

Analysis Of Retail Managed Funds as at December 2017 – Marketer View

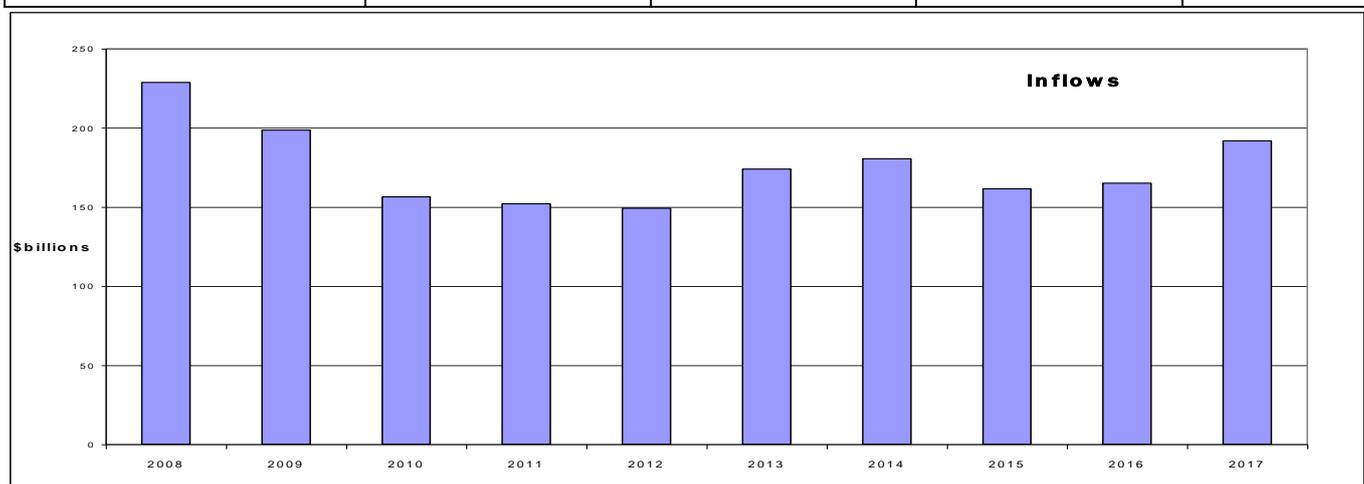
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\$50.8bn Growth in Retail Managed Funds during December Quarter 2017

Retail Managed Funds ended 2017 strongly, jumping 5.9% during the December quarter. The full 2017 calendar year saw total Retail funds under management increasing by 11.4% to \$905.7bn. Almost two thirds of this growth was as a result of buoyant investment returns on equity markets underpinned by unprecedented but still continuing global low interest rate environment. However recently markets have shown signs of taking a breather with at time of writing the Australian All Ordinaries down circa 2% and even the high flying US stock market is 4% off its late January all time high although it remains over 2% higher than at the end of 2017. All of the major companies reported increases in their Retail funds under management with some of the best performances recorded by Macquarie (16.1%), Commonwealth / Colonial (10.4%) and BT (10.4%). Meanwhile mid-sized player netwealth (55.1%) managed to chalk up yet another year of significant double digit growth during 2017 after averaging 30% plus over each of the previous 5 years.

Gross Inflows for 2017 totalled \$191.6bn up significantly by 16.1% on the 2016 total. However during the latest December quarter total Inflows were actually slightly lower by 2.9% than those reported in the corresponding September quarter.

Funds Under Management								
\$millions	Dec-17		Sep-17		Dec-16		Growth Rates	
							Qtrly	Annual
AMP	160,766	17.8%	155,035	18.1%	151,078	18.6%	3.7%	6.4%
Commonwealth / Colonial	121,130	13.4%	116,014	13.6%	109,753	13.5%	4.4%	10.4%
National Australia / MLC	118,013	13.0%	113,449	13.3%	109,524	13.5%	4.0%	7.8%
BT Financial	91,961	10.2%	87,490	10.2%	83,323	10.3%	5.1%	10.4%
Macquarie	71,560	7.9%	65,660	7.7%	61,646	7.6%	9.0%	16.1%
ANZ Wealth	50,093	5.5%	48,498	5.7%	47,971	5.9%	3.3%	4.4%
IOOF	36,821	4.1%	35,314	4.1%	34,148	4.2%	4.3%	7.8%
Mercer	25,441	2.8%	24,473	2.9%	23,887	2.9%	4.0%	6.5%
StatePlus	18,531	2.0%	18,187	2.1%	17,544	2.2%	1.9%	5.6%
netwealth	16,340	1.8%	14,551	1.7%	10,535	1.3%	12.3%	55.1%
Badges	82,183	9.1%	78,752	9.2%	73,836	9.1%	4.4%	11.3%
Others	112,872	12.5%	97,500	11.4%	89,455	11.0%	15.8%	26.2%
Totals	905,711	100.0%	854,922	100.0%	812,701	100.0%	5.9%	11.4%
Analysis By Market								
Superannuation & Rollovers	422,083	46.6%	404,853	47.4%	378,930	46.6%	4.3%	11.4%
Retirement Income	207,893	23.0%	202,181	23.6%	203,738	25.1%	2.8%	2.0%
Cash Trusts	5,987	0.7%	6,186	0.7%	5,849	0.7%	-3.2%	2.4%
Unit Trusts & Investment Funds	262,163	28.9%	234,324	27.4%	216,892	26.7%	11.9%	20.9%
Investment Bonds	7,585	0.8%	7,379	0.9%	7,292	0.9%	2.8%	4.0%
Totals	905,711	100.0%	854,922	100.0%	812,701	100.0%	5.9%	11.4%



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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