

Analysis Of Wholesale Funds as at March 2019

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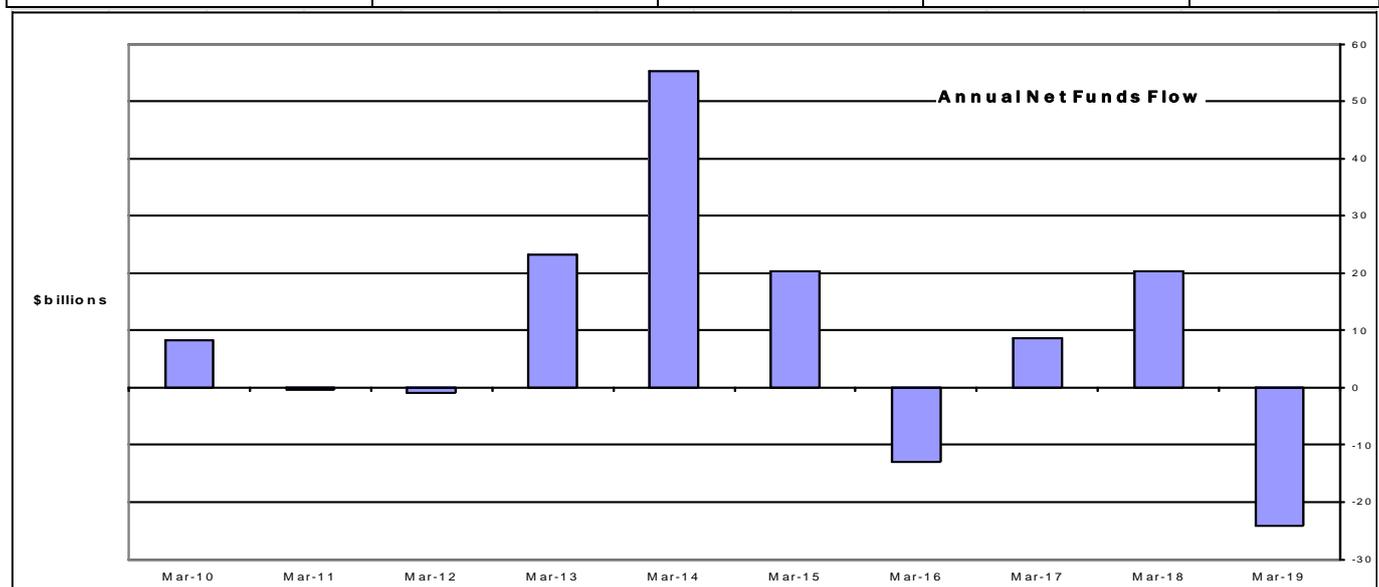
\$67.5bn Increase in Wholesale Funds during March 2019 Quarter

Overall Wholesale Funds at the end of March totalled \$1,141.0bn which was up a modest 3.6% over the past year after underlying global investment markets bounced back from the partial correction they suffered in late 2018. During the March quarter they increased 6.3%. Most of the largest Wholesale managers reported growth in their business led in percentage terms by Pental (27.4%), Commonwealth / Colonial (14.2%) and AMP (11.7%) while a couple of mid-sized players in the context of the Australian Wholesale market Magellan (14.4%) and PIMCO (10.0%) also posted double digit percentage increases.

During the March quarter total reported Gross Inflows fell 7.2% to \$67.6bn while over the whole of the last year they were 3.3% lower. Leading Wholesale managers that reported some large to very large percentage increases in their annual Inflows included Vanguard (74.8%), BlackRock (36.7%), Commonwealth / Colonial (20.8%), Victorian Funds Management (15.7%) however these were fully offset by the falls reported by Challenger (-37.6%), UBS (-28.3%), AMP (-20.0%) and State Street (-17.5%) as well as a number of others. Please note the jump in Vanguard Inflows was due to its inclusion in late 2017 of \$73bn of previously unreported Institutional funds.

Funds Under Management								
\$millions	Mar-19		Dec-18		Mar-18		Growth Rates	
							Qtrly	Annual
State Street Global Advisors	184,996	16.2%	166,072	15.5%	177,173	16.1%	11.4%	4.4%
Vanguard Investments	121,838	10.7%	117,091	10.9%	114,508	10.4%	4.1%	6.4%
BlackRock	84,005	7.4%	77,753	7.2%	80,315	7.3%	8.0%	4.6%
Commonwealth / Colonial	66,137	5.8%	61,961	5.8%	57,898	5.3%	6.7%	14.2%
Victorian Funds Management	63,000	5.5%	59,600	5.6%	60,800	5.5%	5.7%	3.6%
National Australia / MLC	59,580	5.2%	55,926	5.2%	57,617	5.2%	6.5%	3.4%
Challenger Limited	54,717	4.8%	52,990	4.9%	54,467	4.9%	3.3%	0.5%
AMP	52,436	4.6%	50,435	4.7%	46,953	4.3%	4.0%	11.7%
UBS Asset Management	48,064	4.2%	46,182	4.3%	49,220	4.5%	4.1%	-2.3%
Pental Limited	31,137	2.7%	27,830	2.6%	24,446	2.2%	11.9%	27.4%
Others	375,076	32.9%	357,664	33.3%	378,450	34.3%	4.9%	-0.9%
Totals	1,140,984	100.0%	1,073,505	100.0%	1,101,847	100.0%	6.3%	3.6%

Analysis By Market								
Wholesale Institutional	686,952	60.2%	646,732	60.2%	670,052	60.8%	6.2%	2.5%
Wholesale Investment	423,789	37.1%	398,105	37.1%	402,167	36.5%	6.5%	5.4%
Wholesale Superannuation & Pension	30,244	2.7%	28,668	2.7%	29,628	2.7%	5.5%	2.1%
Totals	1,140,984	100.0%	1,073,505	100.0%	1,101,847	100.0%	6.3%	3.6%



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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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