

Analysis of Wrap, Platform and Master Trust Managed Funds at September 2011

Release Date: 21 December 2011

\$12.0bn Fall in Funds Under Management over the year to September 2011

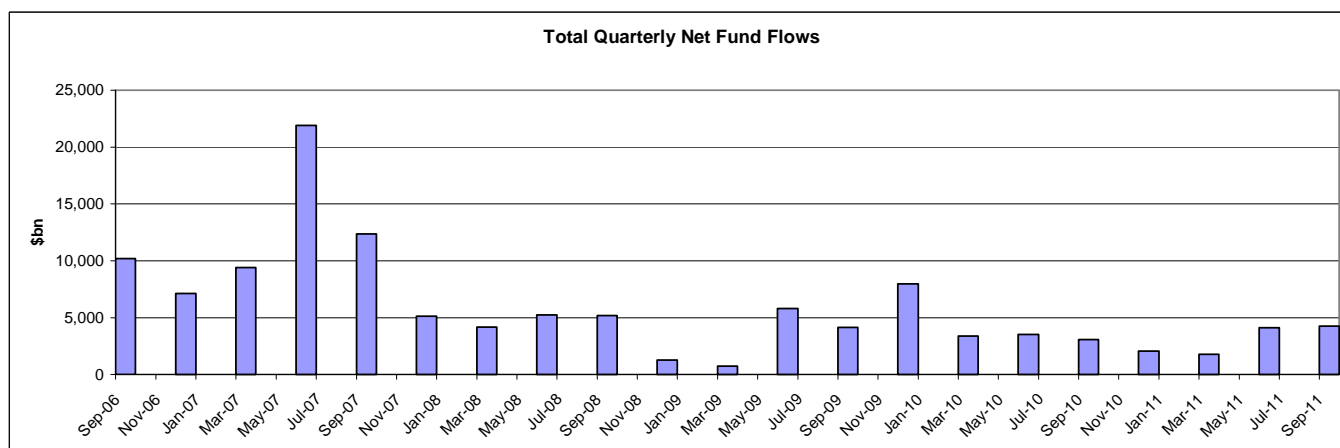
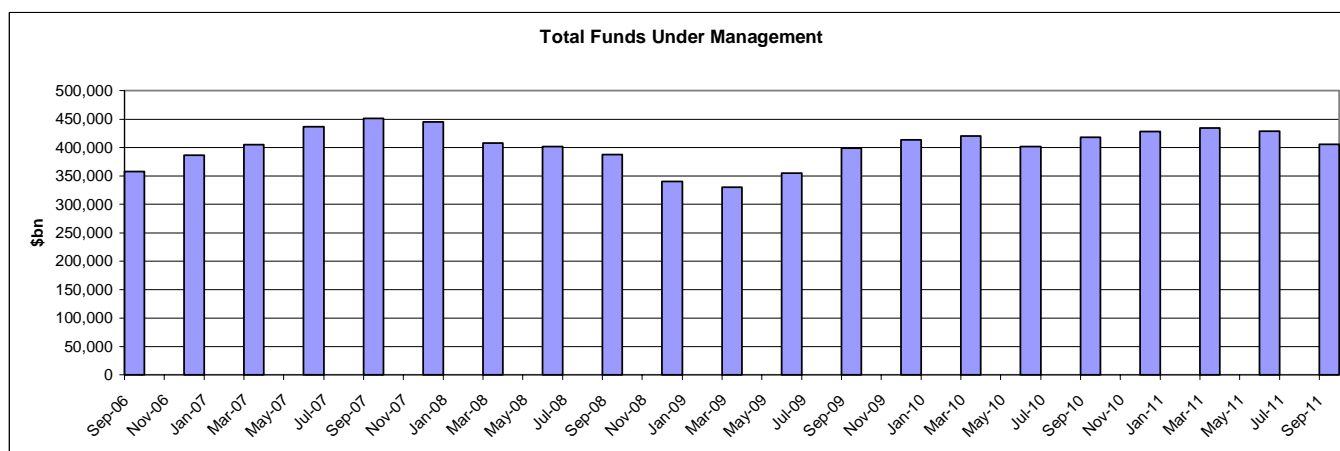
The overall Masterfund market fell 2.9% or \$12.0bn over the year to 30 September 2011 to stand at \$405.6bn. During the September quarter alone Masterfunds were down \$23.4bn, or 5.5%. Driving these falls were nervous, volatile and often negative global investment markets affected by Euro sovereign debt crises and continuing massive US government deficits. Inflows into Masterfunds of \$111.6bn were up on the previous year's result of \$102.6bn however so were Outflows which increased even more rapidly, up 17.5% from \$84.6bn to \$99.4bn. Most of the major companies reported either little change or decreases in their funds under management.

All Masterfund products have been categorised as Wraps, Platforms or Master Trusts based on our working definitions of each product type - refer each section of this report for further details.

Wraps \$140.0bn of funds under management (34.5% of the total Masterfunds market) were down 4.3% over the past year. Inflows were \$51.6bn (46.2%) which after deducting \$46.5bn of Outflows resulted in annual Net Fund Flows of \$5.1bn (41.7%). BT (\$29.3bn), National Australia / MLC (\$25.2bn), Macquarie (\$21.6bn) and AMP (\$14.9bn) are the leading players in the Wrap market; also worth noting from an Administrator view BT's share increases further from 20.9% to 48.0% (\$67.2bn).

Platforms \$200.6bn of funds (49.5%) were similarly down 4.2%. Annual Inflows were \$43.6bn (39.1%) however these were almost matched by Outflows of \$42.1bn so therefore Net Fund Flow was only \$1.5bn (12.6%). Leading companies include Commonwealth / Colonial (\$46.2bn), National Australia / MLC (\$46.0bn), AMP (\$44.1bn), IOOF (\$20.7bn) OnePath (\$17.7bn) and Mercer (\$14.5bn).

Master Trusts \$65.0bn funds (16.0%) by contrast actually increased by 5.0% over the past twelve months. While Annual Inflows were \$16.4bn (14.7%) Outflows were relatively less at \$10.8bn (10.9%) therefore resultant Net Fund Flows into Master Trusts were proportionately higher at \$5.6bn (45.7%). AMP (\$19.4bn), BT (\$15.5bn) and OnePath (\$10.1bn) lead this market.



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Total Masterfund Market – Administrator View

The Administrator View represents the funds and flows which each Group receives through both its own marketed products as well as those of its badged products. This is the correct view to use when comparing the share of funds and flows actually administered, as it represents the complete set of administrative activities of the group.

Funds Under Management							
<i>\$millions</i>	Sep 11		Sep 10		Sep 09		Annual Growth
BT Financial Group	83,944	20.7%	83,379	20.0%	79,440	19.9%	0.7%
National Australia / MLC Group	73,231	18.1%	77,790	18.6%	55,233	13.9%	-5.9%
AMP Group	67,193	16.6%	69,012	16.5%	66,088	16.6%	-2.6%
Commonwealth / Colonial Group	56,018	13.8%	55,343	13.3%	51,094	12.8%	1.2%
OnePath Australia Group	32,986	8.1%	35,561	8.5%	35,109	8.8%	-7.2%
Macquarie Group	23,944	5.9%	25,749	6.2%	25,129	6.3%	-7.0%
IOOF Group	20,924	5.2%	22,538	5.4%	23,181	5.8%	-7.2%
Mercer	14,452	3.6%	14,764	3.5%	13,854	3.5%	-2.1%
State Super Financial Services	8,714	2.1%	8,002	1.9%	6,185	1.6%	8.9%
Perpetual Group	6,764	1.7%	7,660	1.8%	8,061	2.0%	-11.7%
Others	17,436	4.3%	17,805	4.3%	35,344	8.9%	-2.1%
Totals	405,605	100.0%	417,602	100.0%	398,717	100.0%	-2.9%
Analysis By Market							
Wrap	140,017	34.5%	146,321	35.0%	138,994	34.9%	-4.3%
Platform	200,583	49.5%	209,375	50.1%	200,743	50.3%	-4.2%
Master Trust	65,006	16.0%	61,906	14.8%	58,980	14.8%	5.0%
Totals	405,605	100.0%	417,602	100.0%	398,717	100.0%	-2.9%
Fund Flows - Year Ended September 11							
<i>\$millions</i>	Inflows		Outflows		Net Flows		
BT Financial Group	41,812	37.5%	34,814	35.0%	6,998	57.4%	
National Australia / MLC Group	13,592	12.2%	13,820	13.9%	-228	-1.9%	
AMP Group	14,806	13.3%	13,576	13.7%	1,230	10.1%	
Commonwealth / Colonial Group	17,252	15.5%	14,206	14.3%	3,046	25.0%	
OnePath Australia Group	4,648	4.2%	5,095	5.1%	-446	-3.7%	
Macquarie Group	6,318	5.7%	4,853	4.9%	1,465	12.0%	
IOOF Group	4,080	3.7%	4,651	4.7%	-572	-4.7%	
Mercer	1,885	1.7%	1,578	1.6%	308	2.5%	
State Super Financial Services	2,512	2.3%	1,800	1.8%	712	5.8%	
Perpetual Group	808	0.7%	1,429	1.4%	-621	-5.1%	
Others	3,909	3.5%	3,604	3.6%	305	2.5%	
Totals	111,621	100.0%	99,426	100.0%	12,195	100.0%	
Analysis By Market							
Wrap	51,586	46.2%	46,502	46.8%	5,084	41.7%	
Platform	43,645	39.1%	42,113	42.4%	1,532	12.6%	
Master Trust	16,390	14.7%	10,811	10.9%	5,579	45.7%	
Totals	111,621	100.0%	99,426	100.0%	12,195	100.0%	

Total Masterfund Market – Marketer View

The Marketer View represents the funds and flows directly marketed by each group. Marketed funds and flows will be lower than administered funds and flows for those organizations where badging is part of their activities.

Funds Under Management							
<i>\$millions</i>	Sep 11		Sep 10		Sep 09		Annual Growth
AMP Group	78,429	19.3%	81,141	19.4%	77,949	19.6%	-3.3%
National Australia / MLC Group	73,231	18.1%	77,790	18.6%	55,233	13.9%	-5.9%
Commonwealth / Colonial Group	50,913	12.6%	50,076	12.0%	45,792	11.5%	1.7%
BT Financial Group	45,882	11.3%	45,702	10.9%	43,752	11.0%	0.4%
OnePath Australia Group	34,370	8.5%	37,067	8.9%	36,660	9.2%	-7.3%
Macquarie Group	22,167	5.5%	23,876	5.7%	23,320	5.8%	-7.2%
IOOF Group	20,678	5.1%	22,272	5.3%	22,907	5.7%	-7.2%
Mercer	15,987	3.9%	16,480	3.9%	15,656	3.9%	-3.0%
State Super Financial Services	8,714	2.1%	8,002	1.9%	6,185	1.6%	8.9%
Perpetual Group	6,764	1.7%	7,660	1.8%	8,061	2.0%	-11.7%
Others	48,470	12.0%	47,535	11.4%	63,202	15.9%	2.0%
Totals	405,605	100.0%	417,602	100.0%	398,717	100.0%	-2.9%
Analysis By Market							
Wrap	140,017	34.5%	146,321	35.0%	138,994	34.9%	-4.3%
Platform	200,583	49.5%	209,375	50.1%	200,743	50.3%	-4.2%
Master Trust	65,006	16.0%	61,906	14.8%	58,980	14.8%	5.0%
Totals	405,605	100.0%	417,602	100.0%	398,717	100.0%	-2.9%
Fund Flows - Year Ended September 11							
<i>\$millions</i>	Inflows		Outflows		Net Flows		
AMP Group	17,417	15.6%	16,948	17.0%	469	3.8%	
National Australia / MLC Group	13,592	12.2%	13,820	13.9%	-228	-1.9%	
Commonwealth / Colonial Group	15,807	14.2%	12,723	12.8%	3,084	25.3%	
BT Financial Group	23,547	21.1%	18,039	18.1%	5,508	45.2%	
OnePath Australia Group	4,807	4.3%	5,333	5.4%	-526	-4.3%	
Macquarie Group	6,007	5.4%	4,521	4.5%	1,486	12.2%	
IOOF Group	4,050	3.6%	4,612	4.6%	-562	-4.6%	
Mercer	1,963	1.8%	1,823	1.8%	140	1.1%	
State Super Financial Services	2,512	2.3%	1,800	1.8%	712	5.8%	
Perpetual Group	808	0.7%	1,429	1.4%	-621	-5.1%	
Others	21,111	18.9%	18,377	18.5%	2,734	22.4%	
Totals	111,621	100.0%	99,426	100.0%	12,195	100.0%	
Analysis By Market							
Wrap	51,586	46.2%	46,502	46.8%	5,084	41.7%	
Platform	43,645	39.1%	42,113	42.4%	1,532	12.6%	
Master Trust	16,390	14.7%	10,811	10.9%	5,579	45.7%	
Totals	111,621	100.0%	99,426	100.0%	12,195	100.0%	

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Wraps – Administrator View

Wrap products have been defined as Masterfunds through which investors can invest in direct shares, and which generally charge one consolidated fee.

Annual Overview							
<i>\$millions</i>	FUM Sep 11		Inflows	Outflows	FUM Sep 10		Annual Growth
BT Financial Group	67,243	48.0%	35,038	32,041	69,663	47.6%	-3.5%
National Australia / MLC Group	25,171	18.0%	3,251	4,561	28,175	19.3%	-10.7%
Macquarie Group	23,376	16.7%	6,167	4,672	25,136	17.2%	-7.0%
Commonwealth / Colonial Group	7,429	5.3%	3,055	1,913	6,480	4.4%	14.6%
JBWere	5,400	3.9%	867	1,106	5,900	4.0%	-8.5%
OnePath Australia Group	5,185	3.7%	722	850	5,617	3.8%	-7.7%
AMP Group	3,772	2.7%	1,396	720	3,236	2.2%	16.6%
netwealth	2,441	1.7%	1,091	636	2,113	1.4%	15.5%
Others	0	0.0%	0	0	0	0.0%	N/A
Totals	140,017	100.0%	51,586	46,502	146,321	100.0%	-4.3%

Wraps – Marketer View

Annual Overview							
<i>\$millions</i>	FUM Sep 11		Inflows	Outflows	FUM Sep 10		Annual Growth
BT Financial Group	29,283	20.9%	16,833	15,291	32,060	21.9%	-8.7%
National Australia / MLC Group	25,171	18.0%	3,251	4,561	28,175	19.3%	-10.7%
Macquarie Group	21,599	15.4%	5,857	4,341	23,263	15.9%	-7.2%
AMP Group	14,905	10.6%	3,947	4,068	15,290	10.4%	-2.5%
OnePath Australia Group	6,570	4.7%	881	1,089	7,124	4.9%	-7.8%
netwealth	2,441	1.7%	1,091	636	2,113	1.4%	15.5%
Commonwealth / Colonial Group	2,324	1.7%	1,610	431	1,214	0.8%	91.4%
Mercer	1,536	1.1%	78	245	1,717	1.2%	-10.5%
Suncorp Group	115	0.1%	27	42	153	0.1%	-25.0%
AIOPF	69	0.0%	76	5		0.0%	N/A
Others	36,003	25.7%	17,937	15,793	35,212	24.1%	2.2%
Totals	140,017	100.0%	51,586	46,502	146,321	100.0%	-4.3%

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Platforms - Administrator View

Platform products have been defined as Masterfunds which have multiple divisions – generally Super, Allocated Pension and Investment divisions.

Annual Overview							
<i>\$millions</i>	FUM Sep 11		Inflows	Outflows	FUM Sep 10		Annual Growth
Commonwealth / Colonial Group	46,239	23.1%	14,107	11,716	45,959	22.0%	0.6%
National Australia / MLC Group	45,954	22.9%	10,098	9,019	47,492	22.7%	-3.2%
AMP Group	43,988	21.9%	9,496	9,332	46,069	22.0%	-4.5%
IOOF Group	20,924	10.4%	4,080	4,651	22,538	10.8%	-7.2%
OnePath Australia Group	17,656	8.8%	2,407	3,164	19,597	9.4%	-9.9%
Mercer	14,452	7.2%	1,885	1,578	14,764	7.1%	-2.1%
Perpetual Group	6,764	3.4%	808	1,429	7,660	3.7%	-11.7%
Suncorp Group	3,291	1.6%	608	811	3,600	1.7%	-8.6%
Others	1,315	0.7%	155	413	1,696	0.8%	-22.5%
Totals	200,583	100.0%	43,645	42,113	209,375	100.0%	-4.2%

Platforms - Marketer View

Annual Overview							
<i>\$millions</i>	FUM Sep 11		Inflows	Outflows	FUM Sep 10		Annual Growth
Commonwealth / Colonial Group	46,239	23.1%	14,107	11,716	45,959	22.0%	0.6%
National Australia / MLC Group	45,954	22.9%	10,098	9,019	47,492	22.7%	-3.2%
AMP Group	44,091	22.0%	9,557	9,357	46,143	22.0%	-4.4%
IOOF Group	20,678	10.3%	4,050	4,612	22,272	10.6%	-7.2%
OnePath Australia Group	17,656	8.8%	2,407	3,164	19,597	9.4%	-9.9%
Mercer	14,452	7.2%	1,885	1,578	14,764	7.1%	-2.1%
Perpetual Group	6,764	3.4%	808	1,429	7,660	3.7%	-11.7%
Suncorp Group	3,291	1.6%	608	811	3,600	1.7%	-8.6%
BT Financial Group	1,077	0.5%	68	366	1,486	0.7%	-27.5%
Bendigo Bank Group	247	0.1%	29	39	266	0.1%	-7.1%
Others	136	0.1%	27	23	136	0.1%	0.0%
Totals	200,583	100.0%	43,645	42,113	209,375	100.0%	-4.2%

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Master Trusts – Marketer & Administrator View

Master Trust products encompass the remaining Masterfund products.

Annual Overview							
<i>\$millions</i>	FUM Sep 11		Inflows	Outflows	FUM Sep 10		Annual Growth
AMP Group	19,432	29.9%	3,914	3,523	19,708	31.8%	-1.4%
BT Financial Group	15,523	23.9%	6,646	2,382	12,156	19.6%	27.7%
OnePath Australia Group	10,145	15.6%	1,519	1,081	10,347	16.7%	-2.0%
State Super Financial Services	8,714	13.4%	2,512	1,800	8,002	12.9%	8.9%
Commonwealth / Colonial Group	2,350	3.6%	90	577	2,903	4.7%	-19.0%
National Australia / MLC Group	2,105	3.2%	243	239	2,123	3.4%	-0.8%
AON Consulting	1,881	2.9%	519	306	1,732	2.8%	8.6%
Plan B Group Holdings	1,727	2.7%	402	282	1,662	2.7%	3.9%
Guild Financial Services	618	1.0%	155	101	585	0.9%	5.7%
Macquarie Group	568	0.9%	150	180	613	1.0%	-7.3%
Others	1,943	3.0%	240	340	2,076	3.4%	-6.4%
Totals	65,006	100.0%	16,390	10,811	61,906	100.0%	5.0%

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