

Media Release

Analysis of Wholesale Funds September 2023

15 January 2024

Wholesale Funds Fell by \$12.8bn during September 2023 Quarter

Wholesale Funds at the end of September totalled \$1,272.3bn, representing a decrease of 1.0% or \$12.8bn over the quarter. Meanwhile over the whole of the past year they finished up 6.2% due to a combination of buoyant investment markets, despite global central banks finally trying to normalise interest rates in an effort to control inflation, together with Challenger and First Sentier including some of their previously unreported Wholesale business. Other leading Wholesale managers that reported increases in their funds under management included Perpetual (230.6%), following its acquisition of Pandal, the two market leaders State Street (13.2%) and Vanguard (6.9%) along with also BlackRock (6.8%) and Macquarie (10.2%).

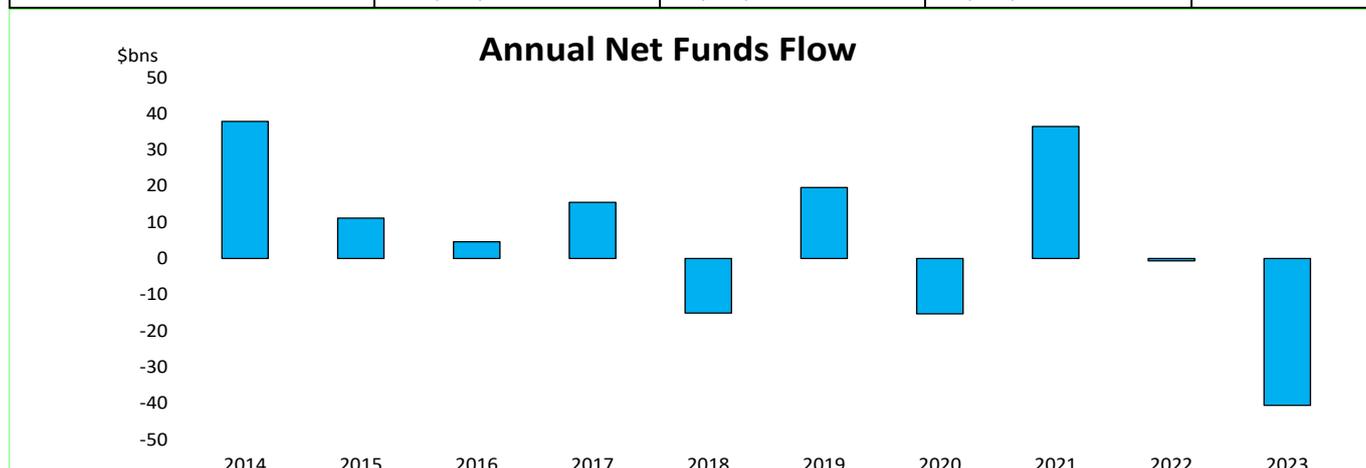
Year on year reported Inflows dropped by almost a third or 31.5% despite increasing by 23.7% in the September quarter. Other than of course Perpetual, Challenger and First Sentier that all reported large percentage jumps in their annual Inflows, all the other major Wholesale managers saw double digit percentage falls including in particular State Street (-37.6%), Vanguard (-27.0%), Insignia (-24.4%), Macquarie (-47.8%), BlackRock (-39.6%), UBS (-65.3%) and Victorian Funds (-50.0%).

Funds Under Management

\$millions	Sep-23		Jun-23		Sep-22		Growth Rates	
							Qtrly	Annual
State Street Global Advisors	339,666	26.7%	337,466	26.3%	300,116	25.1%	0.7%	13.2%
Vanguard Investments	105,810	8.3%	108,722	8.5%	98,994	8.3%	-2.7%	6.9%
Challenger Limited	97,705	7.7%	97,660	7.6%	68,540	5.7%	0.0%	42.6%
Insignia Financial	79,516	6.2%	77,528	6.0%	82,062	6.9%	2.6%	-3.1%
Victorian Funds Management	70,141	5.5%	70,871	5.5%	69,049	5.8%	-1.0%	1.6%
Perpetual	59,836	4.7%	59,146	4.6%	18,097	1.5%	1.2%	230.6%
UBS Asset Management	55,452	4.4%	55,952	4.4%	55,654	4.6%	-0.9%	-0.4%
BlackRock	41,574	3.3%	41,836	3.3%	38,944	3.3%	-0.6%	6.8%
Macquarie	30,739	2.4%	32,526	2.5%	27,896	2.3%	-5.5%	10.2%
First Sentier Investors	26,255	2.1%	26,678	2.1%	1,699	0.1%	-1.6%	1444.9%
Others	365,569	28.7%	376,696	29.3%	436,838	36.5%	-3.0%	-16.3%
Totals	1,272,263	100.0%	1,285,080	100.0%	1,197,889	100.0%	-1.0%	6.2%

Analysis By Market

Wholesale Institutional	705,144	55.4%	706,771	55.0%	660,497	55.1%	-0.2%	6.8%
Wholesale Investment	567,081	44.6%	578,268	45.0%	537,353	44.9%	-1.9%	5.5%
Wholesale Super & Pension	39	0.0%	41	0.0%	39	0.0%	-3.9%	0.9%
Totals	1,272,263	100.0%	1,285,080	100.0%	1,197,889	100.0%	-1.0%	6.2%



Media Release

Analysis of Wholesale Funds September 2023

15 January 2024

About the Media Release

This report is provided by Plan For Life, Actuaries and Researchers. Plan For Life is an ISS Market Intelligence brand (ISS MI), part of Institutional Shareholder Services (ISS). [Read more about ISS.](#)

Plan For Life are specialists in collecting data and reporting accurate statistical information and analyses covering 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. Plan For Life is an ISS Market Intelligence brand (ISS MI), part of Institutional Shareholder Services (ISS). <https://www.pflresearch.com/>

Wholesale Funds

This Wholesale Market Overview considers market share from the perspective of companies which offer Unitised Wholesale and Mezzanine Funds as well as Institutional Funds, including Mandates and Separately (Individually) Managed Investments. These funds are accessed indirectly as investment options available via Retail Masterfunds, as well as Industry Fund, Public Sector or Corporate funds, as well as directly from professional individual investors.

Contact for more information:

Daniel Morris, Senior Manager, Daniel.Morris@issgovernance.com Ph: +61 3 9886 4400

Disclaimer and Conditions of Use

This report and material have 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.

Data is collected from companies in the managed funds market covering funds under management, gross inflows and outflows, unit prices and investment return rates. Gross Inflows represents an indication of new business sales. This data is thoroughly checked and queries are raised with the providers if any of the data is significantly different from trends or compared to other companies. Where FUM or Flow data is unavailable directly, figures may be used from publicly available sources such as Annual Reports or estimated based on market behaviour from similar investments in compatible markets. This estimation procedure, coupled with our rigorous direct data collection, enables us to prepare high quality, reasonable and comprehensive data for every Manager.