The Italian Asset Management market
key facts & figures

Milan, G4 meeting
2nd Sept 2011
The open-end fund market: 10-year trend

Net flows (bars, l. axis), AuM (line, r. axis). €bn. Domestic, round-trip & foreign funds
Source: Quarterly AM report, Assogestioni.
(contd.) in more detail

Source: Quarterly AM report, Assogestioni
(contd) **Asset Allocation**

**Domestic**
- Equity: 27%
- Money mkt: 19%
- Bond: 40%

**Round-trip**
- Equity: 23%
- Money mkt: 9%
- Bond: 43%

**Foreign**
- Money mkt: 10%
- Bond: 39%
- Equity: 41%

Open-end funds in the context of the AM mkt

Managed accounts (retail)

Institutional mandates

Net flows 2007:2011Q1, €bn
Source: Quarterly AM report, Assogestioni
The AM market through the crisis

Source: Quarterly AM report, Assogestioni (Mappa del Risparmio Gestito). [web link, dynamic reporting here]
Mandates (portfolio management)

Growth perspectives for mandates

<table>
<thead>
<tr>
<th>Short period</th>
<th>Long period</th>
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<tr>
<td><strong>Assic</strong></td>
<td><strong>Italia</strong></td>
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<tr>
<td>67%</td>
<td>16%</td>
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<tr>
<td><strong>Previd</strong></td>
<td><strong>Francia</strong></td>
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<tr>
<td>41%</td>
<td>35%</td>
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<tr>
<td><strong>Retail</strong></td>
<td><strong>Germania</strong></td>
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<td>59%</td>
<td>32%</td>
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<td><strong>Total Market</strong></td>
<td><strong>Regno Unito</strong></td>
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<td>410</td>
<td>50%</td>
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<tr>
<td>82</td>
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<td>188</td>
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AuM as a % of the mkt (left). Share of pension & insurance products of the hh portfolio (right)
Source: Quarterly AM report, Assogestioni & Bank of Italy
Managed products in household portfolios

Investment funds

- abnormally high?
- too low?

Pension funds & life products

- definitely too low!

Source: Eurostat financial accounts [web link] & OECD (US data) [web link]
Growth of long-term products & Public pensions

Public pension cost & substitution rates

Public expenditure of public pensions, % of GDP (left). Substitution rates, 63y-old with 35y of contrib. (right)

Source: Ragioneria Generale dello Stato (est.) [web link]
Household wealth in G7 countries

- **Highest level** of the ratio of net wealth to disposable income.
- **Lowest level** of debt (but see public debt)
- **Big share** of real assets (>60%)

Wealth as a ratio to disposable income. Weight of the real component (%). Data 2008 (*: 2007). Source: Bank of Italy
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