Media Release

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Actuaries & Researchers

Analysis Of Wholesale Funds as at September 2016

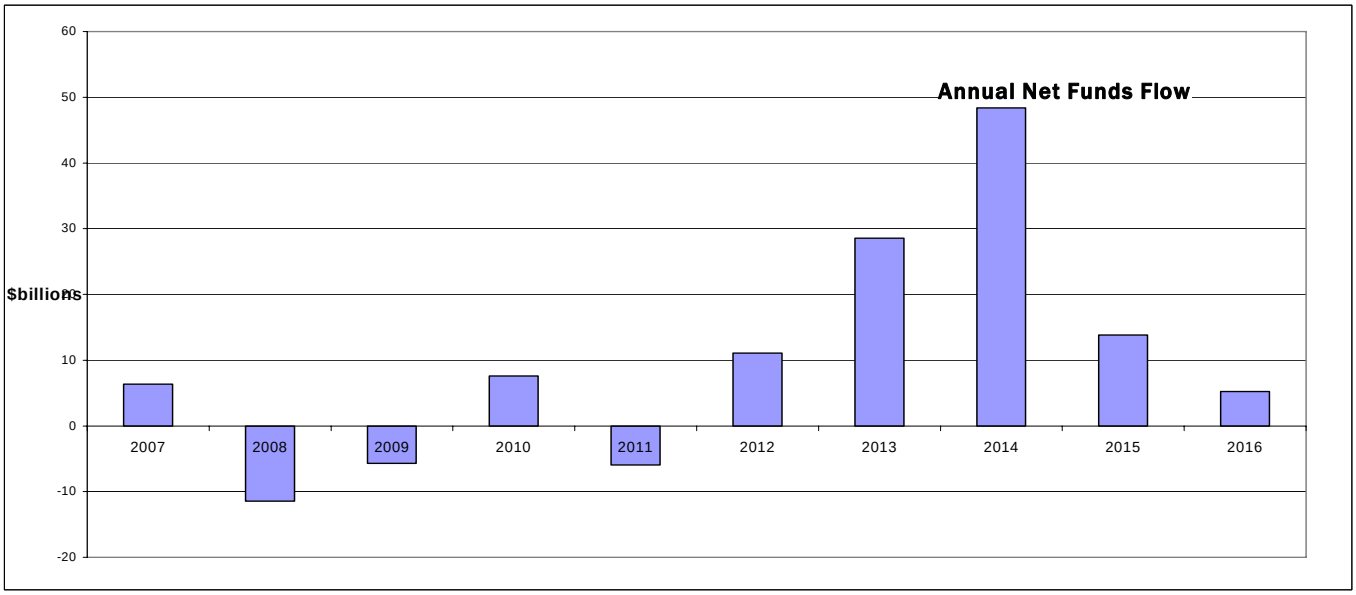
Release Date: 22 December 2016

$36.2bn Growth in Wholesale Funds during September Quarter 2016

Overall Wholesale Funds at the end of September totalled $909.6bn, a cumulative increase of 6.6% over the past year with circa 90% of this occurring in the last six months as underlying investment markets show signs of more sustained growth following on from a period of fairly flat and volatile conditions; at publication date most markets remain in this positive upward trend. Wholesale managers to record above average increases in business included AMP, State Street, Challenger, BlackRock and National Australia / MLC.

Reported Gross Inflows were up 15.2% to $84.2bn during the September 2016 quarter while over the whole of the past twelve months they were up 18.7% to total $270.6bn. Year on year large percentage Inflow increases were reported by National Australia / MLC (156.4%), DFA Australia (84.3%), State Street (66.0%), BlackRock (65.2%) and Commonwealth / Colonial (41.0%) while Macquarie (-50.4%), UBS (-43.3%), Victorian Funds Management (-39.0%) and Challenger (-17.5%) experienced significantly lower annual Inflows.

Funds Under Management								
$millions	Sep-16		Jun-16		Sep-15		Growth Rates Qtrly	Annual
State Street Global Advisors	164,650	18.1%	147,876	16.9%	142,563	16.7%	11.3%	15.5%
BlackRock	78,524	8.6%	75,909	8.7%	71,146	8.3%	3.4%	10.4%
Commonwealth / Colonial	59,295	6.5%	56,900	6.5%	55,855	6.5%	4.2%	6.2%
Victorian Funds Management	53,400	5.9%	51,900	5.9%	51,100	6.0%	2.9%	4.5%
National Australia / MLC	47,671	5.2%	46,293	5.3%	44,548	5.2%	3.0%	7.0%
Challenger Limited	45,825	5.0%	43,812	5.0%	41,439	4.9%	4.6%	10.6%
AMP	40,245	4.4%	40,117	4.6%	29,790	3.5%	0.3%	35.1%
Vanguard Investments	37,260	4.1%	35,947	4.1%	39,500	4.6%	3.7%	-5.7%
UBS Asset Management	31,030	3.4%	31,139	3.6%	42,239	5.0%	-0.4%	-26.5%
MFS Investment Management	30,291	3.3%	31,650	3.6%	31,216	3.7%	-4.3%	-3.0%
Others	321,406	35.3%	311,853	35.7%	303,566	35.6%	3.1%	5.9%
Totals	**909,597**	**100.0%**	**873,396**	**100.0%**	**852,964**	**100.0%**	**4.1%**	**6.6%**
Analysis By Market								
Wholesale Institutional	538,556	59.2%	512,359	58.7%	501,940	58.8%	5.1%	7.3%
Wholesale Investment	342,781	37.7%	333,222	38.2%	320,013	37.5%	2.9%	7.1%
Wholesale Superannuation & Pension	28,260	3.1%	27,816	3.2%	31,011	3.6%	1.6%	-8.9%
Totals	**909,597**	**100.0%**	**873,396**	**100.0%**	**852,964**	**100.0%**	**4.1%**	**6.6%**



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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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Further Information:

Daniel Morris
Senior Manager
Email: Daniel.Morris@strategic-i.com

Tel: +61 3 9886 4400
Address: 217 Blackburn Road, Mt Waverley VIC 3149
Website: www.strategic-i.com.au