

Analysis Of Retail Managed Funds as at September 2019 – Administrator View

Release Date: 6 January 2020

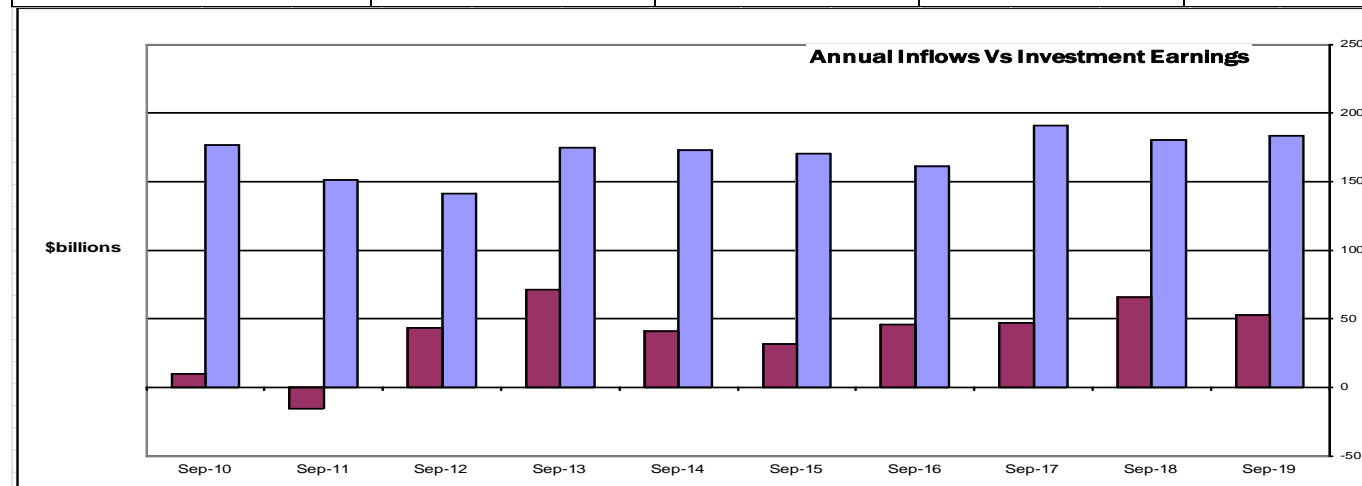
\$3.3bn Fall in Retail Managed Funds during September 2019 Quarter

Overall Retail Managed Funds at the end of September totalled \$976.1bn, up 3.1% over the past year while for the latest quarter they were more or less flat down by a marginal 0.3%. That said both headline growth rates were negatively affected by the once-off transfer of StatePlus Master Fund business worth \$18.6bn (Super \$5.7bn, Pension \$12.9bn) out of Retail Funds to First State Super, a Public Sector Super Fund, excluding that the underlying overall annual and quarterly growth rates were 5.0% and 1.6% respectively with all growth due to positive performances on underlying investment markets as overall annual reported Net Flows were negative \$5.8bn. Most of the participants in the Retail market posted increases in funds led by smaller to mid-sized players HUB24 (57.5%), netwealth (30.8%), OneVue (28.2%) and Praemium (28.1%). Among the majors IOOF (6.2%), Commonwealth / Colonial (5.1%), Macquarie (4.0%) and BT (3.4%) fared best but ANZ (-5.0%) and AMP (-1.9%) were both lower.

Year on year Inflows were little changed increasing only slightly by 1.6% to \$183.3bn, during the September quarter they rose 2.6%. While the Superannuation and Unit Trusts & Investment Funds markets saw only very modest increases in their respective Inflows of 2.3% and 1.9% those of the other main market Retirement Income were up by a much more substantial 9.1%. By contrast year on year reported Inflows into both the much smaller Cash Trusts and Investment Bonds sub-markets dropped by 21.0% and 20.3%.

Funds Under Management								
\$millions	Sep-19		Jun-19		Sep-18		Growth Rates	
							Qtrly	Annual
BT Financial	170,044	17.4%	167,572	17.1%	164,469	17.4%	1.5%	3.4%
AMP	153,339	15.7%	154,627	15.8%	156,336	16.5%	-0.8%	-1.9%
Commonwealth / Colonial	152,031	15.6%	149,110	15.2%	144,660	15.3%	2.0%	5.1%
National Australia / MLC	120,867	12.4%	120,023	12.3%	119,094	12.6%	0.7%	1.5%
Macquarie	90,458	9.3%	87,578	8.9%	86,940	9.2%	3.3%	4.0%
IOOF	40,640	4.2%	40,307	4.1%	38,262	4.0%	0.8%	6.2%
ANZ Wealth	39,781	4.1%	39,996	4.1%	41,873	4.4%	-0.5%	-5.0%
netwealth	26,465	2.7%	24,408	2.5%	20,240	2.1%	8.4%	30.8%
Mercer	25,260	2.6%	24,850	2.5%	24,237	2.6%	1.7%	4.2%
Xplore Wealth	14,987	1.5%	14,379	1.5%	13,770	1.5%	4.2%	8.8%
Others	142,252	14.6%	156,611	16.0%	137,281	14.5%	-9.2%	3.6%
Totals	976,125	100.0%	979,461	100.0%	947,161	100.0%	-0.3%	3.1%

Analysis By Market								
Superannuation & Rollovers	442,983	45.4%	446,412	45.6%	437,121	46.2%	-0.8%	1.3%
Retirement Income	205,018	21.0%	215,405	22.0%	211,696	22.4%	-4.8%	-3.2%
Cash Trusts	6,580	0.7%	6,426	0.7%	5,517	0.6%	2.4%	19.3%
Unit Trusts & Investment Funds	313,801	32.1%	303,632	31.0%	285,401	30.1%	3.3%	10.0%
Investment Bonds	7,743	0.8%	7,587	0.8%	7,425	0.8%	2.1%	4.3%
Totals	976,125	100.0%	979,461	100.0%	947,161	100.0%	-0.3%	3.1%



Release Date: 6 January 2020

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

This Administrator View Media Release considers market share from the perspective of the company which administers the product and also includes badged / white labeled products distributed/marketed by completely separate entities. Administrator View funds and flows will be higher than the corresponding marketed/distributed figures for those organizations where badging is part of their activities (please refer to the Marketer View Media Release for further details of marketed funds and flows).

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.

Disclaimer and Conditions of Use

This report and material has 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. Acknowledgement is given to APRA for cross-reference to items appearing in its Annual and Half-annual Reports on Life Companies.

Products and Services

Simfund Dash Australia is an online interactive reporting and analysis tool designed to support the financial industry in its product, marketing, distribution, benchmarking and research efforts covering Australian superannuation and investment markets with data provided by Plan For Life. It combines a web-based database with a powerful analytical application that generates professional, presentation-ready fund industry analyses and reports in seconds. www.simfunddash.com

Further Information:

Daniel Morris

Senior Manager

Email: Daniel.Morris@issgovernance.com

Tel: +61 3 9886 4400

Address: 217 Blackburn Road, Mt Waverley VIC 3149

Website: www.pflresearch.com.au