

A man and a woman in business attire are looking at a laptop screen. The woman is seated and looking down at the screen, while the man stands behind her, leaning over and smiling as he looks at the screen. They are both wearing white shirts. The man is also wearing a striped tie. The background is a plain, light-colored wall.

Attitudes towards New Zealand's financial markets

General public and
investor views | 2014

Methodology



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



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



Fieldwork was conducted between 12 – 18 March 2014. This is the second time this research has been conducted, with the first wave of interviewing taking place between 27 March – 3 April 2013.



A total of 1,015 New Zealanders took part in the research in 2014

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



Of the 1,015 people surveyed this year, 749 had an investment in New Zealand's financial markets

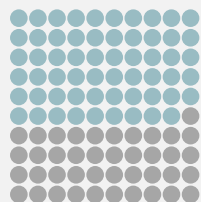


The margin of error for overall results is +/- 3.1%; the margin for investor results is +/- 3.6%

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

Summary

Most New Zealanders are confident in our financial markets.

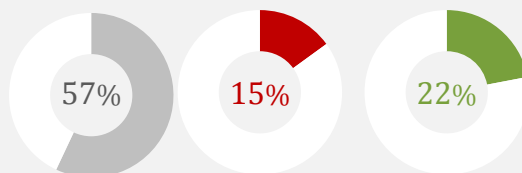


59% - up 5 points since 2013

Those who **have investments** are more confident in the markets than those who **don't invest** in them

(61% vs. 52%)

The majority of New Zealanders are as confident in the markets now as they were last year - (57% say their level of confidence has stayed the same over the last year). However, close to a quarter (22%) say their confidence has increased in the last year – a 5 point rise since 2013.



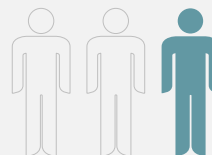
Stayed the same

Decreased

Increased

- People who are confident in the markets are more likely than those who lack confidence to say their confidence has increased (34% vs. 6%)
- Those with investments are more likely than those without to report an increase in confidence in the markets (24% vs. 15%)

1 in 3

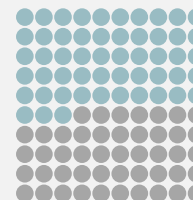


(35%) New Zealanders **have heard of FMA.**

Those who invest in New Zealand's financial markets are more likely to be aware of FMA than those who do not

(38% vs. 25%)

Half of those with investments say the materials they received about their most recent investment were helpful in making an informed decision about whether or not to invest.



53%

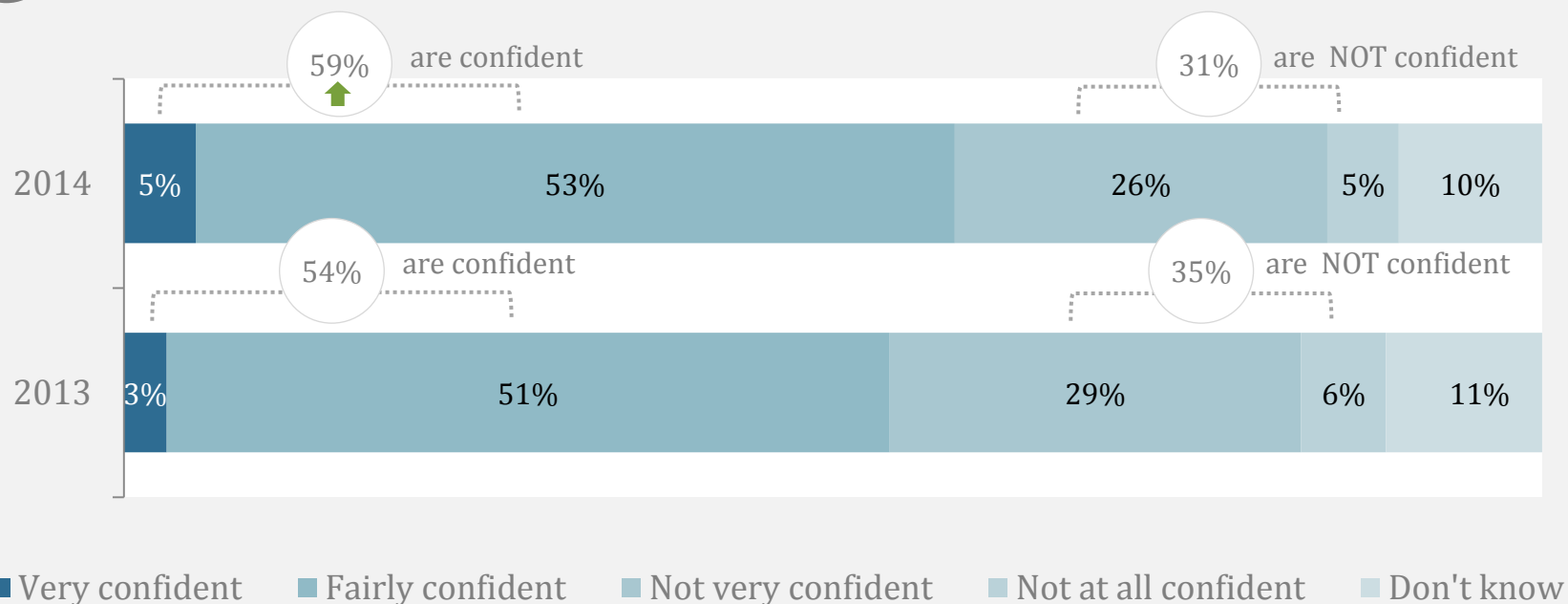
A woman with dark hair in a ponytail, wearing a teal dress, is seated at a white desk. She is holding a black mobile phone to her ear with her right hand and holding an orange pen in her left hand. The desk is cluttered with various items including a tablet, papers, a pen holder, and a small potted plant with white flowers. In the background, there is a large window looking out onto a bright, green outdoor area. On the wall behind her, there is a large piece of artwork titled 'Super' and several smaller photos and notes pinned to it.

General public views of New Zealand's financial markets

Confidence in our financial markets has increased this year – six out of ten New Zealanders have confidence in our financial markets, a 5 point rise from 2013

Q

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



CONFIDENCE IS HIGHER AMONG...

- Men (63% cf. 54% of women)
- Those earning between \$50,001 - \$100,000 per year (69%) or more than \$150,000 per year (93%)

LACK OF CONFIDENCE IS HIGHER AMONG...

- Those on lower incomes, up to \$20,000 per year (45%) or between \$20,001 - \$50,000 per year (49%)

↑↓ Significantly different to 2013

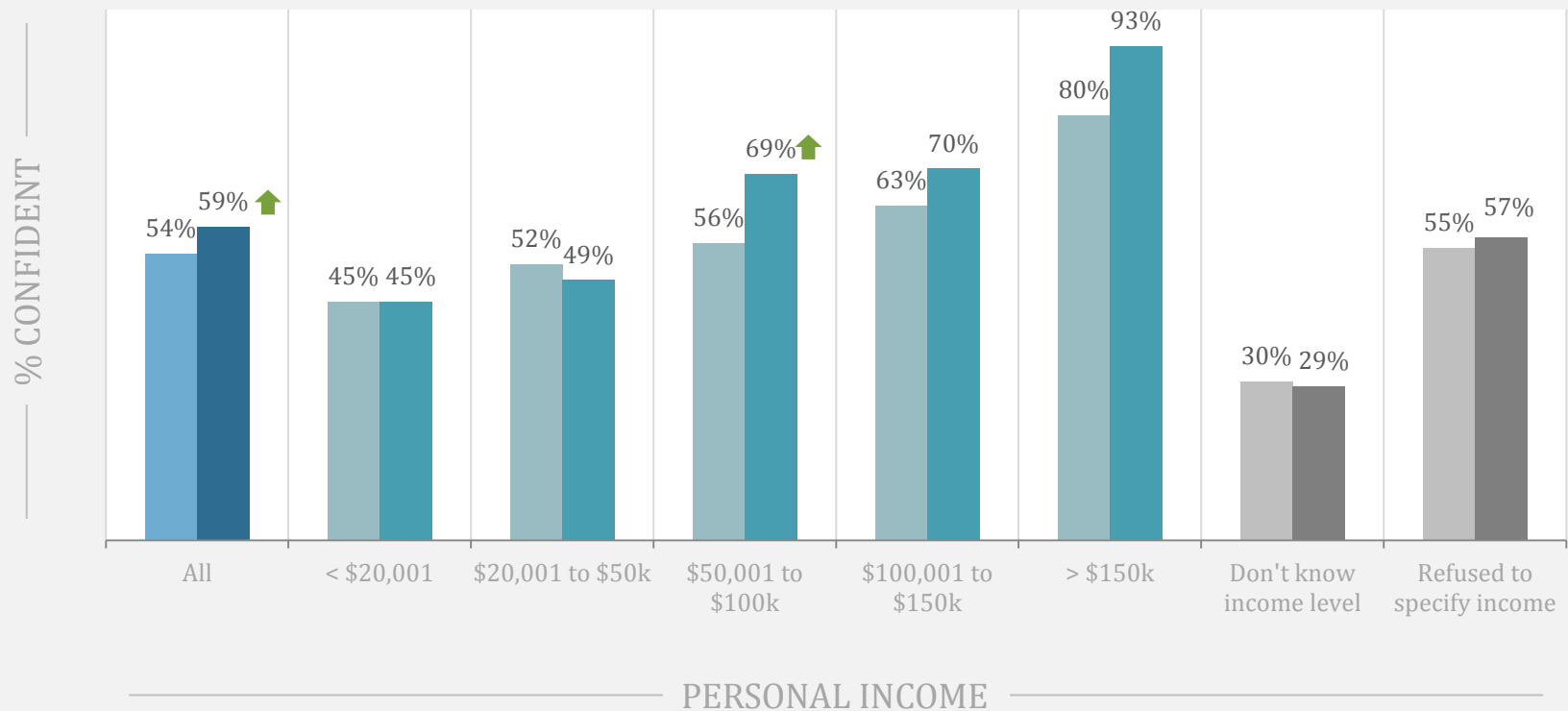
Base: All (2013 n=1,021, 2014 n=1,015)

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 saw last year, confidence in the markets increases with income. Those on middle incomes are much more confident in the markets now than in 2013.

Q

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



↑ ↓ Significantly different to 2013

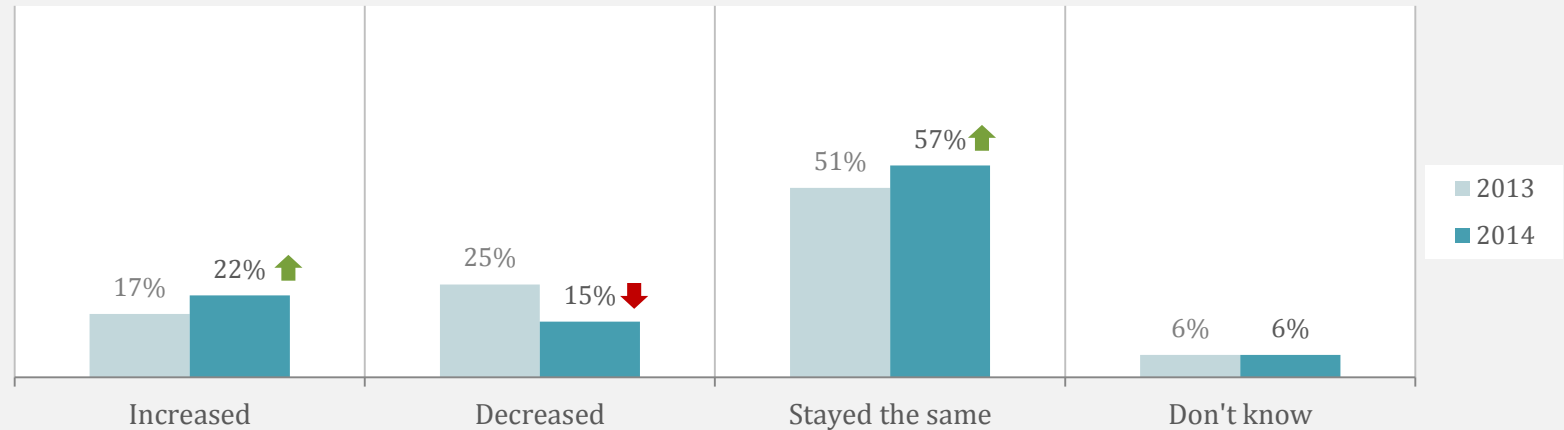
Base: All (2013 n=1,021, 2014 n=1,015)

QD15a: Into which one of the following groups does your own gross personal income from all sources before tax fall into?

For most New Zealanders confidence in the markets has not changed in the last year. Compared to 2013 more New Zealanders report an increase in confidence, and far fewer say their confidence has decreased.

Q

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...

- Men (29% cf. 15% of women)
- Wellingtonians (31%)
- Those on higher incomes, between \$100,001 to \$150,000 (36%) or more than \$150,000 per year (46%)

DECREASE IN CONFIDENCE IS HIGHER AMONG...

- No differences by gender, age, region or income

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

- Women (62% cf. 52% of men)

↑ ↓ Significantly different to 2013

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

Results may not add to exactly 100% due to rounding

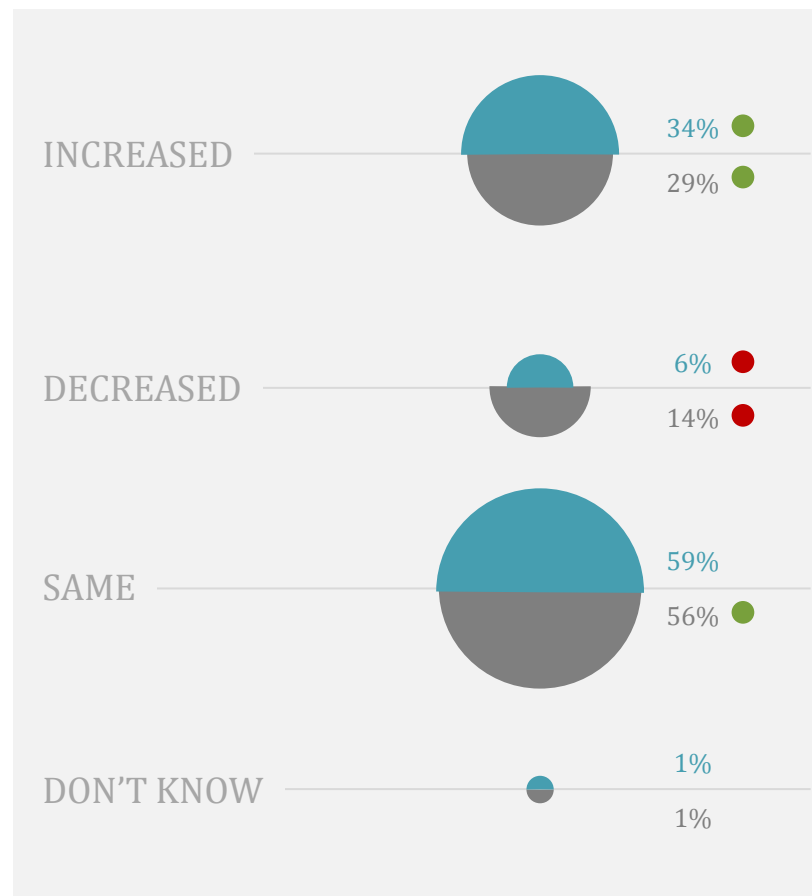
As we saw in 2013 those who are confident in the markets are more likely to say their confidence has increased in the last year – those who lack confidence are more likely to report a decline

Q

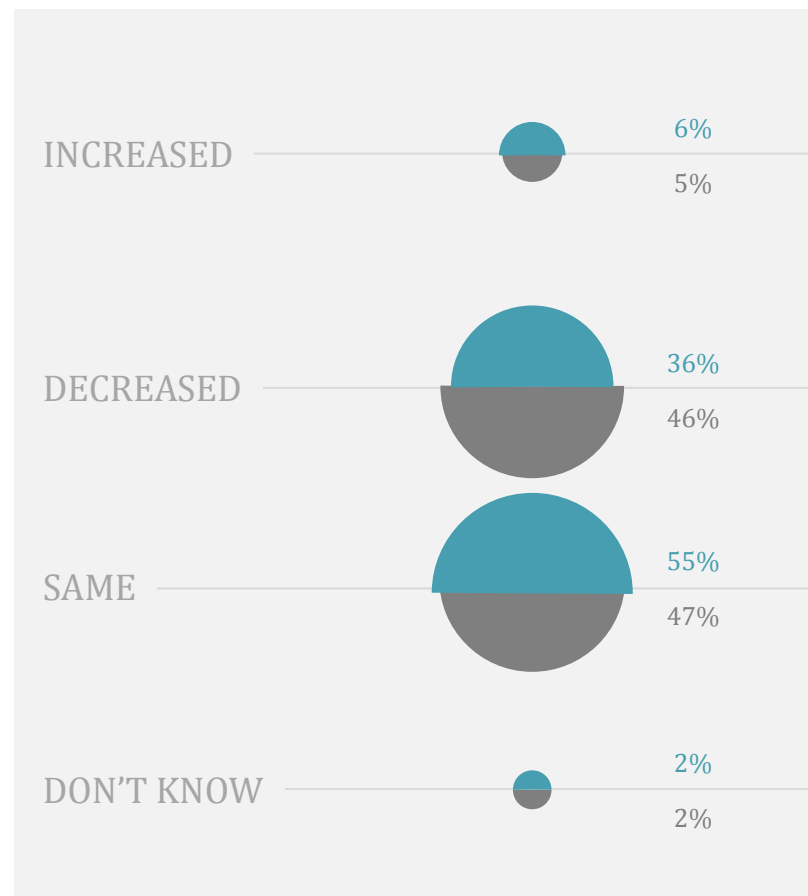
Has your level of confidence in New Zealand's financial markets increased, decreased or stayed the same over the last year?

● 2013 ● 2014

CONFIDENT



NOT CONFIDENT



● Significantly higher than those who are not confident

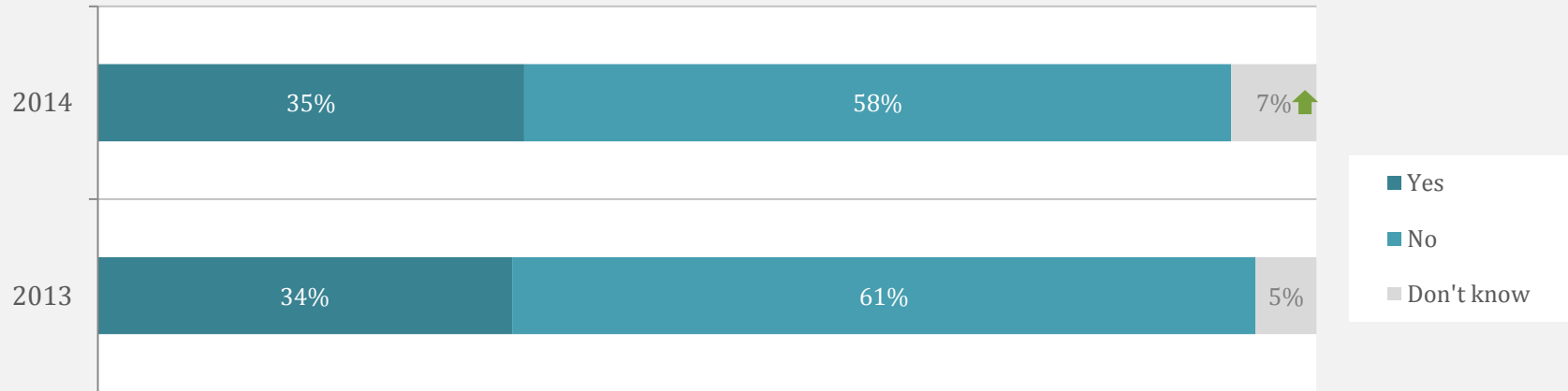
● Significantly lower than those who are not confident

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

One in three New Zealanders have heard of FMA, with no change from last year

Q

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



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

- Men (44% cf. 26% of women)
- Older – aged 50 to 64 years (45%) or 65+ (47%)
- On higher incomes – earning between \$100,001 to \$150,000 (50%) or more than \$150,000 per year (65%)

THEY ARE **LESS LIKELY** TO BE:

- 25 to 34 years old (25%)
- Earning less than \$20,000 per year (25%)

↑↓ Significantly different to 2013

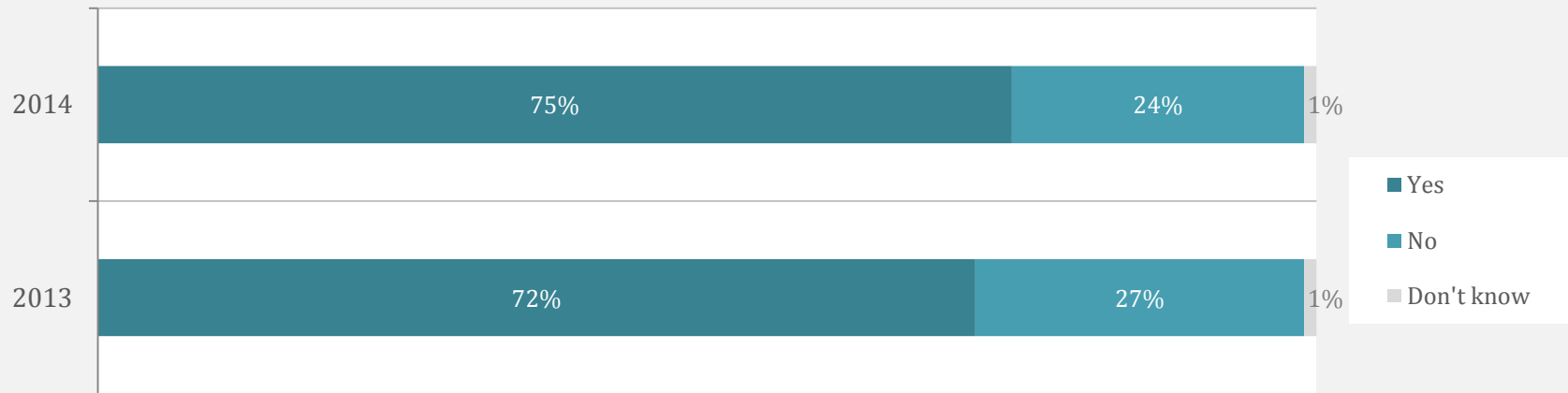
Base: All (2013 n=1,021, 2014 n=1,015)

Results may not add to exactly 100% due to rounding

Three quarters of New Zealanders have investments in our financial markets, a *slight* increase from 2013

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:

- Earning between \$50,001 to \$100,000 per year (81%) – while those earning between \$100,001 to \$150,000 per year are the most likely to have investments (83%) this result does not differ significantly from the total due to the relatively small number of people in this income group (n=65)

THEY ARE **LESS LIKELY** TO BE:

- 65 years or older (60%)
- Earning less than \$20,000 per year (65%)

↑↓ Significantly different to 2013

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

Results may not add to exactly 100% due to rounding



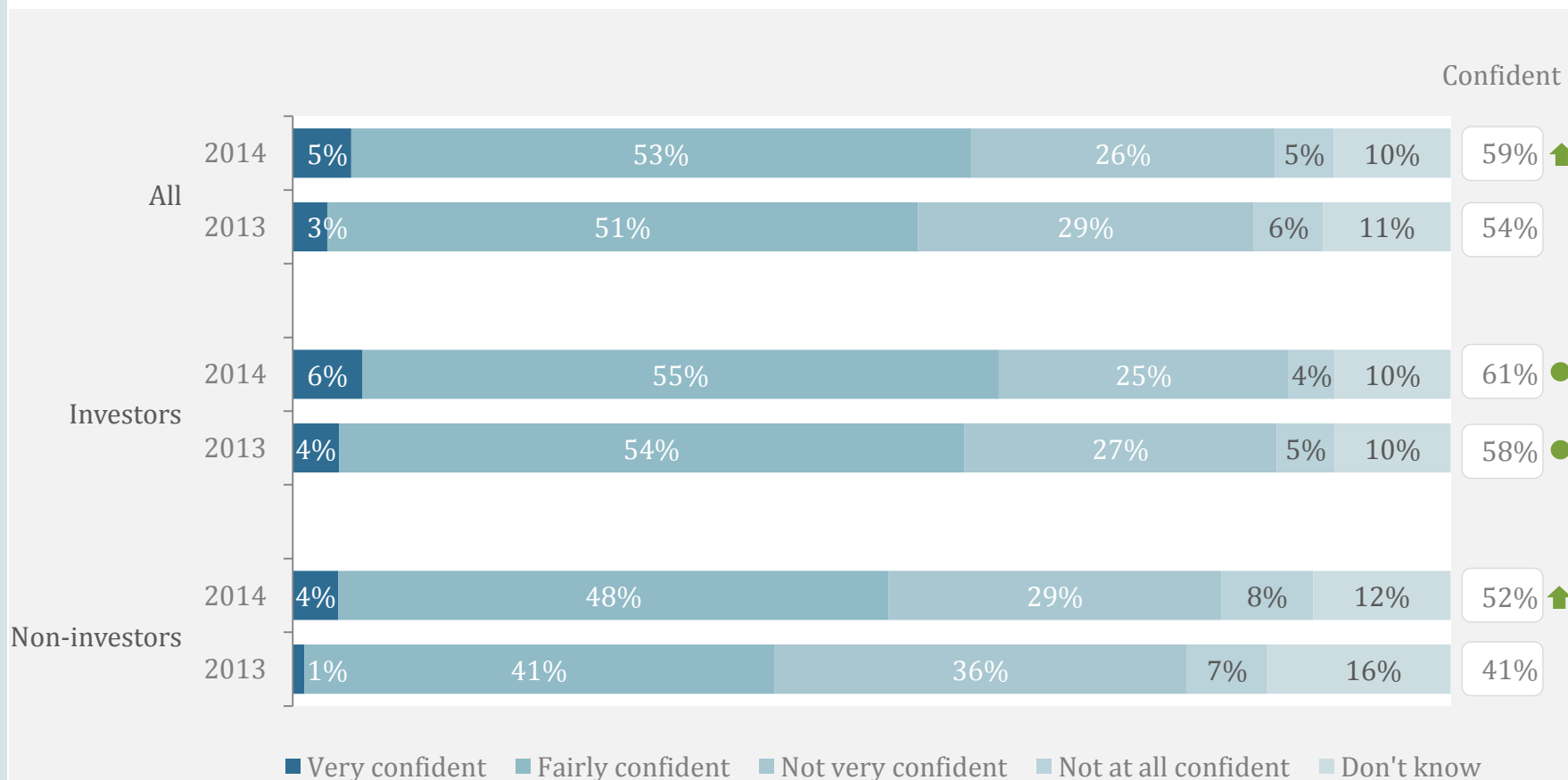
Investor views of New Zealand's financial markets

Those who have investments remain more confident in the markets than those who do not invest – however those who do not invest are much more likely to be confident in the markets now than in 2013

Q

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

- Significantly higher than non-investors
- Significantly lower than non-investors
- ↑↓ Significantly different to 2013



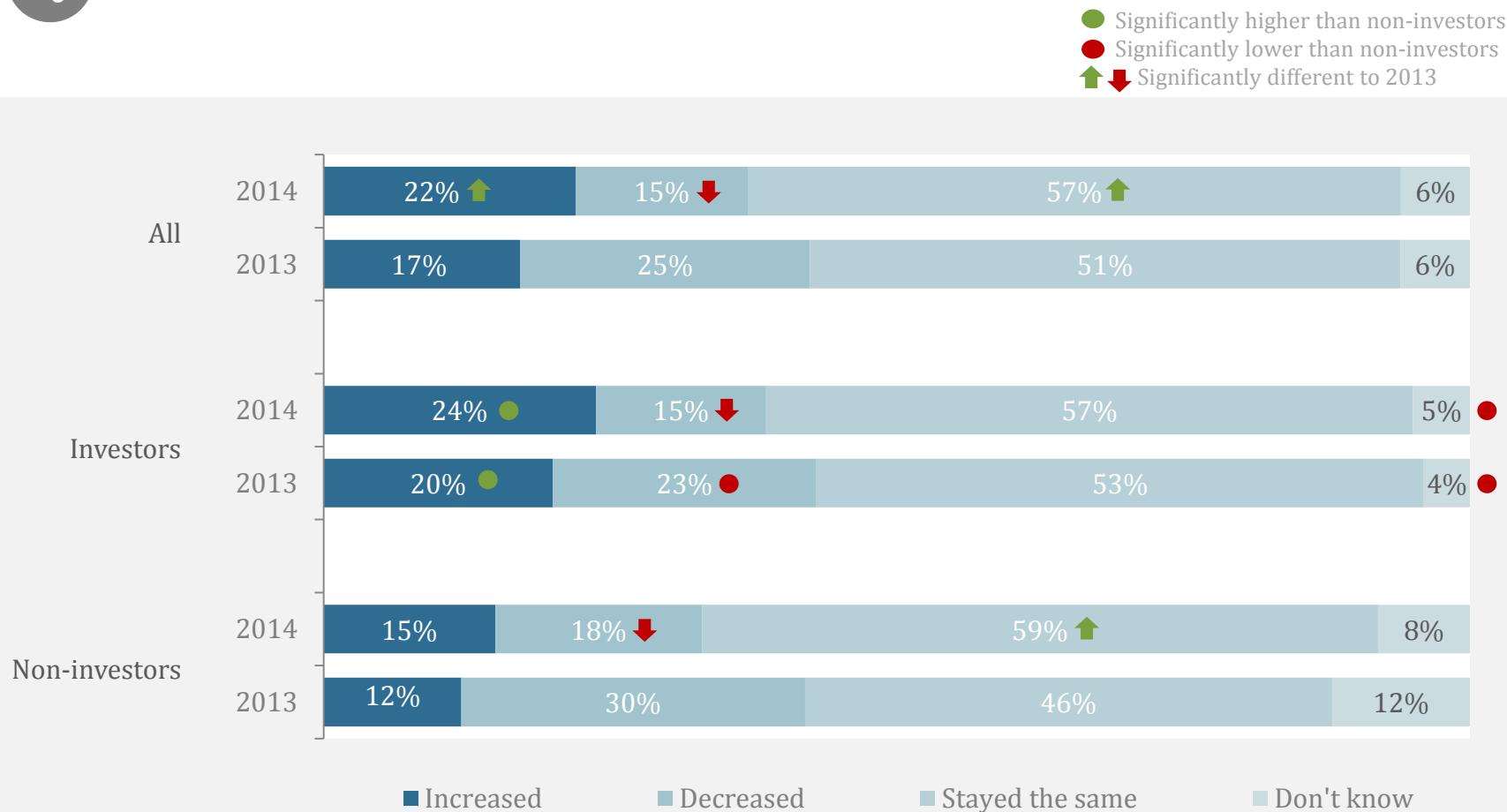
Base: All (2013 n=1,021, 2014 n=1,015), all investors (2013 n=742, 2014 n=749), all non-investors (2013 n=274, 2014 n=253)

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.

Investors continue to be more likely than non-investors to say their confidence in the markets has increased. The drop this year in people saying their confidence has decreased has occurred across both investors and non-investors

Q

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



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

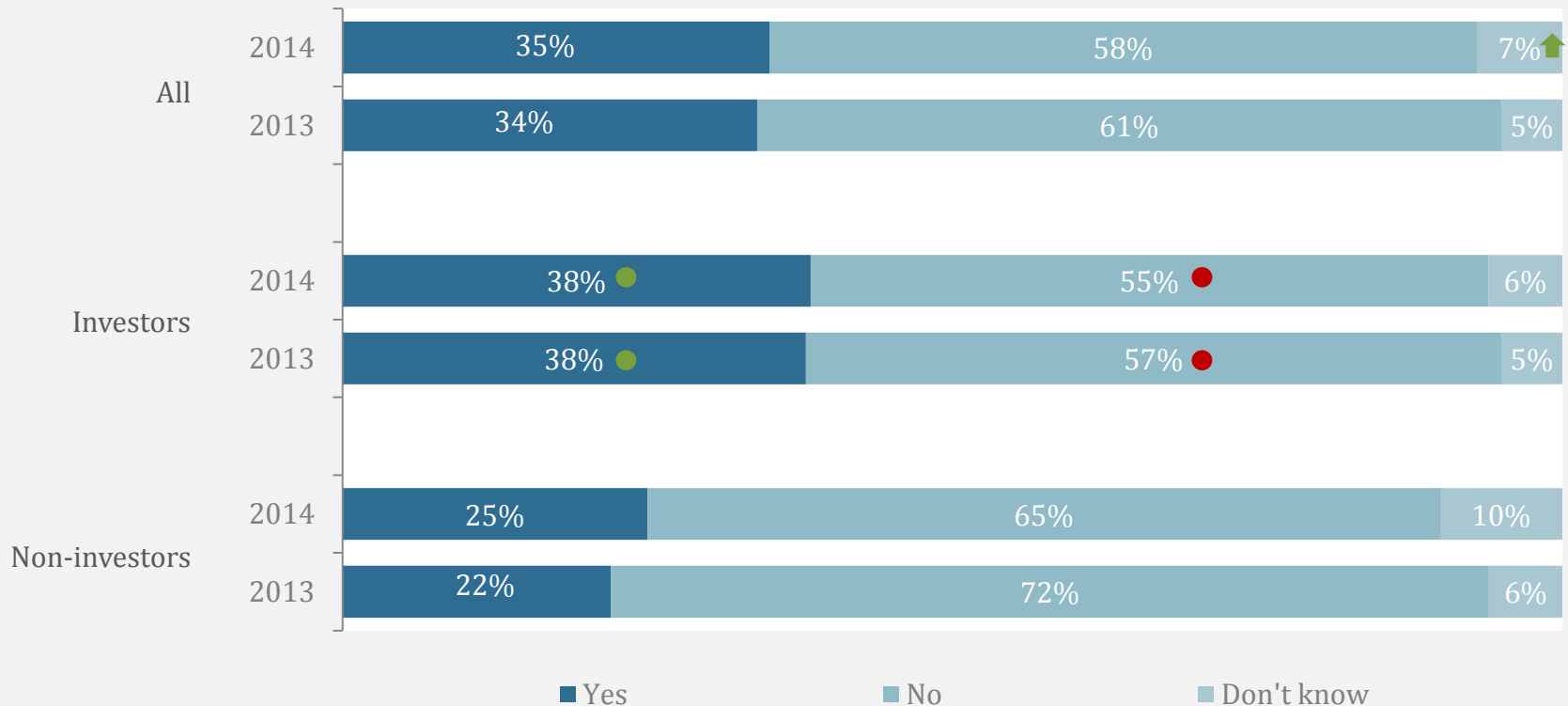
Results may not add to exactly 100% due to rounding

As we saw last year investors have a higher level of awareness of FMA than non-investors – results are very consistent year on year

Q

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

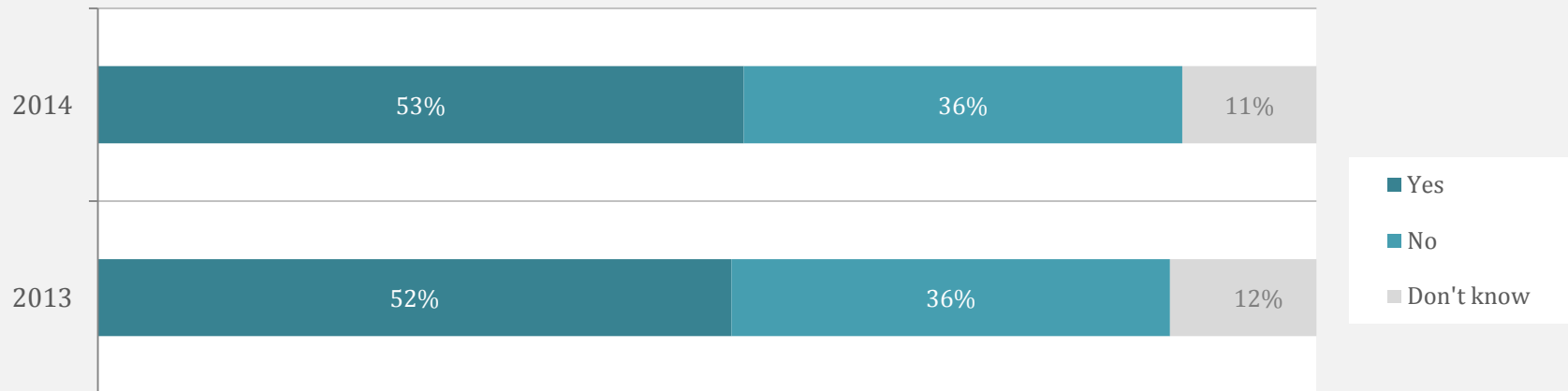
- Significantly higher than non-investors
- Significantly lower than non-investors
- ↑↓ Significantly different to 2013



Half of those with investments found the materials they received about their most recent investment helpful, consistent with 2013 findings

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:

- High income earners, earning over \$150,000 per year (74%)

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

- Younger investors, aged 18 to 24 years (36%)
- Living in Tauranga (35%) or in a small town in the South Island (33%)

↑↓ Significantly different to 2013

Base: All investors (2013 n=742, 2014 n=749)

Results may not add to exactly 100% due to rounding



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