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## Managed Account Funds Grow Substantially - IMAP Releases Latest FUM Census

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

As at **31 July 2017, FUM in Managed Accounts stood at \$47.97 bn**. This balance represents an **increase of \$8.88 bn (or 22.5 %)** on the 31 Dec 2016 FUM total of \$39.17 bn and is made up as follows:

	30 June 2017 (\$ billions)	31 December 2016 (\$ billions)	Incr/Decr \$ (\$ billions)	Incr/Decr %
SMA / MIS	\$13.90	\$12.36	\$1.54	12.46%
MDA services	\$23.36	\$16.72	\$6.64	39.71%
Other services	\$10.70	\$10.10	\$0.60	5.94%
<b>Total</b>	<b>\$47.97</b>	<b>\$39.17</b>	<b>\$8.79</b>	<b>22.44%</b>

Toby Potter Chair of IMAP said “\$4.1 billion of this increase has come from companies who have been added to the census, in each case MDA Providers. Over half of the increase, or \$4.7bn is organic growth in SMA, MDA or other types as advisers increasingly view Managed Account services as their preferred service model for certain client segments. This is a growth rate of approximately 25% p.a. and this is before several of the large platforms have begun to properly implement the managed account capability they are just now developing. Taking out the new participants from the MDA data gives annual growth rates of 25-30% for SMA and MDA. ”

“Thirty seven companies participated in the latest Managed Accounts FUM Census ranging from the very large (major platforms and banks) to smaller MDA Providers.” said Potter. “With several organisations moving service offerings into the larger platforms, and new entrants, this continues to be a very dynamic market.”

“IMAP’s recent Portfolio Management conference highlighted the varied nature of the managed account services and business models able to be offered by advisers, even within a similar platform and this is clearly working well for those advisers and organisations that have embraced Managed Accounts”

Mr. Potter says “IMAP has analysed the increase in Funds under management for managed accounts using the S&P ASX 200 market movement index over the past 6 months of 1.0% as an indicator, and \$0.39bn of the growth is likely the result of market movement.

This means that \$4.4bn of the growth in FUM comes from existing participants growing their Managed Accounts business, compared with \$2.5bn in previous 6 month period.”

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