

Analysis Of Retail Managed Funds as at June 2020 – Administrator View

Release Date: 14 September 2020

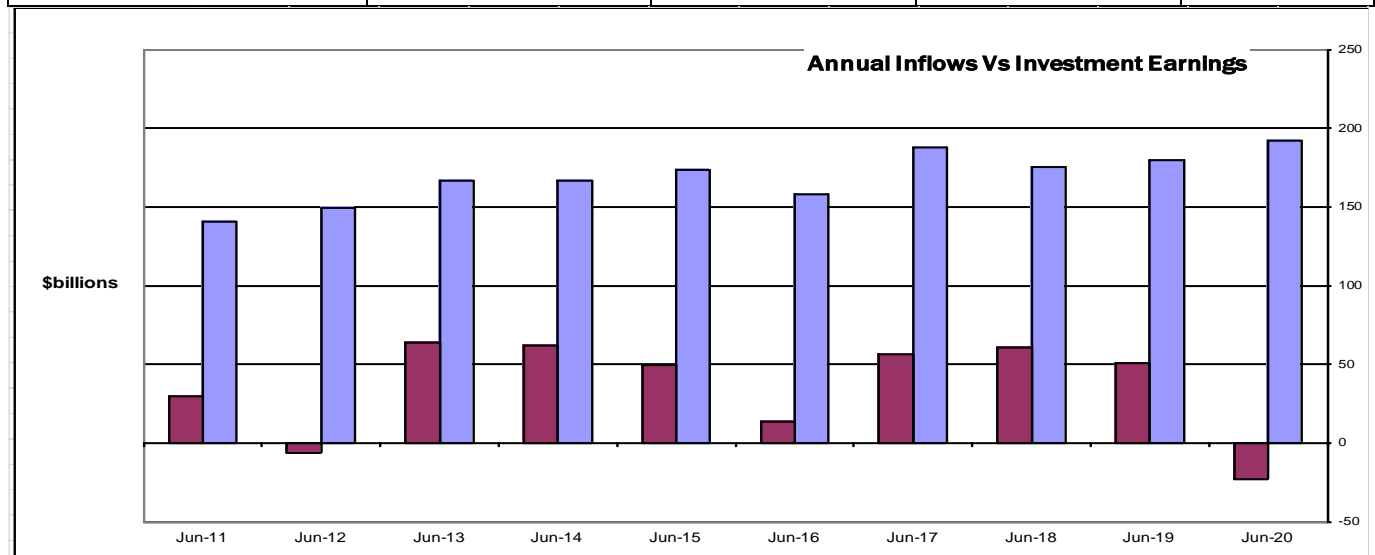
\$50.2bn Growth in Retail Managed Funds during June 2020 Quarter

Retail Managed Funds ended the 2019/20 financial year down 4.6% to total \$906.1bn after recording a strong June quarter when they increased 5.9% to reclaim close to half the fall suffered in the March quarter when global stock markets dived due to the flow-on effects of all the quarantine and other measures taken to try to control the COVID-19 virus. They have since improved further with in particular the US markets back in record territory but remain volatile; Australian markets are less bullish and it would be fair to say looking forward generally there is pervading air of uncertainty. Leading Retail managers that reported very significant increases in Retail Funds were IOOF (85.3%), netwealth (33.9%) and HUB24 (33.7%) while all of the Top 4 players BT (-5.8%), Commonwealth / Colonial (-10.5%), AMP (-14.8%) and National Australia / MLC (-7.7%) were lower. Note the IOOF increase was as a result of its takeover of ANZ Retail Funds, while part of the AMP decrease was due to the sale of their mature business to Resolution Life.

Gross Inflows for the year to June 2020 were \$192.2bn, which was 6.9% higher than the previous twelve months total of \$179.7bn.

Funds Under Management								
\$millions	Jun-20		Mar-20		Jun-19		Growth Rates	
							Qtrly	Annual
BT Financial	157,835	17.4%	147,214	17.2%	167,572	17.6%	7.2%	-5.8%
Commonwealth / Colonial	133,543	14.7%	127,985	15.0%	149,192	15.7%	4.3%	-10.5%
AMP	131,787	14.5%	133,012	15.5%	154,627	16.3%	-0.9%	-14.8%
National Australia / MLC	110,783	12.2%	105,395	12.3%	120,023	12.6%	5.1%	-7.7%
Macquarie	85,624	9.4%	78,061	9.1%	87,578	9.2%	9.7%	-2.2%
IOOF	74,708	8.2%	70,974	8.3%	40,307	4.2%	5.3%	85.3%
netwealth	32,685	3.6%	28,957	3.4%	24,408	2.6%	12.9%	33.9%
Mercer	24,341	2.7%	22,311	2.6%	24,850	2.6%	9.1%	-2.0%
HUB24	17,217	1.9%	15,110	1.8%	12,875	1.4%	13.9%	33.7%
Xplore Wealth	15,120	1.7%	14,510	1.7%	14,379	1.5%	4.2%	5.2%
Others	122,468	13.5%	112,433	13.1%	153,978	16.2%	8.9%	-20.5%
Totals	906,112	100.0%	855,960	100.0%	949,788	100.0%	5.9%	-4.6%

Analysis By Market								
Superannuation & Rollovers	411,151	45.4%	389,736	45.5%	440,867	46.4%	5.5%	-6.7%
Retirement Income	190,648	21.0%	182,052	21.3%	202,456	21.3%	4.7%	-5.8%
Cash Trusts	4,158	0.5%	6,912	0.8%	6,426	0.7%	-39.8%	-35.3%
Unit Trusts & Investment Funds	291,444	32.2%	268,904	31.4%	292,367	30.8%	8.4%	-0.3%
Investment Bonds	8,710	1.0%	8,357	1.0%	7,672	0.8%	4.2%	13.5%
Totals	906,112	100.0%	855,960	100.0%	949,788	100.0%	5.9%	-4.6%



Release Date: 14 September 2020

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.

Administrator View

This Administrator View Media Release considers market share from the perspective of the company which administers the product and also includes badged / white labeled products distributed/marketed by completely separate entities. Administrator View funds and flows will be higher than the corresponding marketed/distributed figures for those organizations where badging is part of their activities (please refer to the Marketer View Media Release for further details of marketed funds and flows).

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 and material has been prepared by Plan For Life, an ISS Market Intelligence brand (Asset International Australia Pty Ltd, ACN 147 440 140, ABN 42 147 440 140) ("Vendor").

Vendor 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. Vendor takes no responsibility for the subsequent use of the material provided.

Vendor, 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, Vendor 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. The information provided on financial products does not constitute financial product advice and users of this information should obtain independent advice before making any financial decision.

Vendor is an Australian Financial Services Licence Holder; none of its employees and associated persons are currently Authorised Representatives of a Licence Holder. Vendor 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 Vendor. 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 analyses and reports in seconds. <https://www.simfund.com/SimfundWeb/>

Further Information:

Daniel Morris

Senior Manager

Email: Daniel.Morris@issgovernance.com

Tel: +61 3 9886 4400

Address: 217 Blackburn Road, Mt Waverley VIC 3149

Website: <https://www.pflresearch.com/>