

## Analysis of Wrap, Platform and Master Trust Managed Funds at December 2015

Release Date: 21 March 2016

### \$51.4bn Rise in Funds Under Management during 2015

Overall Masterfund business increased 8.3% or \$51.4bn during 2015 to stand at \$672.2bn; they climbed \$31.2bn, or 4.9% in the December quarter alone on the back of positive, if at times wobbly, investment markets supported by unprecedented stimulatory low interest rates; that choppiness has subsequently continued in spades in early 2016. Masterfund Inflows of \$133.5bn were down by 11.6% after cumulatively jumping by almost a third over the previous two years; corresponding Outflows in 2015 were similarly down 12.7% from \$126.3bn to \$110.3bn. All major companies reported growth in their funds under management led by Macquarie (38.9%), Commonwealth / Colonial (7.1%), AMP (6.9%) and BT (6.8%). Macquarie's large jump was mainly due to an internal transfer of \$10.4bn of assets they previously managed outside of their reported Retail business into the Macquarie Wrap Solutions platform.

**Wraps** \$279.9bn of funds under management (41.6% of the overall Masterfunds market) were up 15.2% over the past year. Year on year Inflows of \$65.6bn (49.1%) fell 10.0% while corresponding Outflows of \$46.5bn (42.1%) were down even more by 14.0% resulting in little change in Net Fund Flows of \$19.1bn (82.5%), up just 1.1%. Macquarie (\$57.8bn), AMP (\$51.6bn), BT (\$43.7bn) and National Australia / MLC (\$28.9bn) dominate the Wrap market accounting for almost 2/3rds of the overall total; from an administrator point of view Wraps are even more concentrated with BT (\$102.7bn) alone being responsible for close to 37% of the Wrap total.

**Platforms** \$294.6bn of funds (43.8%) also increased during 2015 but at the much more modest rate of 2.9% with all of the increase being due to investment earnings. Annual Inflows were \$49.9bn (37.4%) but these were all offset by Outflows of \$50.3bn (45.6%), resulting in only a relatively marginal negative overall Net Fund Flow of just -\$0.3bn (-1.5%). Commonwealth / Colonial (\$74.9bn), National Australia / MLC (\$73.5bn), AMP (\$55.2bn), IOOF (\$29.8bn), ANZ (\$22.1bn) and Mercer (\$19.7bn) lead the Platform market.

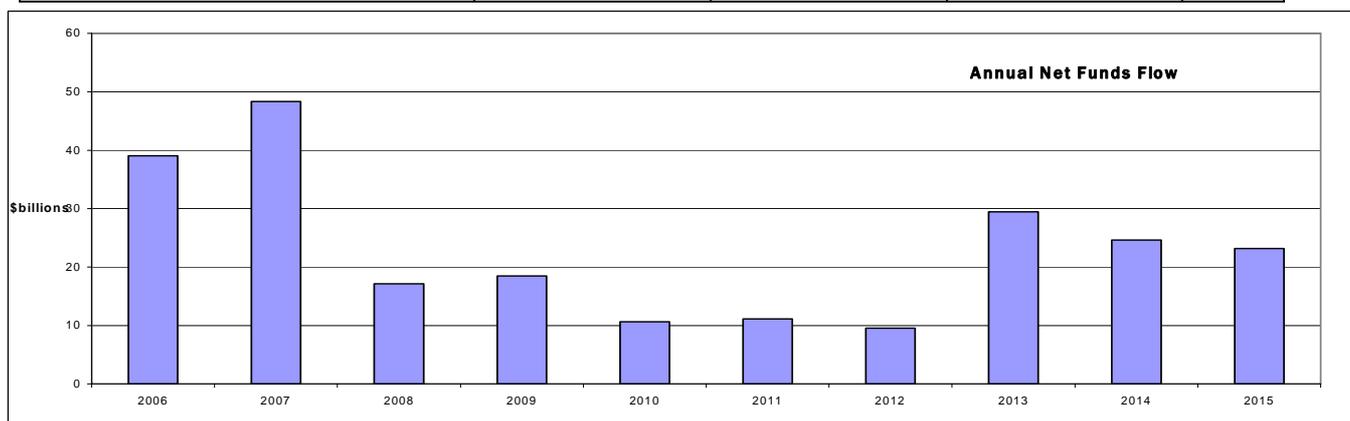
**Master Trusts** \$97.7bn funds (14.5%) climbed 6.8% over the past year. Annual Inflows declined 4.5% to \$17.9bn (13.4%) while corresponding Outflows of \$13.5bn (12.3%) were up slightly by 1.4% and as a result overall Net Fund Flows into Master Trusts fell 19.2% to \$4.4bn (19.0%). BT (\$28.1bn) and AMP (\$27.4bn) dominate the Master Trust market and account for circa 57% of the total.

**Funds Under Management – Total Masterfunds Administrator View**

\$millions	Dec 15		Dec 14		Dec 13		Annual Growth
	Value	%	Value	%	Value	%	
BT Financial Group	131,720	19.6%	123,294	19.9%	110,937	19.6%	6.8%
AMP Group	122,890	18.3%	114,935	18.5%	103,902	18.4%	6.9%
National Australia / MLC Group	105,588	15.7%	102,182	16.5%	95,663	16.9%	3.3%
Commonwealth / Colonial Group	100,403	14.9%	93,728	15.1%	83,655	14.8%	7.1%
Macquarie Group	60,635	9.0%	43,647	7.0%	41,400	7.3%	38.9%
ANZ Wealth Group	43,587	6.5%	42,508	6.8%	39,896	7.0%	2.5%
IOOF Group	30,487	4.5%	29,790	4.8%	27,703	4.9%	2.3%
Mercer	19,726	2.9%	18,998	3.1%	18,252	3.2%	3.8%
StatePlus	15,488	2.3%	14,827	2.4%	12,476	2.2%	4.5%
Perpetual Group	9,137	1.4%	8,747	1.4%	7,935	1.4%	4.5%
Others	32,525	4.8%	28,094	4.5%	24,312	4.3%	15.8%
<b>Totals</b>	<b>672,188</b>	<b>100.0%</b>	<b>620,750</b>	<b>100.0%</b>	<b>566,131</b>	<b>100.0%</b>	<b>8.3%</b>

Analysis By Market							
Wrap	279,933	41.6%	242,911	39.1%	215,848	38.1%	15.2%
Platform	294,554	43.8%	286,377	46.1%	268,952	47.5%	2.9%
Master Trust	97,701	14.5%	91,462	14.7%	81,331	14.4%	6.8%
<b>Totals</b>	<b>672,188</b>	<b>100.0%</b>	<b>620,750</b>	<b>100.0%</b>	<b>566,131</b>	<b>100.0%</b>	<b>8.3%</b>



### About the Media Release

The Media Release is provided by Plan For Life, Actuaries and Researchers. Plan For Life are specialists in providing accurate statistical information and analyses covering the financial services, funds management and life insurance markets. This Media Release is designed to give managing directors, marketing managers and other senior managers a timely and comprehensive overview of the performance of individual companies and the overall market.

### Data Collection and Estimation Techniques

Data is collected from companies in the managed funds market covering funds under management, gross inflows, gross outflows, net inflows unit prices and investment return rates. Gross Inflows represents an indication of new business sales. Data is thoroughly checked and queries are raised with data providers if data is significantly different from trends or compared to other companies. Where inflow or outflow data is unavailable, we make estimates based on market behaviour from similar investments in compatible markets. When companies provide actual inflow and outflow data these replace estimates. This estimation procedure, coupled with our rigorous direct data collection, enables us to prepare high quality, reasonable and comprehensive data for every Manager.

### Disclaimer and Conditions of Use

This Report has been prepared by Plan For Life (Asset International Australia Pty Ltd, a Strategic Insight company, ACN 147 440 140, ABN 42 147 440 140)

Plan For Life has taken all reasonable care in preparing this Report and takes no responsibility for inadvertent errors and omissions, or those due to information received from other parties. If any errors or omissions are found, these should be brought to our attention so that appropriate corrective action can be taken. Plan For Life takes no responsibility for the subsequent use of the material provided.

Plan For Life, its employees and associated persons make no recommendations, representations, warranties nor provide opinions, implied or otherwise about the suitability in general terms of a particular asset type or insurance and its suitability for any particular individual or organization. This report is provided as an information service and is not suitable to be acted upon as life insurance advice without additional input from an Authorised Representative of an Australian Financial Services Licence Holder. In particular, Plan For Life advises that in preparing this report it did not take into account the individual goals and objectives, anticipated resources, current situation, attitudes or other circumstances of any particular person. In this regard any such user must consult with an appropriate Authorised Representative of an Australian Financial Services Licence Holder.

Plan For Life is an Australian Financial Services Licence Holder; none of its employees and associated persons are currently Authorised Representatives of a Licence Holder. Plan for Life is a research company. Actuarial services are provided by and under the independent control of Somari Systems Pty Ltd ABN 97 006 233 923 (Simon Solomon & Associates). No part of this publication may be reproduced or distributed in any form without express prior written consent from Plan For Life. Acknowledgement is given to APRA for cross-reference to items appearing in its Annual and Half-annual Reports on Life Companies.

### Products and Services

Simfund Dash Australia is an online interactive reporting and analysis tool designed to support the financial industry in its product, marketing, distribution, benchmarking and research efforts covering Australian superannuation and investment markets with data provided by Plan For Life. It combines a web-based database with a powerful analytical application that generates professional, presentation-ready fund industry analysis and reports in seconds. [www.simfunddash.com](http://www.simfunddash.com)

### Further Information:

Simon Solomon Actuary  
Email: [ssolomon@planforlife.com.au](mailto:ssolomon@planforlife.com.au)

Daniel Morris Senior Manager  
Email: [dmorris@planforlife.com.au](mailto:dmorris@planforlife.com.au)

Ph: 03 9886 4400  
Mail: PO Box 2398 Mt Waverley VIC 3149

Website: <http://www.planforlife.com.au>  
Street: 217 Blackburn Road, Mt Waverley VIC 3149