outlines the steps you will take to achieve your marketing goals. It should have the same goals as your other marketing plans and should be updated during the duration your other.

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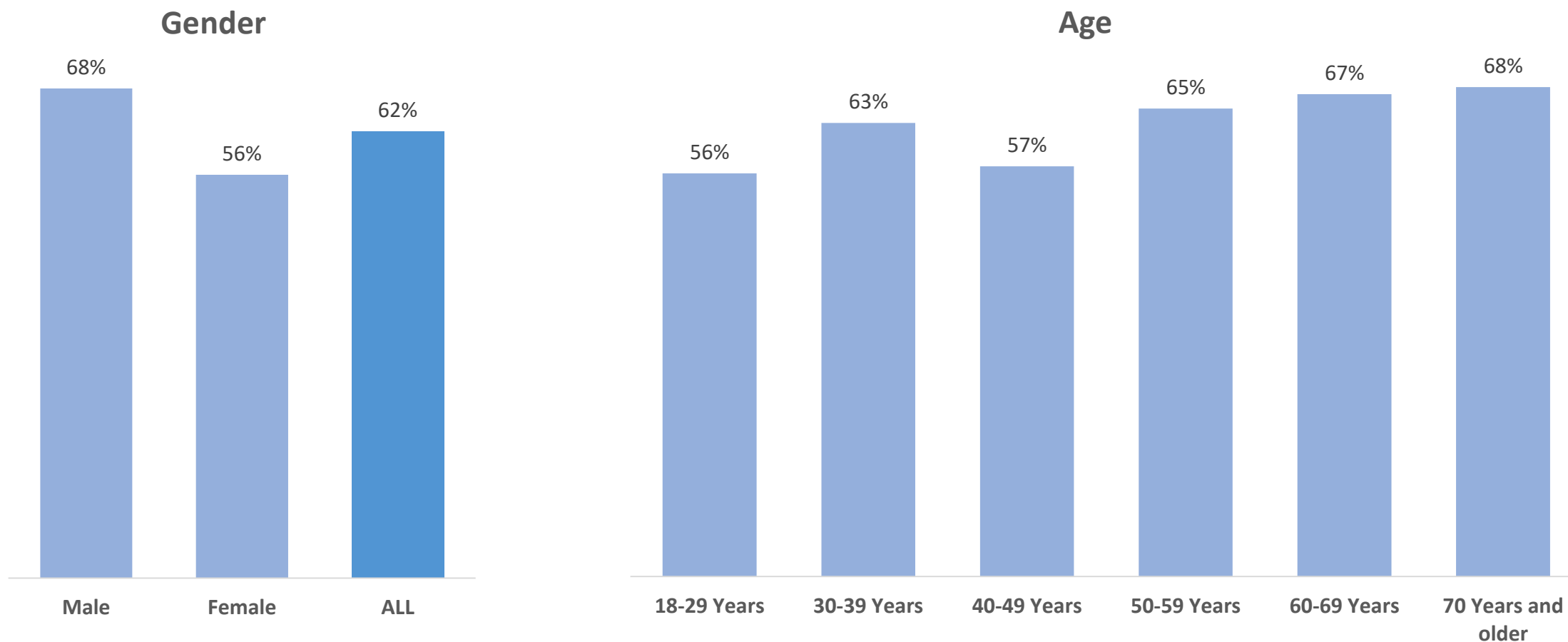
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UN rate rise chances exceed as jobs growth slows



Confidence by age and gender

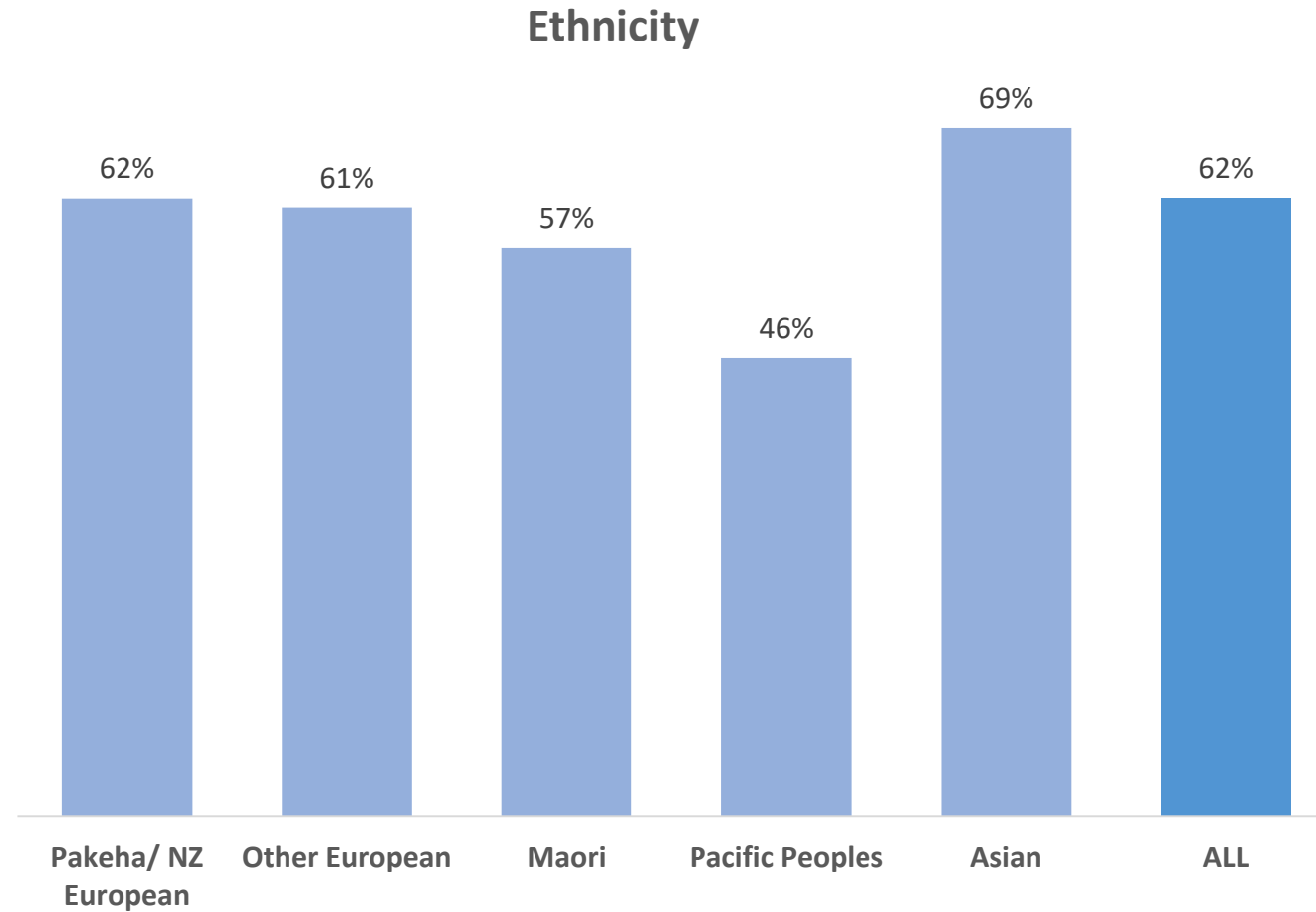
Confidence in New Zealand's financial markets:
Shows % of total confidence (fairly or very confident)



Confidence by ethnicity

Confidence in New Zealand's financial markets:

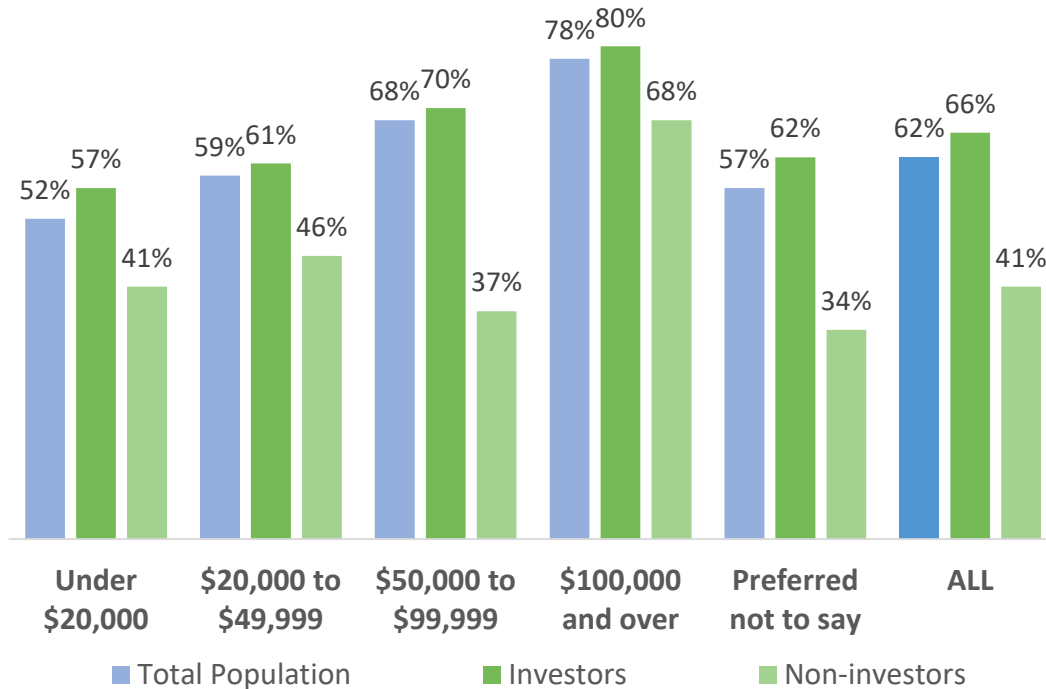
Shows % of total confidence (fairly or very confident)



Confidence by income

Confidence in New Zealand's financial markets:
Shows % of total confidence (fairly or very confident)

Annual personal income



Annual household income

