

Attitudes towards New Zealand's financial markets



General public and investor views | 2015



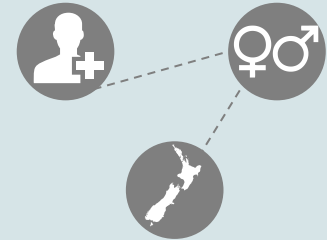
Methodology



These results measure attitudes towards and investment in New Zealand's financial markets.

A total of 1,000 New Zealanders took part in the research in 2015.

Results are weighted by age, gender and region to ensure the results are representative of the New Zealand population.



The research was carried out online using Colmar Brunton's omnibus.

Of the 1,000 people surveyed this year, 763 had an investment in New Zealand's financial markets.



Fieldwork was conducted between 6 – 12 May 2015. This is the third time this research has been conducted, with previous waves of research being carried out in 2013 and 2014.

The margin of error for overall results is +/-3.1%; the margin for investor results is +/- 3.6%

Unless otherwise stated any differences referred to are significant at the 95% level of confidence

$$m.e. = \pm \frac{1}{\sqrt{n}}$$

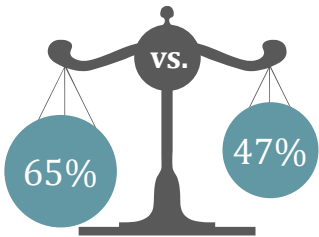
Summary

The majority of New Zealanders are confident in our financial markets.



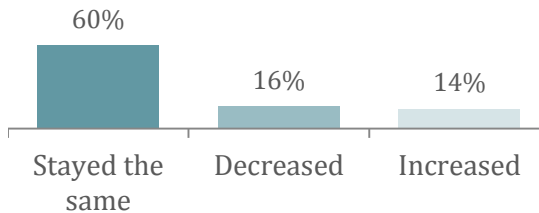
60%

People with investments are more confident in the markets than those who don't invest in them.



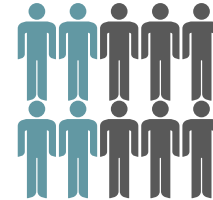
Most New Zealanders are as confident in the markets now as they were last year - 60% say their level of confidence has stayed the same over the last year.

There is a split between people saying their confidence has decreased or increased.



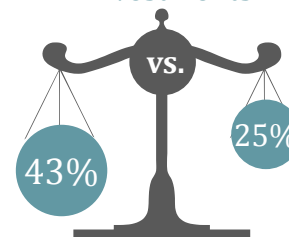
Investors are more likely than those without investments to say their confidence in the markets has increased (17% vs. 7%).

4 in 10



New Zealanders have heard of FMA (39%).

Investors in New Zealand's financial markets are more likely to be aware of FMA than those without investments.



More than half (56%) of those with investments found the materials they received about their most recent investment helpful in making an informed decision about whether or not to invest.

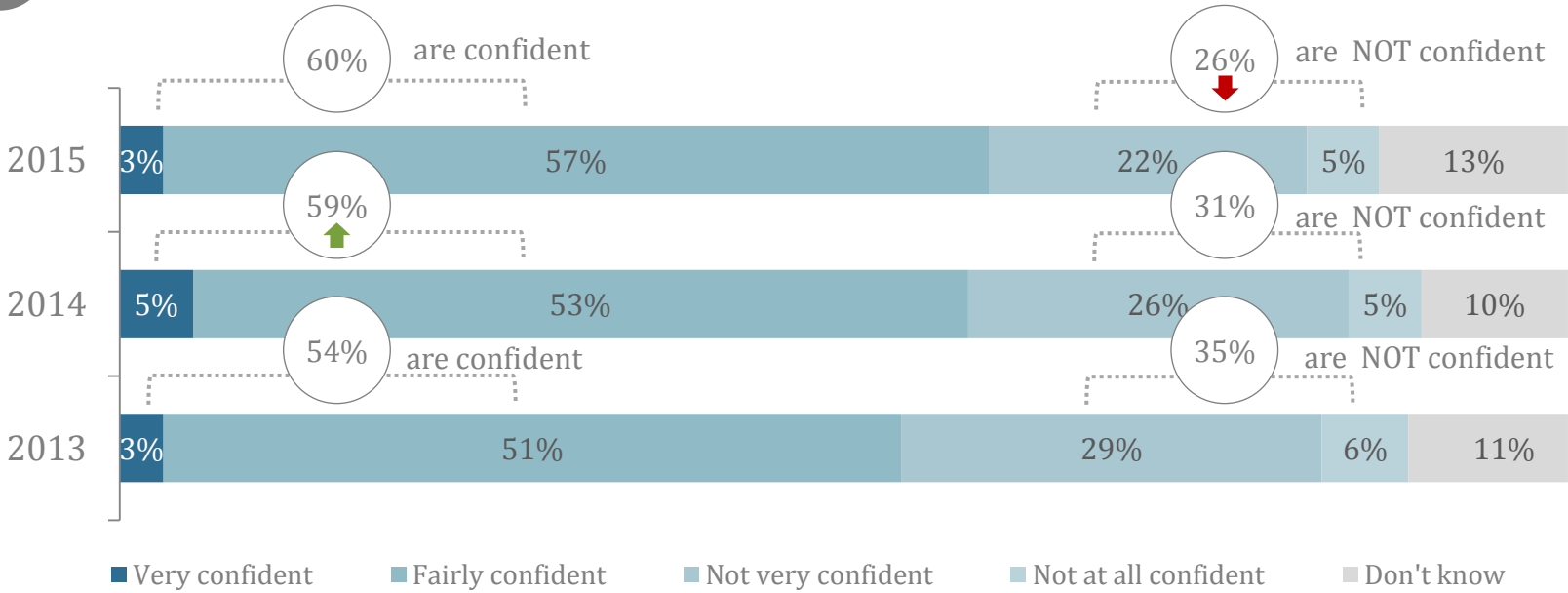


56%

General public views of New Zealand's financial markets

Six out of ten New Zealanders are confident in our financial markets. This score is consistent with 2014 findings and there has been a decrease in lack of confidence in the markets this year.

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



CONFIDENCE IS HIGHER AMONG...

- Men (65% cf. 56% of women)
- Those aged 50 to 64 years (68%)
- Aucklanders (67%)
- Those on higher incomes: \$50,001 - \$100,000 p.a. (66%), \$100,001 - \$150,000 p.a. (71%) or \$150,000+ p.a. (78%)

THOSE LESS LIKELY TO BE CONFIDENT ARE...

- Those on low incomes, earning up to \$20,000 p.a. (42%)
- People living in Otago (45%)

↑ ↓ Significantly different to previous year

Base: All (2013 n=1,021, 2014 n=1,015, 2015 n=1,000).
 Results may not add to exactly 100% due to rounding. Rounding can also results in nett figures being 1% higher or 1% lower than sum of the percentages added together.

As we have seen in previous years, confidence in the markets increases as income level rises. This year there has been an increase in confidence among those earning between \$20,001 and \$50,000 p.a.

Q

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

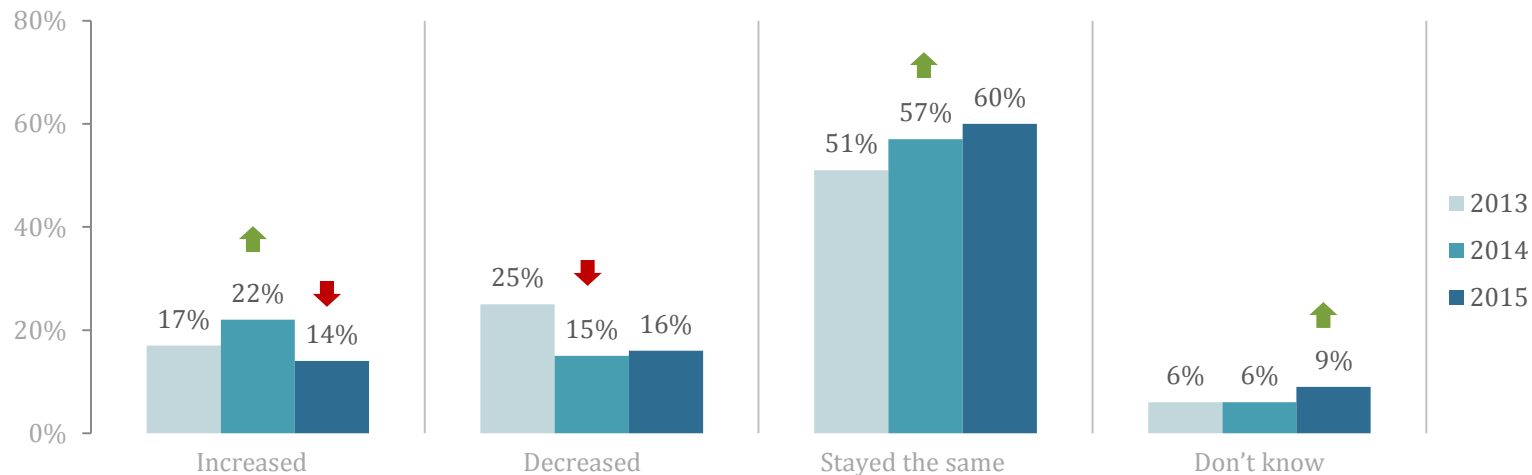


↑ ↓ Significantly different to previous year

Most New Zealanders say there has been no change in their level of confidence in the markets in the last year. Fewer New Zealanders say their confidence in the markets has increased than we saw in 2014.



Has your level of confidence in New Zealand's financial markets increased, decreased or stayed the same over the last year?



INCREASE IN CONFIDENCE IS HIGHER AMONG...

Aucklanders (20%)



DECREASE IN CONFIDENCE IS HIGHER AMONG...

No differences by gender, age, region or income



LEVEL OF CONFIDENCE HAS STAYED THE SAME IS HIGHER AMONG...

Older people, aged 50 to 64 years (69%) or 65+ (68%)



↑ ↓ Significantly different to previous year

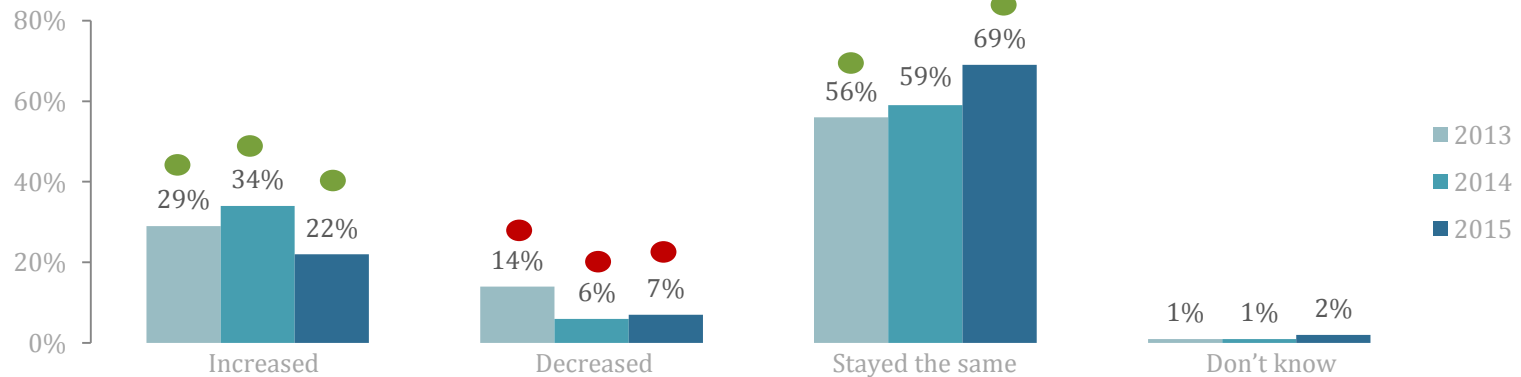
Base: All (2013 n=1,021, 2014 n=1,015, 2015 n=1,000). Results may not add to exactly 100% due to rounding.

Those who are confident in the markets are more likely to say their confidence has increased over the past year.

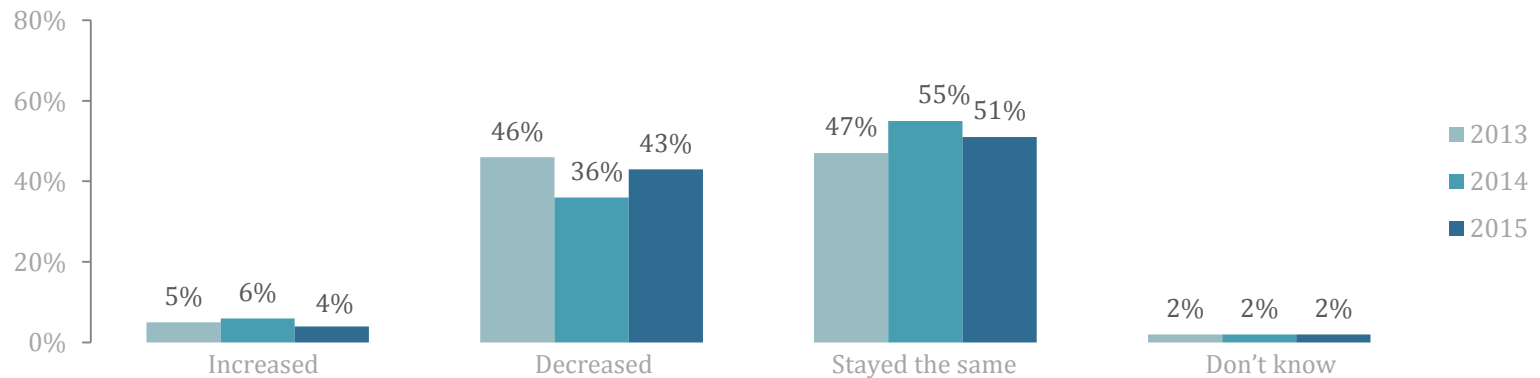
Q

Has your level of confidence in New Zealand's financial markets increased, decreased or stayed the same over the last year?

CONFIDENT



NOT CONFIDENT



● Significantly higher than those who are not confident

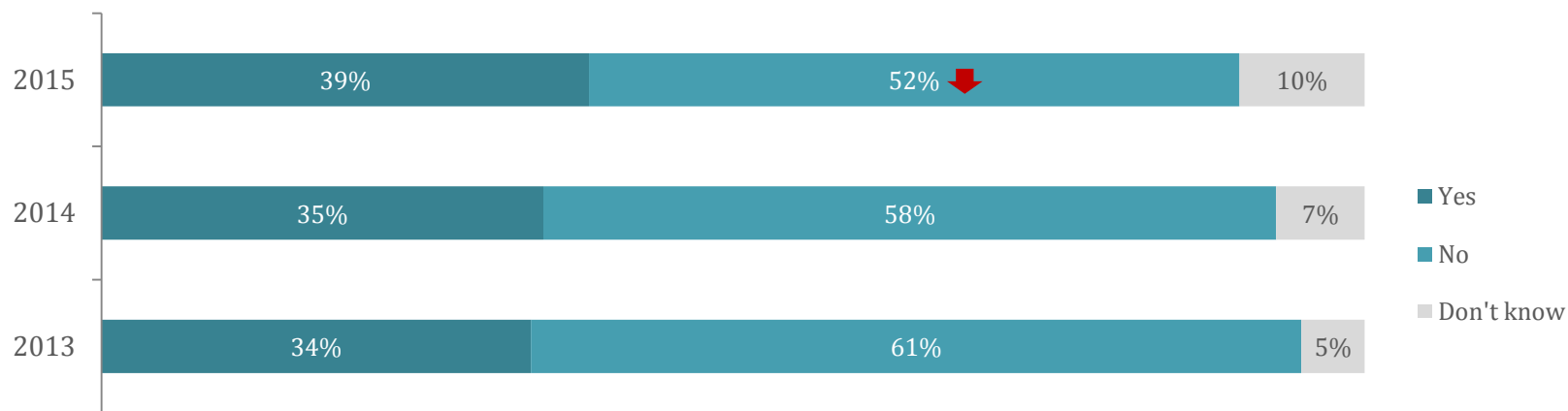
● Significantly lower than those who are not confident

Base: All who are confident in New Zealand's financial markets (2013 n=548, 2014 n=611, 2015 n=606), all who are not confident (2013 n=363, 2014 n=310, 2015 n=260). Results may not add to exactly 100% due to rounding.

Awareness of FMA has increased slightly this year - one in four New Zealanders have heard of the organisation.

Q

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



THOSE WHO HAVE HEARD OF THE FMA ARE **MORE LIKELY** TO BE:



Men (45% cf. 33% of women)



Older – aged 50 to 64 years (47%) or 65+ (45%)



Living in Auckland (43%)



On higher incomes: \$100,001 - \$150,000 p.a. (53%) or \$150,000+ p.a. (67%)

THEY ARE **LESS LIKELY** TO BE:



18 to 24 years old (22%)



Living in Canterbury (30%)



Those on low incomes, earning up to \$20,000 p.a. (23%)

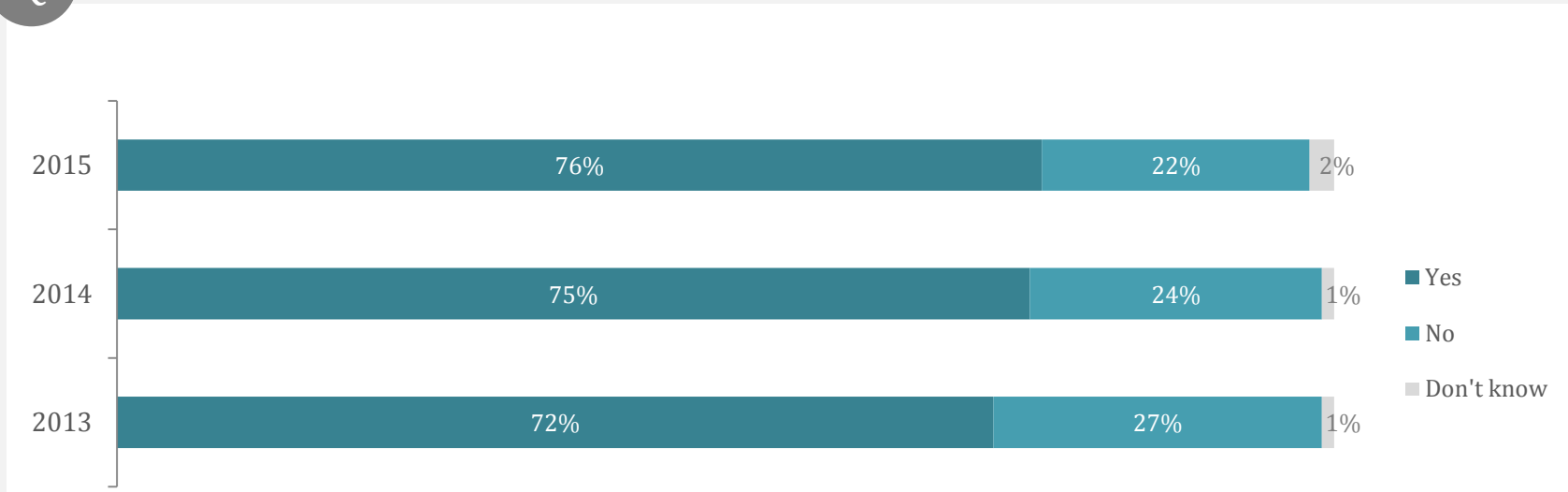
↑ ↓ Significantly different to previous year

Base: All (2013 n=1,021, 2014 n=1,015, 2015 n=1,000).
Results may not add to exactly 100% due to rounding.

Three quarters of New Zealanders have investments in our financial markets, consistent with previous findings.

Q

Do you have any investments in New Zealand's financial markets (e.g. KiwiSaver, shares, bonds etc.)?



THOSE WHO HAVE INVESTMENTS ARE **MORE LIKELY** TO BE:

THEY ARE **LESS LIKELY** TO BE:



Aged 50 to 64 years (87%)



Those on higher incomes:
\$50,001 - \$100,000 p.a. (85%)
or \$100,001 - \$150,000 p.a.
(87%)¹



Aged 65+ (60%)



Earning less than \$20,000 per year
(55%)

Significantly different to previous year

Base: All (2013 n=1,021, 2014 n=1,015, 2015 n=1,000).

Results may not add to exactly 100% due to rounding.

1. Those earning \$150,000+ p.a. also have an incidence of investment (81%) but this result does not differ significantly from average due to the relatively small number of people in this income group (n=37)

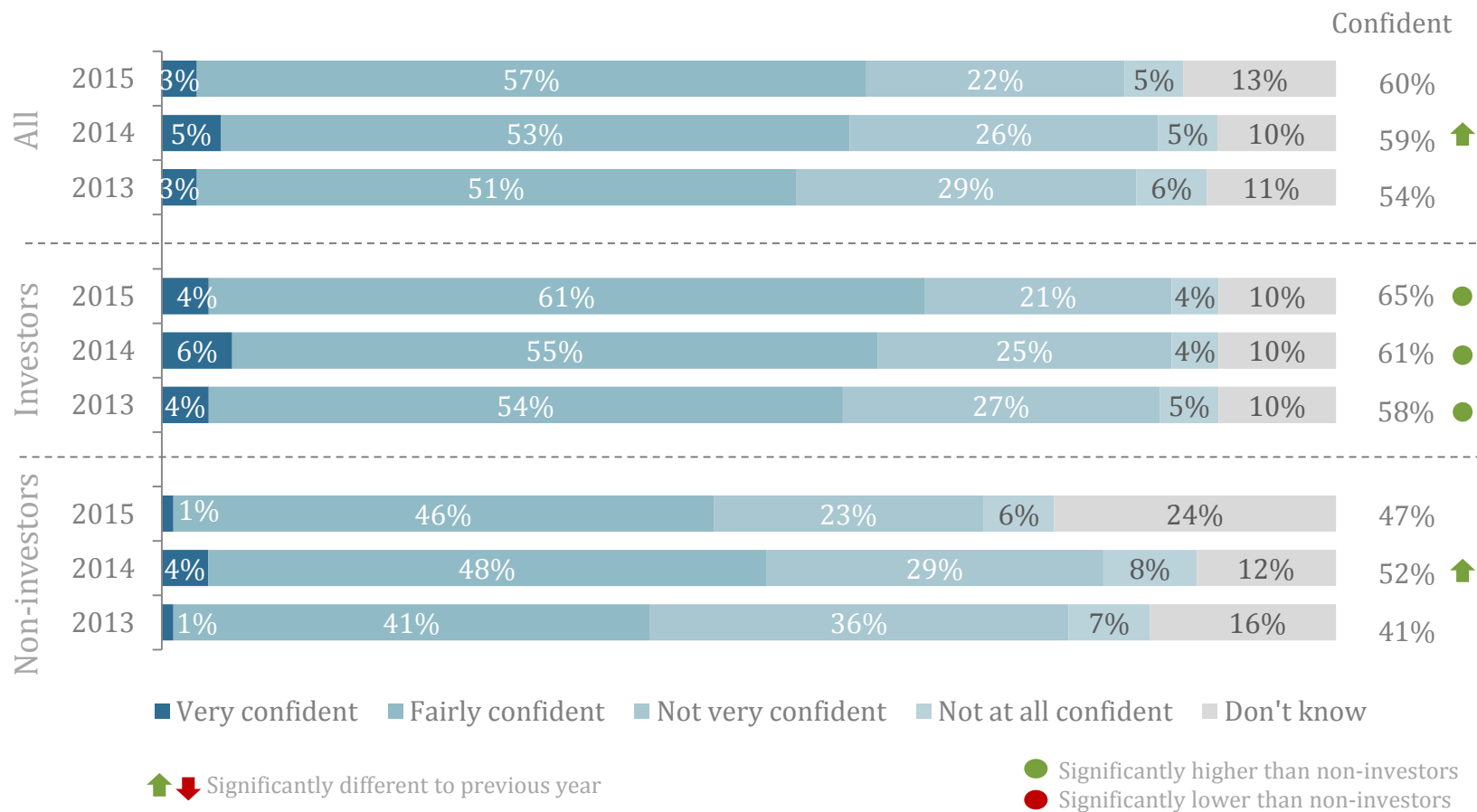
Investor views of New Zealand's financial markets



Those who have investments remain more confident in the markets than those who do not invest in them.

Q

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

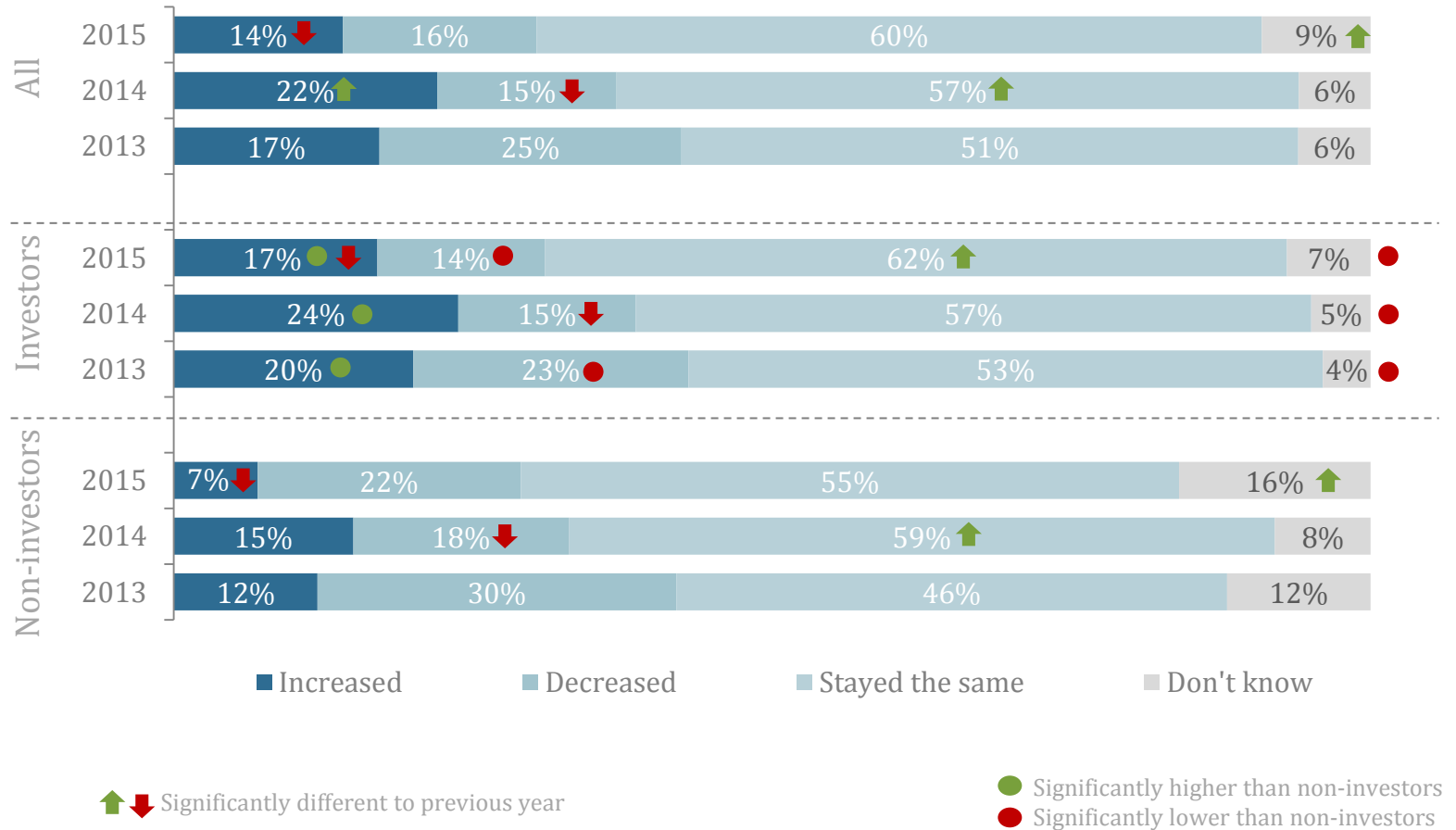


Base: All (2013 n=1,021, 2014 n=1,015, 2015 n=1,000), all investors (2013 n=742, 2014 n=749, 2015 n=763), all non-investors (2013 n=274, 2014 n=253, 2015 n=237). Results may not add to exactly 100% due to rounding. Rounding can also result in nett figures being 1% higher or 1% lower than sum of the percentages added together.

Those who invest in the markets remain more likely than non-investors to say their confidence in the markets has increased but scores for both groups have declined this year.

Q

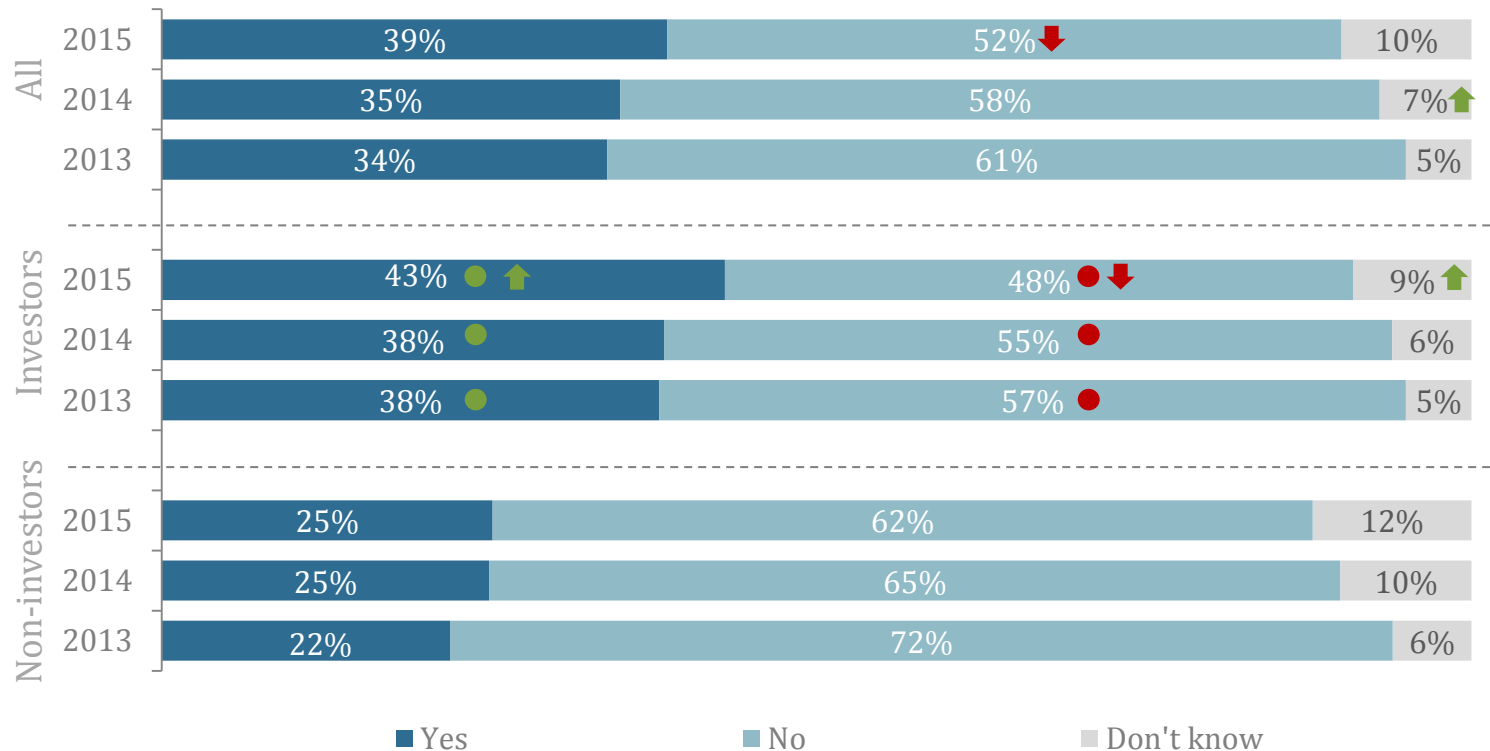
Has your level of confidence in New Zealand's financial markets increased, decreased or stayed the same over the last year?



Investors have a higher level of awareness of FMA than non-investors. The slight increase in overall awareness this year is driven by increased awareness among investors.

Q

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



↑ ↓ Significantly different to previous year

● Significantly higher than non-investors
● Significantly lower than non-investors

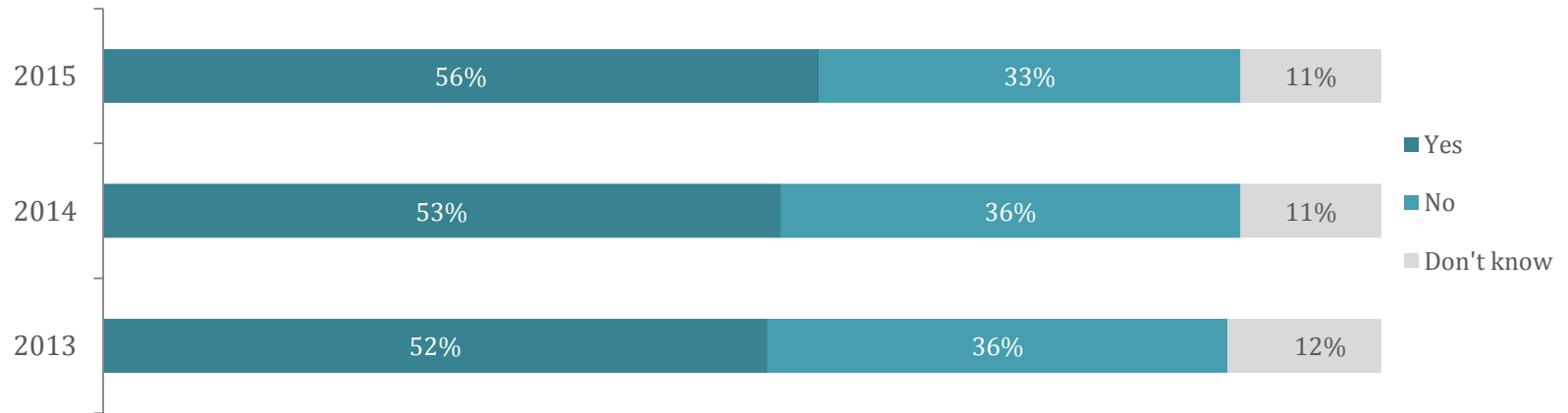
Base: All (2013 n=1,021, 2014 n=1,015, 2015 n=1,000), all investors (2013 n=742, 2014 n=749, 2015 n=763), all non-investors (2013 n=274, 2014 n=253, 2015 n=237).

Results may not add to exactly 100% due to rounding.

More than half of those with investments found the materials they received about their most recent investment helpful. This result is consistent with previous years.

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

Q



THOSE WHO FOUND INVESTMENT MATERIALS HELPFUL ARE **MORE LIKELY** TO BE:



Living in Manawatu-Wanganui (79%)

THOSE WHO FOUND INVESTMENT MATERIALS HELPFUL ARE **LESS LIKELY** TO BE:



No differences by gender, age, region or income

Significantly different to previous year

Base: All investors (2013 n=742, 2014 n=749, 2015 n=1,000).

Results may not add to exactly 100% due to rounding.

A woman with dark hair in a ponytail, wearing a teal long-sleeved shirt, is sitting at a white desk. She is talking on a black mobile phone held to her ear with her left hand. Her right hand is holding an orange marker. In front of her is a laptop displaying a website. To her right, on the desk, is a glass vase with a white orchid, a pen holder with several pens, and other office supplies. A window behind her shows a view of a city with buildings and greenery. The wall behind her has a large drawing of a face and several smaller photos and notes pinned to it.

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