

## Analysis of Wrap, Platform and Master Trust Managed Funds at March 2018

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### \$58.7bn Rise in Funds Under Management over the year to March 2018

Masterfunds ended the year to March 2018 up 7.8% to \$809.3bn although in the latest quarter they fell slightly by \$12.2bn, or 1.5%. Almost 60% of this increase was due to the solid performances on Australian and Overseas investment markets over the past year. Annual Inflows into Masterfunds of \$164.1bn increased 11.9% on the previous year's \$146.6bn while corresponding Outflows were also up 10.2% from \$130.1bn to \$143.5bn and as a result Net Fund Flows jumped by more than a quarter, or 25.2% from \$16.5bn to \$20.6bn, back up to the level recorded 2 years ago. Over the last twelve months all leading companies reported increases in their business with some of the best performances recorded by Commonwealth / Colonial (\$120.8bn up 8.3%), Macquarie (\$76.7bn up 6.3%) and AMP (\$143.1bn up 5.5%); also notable was the big jump reported by mid-sized player netwealth (\$16.0bn up 48.0%).

**Wraps** \$347.6bn of funds under management (43.0% of the total Masterfunds market) climbed 10.0% over the past year. Inflows were \$91.7bn (55.9%) which after deducting Outflows of \$70.2bn (49.0%) resulted in Net Fund Flows of \$21.5bn (104.2%). Four major companies Macquarie (\$67.4bn), AMP (\$67.4bn), BT (\$51.7bn) and National Australia / MLC (\$32.4bn) account for 63% of the total; from an administrator perspective the same companies control almost 82% of the market with BT alone managing over 33%.

**Platforms** \$331.4bn of funds (40.9%) ended the year to March up 6.5%. Inflows of \$53.9bn (32.8%) were more than offset by corresponding Outflows of \$56.5bn (39.4%) so there was a Net Fund Outflow of \$2.6bn (-12.6%). Major Platform players include Commonwealth / Colonial (\$86.7bn), National Australia / MLC (\$68.9bn), AMP (\$53.8bn), IOOF (\$32.6bn) and Mercer (\$22.9bn).

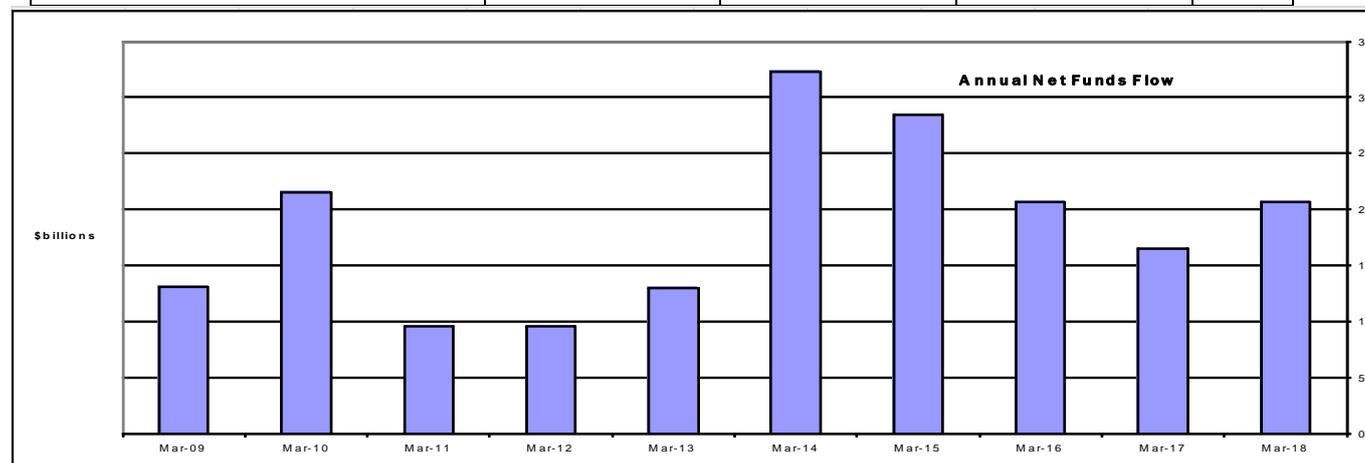
**Master Trusts** \$130.3bn funds (16.1%) increased by 5.6%. Annual Inflows fell 6.2% to \$18.5bn (11.3%) however corresponding Outflows rose 2.8% slightly to \$16.8bn therefore resultant Net Fund Flows into Master Trusts almost halved, down 49.4% to be only \$1.7bn (8.4%). The Top 3 companies BT (\$32.2bn), AMP (\$30.6bn) and ANZ (\$18.7bn) control over 62% of the Master Trusts total.

Funds Under Management – Total Masterfunds Administrator View

\$millions	Mar 18		Mar 17		Mar 16		Annual Growth
BT Financial Group	148,929	18.4%	142,227	18.9%	128,807	19.0%	4.7%
AMP Group	143,069	17.7%	135,559	18.1%	120,405	17.8%	5.5%
Commonwealth / Colonial Group	120,791	14.9%	111,538	14.9%	99,497	14.7%	8.3%
National Australia / MLC Group	115,365	14.3%	110,808	14.8%	103,230	15.2%	4.1%
Macquarie Group	76,716	9.5%	72,138	9.6%	59,656	8.8%	6.3%
ANZ Wealth Group	39,653	4.9%	38,509	5.1%	42,696	6.3%	3.0%
IOOF Group	33,868	4.2%	32,291	4.3%	29,745	4.4%	4.9%
Mercer	22,888	2.8%	21,989	2.9%	19,356	2.9%	4.1%
StatePlus	17,198	2.1%	16,930	2.3%	15,919	2.4%	1.6%
netwealth	16,008	2.0%	10,814	1.4%	7,519	1.1%	48.0%
Others	74,775	9.2%	57,797	7.7%	50,224	7.4%	29.4%
<b>Totals</b>	<b>809,259</b>	<b>100.0%</b>	<b>750,601</b>	<b>100.0%</b>	<b>677,055</b>	<b>100.0%</b>	<b>7.8%</b>

Analysis By Market

Wrap	347,619	43.0%	316,011	42.1%	275,780	40.7%	10.0%
Platform	331,375	40.9%	311,260	41.5%	296,003	43.7%	6.5%
Master Trust	130,265	16.1%	123,331	16.4%	105,272	15.5%	5.6%
<b>Totals</b>	<b>809,259</b>	<b>100.0%</b>	<b>750,601</b>	<b>100.0%</b>	<b>677,055</b>	<b>100.0%</b>	<b>7.8%</b>



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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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