

## Analysis Of Wholesale Funds as at March 2016

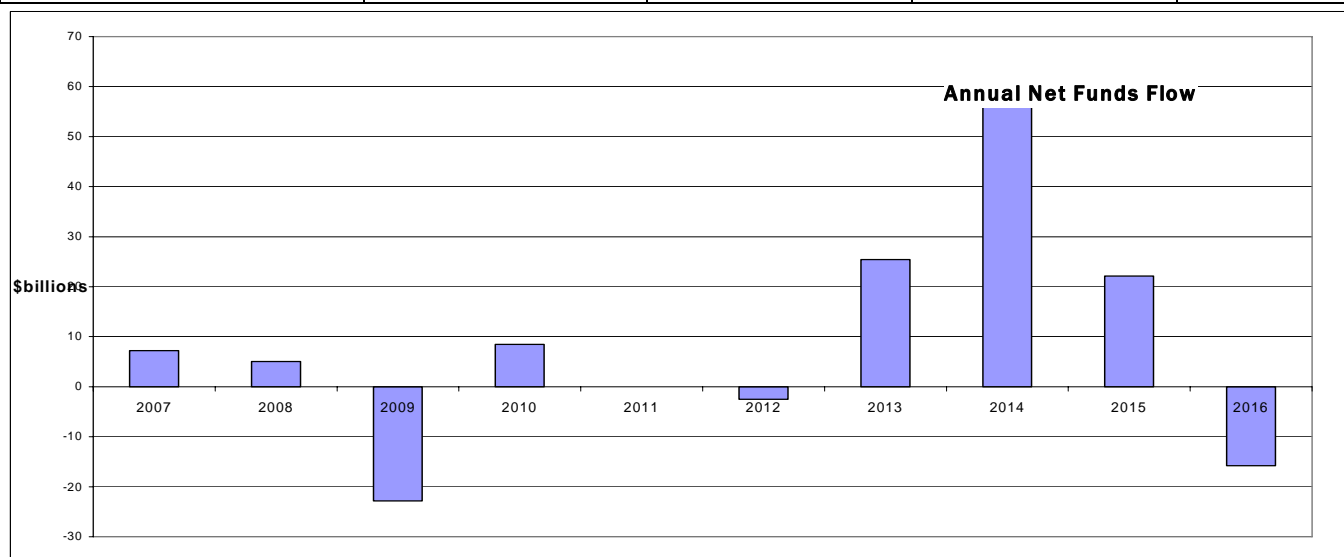
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### \$24.6bn Fall in Wholesale Funds during March Quarter 2016

Overall Wholesale Funds at the end of March totalled \$799.6bn, down by 4.5% over the past year. Lower reported Inflows not offset by an equivalent drop in Outflows and continuing volatility on underlying investment markets saw Wholesale Funds fall 3.0% during the latest quarter. All of the Wholesale sub-markets ended the last twelve months lower with the two main ones Wholesale Institutional and Wholesale Investment declining by 5.3% and 3.6%. Among the leading managers only AMP and Challenger reported any growth in their Wholesale business.

During the March quarter reported Gross Inflows fell sharply by 30.0% to \$44.9bn however over the whole of the last twelve months they were down by a much more modest 4.8%. Increased annual Inflows reported by Commonwealth / Colonial (22.3%), Challenger (13.8%) and State Street (6.1%) were more than offset by falls reported by other managers led by National Australia / MLC (-33.4%), Macquarie (-28.4%) and MFS (-27.1%); the Wholesale market clearly remains a dynamic and volatile business environment.

| Funds Under Management       |                |               |                |               |                |               |              |              |  |
|------------------------------|----------------|---------------|----------------|---------------|----------------|---------------|--------------|--------------|--|
| \$millions                   | Mar-16         |               | Dec-15         |               | Mar-15         |               | Growth Rates |              |  |
|                              |                |               |                |               |                |               | Qtrly        | Annual       |  |
| State Street Global Advisors | 144,963        | 18.1%         | 149,425        | 18.1%         | 145,792        | 17.4%         | -3.0%        | -0.6%        |  |
| BlackRock                    | 68,408         | 8.6%          | 70,467         | 8.5%          | 74,289         | 8.9%          | -2.9%        | -7.9%        |  |
| Commonwealth / Colonial      | 60,673         | 7.6%          | 59,185         | 7.2%          | 64,662         | 7.7%          | 2.5%         | -6.2%        |  |
| National Australia / MLC     | 45,002         | 5.6%          | 46,008         | 5.6%          | 45,209         | 5.4%          | -2.2%        | -0.5%        |  |
| Challenger Limited           | 42,688         | 5.3%          | 42,996         | 5.2%          | 41,000         | 4.9%          | -0.7%        | 4.1%         |  |
| Vanguard Investments         | 39,770         | 5.0%          | 39,762         | 4.8%          | 43,067         | 5.1%          | 0.0%         | -7.7%        |  |
| UBS Asset Management         | 33,273         | 4.2%          | 44,051         | 5.3%          | 41,109         | 4.9%          | -24.5%       | -19.1%       |  |
| MFS Investment Management    | 30,348         | 3.8%          | 30,617         | 3.7%          | 33,677         | 4.0%          | -0.9%        | -9.9%        |  |
| AMP                          | 30,219         | 3.8%          | 30,911         | 3.8%          | 27,543         | 3.3%          | -2.2%        | 9.7%         |  |
| Perpetual                    | 25,113         | 3.1%          | 26,020         | 3.2%          | 29,355         | 3.5%          | -3.5%        | -14.5%       |  |
| Others                       | 279,106        | 34.9%         | 284,732        | 34.5%         | 291,703        | 34.8%         | -2.0%        | -4.3%        |  |
| <b>Totals</b>                | <b>799,562</b> | <b>100.0%</b> | <b>824,175</b> | <b>100.0%</b> | <b>837,406</b> | <b>100.0%</b> | <b>-3.0%</b> | <b>-4.5%</b> |  |
| Analysis By Market           |                |               |                |               |                |               |              |              |  |
| Wholesale Investment         | 319,821        | 40.0%         | 325,077        | 39.4%         | 331,902        | 39.6%         | -1.6%        | -3.6%        |  |
| Wholesale Superannuation     | 30,843         | 3.9%          | 31,765         | 3.9%          | 31,392         | 3.7%          | -2.9%        | -1.7%        |  |
| Wholesale Pension            | 60             | 0.0%          | 62             | 0.0%          | 68             | 0.0%          | -3.7%        | -12.0%       |  |
| Wholesale Institutional      | 448,837        | 56.1%         | 467,271        | 56.7%         | 474,043        | 56.6%         | -3.9%        | -5.3%        |  |
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