

Analysis Of Retail Managed Funds as at March 2020 – Administrator View

Release Date: 29 June 2020

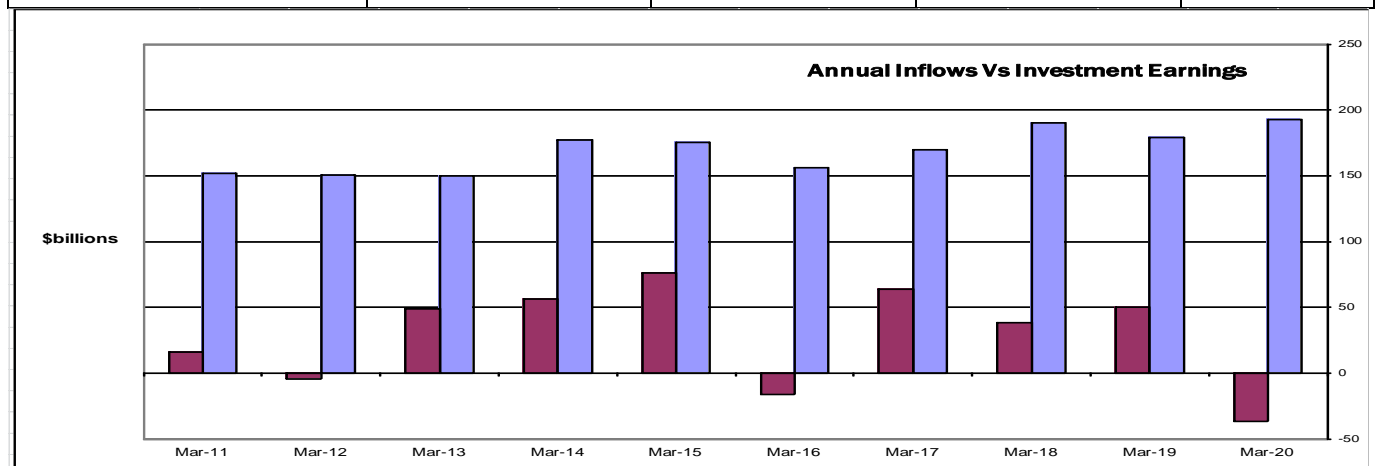
Large \$120.8bn Drop in Retail Managed Funds Reported during March Quarter 2020

Overall Retail Managed Funds ended the year to March down 8.9% to total \$856.8bn after sliding 12.4% over the past quarter due to a dramatic slump on global stock markets triggered at least initially by all the quarantine and isolation measures adopted to try to control the corona virus pandemic. After subsequently recovering partially (fully in the case of the US) at time of going to press they are all beginning to slide again as the generally poor economic outlook and spread of COVID-19, which continues to be out of control in many countries, fuels both volatility and uncertainty. Over the past year all the Top 4 leading Retail companies reported falls in their funds under management; BT (-9.4%), AMP (-12.5%), Commonwealth / Colonial (-11.5%) and National Australia / MLC (-10.4%). By contrast a couple of medium sized players netwealth (31.3%) and HUB24 (31.5%) recorded 30% plus jumps. Meanwhile IOOF's business more than doubled thanks to its acquisition of the old ANZ Wealth Retail funds.

Gross Inflows decreased by 4.5% to \$45.9bn during the March 2020 quarter nevertheless year on year they were still 7.8% higher. Annual Inflows into the main Superannuation market were up slightly by 2.2% while those into Retirement Income were virtually flat. However, Unit Trusts & Investment Funds Inflows jumped 22.3% year on year. The much smaller Investment Bond and Cash Trust markets were mixed with Inflows up 7.8% and down 13.5% respectively but in both these cases off relatively very low to low bases.

Funds Under Management								
\$millions	Mar-20		Dec-19		Mar-19		Growth Rates	
							Qtrly	Annual
BT Financial	147,214	17.2%	172,780	17.7%	162,514	17.3%	-14.8%	-9.4%
AMP	135,783	15.8%	153,213	15.7%	155,262	16.5%	-11.4%	-12.5%
Commonwealth / Colonial	127,985	14.9%	146,093	14.9%	144,689	15.4%	-12.4%	-11.5%
National Australia / MLC	104,633	12.2%	121,549	12.4%	116,743	12.4%	-13.9%	-10.4%
Macquarie	78,061	9.1%	90,569	9.3%	84,625	9.0%	-13.8%	-7.8%
IOOF	71,527	8.3%	41,213	4.2%	38,568	4.1%	73.6%	85.5%
netwealth	28,957	3.4%	29,725	3.0%	22,062	2.3%	-2.6%	31.3%
Mercer	22,311	2.6%	25,457	2.6%	24,111	2.6%	-12.4%	-7.5%
HUB24	15,110	1.8%	15,829	1.6%	11,487	1.2%	-4.5%	31.5%
Xplore Wealth	14,510	1.7%	15,890	1.6%	13,290	1.4%	-8.7%	9.2%
Others	110,709	12.9%	165,244	16.9%	167,622	17.8%	-33.0%	-34.0%
Totals	856,800	100.0%	977,562	100.0%	940,972	100.0%	-12.4%	-8.9%

Analysis By Market								
	Mar-20		Dec-19		Mar-19		Growth Rates	
							Qtrly	Annual
Superannuation & Rollovers	391,745	45.7%	447,121	45.7%	436,849	46.4%	-12.4%	-10.3%
Retirement Income	182,051	21.2%	205,946	21.1%	209,994	22.3%	-11.6%	-13.3%
Cash Trusts	6,912	0.8%	6,642	0.7%	5,861	0.6%	4.1%	17.9%
Unit Trusts & Investment Funds	268,764	31.4%	309,964	31.7%	280,790	29.8%	-13.3%	-4.3%
Investment Bonds	7,328	0.9%	7,890	0.8%	7,478	0.8%	-7.1%	-2.0%
Totals	856,800	100.0%	977,562	100.0%	940,972	100.0%	-12.4%	-8.9%



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About the Media Release

The Media Release is provided by Plan For Life, Actuaries and Researchers. Plan For Life are specialists in providing accurate statistical information and analyses covering the 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.

Administrator View

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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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