

## Analysis of Wrap, Platform and Master Trust Managed Funds at December 2013

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### \$94.3bn Rise in Funds Under Management during 2013

Overall Masterfund business jumped 20.1%, or \$94.3bn during 2013 to stand at \$564.3bn; they climbed \$22.6bn, or 4.2% in the December quarter alone on the back of buoyant investment markets resulting from all the quantitative easing / low interest rate policies of governments worldwide. Year on year Inflows into Masterfunds of \$146.9bn were up by a quarter, or 25.2% on the \$112.5bn recorded in 2012 while corresponding Outflows rose at the relatively slower pace of 13.4% from \$103.5bn to \$117.3bn. All major companies saw significant growth in their funds under management led by Macquarie (52.2%), Commonwealth / Colonial (23.2%), AMP (22.9%), BT (16.8%) and National Australia / MLC (15.7%). It should be noted that more than half of Macquarie's increase came from the inclusion of the \$7.6bn Perpetual Private Wealth Platform into its Wrap business.

**Wraps** \$215.5bn of funds under management (38.2% of the overall Masterfunds market) jumped 29.8% over the past year. Year on year Inflows of \$86.3bn (58.7%) soared 55.5% which after deducting Outflows of \$58.6bn (49.9%), up a relatively more sedate 23.7%, resulted in a more than tripling of Net Fund Flows of \$27.7bn (93.8%) compared to 2012. AMP (\$40.1bn), Macquarie (\$38.4bn), BT (\$36.2bn) and National Australia / MLC (\$26.6bn) dominate the Wrap market accounting for almost 2/3rds of the overall total; from an administrator viewpoint Wraps are even more concentrated with BT (\$86.2bn) alone being responsible for 40% of the Wrap total.

**Platforms** \$268.8bn of funds (47.6%) also increased during 2013 but at a relatively more moderate rate of 15.5% as the increase was virtually all the result of higher market values of their investments. Annual Inflows totalled \$49.1bn (33.4%) but these were offset by Outflows of \$48.6bn (41.4%), resulting in a Net Fund Flow of just \$0.5bn (1.6%). National Australia / MLC (\$68.9bn), Commonwealth / Colonial (\$64.4bn), AMP (\$52.8bn), IOOF (\$27.5bn), OnePath (\$21.1bn) and Mercer (\$18.3bn) lead the Platform market.

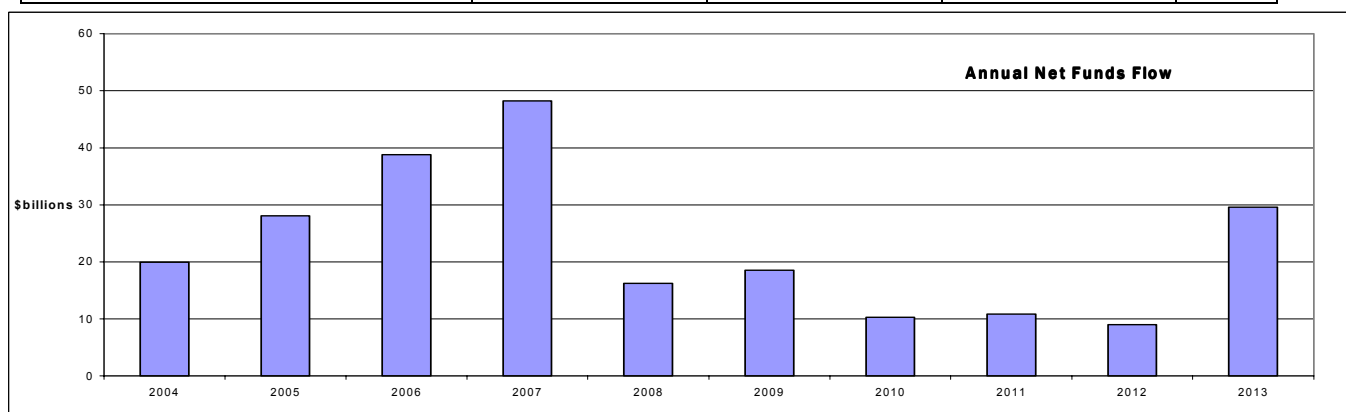
**Master Trusts** \$80.0bn funds (14.2%) up 12.2% over the past year. Inflows totalled \$11.5bn (7.8%) while corresponding Outflows were \$10.2bn therefore the resultant Net Fund Flows into Master Trusts, similar to the Platforms situation, ended up only being a relatively marginal \$1.4bn (4.6%). AMP (\$24.4bn), BT (\$23.7bn) and OnePath (\$12.8bn) lead the Master Trust market.

**Funds Under Management – Total Masterfunds Administrator View**

\$millions	Dec 13		Dec 12		Dec 11		Annual Growth
BT Financial Group	110,895	19.7%	94,947	20.2%	85,090	20.7%	16.8%
AMP Group	103,902	18.4%	84,550	18.0%	68,677	16.7%	22.9%
National Australia / MLC Group	95,663	17.0%	82,658	17.6%	73,403	17.8%	15.7%
Commonwealth / Colonial Group	83,655	14.8%	67,886	14.4%	57,755	14.0%	23.2%
Macquarie Group	41,400	7.3%	27,206	5.8%	24,224	5.9%	52.2%
OnePath Australia Group	39,896	7.1%	35,731	7.6%	33,210	8.1%	11.7%
IOOF Group	27,966	5.0%	24,816	5.3%	21,000	5.1%	12.7%
Mercer	18,252	3.2%	16,497	3.5%	14,903	3.6%	10.6%
State Super Financial Services	12,469	2.2%	10,554	2.2%	8,853	2.2%	18.1%
Perpetual Group	7,935	1.4%	7,234	1.5%	6,615	1.6%	9.7%
Others	22,265	3.9%	17,902	3.8%	17,521	4.3%	24.4%
<b>Totals</b>	<b>564,299</b>	<b>100.0%</b>	<b>469,980</b>	<b>100.0%</b>	<b>411,251</b>	<b>100.0%</b>	<b>20.1%</b>

Analysis By Market							
Wrap	215,506	38.2%	166,068	35.3%	141,652	34.4%	29.8%
Platform	268,763	47.6%	232,616	49.5%	204,998	49.8%	15.5%
Master Trust	80,029	14.2%	71,296	15.2%	64,601	15.7%	12.2%
<b>Totals</b>	<b>564,299</b>	<b>100.0%</b>	<b>469,980</b>	<b>100.0%</b>	<b>411,251</b>	<b>100.0%</b>	<b>20.1%</b>



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