

Analysis Of Wholesale Funds as at June 2020

Release Date: 14 September 2020

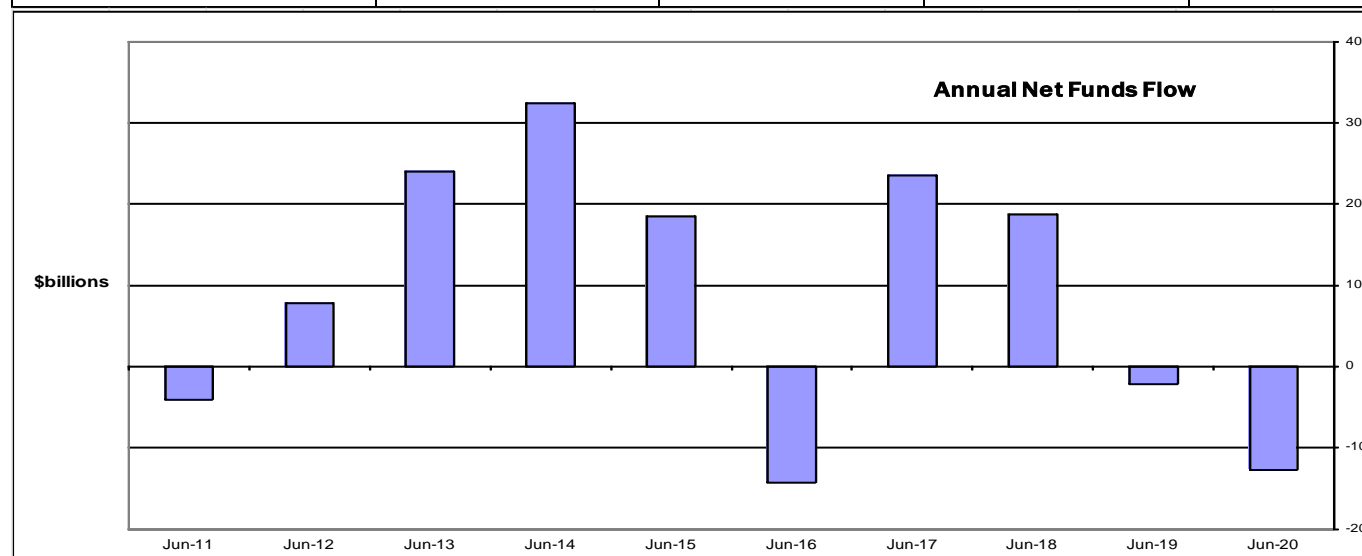
\$50.4bn Growth in Wholesale Funds during June 2020 Quarter

Wholesale Funds bounced back 4.6% during the June quarter to total \$1,139.1bn regaining almost half the loss incurred in the March quarter when worldwide investment markets suffered sharp corrections triggered by the spread of the corona virus pandemic. Subsequently while many markets have now almost fully recovered back to levels at the start of the year, in particular the US, it is worth noting the Australian and UK markets have not. Over the twelve months to June Wholesale Funds declined 2.2%. While Challenger (25.7%), BlackRock (16.5%) together with to a somewhat lesser degree No. 2 player Vanguard (6.4%) reported increases in their funds under management the rest of the leading Wholesale managers were all lower including National Australia / MLC (-20.6%), Pental (-8.9%), Victorian Funds (-7.6%), AMP (-5.9%) and market leader State Street (-4.3%).

Gross Inflows for the whole of the 2019/20 financial year fell 7.7% to \$258.0bn and this was despite jumping by close to a third, or 31.4%, in the latest quarter. Year on year while BlackRock (205.2%), QIC (148.8%), Challenger (74.1%), Macquarie (70.0%) and AMP (60.8%) reported sharply higher Inflows these were more than offset by decreases recorded by both of the market leaders State Street (-46.0%) and Vanguard (-17.3%) as well as Commonwealth/Colonial (-61.4%).

Funds Under Management								
\$millions	Jun-20		Mar-20		Jun-19		Growth Rates	
							Qtrly	Annual
State Street Global Advisors	191,735	16.8%	191,913	17.6%	200,454	17.2%	-0.1%	-4.3%
Vanguard Investments	167,130	14.7%	145,746	13.4%	157,124	13.5%	14.7%	6.4%
Challenger Limited	68,555	6.0%	58,838	5.4%	54,518	4.7%	16.5%	25.7%
Victorian Funds Management	59,256	5.2%	58,515	5.4%	64,100	5.5%	1.3%	-7.6%
AMP	50,189	4.4%	51,066	4.7%	53,343	4.6%	-1.7%	-5.9%
First Sentier Investors	48,141	4.2%	48,141	4.4%		0.0%	0.0%	N/A
National Australia / MLC	48,021	4.2%	53,977	5.0%	60,450	5.2%	-11.0%	-20.6%
UBS Asset Management	46,570	4.1%	45,550	4.2%	48,272	4.1%	2.2%	-3.5%
BlackRock	36,046	3.2%	32,561	3.0%	30,944	2.7%	10.7%	16.5%
Pental Limited	28,314	2.5%	27,948	2.6%	31,088	2.7%	1.3%	-8.9%
Others	395,167	34.7%	374,470	34.4%	464,935	39.9%	5.5%	-15.0%
Totals	1,139,124	100.0%	1,088,724	100.0%	1,165,227	100.0%	4.6%	-2.2%

Analysis By Market								
Wholesale Institutional	642,892	56.4%	614,715	56.5%	658,991	56.6%	4.6%	-2.4%
Wholesale Investment	466,129	40.9%	445,207	40.9%	474,414	40.7%	4.7%	-1.7%
Wholesale Superannuation & Pension	30,103	2.6%	28,802	2.6%	31,822	2.7%	4.5%	-5.4%
Totals	1,139,124	100.0%	1,088,724	100.0%	1,165,227	100.0%	4.6%	-2.2%



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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.

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