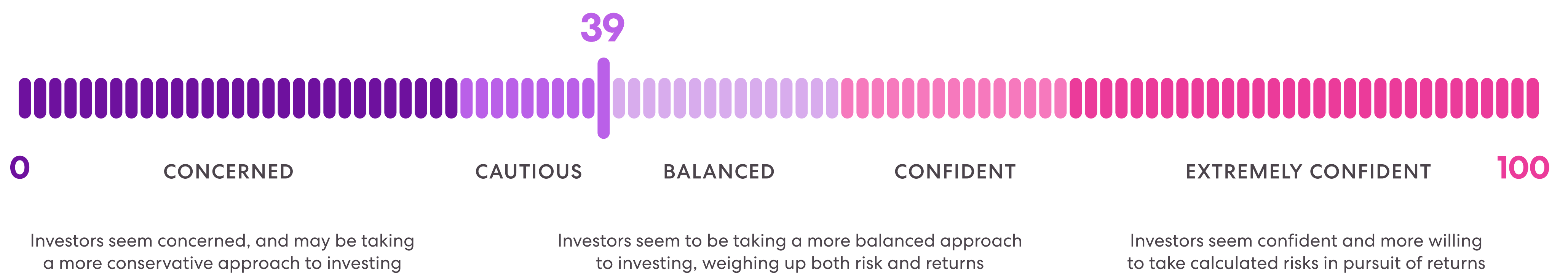


# Sharesies Index

How confident are retail investors feeling in the current market?



## SUMMARY

- After a period of more balanced confidence from November to February, the Sharesies Index returned to Cautious in March – consistent with broader market sentiment.
- Towards the end of the quarter, selling pulled back, while buying remained steady, culminating in a 1.35 net buy/sell ratio which suggests a willingness to hold despite market volatility.
- March saw a significant shift to investing in exchange-traded-funds and managed funds. This pushed the percentage invested in companies to a low of 52%—a substantial drop from the previous 74% average. The shift suggests a defensive move to diversify and reduce risk in a period of market uncertainty.
- Santana Minerals Limited entered the Sharesies Bundle—the 50 most-owned instruments on Sharesies—following its application to mine gold in Central Otago.
- The net deposit ratio remained strong and share transfers from other brokers saw a record \$37m come onto the platform in March.

## WHAT IS THE SHARESIES INDEX?

We developed the Sharesies Index to gauge how retail investors in Australia and New Zealand may be feeling about investing and their wealth, to indicate where the mood is trending.

We aggregate anonymised data from across Sharesies to produce the Sharesies Index and rank aggregated investor confidence on a scale from 0 (concerned) to 100 (extremely confident).

With almost 800,000 investors signed up to Sharesies, we have one of the largest datasets in New Zealand from which to gather retail investor insights.

Key inputs to the Sharesies Index include the ratios of buying and selling of shares, deposits and withdrawals to Save and Invest accounts, investing in companies versus funds, average amount bought per customer and the volatility of the 'Sharesies Bundle' (the 50 most owned investments on Sharesies).

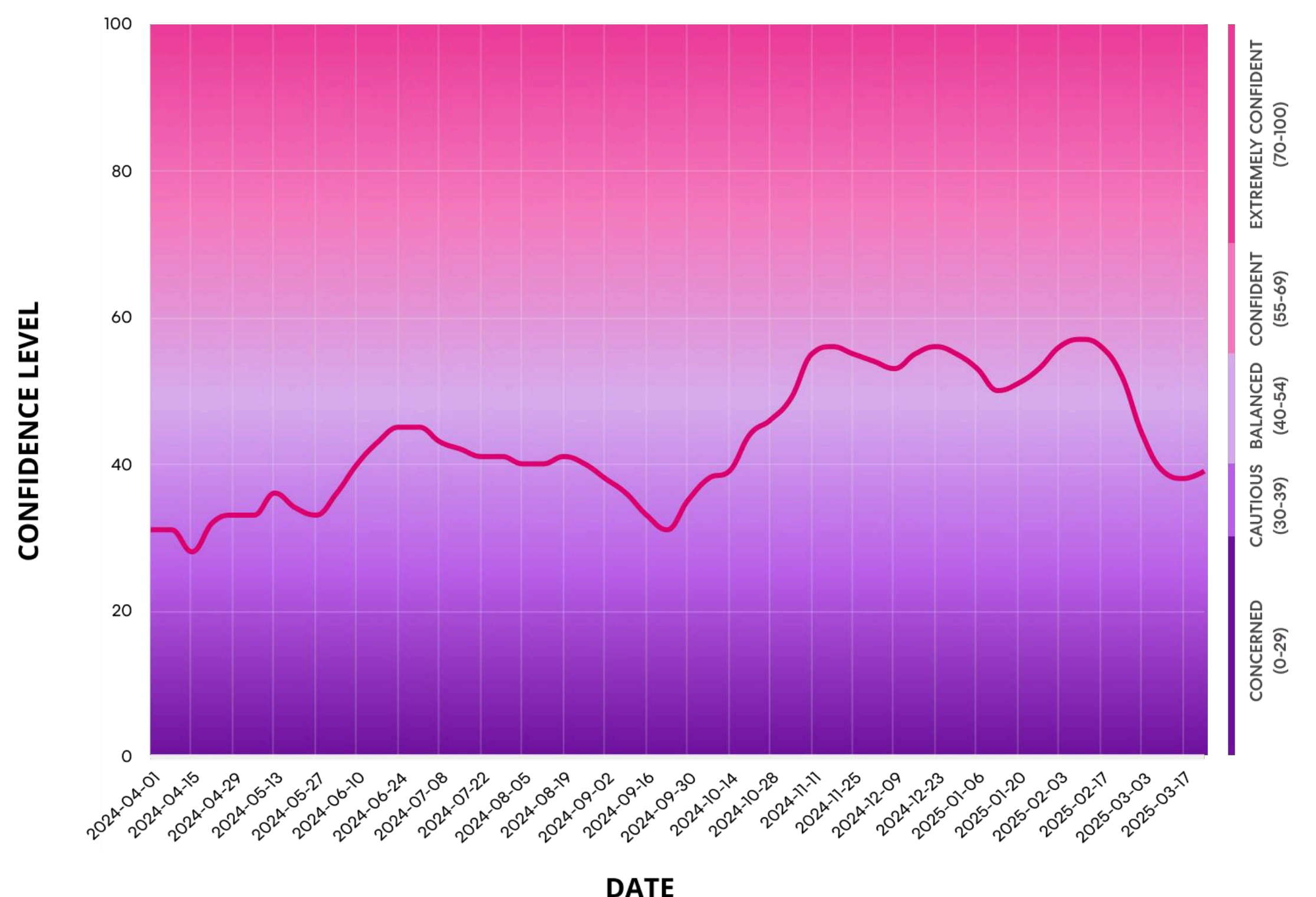
The Sharesies Index is updated and released every three months in line with the financial quarter.

## QUARTERLY INDEX RESULTS

January 2025 - March 2025

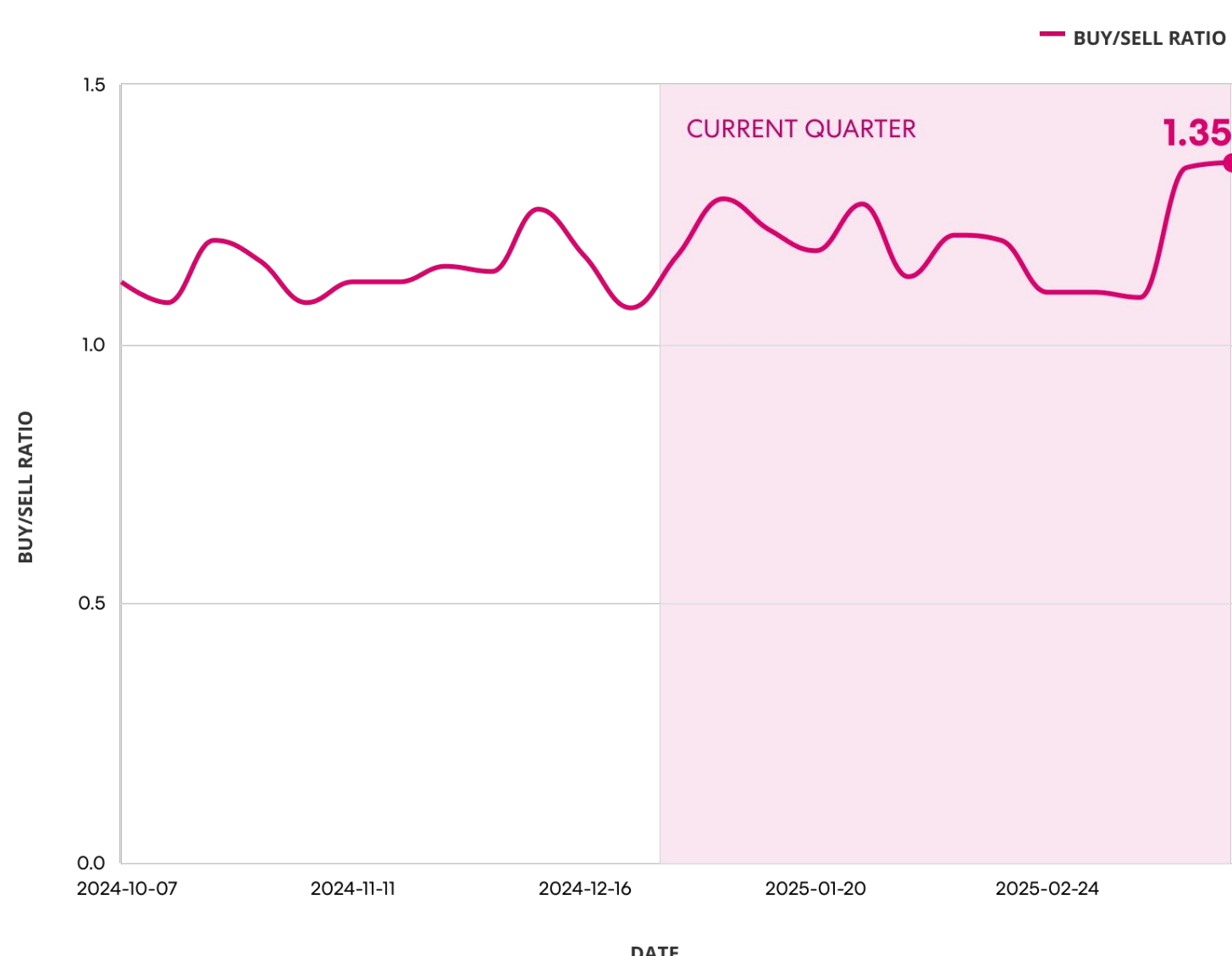
The Sharesies Index stayed in the Balanced range through most of November to February, before moving to Cautious in March – ending the quarter at 39. This change mirrors broader market sentiment as US markets dipped over tariff concerns, inflationary pressures, weakened US consumer sentiment, and increased tech stock volatility.

Despite these concerns, investor confidence remained in line with 2024 levels, while trading volumes showed strong growth year on year as investors adapted to the changing conditions. This resulted in Sharesies' second-highest trading quarter on record.



# Key Indicators

What are the indicators that underpin the Sharesies Index?



## NET BUY/SELL RATIO

Investors maintained a Net Buy/Sell Ratio of 1.19 throughout the quarter, signalling a continued preference for buying. A willingness to hold despite the market volatility was demonstrated even during the US market's sharp decline in the quarter's final two weeks. Selling subsided while buying remained steady, culminating in a Net Buy/Sell ratio of 1.35.

*The Net Buy/Sell Ratio is the difference between the total buying and selling values on Sharesies. A Net Buy/Sell Ratio greater than one is when buying outstrips selling and generally is an indicator of confidence. Conversely, a Net Buy/Sell Ratio of less than one may indicate more concern if coupled with other indicators such as withdrawals.*

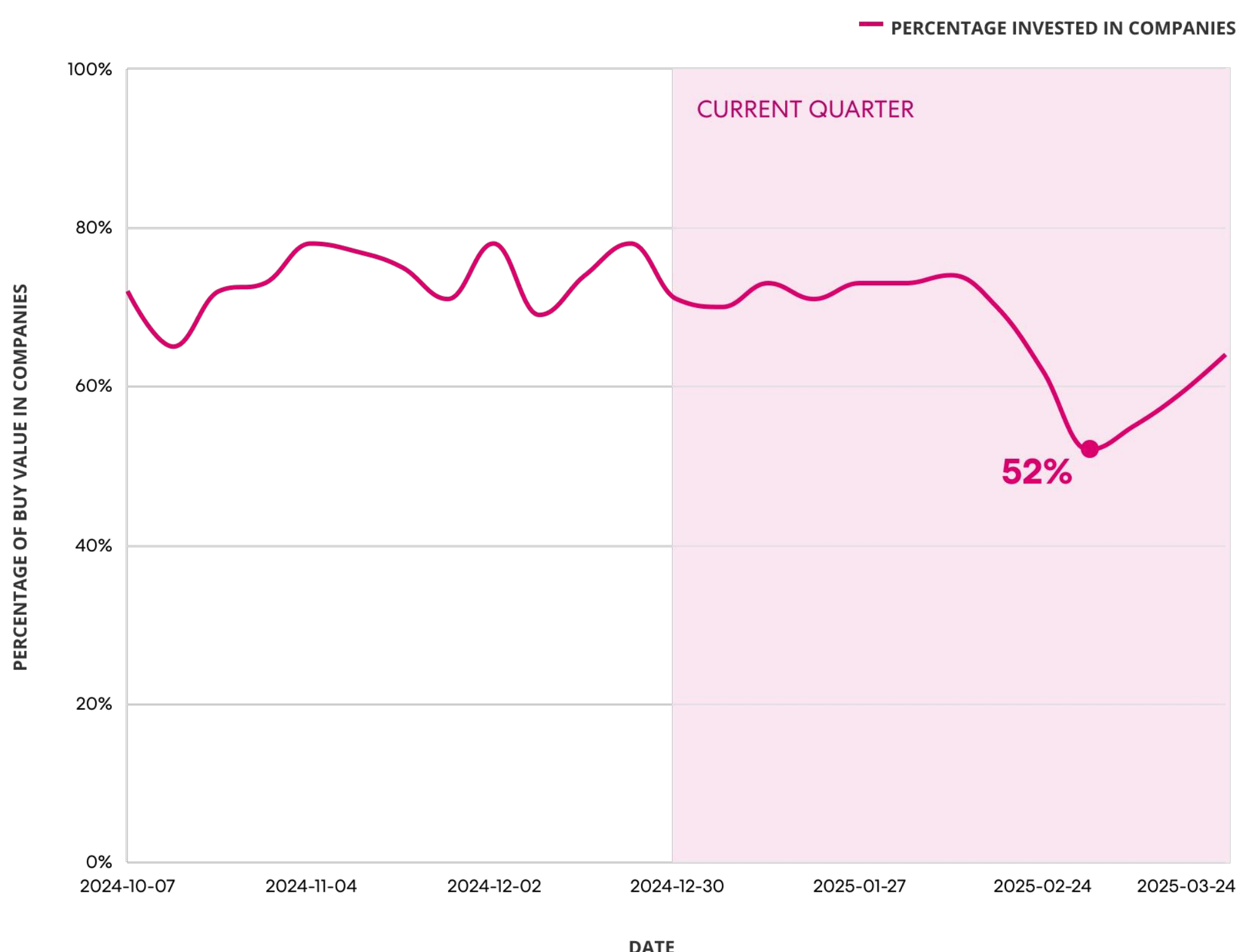
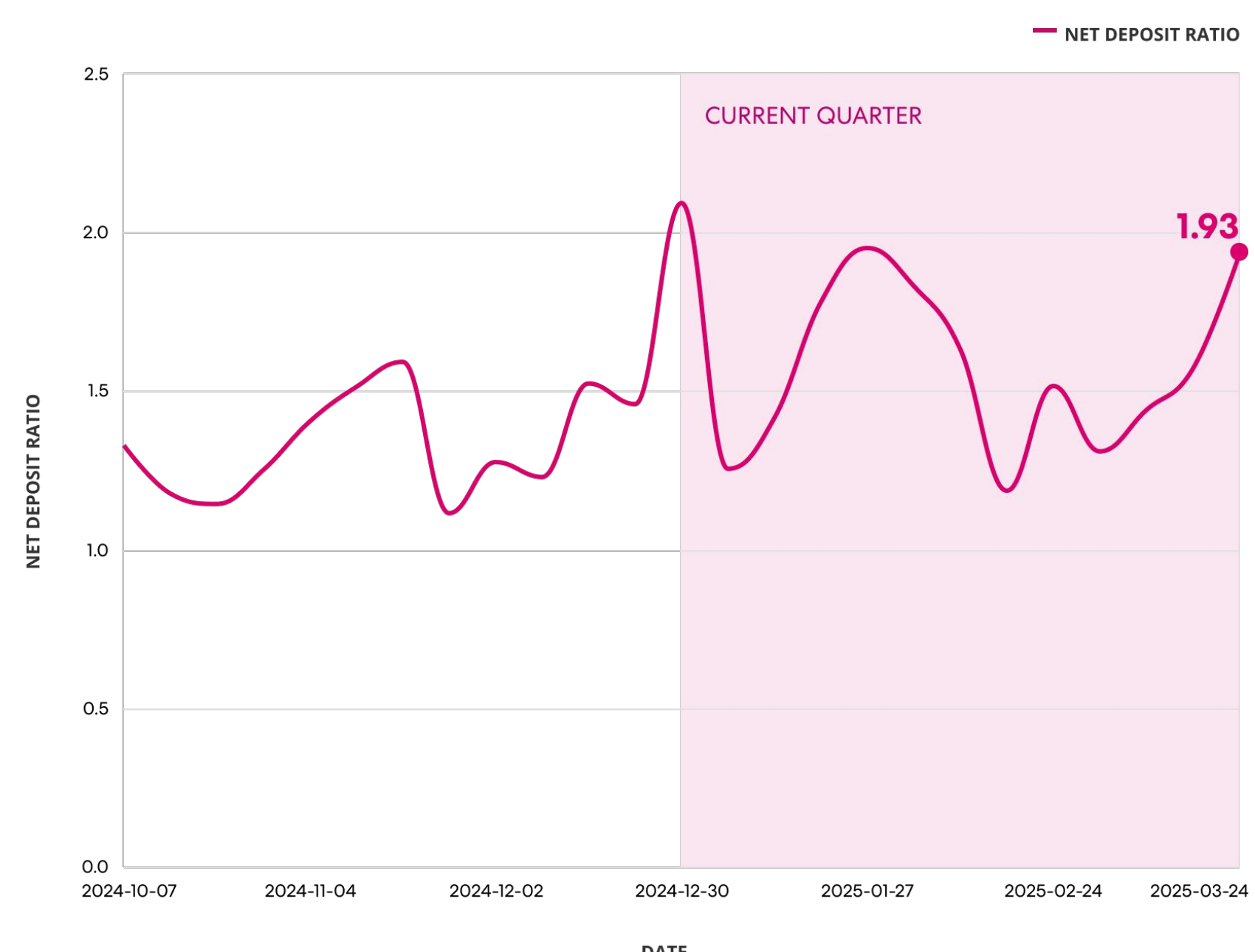
## NET DEPOSIT RATIO

The Net Deposit Ratio averaged 1.6—up on the October-December quarter and in line with yearly averages.

Funds deposited for investing on Sharesies reached a monthly historic high in March, while deposits for Save continued to decline as interest rates eased and investors sought better returns.

Sharesies also saw a record \$37 million in shares transferred onto the platform in March. Much of this was linked to investors being able for the first time to earn Air New Zealand Airpoints Dollars™ on deposits and share transfers. The share transfers are not included in the Net Deposit Ratio, but the intake is significant and suggests established investors are increasingly looking to manage their wealth with Sharesies.

*The Net Deposit Ratio measures the flow of funds into and out of Sharesies for our Invest and Save products. It is the difference between the total amount deposited and the total amount withdrawn. Historically, a higher Net Deposit Ratio has indicated higher levels of investor confidence.*



## PERCENTAGE INVESTED IN COMPANIES (PIC)

In early March, the Percentage Invested in Companies (PIC) fell to an all time low of 52%, marking the lowest weekly figure on record. Throughout March, the PIC remained consistently low, below 65%. This change suggests a strong preference to diversify and decrease risk with investors favouring exchange-traded-funds (ETFs) and managed funds over individual stocks.

*The PIC refers to the percentage of investing that goes into individual companies versus investment funds (managed funds and exchange traded funds). A higher PIC may indicate higher confidence, with investors prepared to take a risk on their company picks, whereas, in periods of lower confidence, investors tend to seek more diversification using funds.*

# Sharesies Bundle

The Sharesies Bundle looks at the 50 most-owned instruments on Sharesies. We look at the percentage that each instrument represents within our investors' portfolios to produce an aggregated percentage and ranking for the Bundle across all Sharesies investors. We use this approach to identify the investments that have the most widespread popularity across our Sharesies investor community.

The Bundle is updated each quarter, as some instruments grow and others fall in relative popularity. The top ranked instruments, split by companies and ETFs/Funds, are shown below.

● COMPANY ● ETF ● MANAGED FUND

## TOP 5 COMPANIES across the Sharesies Bundle

AIR NEW ZEALAND LTD	Bundle rank: 2
NVIDIA CORP	Bundle rank: 3
TESLA INC	Bundle rank: 4
APPLE INC	Bundle rank: 8
ROCKET LAB USA INC	Bundle rank: 9

Stability remains for the top 5 companies, although Tesla, with their declining share price, dropped to 4th in the Bundle, and 3rd company – bumping NVIDIA up a place.

## TOP 5 ETFS/FUNDS across the Sharesies Bundle

SMART US 500 ETF	Bundle rank: 1
PATHFINDER GLOBAL RESPONSIBILITY FUND	Bundle rank: 5
VANGUARD 500 INDEX FUND ETF	Bundle rank: 6
SMART NZ TOP 50 ETF	Bundle rank: 7
MERCER ALL COUNTRY GLOBAL SHARES INDEX FUND	Bundle rank: 10

Top ETFs and managed funds were consistent this quarter, with the only change seeing Smart NZ Top 50 ETF and Vanguard 500 Index Fund ETF swapping position.

## MOVEMENTS WITHIN THE SHARESIES BUNDLE

Instruments that moved up or down the Bundle

SANTANA MINERALS LTD	▲ 14	Rank: 47
ISHARES S&P 500 ETF AUD	▲ 12	Rank: 17
VANGUARD AUSTRALIAN SHARES INDEX ETF	▲ 8	Rank: 18
MAINFREIGHT LTD	▼ 7	Rank: 28

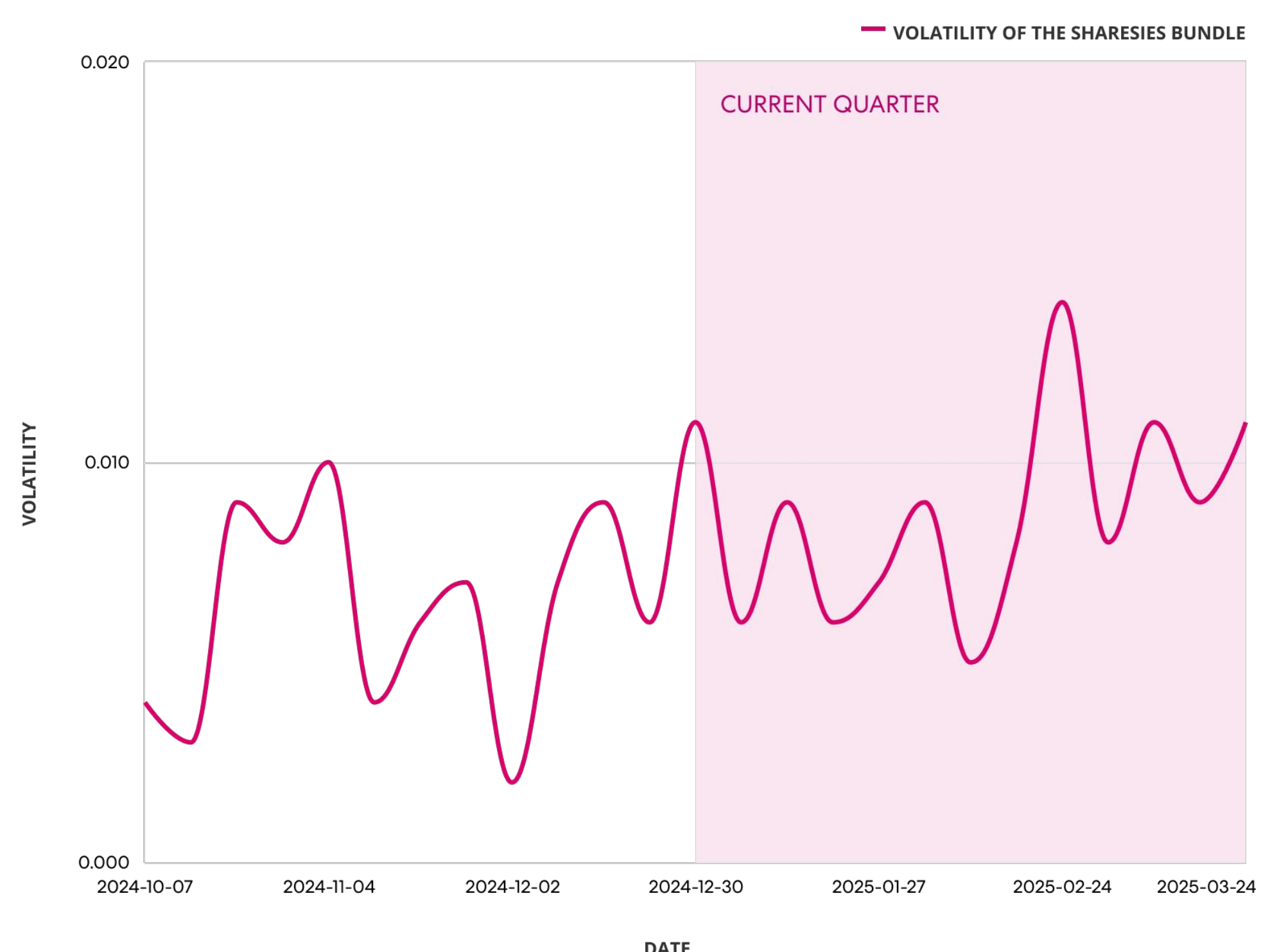
Reflecting investors preference for ETFs and managed funds this quarter, the iShares S&P 500 ETF AUD and Vanguard Australian Shares Index ETF climbed 12 and 8 rankings, respectively. Conversely, the Mercer Responsible Trans-Tasman Shares Fund declined by six places.

The ongoing trend from prior quarters of NZX instruments losing rank continued, with Infratil and Mainfreight Ltd dropping down the ranking, though both remain within the top 30 most-owned instruments on Sharesies. This shift likely stems from increased interest in ETFs and managed funds rather than a decline in these companies' popularity. Notably, Santana Minerals Ltd surged 14 places, entering the top 50 Sharesies instruments for the first time, on the back of news of its Central Otago goldmine application.

## SHARESIES BUNDLE VOLATILITY

Volatility of the Sharesies Bundle trended up throughout the quarter, finishing the quarter at 0.011. Geopolitical tensions, and trade disputes have unsettled markets and likely driven this increase. The upwards trend of volatility in the Sharesies Bundle is consistent with other metrics tracked such as the “fear index” or CBOE Volatility Index (VIX).

The volatility of the Sharesies Bundle measures the degree of fluctuation in price for each instrument in the Bundle which is then weighted and aggregated into the volatility score. When volatility is high, it means there is higher exposure to the risk of rapid price changes. Big fluctuations in instrument price can create feelings of uncertainty when observing large movements in portfolio value and dramatic changes in prices when making buying decisions.



# Methodology & Data

The Sharesies Index is a proprietary index which uses highly aggregated and anonymised data from activity we see across over three quarters of a million investors that have joined Sharesies. Sharesies is a wealth development platform with the purpose of creating financial empowerment for everyone.

To build the Sharesies Index, we've selected a basket of indicators which we believe are correlated with investor confidence. We aggregate the indicators into a single metric using Principal Components Analysis (PCA). PCA is a statistical method which is commonly used to reduce the dimensionality of datasets. The Sharesies Index is based on the first principal component, which explains the majority of the movement in the underlying indicators. By using PCA, we hope to simplify the interpretation of complex data and create a more meaningful index that is designed to gauge how people may be feeling about investing.

The Index doesn't look into individuals' portfolio data, it does not involve surveying investors, and it does not disclose any data that could identify individual investors.

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## DATA SOURCES

Data is from both New Zealand and Australia across Sharesies' Invest and Save products. We do not include depositing or trading data from our KiwiSaver product in the Sharesies Index.

### Net Buy/Sell Ratio

This is the difference between total buying and selling values on a weekly basis and includes trading activity across ASX, NZX and the US exchanges we provide access to (NYSE, NASDAQ and CBOE). While buying and selling volumes may go up and down over time we are interested in the difference between aggregated buying and selling values because the ratio isn't unduly influenced by growth in investor numbers or portfolio values.

### Net Deposit Ratio

The Net Deposit Ratio shows the difference between total deposits and total withdrawals from the Sharesies Wallet, which services both the Invest and Save products. We've included Save as we believe this may be an indication of investors' disposable income and, propensity to invest for the future so it will help us understand investors' wealth beyond retail investing.

### Percentage Invested in Companies (PIC)

The Percentage Invested in Companies uses trading data from ASX, NZX and the US exchanges and looks across companies, ETFs and managed funds. This is a highly aggregated proxy that we believe indicates changes in the overall risk appetite of investors who use Sharesies.

### Volatility of Sharesies Bundle

For the Sharesies Bundle, we determine the top most held investments by considering the percentage of ownership across all investments for all our investors. To ensure a fair representation, we apply a weighted average that values each investor equally in the aggregate score, regardless of the investor's portfolio value. This means that even if a particular investor has a smaller portfolio, their investment choices will have equal impact on the overall rankings of investments.

The volatility of the Sharesies Bundle is calculated using a weighted average for the volatility of each instrument in the Bundle, which is then rolled up into a single metric. Again, the weighting is based on the same logic used to determine the instruments in the Sharesies Bundle. This is not the same as the volatility for a portfolio where an investor owns the whole Sharesies Bundle as it does not consider the impact of diversification on volatility.

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## DISCLAIMER

The information in the Sharesies Index is made available to you on an "as is" basis and the reporting methodology may change from time to time — you're responsible for checking the accuracy of any information that you use. The Sharesies Index contains general aggregated information only — we don't provide any financial advice or recommendations. Investing involves risk, and past performance isn't always going to be an accurate predictor of future performance.

The information in the Sharesies Index is based on the data we have available to us, at the date it was extracted. None of the information from the Sharesies Index is investment, financial, legal or tax advice, and we aren't liable for your use of the information in that way, or for any inaccuracy, error, or incompleteness of any information. You should consider seeking independent legal, financial, taxation or other advice when considering whether an investment is appropriate for your particular objectives, financial situation, or needs.

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Sharesies Investment Management Limited is the issuer of Sharesies PIE Save. The product disclosure statement (PDS) for Sharesies PIE Save has been lodged, and may be viewed on the [Disclose Register](#) or on [our documents page](#).

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## LEARN MORE

If you have any questions or would like to learn more about how you can use the Sharesies Index, please reach out to us at [media@sharesies.co.nz](mailto:media@sharesies.co.nz).