

Press Release - 14th March 2019

## IMAP Milliman Managed Account FUM Census as at 31 December 2018

### IMAP Releases Latest Managed Accounts FUM Census

#### **Strong Net Inflow Offsets Dec Quarter Market Volatility to Hold Steady. Advisers Help Investors to Stay Focused on Goals.**

IMAP (The Institute of Managed Account Professionals Ltd) in conjunction with Milliman has released the latest data in its 6 monthly Managed Accounts FUM Census series.

As at 31 December 2018, Funds Under Management (FUM) in Managed Accounts stood at \$62.12 bn which is just down by 0.5% (or \$0.32 bn) on the 30 June 2018 FUM total of \$62.43 bn.

The Net Funds Inflow result from 1 July to 31 Dec 2018 period is a healthy \$2.49bn or 4% increase on total FUM.

Overall this is an encouraging result given the dual headwinds of the extensive uncertainty which was evident over the July to December 2018 period. The uncertainty was chiefly driven by the likely recommendations of the Royal Commission and the volatile market conditions during the 6 month reporting period.

Speaking at the IMAP Adviser Roadshow in Sydney today, Toby Potter Chair of IMAP said "The census returns tell us that very few investors became worried by the market volatility and other news. The vast majority of investors clearly had a good understanding of their investment strategy, and that they are working closely with their investment adviser to maintain their strategy to achieve their long term goals. This speaks volumes for the "value added" service provided by financial advisers to their clients".

Wade Matterson, Milliman's Practice Leader – Australia advised that the volatility in investment markets in the last half of 2018 is highlighted by the value of the ASX / S&P 200 Accumulation Index decreasing by -6.83% over the 6 month period. (Note the index has since risen +10.08% from 1 Jan to 28 Feb 2019)

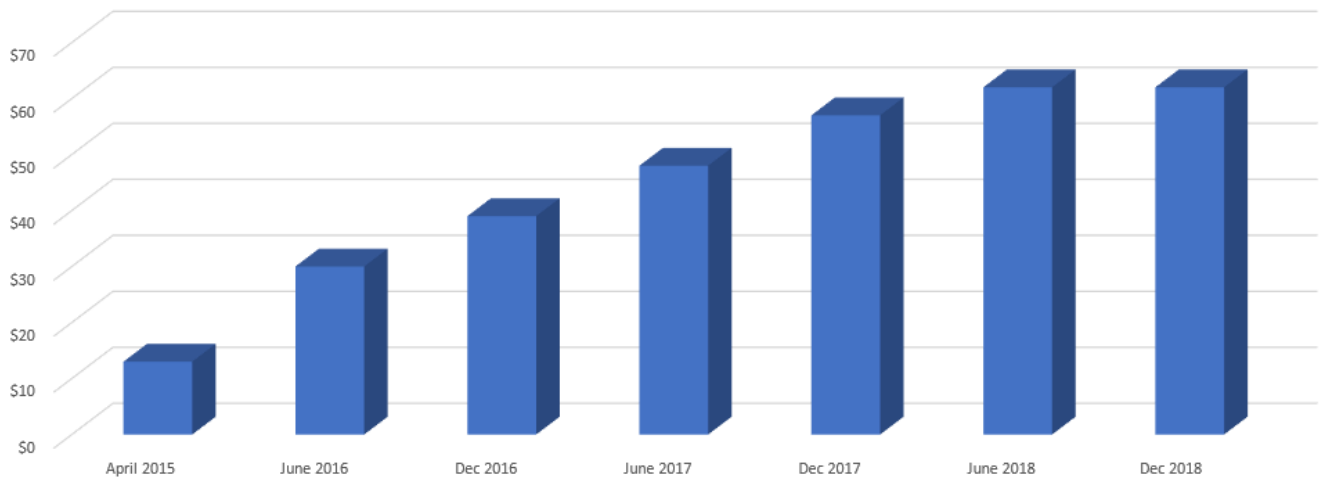
*The FUM results split between types of managed accounts is as follows:*

Managed Account Category	31 Dec 2018 (\$ billions)	Incr / Decr \$ (\$ billions) June 2018 to Dec 2018	Incr / Decr Percentage% June 2018 to Dec 2018	30 June 2018 (\$ billions)	31 Dec 2017 (\$ billions)
SMA / MIS	\$21.15	\$0.60	2.9%	\$20.55	\$17.04
MDA services	\$26.52	(\$0.82)	-3.0%	\$27.34	\$25.47
Other services	\$14.45	(\$0.09)	-0.6%	\$14.54	\$14.54
<b>Total</b>	<b>\$62.12</b>	<b>(\$0.31)</b>	<b>-0.5%</b>	<b>\$62.43</b>	<b>\$57.05</b>

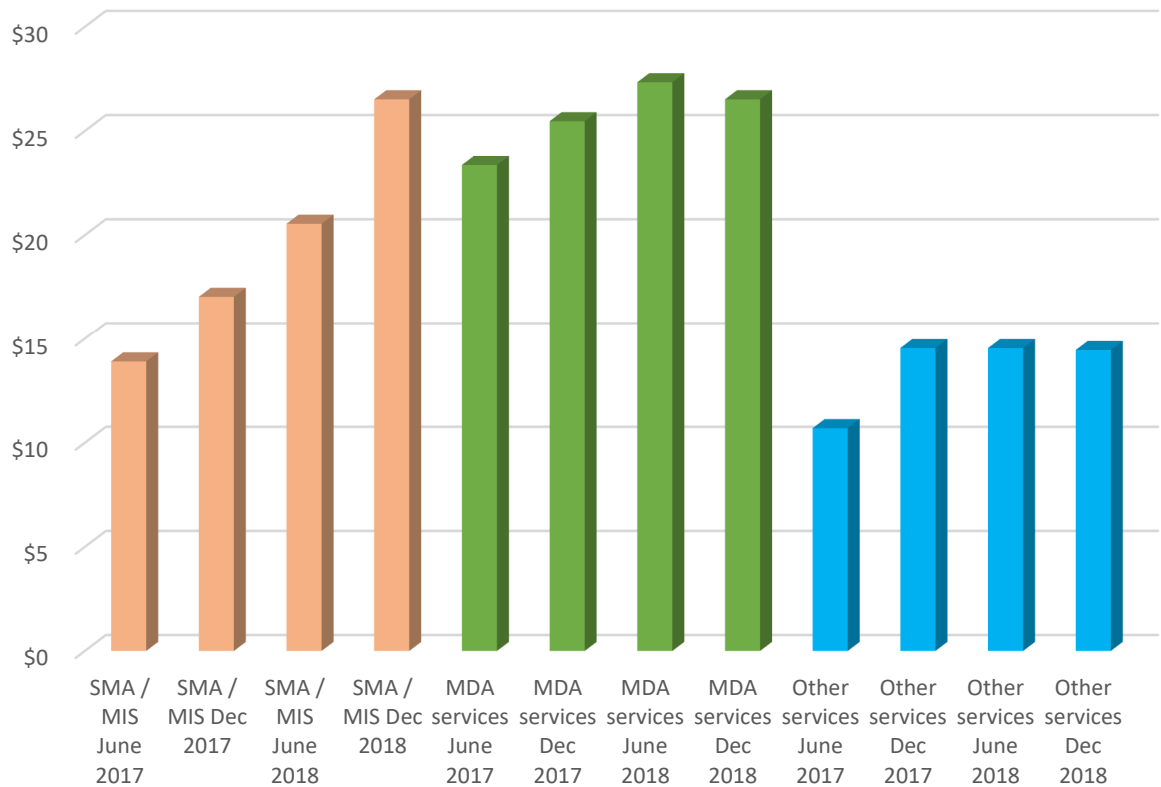
"Forty three companies participated in the latest Managed Accounts FUM Census. This includes reporting for one new entity and the reduction of one entity as industry consolidation onto the large platforms continues.

They range from the very large (major platforms and banks) and MDA Providers to individual licensees who largely operate their service internally," said Toby Potter. "We know there are a number of MDA providers who are not yet participating in the IMAP FUM Census and we strongly encourage those organisations to get involved voluntarily with IMAP's Census."

Growth in Managed Accounts Funds under Management  
from 2015 to 2019 (\$ billions)



**Chart showing FUM growth by category of Managed Accounts (\$ billions)** *Note The IMAP FUM Census is carried out every six months*



IMAP wishes to expressly thank all census contributors - a number of whom are listed below (by permission):

- Accordius
- AMP
- BT Panorama
- Cameron Harrison Private
- Colonial First State
- EC Pohl & Co
- Elston
- Implemented Portfolios
- IOOF
- Macquarie
- Mainstream Group
- Mason Stevens
- Marcus Today
- NAB
- Netwealth
- Praemium
- Ralton Asset Management / Copia Partners

### About IMAP

The Institute of Managed Account Professionals (IMAP) is the only industry body for advisers, managers, providers and other businesses actively involved in offering or supporting Managed Accounts.

IMAP provides its subscribers with:

- Access to the latest developments in managed account services
- Education, training and access to professionals at all levels
- Representation as the voice of the managed account industry able to represent its interests to regulators
- Networking opportunities for advisers and licensees interested or involved in managed accounts

### About Milliman

Milliman is a global actuarial firm and among the world's largest providers of independent actuarial and related products and services. In Australia, Milliman specialises in integrated retirement solutions—providing data analytics, financial modelling software and financial risk management services. Founded in 1947 Milliman is a global firm of more than 3,400 employees operating from 60 offices across the Americas, Europe, Africa, Asia, Australia and the Middle East. For further information, visit [www.milliman.com](http://www.milliman.com)

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