

Analysis Of Wholesale Funds as at March 2020

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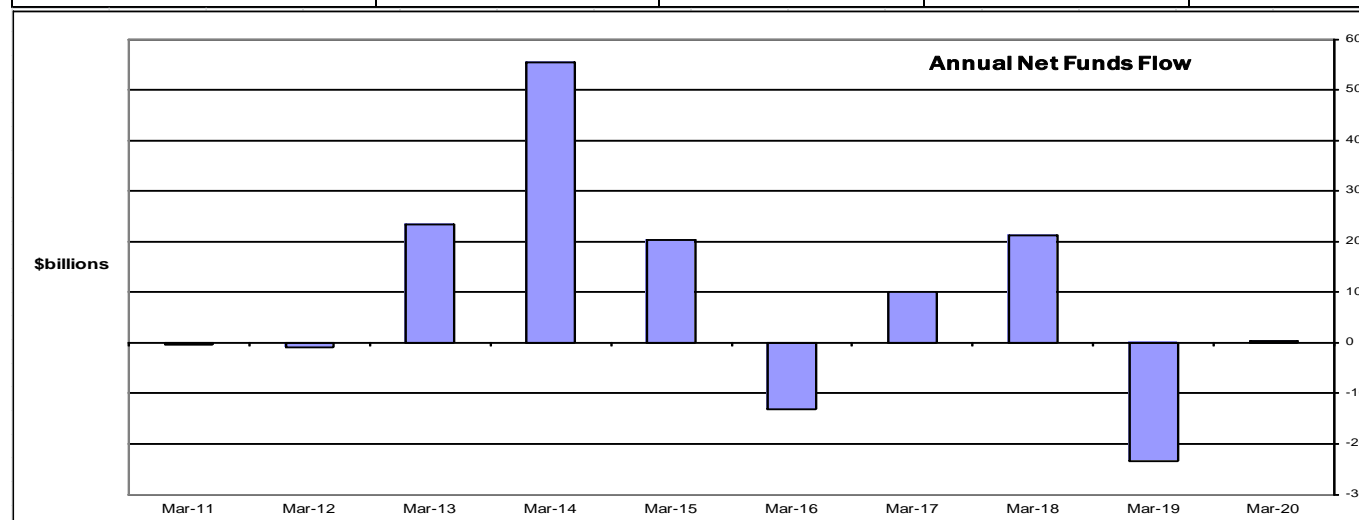
Wholesale Funds Drop a Dramatic \$118.6bn during the March 2020 Quarter

Overall Wholesale Funds fell sharply by 9.6% during the March quarter to total \$1,118.0bn as global investment markets dropped sharply with the fall initiated by the extraordinary quarantine measures enforced to slow the spread of the COVID-19 pandemic. They have since partially bounced back (US markets fully) but are starting to go backwards once more as economies worldwide remain in trouble with this volatile and uncertain situation expected to continue as in many countries the virus spread remains out of control. Over the past twelve months Wholesale Funds were down 2.6%. Most of the largest managers saw their business decline but Vanguard (18.7%) and Challenger (7.5%) along with market leader State Street (3.7%) managed to report some increases however Pandal (-10.2%), National Australia / MLC (-10.1%), BlackRock (-8.9%), Victorian Funds (-7.1%) and UBS (-5.2%) were lower.

Nevertheless, in the March quarter Gross Inflows jumped 15.1% to \$61.0bn on the relatively low \$53.0bn total reported for the 2019 December quarter. Annual Inflows were also 9.1% higher. Leading Wholesale managers reporting significant to large Inflow increases included Vanguard (156.7%), Macquarie (61.5%), Challenger (52.1%), National Australia / MLC (50.9%), UBS (28.1%) and State Street (11.7%) but those of Commonwealth / Colonial (-60.1%), BlackRock (-44.4%) and Victorian Funds (-29.5%) fell year on year.

Funds Under Management								
\$millions	Mar-20		Dec-19		Mar-19		Growth Rates	
							Qtrly	Annual
State Street Global Advisors	191,913	17.2%	206,391	16.7%	184,996	16.1%	-7.0%	3.7%
Vanguard Investments	144,646	12.9%	168,538	13.6%	121,838	10.6%	-14.2%	18.7%
BlackRock	76,566	6.8%	87,657	7.1%	84,005	7.3%	-12.7%	-8.9%
Challenger Limited	58,838	5.3%	55,081	4.5%	54,717	4.8%	6.8%	7.5%
Victorian Funds Management	58,515	5.2%	62,942	5.1%	63,000	5.5%	-7.0%	-7.1%
National Australia / MLC	53,977	4.8%	60,879	4.9%	60,054	5.2%	-11.3%	-10.1%
AMP	51,066	4.6%	53,226	4.3%	52,436	4.6%	-4.1%	-2.6%
First Sentier Investors	48,141	4.3%	49,512	4.0%		0.0%	-2.8%	N/A
UBS Asset Management	45,550	4.1%	49,981	4.0%	48,064	4.2%	-8.9%	-5.2%
Pandal Limited	27,948	2.5%	32,614	2.6%	31,137	2.7%	-14.3%	-10.2%
Others	360,842	32.3%	409,758	33.1%	448,150	39.0%	-11.9%	-19.5%
Totals	1,118,002	100.0%	1,236,579	100.0%	1,148,396	100.0%	-9.6%	-2.6%

Analysis By Market								
Wholesale Institutional	682,320	61.0%	747,955	60.5%	689,769	60.1%	-8.8%	-1.1%
Wholesale Investment	406,880	36.4%	456,348	36.9%	427,683	37.2%	-10.8%	-4.9%
Wholesale Superannuation & Pension	28,802	2.6%	32,276	2.6%	30,944	2.7%	-10.8%	-6.9%
Totals	1,118,002	100.0%	1,236,579	100.0%	1,148,396	100.0%	-9.6%	-2.6%



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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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