



NZX Limited  
Level 1, NZX Centre  
11 Cable Street  
PO Box 2959  
Wellington 6140  
New Zealand  
Tel +64 4 472 7599

[www.nzx.com](http://www.nzx.com)

**13 June 2016**

## **Smartshares celebrates 20 years of ETFs in New Zealand**

Smartshares, NZX's Exchange Traded Funds (ETFs) business this month celebrates 20 years since the launch of the first ETF in New Zealand – the NZ Top 10 (TNZ) fund, which aims to provide returns that closely match the return on the S&P/NZX 10 Index.

New Zealand was the fourth country in the world to launch ETFs behind Canada (1990), the USA (1993) and Japan (1995).

When the NZ Top 10 fund launched, it included: Air New Zealand; Carter Holt Harvey; Fletcher Challenge Forestry Division; Fletcher Challenge; Brierley Investments; Goodman Fielder; Lion Nathan; Fernz Corporation; Telecom Corporation of New Zealand; and Wilson and Horton.

Today, it includes: Auckland International Airport; Contact Energy; Fletcher Building; Fisher & Paykel Healthcare Corporation; Meridian Energy; Ryman Healthcare; SkyCity Entertainment Group; Sky Network Television; Spark New Zealand; and Z Energy.

As the pioneer of ETFs in New Zealand, Smartshares is committed to developing products that offer investors a range of diversified, low-cost and easily accessible investment options. Smartshares offers New Zealand's broadest range of passive funds across the main asset classes, cash, bonds, shares and property.

Over the past 20 years Smartshares has demonstrated significant growth, with more than 50,000 investors now having an investment in its ETFs through financial advisors and KiwiSaver schemes, while the number of direct unitholders has risen to more than 10,000. This growth in wholesale and retail investors has seen on market trade volumes increase to more than \$100 million year to date. In addition, total Smartshares funds under management has now surpassed \$1.6 billion.

In 2014, NZX significantly increased its investment in and strategic focus on growing the Smartshares business and the range of ETFs on offer. From December 2014 to November 2015, Smartshares boosted its portfolio of ETFs, listing 18 new funds on the NZX Main Board, bringing the total number of ETFs on offer to 23. The new ETFs allow investors to create personalised, globally diversified portfolios, by investing with New Zealand currency.

NZX's significant investment in creating new ETFs reflects its commitment to the development of New Zealand's passive funds management industry, which has been a high-growth sector globally, and an area where NZX sees considerable potential.

NZX Head of Funds Management Aaron Jenkins commented: "Smartshares has played a critical role in the development of ETFs in New Zealand, and NZX's continued investment in this business signals our commitment to creating a vibrant market that offers investors diversified, low-cost, accessible investment solutions."



Smartshares is currently focussed on increasing market awareness of its ETFs and continuing to educate retail and wholesale investors about its product offering and the benefits ETFs provide.

To improve transparency, the Smartshares website ([www.smartshares.co.nz](http://www.smartshares.co.nz)) has recently been updated to include historic dividends, market announcements and fund factsheets and summary pages. For direct investors, an online verification system has also been implemented enabling ETF application forms to be completed online, without the need to submit physical copies of identification documents.

**For further information please contact:**

Kate McLaughlin  
Head of Communications  
T: 09 309 3654  
M: 027 533 4529  
E: [kate.mclaughlin@nzx.com](mailto:kate.mclaughlin@nzx.com)

**About Smartshares**

Smartshares is the pioneer of ETFs in New Zealand, launching the first ETF (TNZ - the NZ Top 10 Fund) in 1996. Smartshares is New Zealand's only issuer of ETFs listed on the NZX Main Board, with in excess of 10,000 unit holders and more than NZD \$1.6 billion of funds under management. The Special Division of the New Zealand Markets Disciplinary Tribunal regulates Smartshares in a similar way to NZX Regulation's regulation of other listed issuers. Smartshares funds are listed on NZX so you can buy or sell them just like individual shares. The listed funds are designed to "track" (or, in some cases, outperform) an index. Each Smartshares ETF is designed to provide investors with similar returns to a direct investment in all the securities that make up the ETF. To learn more and obtain a copy of the investment statement for each of the ETFs please visit: [www.smartshares.co.nz](http://www.smartshares.co.nz)

**About NZX Limited**

NZX builds and operates capital, risk and commodity markets and the infrastructure required to support them. We provide high quality information, data and tools to support business decision making. We aim to make a meaningful difference to wealth creation for our shareholders and the individuals, businesses and economies in the countries in which we operate. To learn more about NZX please visit: [www.nzxgroup.com](http://www.nzxgroup.com)