

The Italian Asset Management market key figures

23 December 2015

Research Department



1. The Italian Asset Management market

- ☐ Summary statistics
- ☐ Open-end funds
- ☐ Mandates
- ☐ The recovery, some tentative explanations

2. The European Investment Fund Industry

- ☐ Net assets & sales by fund / fund group domicile

3. Savings & Wealth

- ☐ Household saving rate: trend & int'l comparison
- ☐ Household financial portfolio & private pension plans



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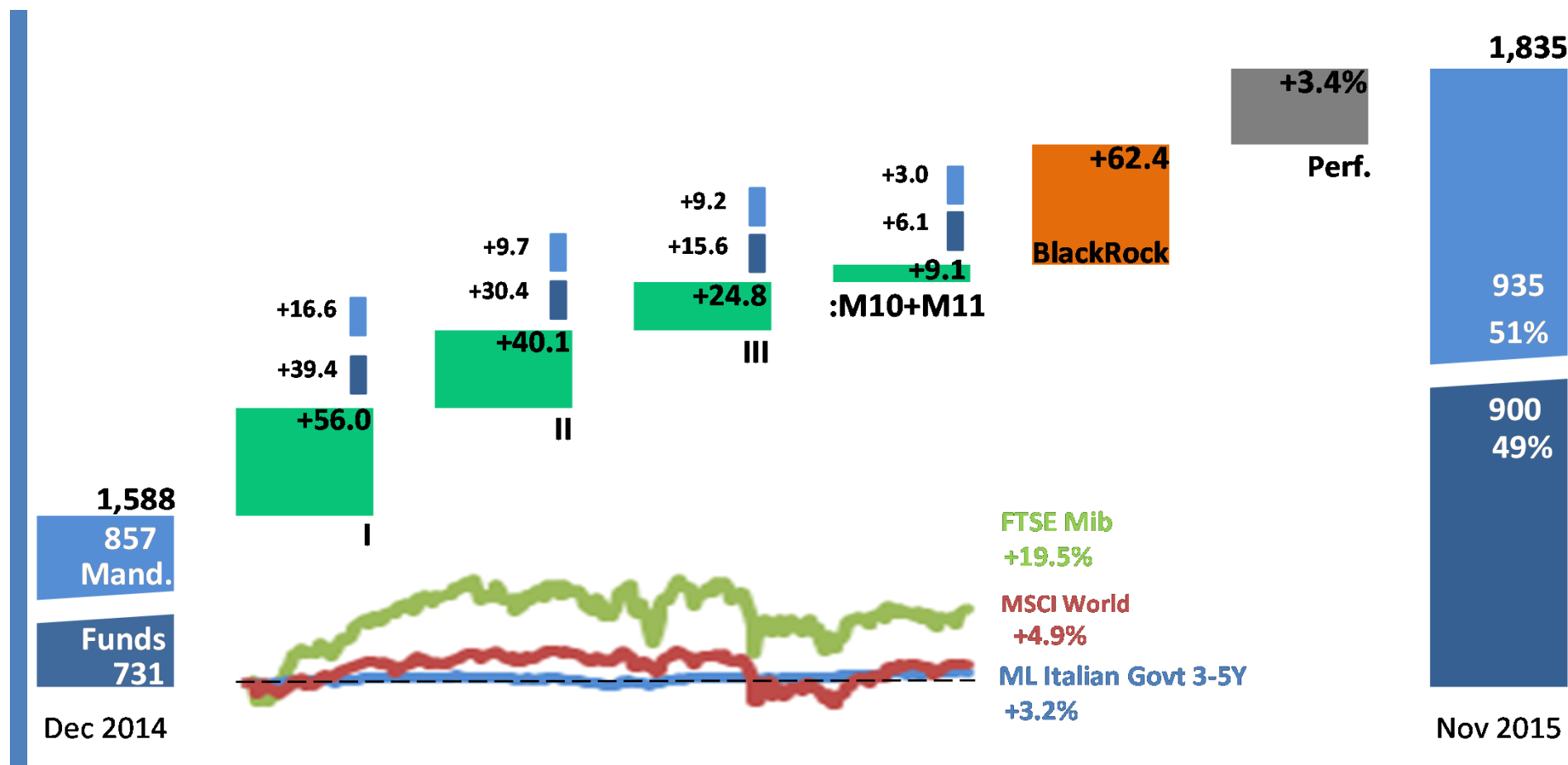
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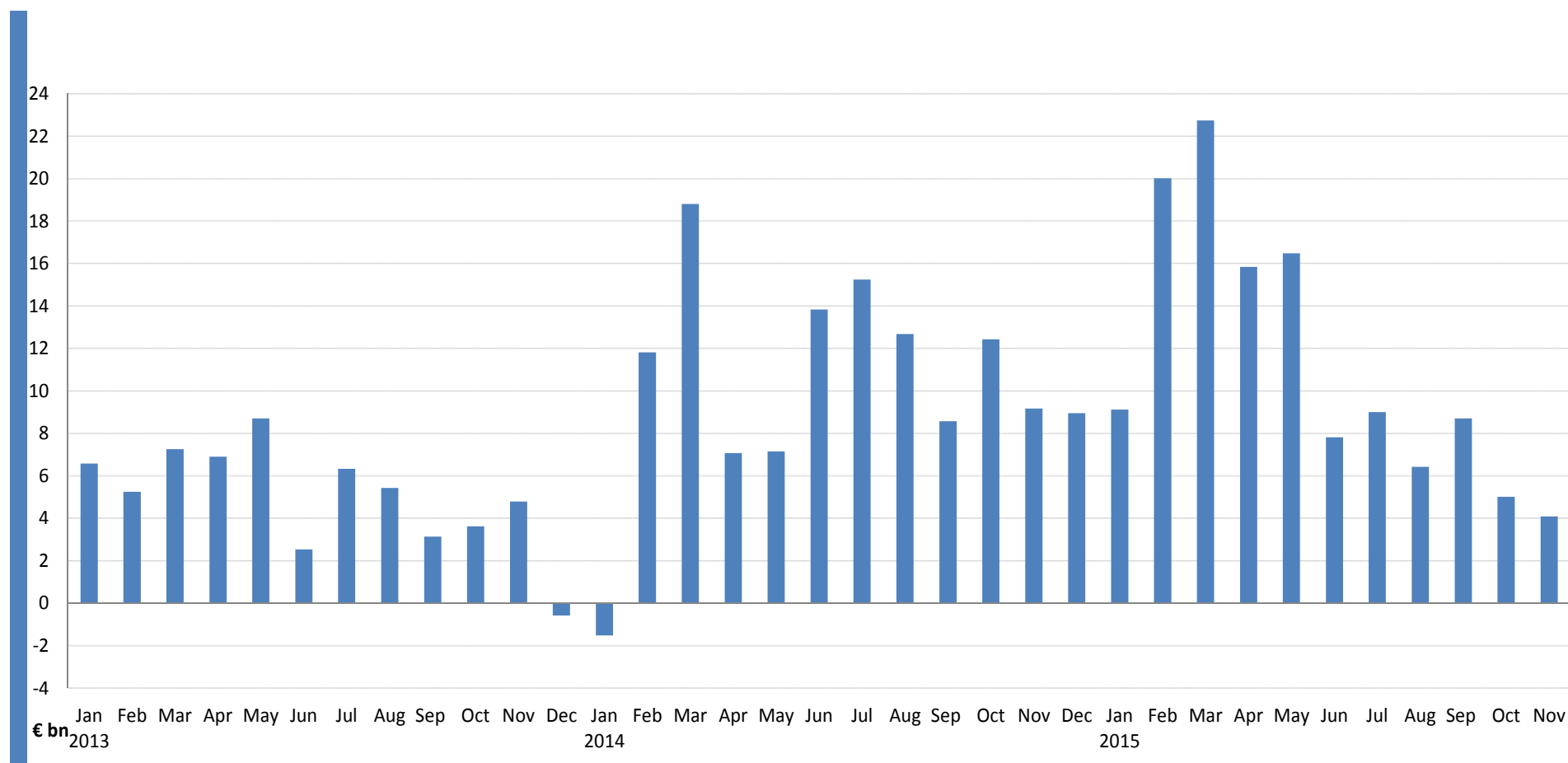


The Italian AM market (Jan 2014:Nov 2015)



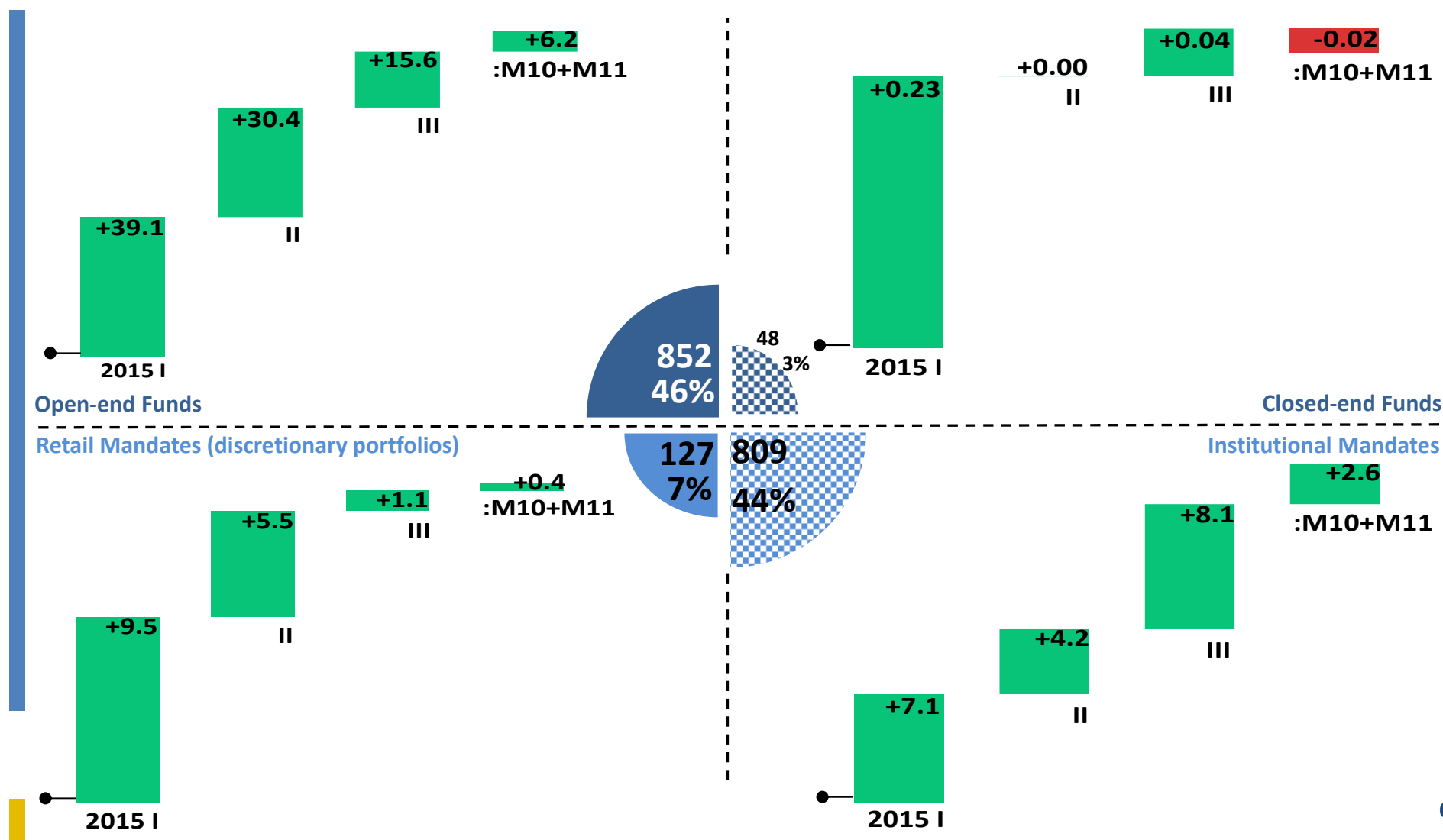


Net flows (monthly data)



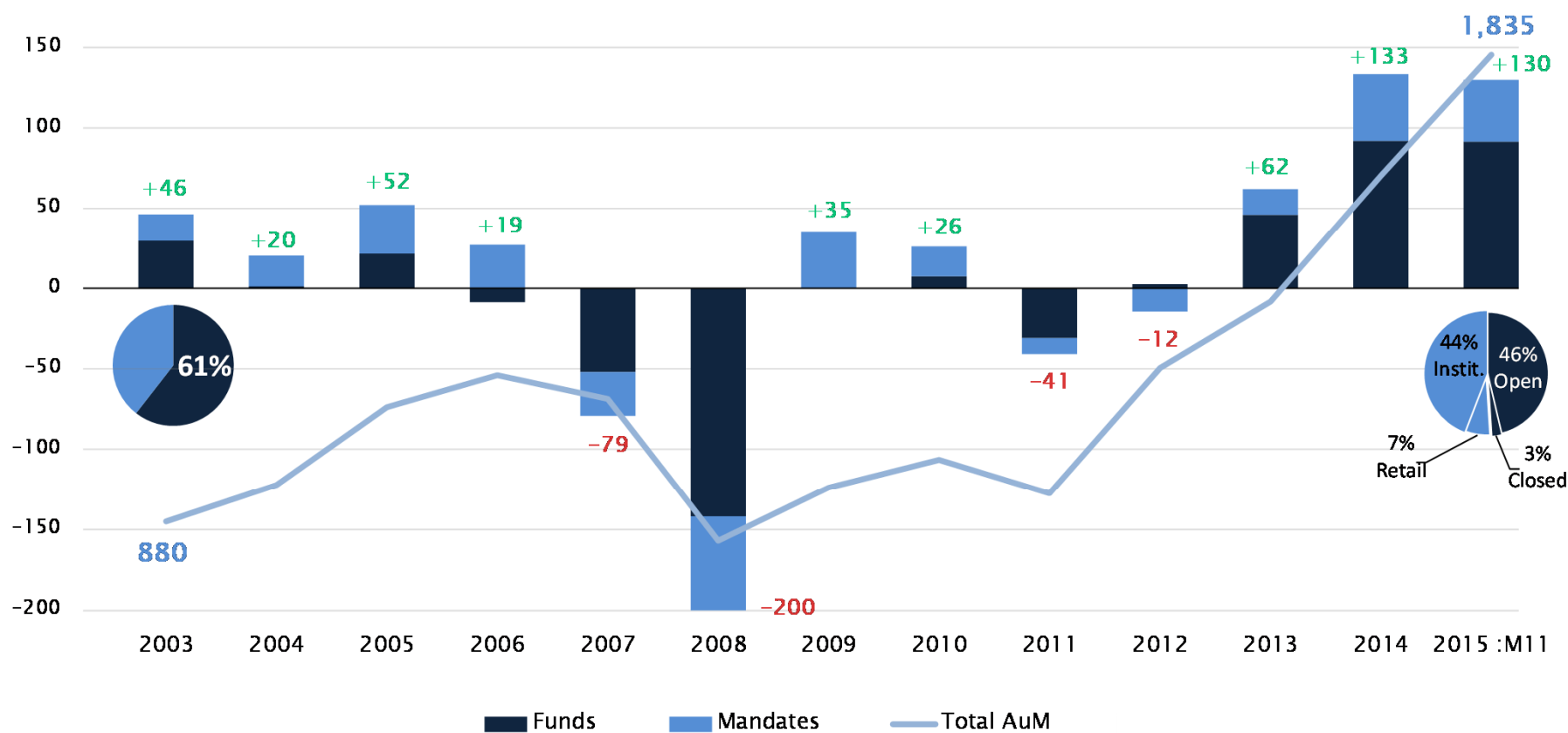


Product breakdown



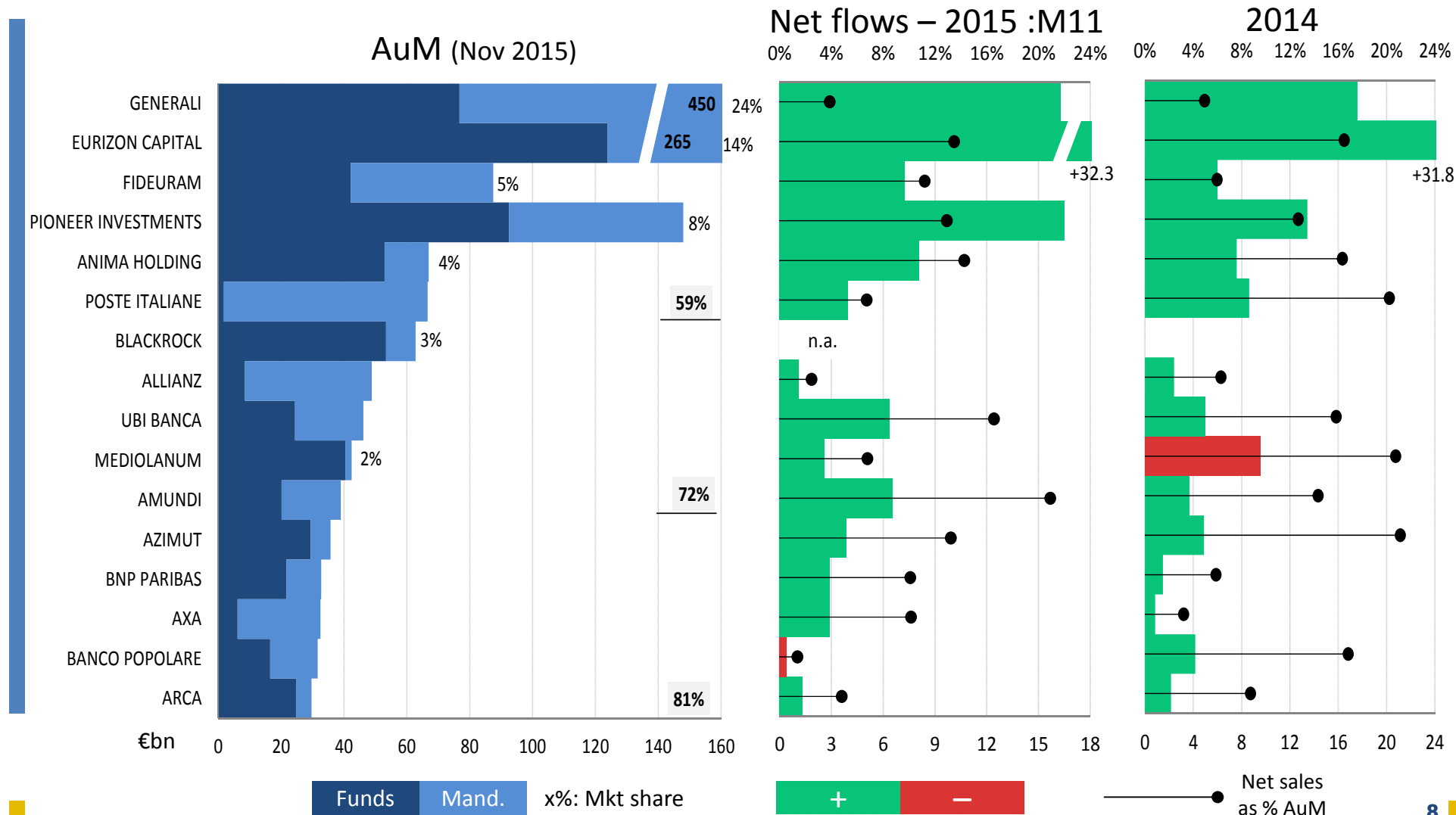


Long term trend



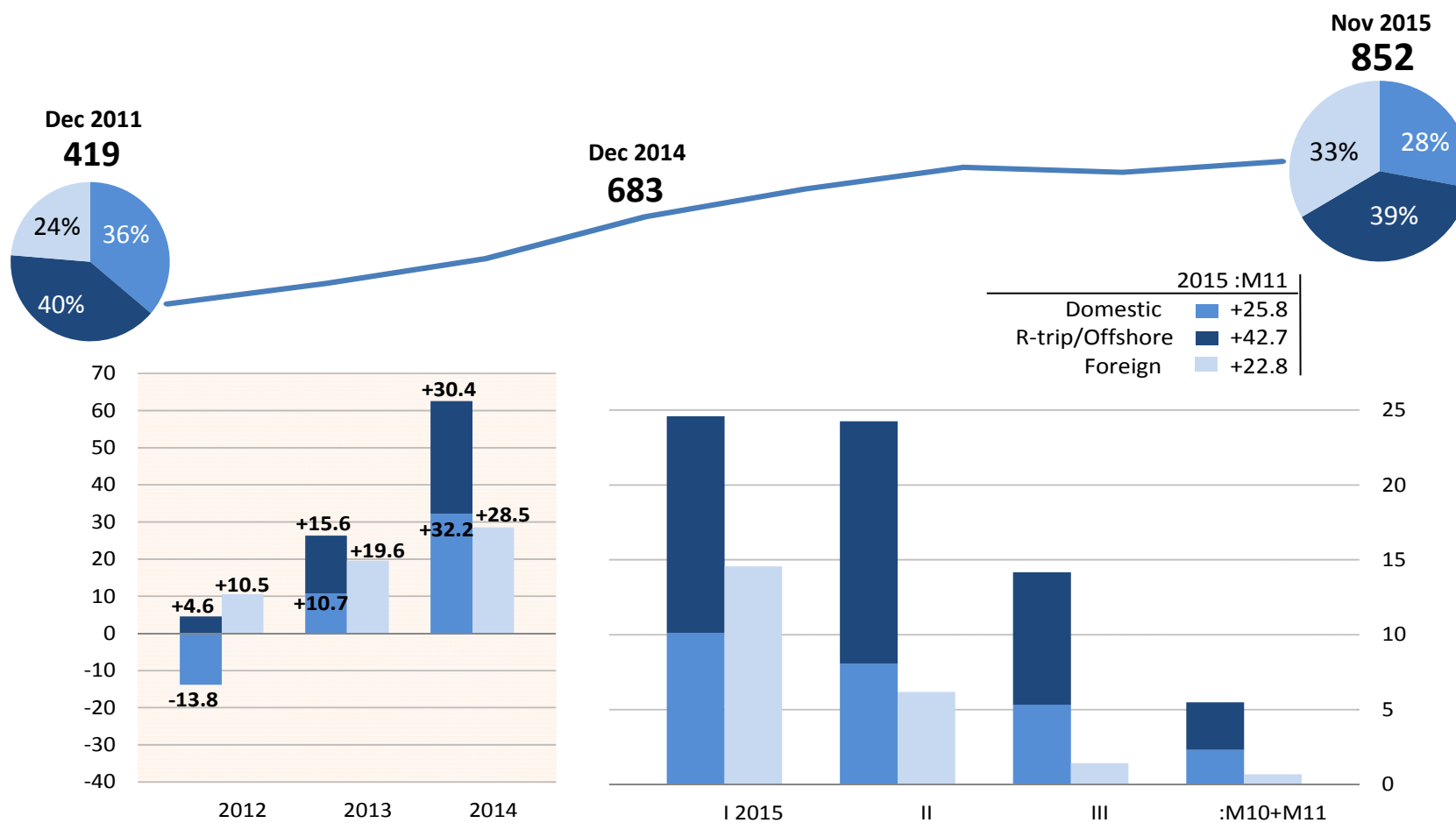


Top 15 Groups



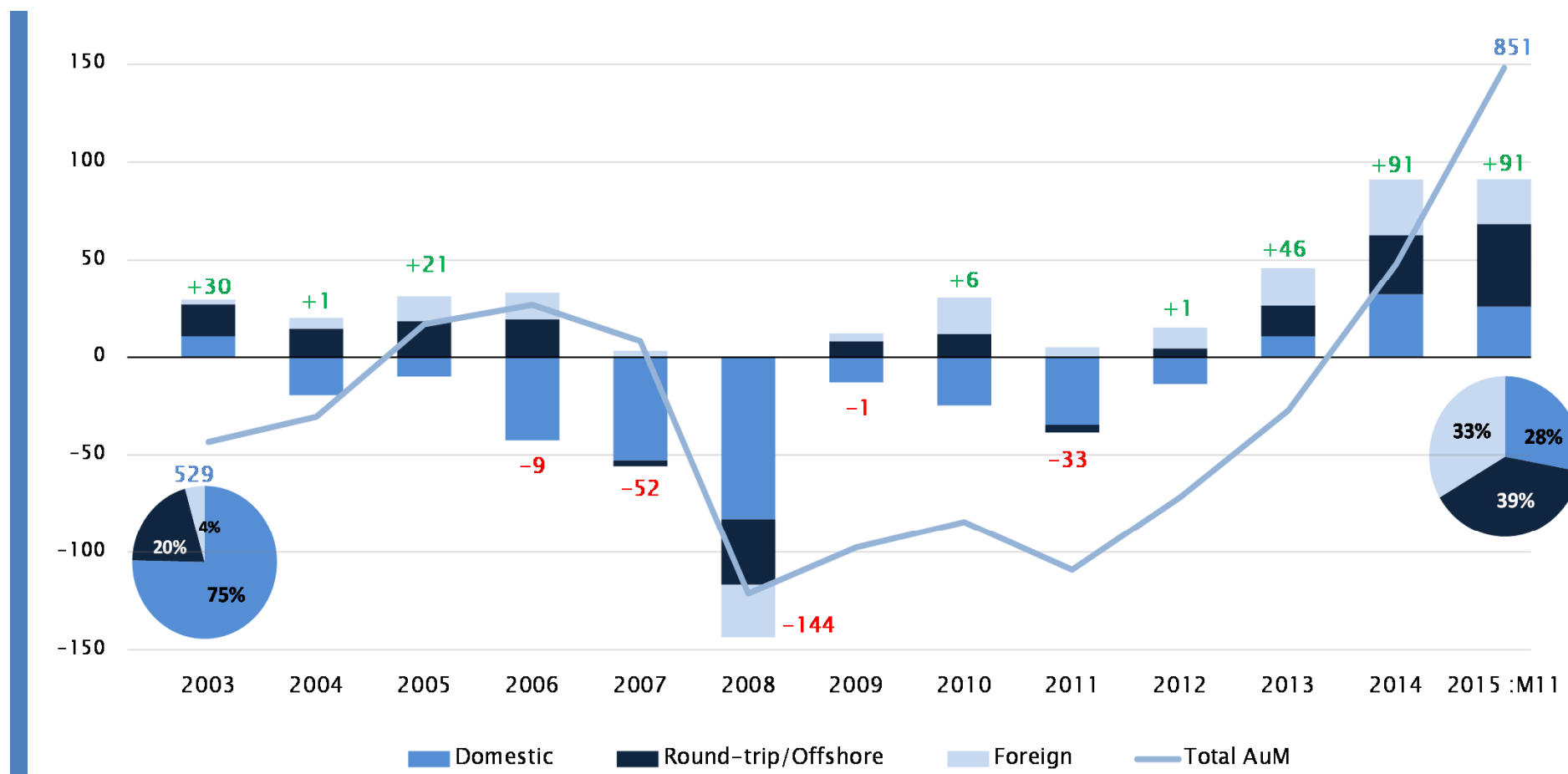


Open-end funds: domicile breakdown



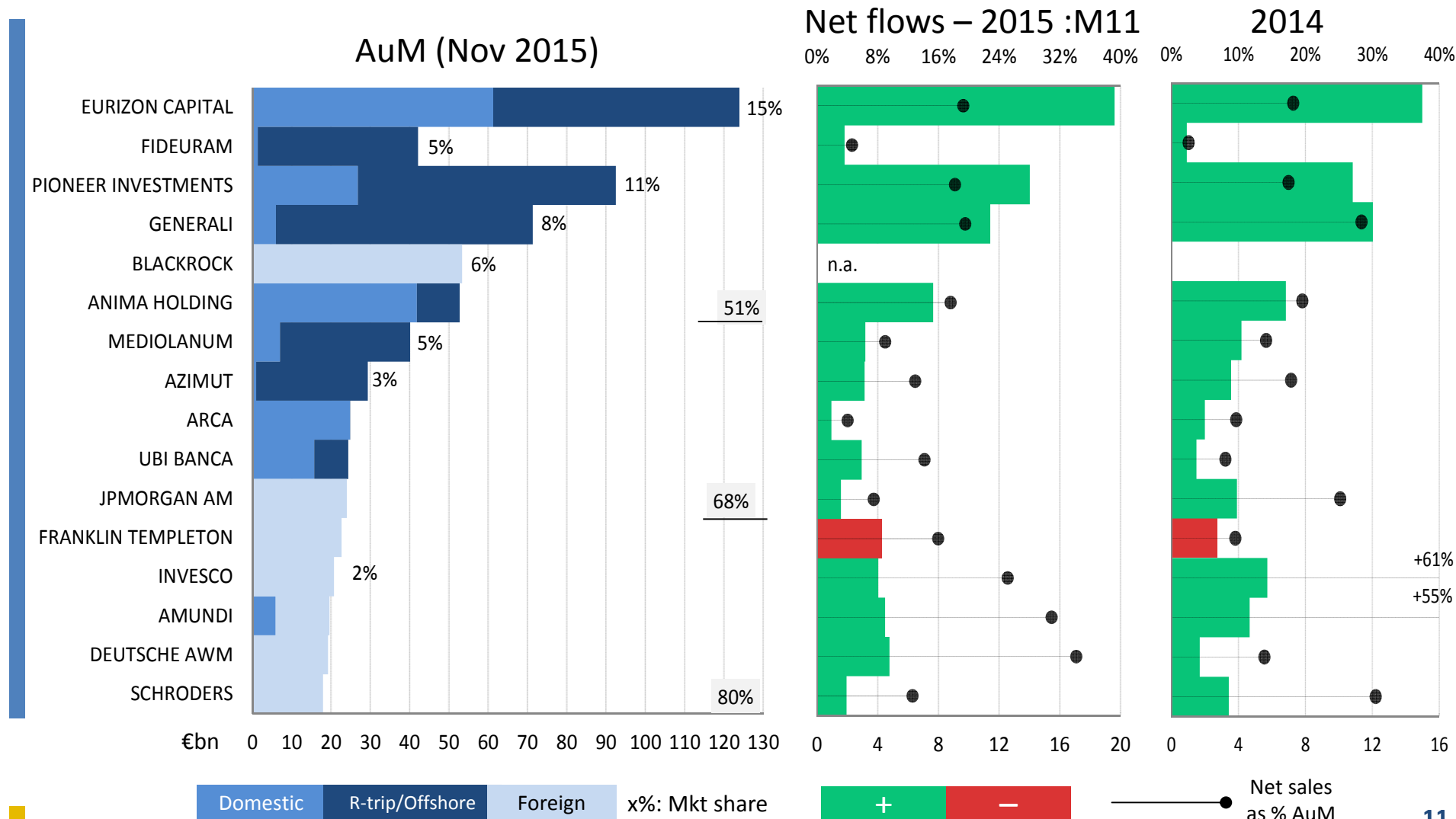


Long term trend: open-end funds



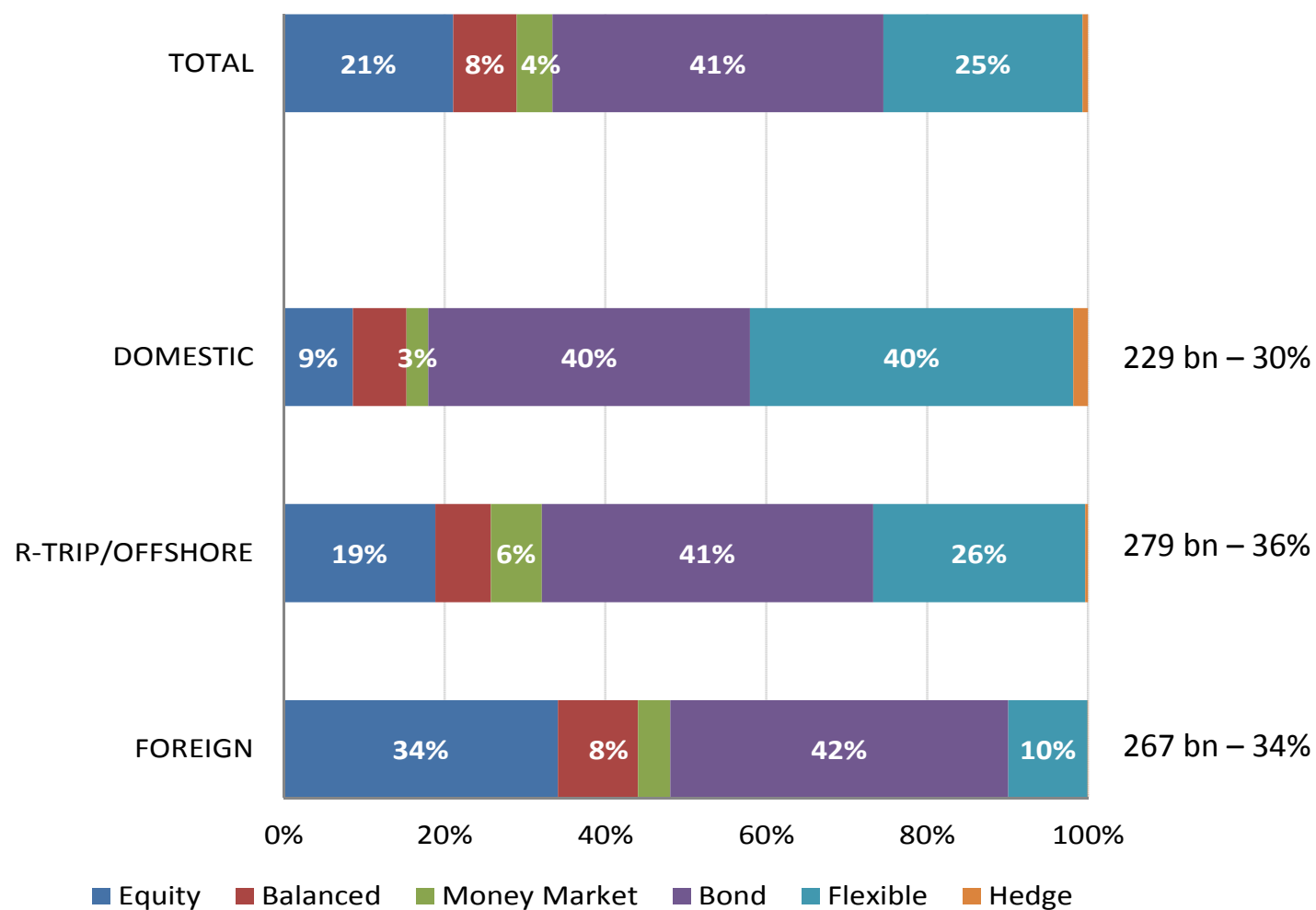


Top 15 Groups (open-end funds only)



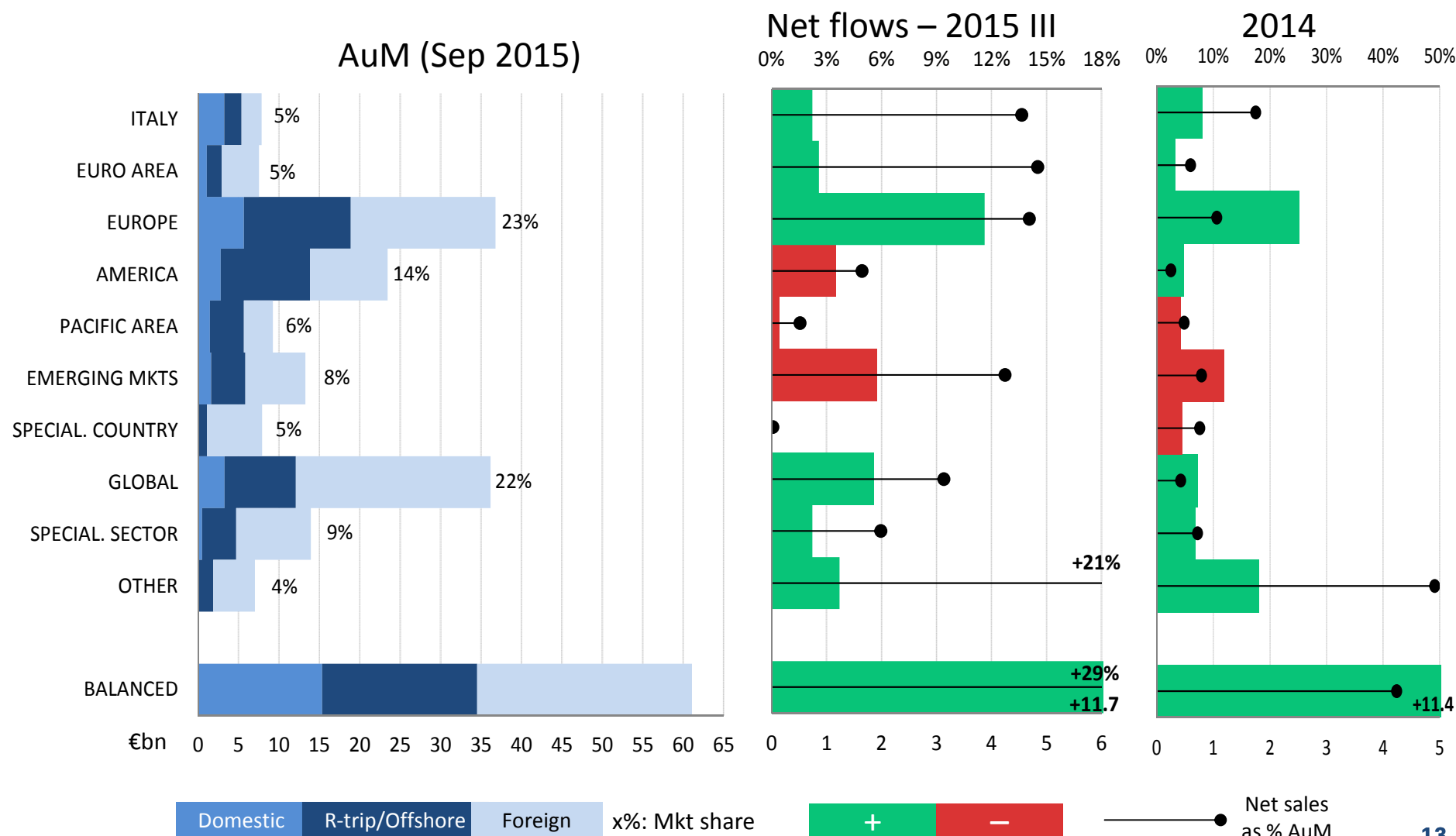


Asset Class breakdown



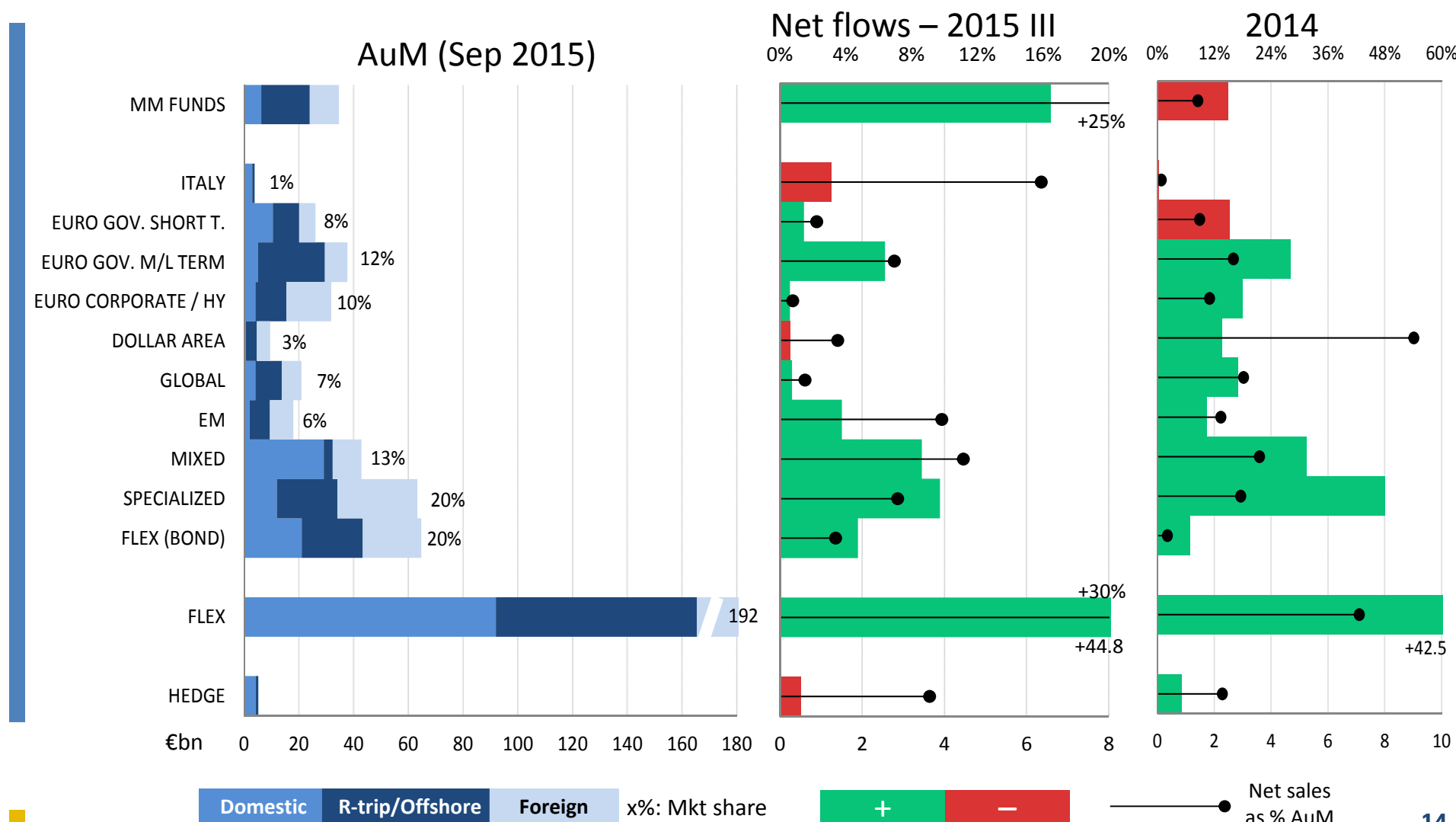


Equity & balanced funds



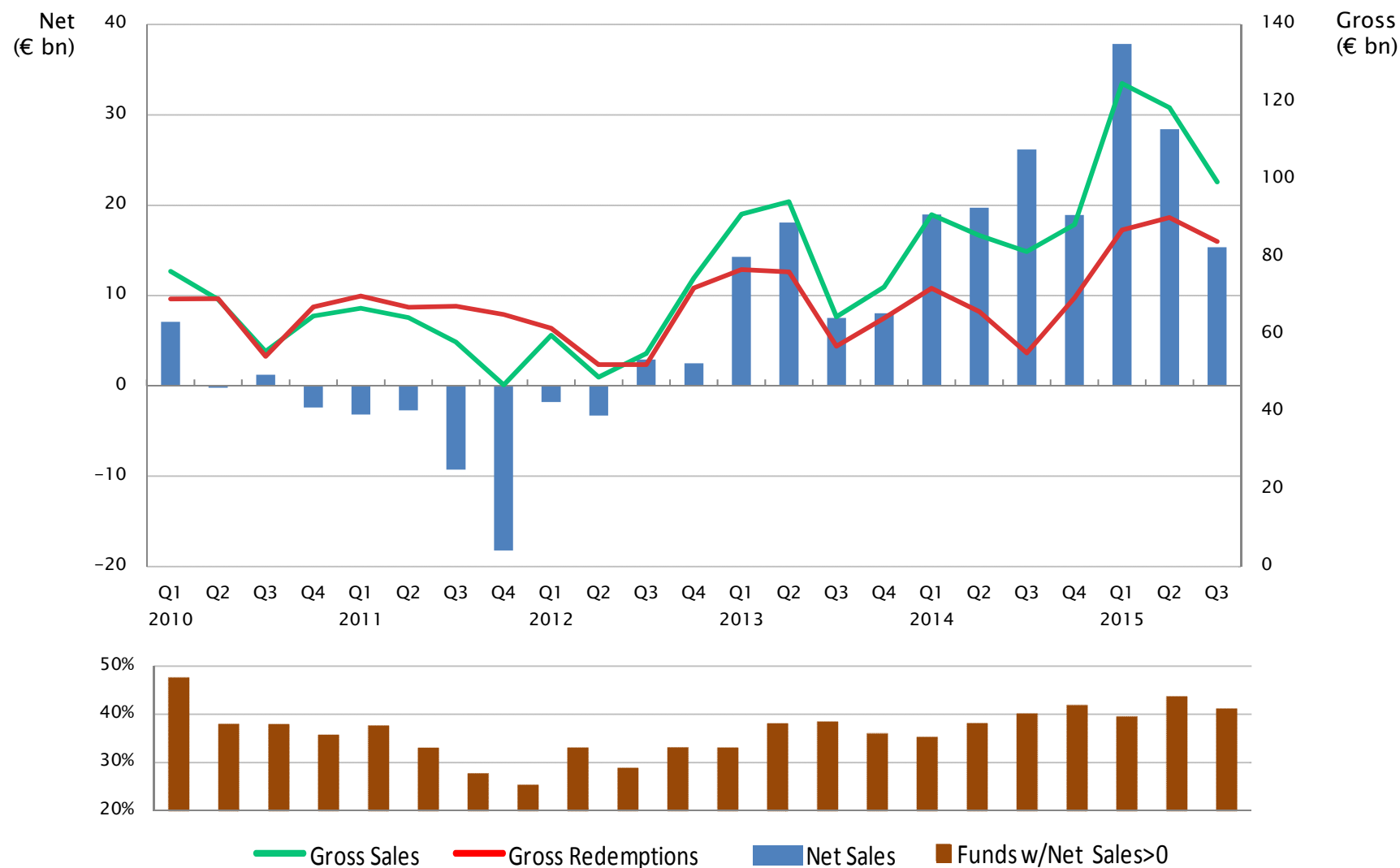


Money mkt, Bond, Flex & Hedge funds



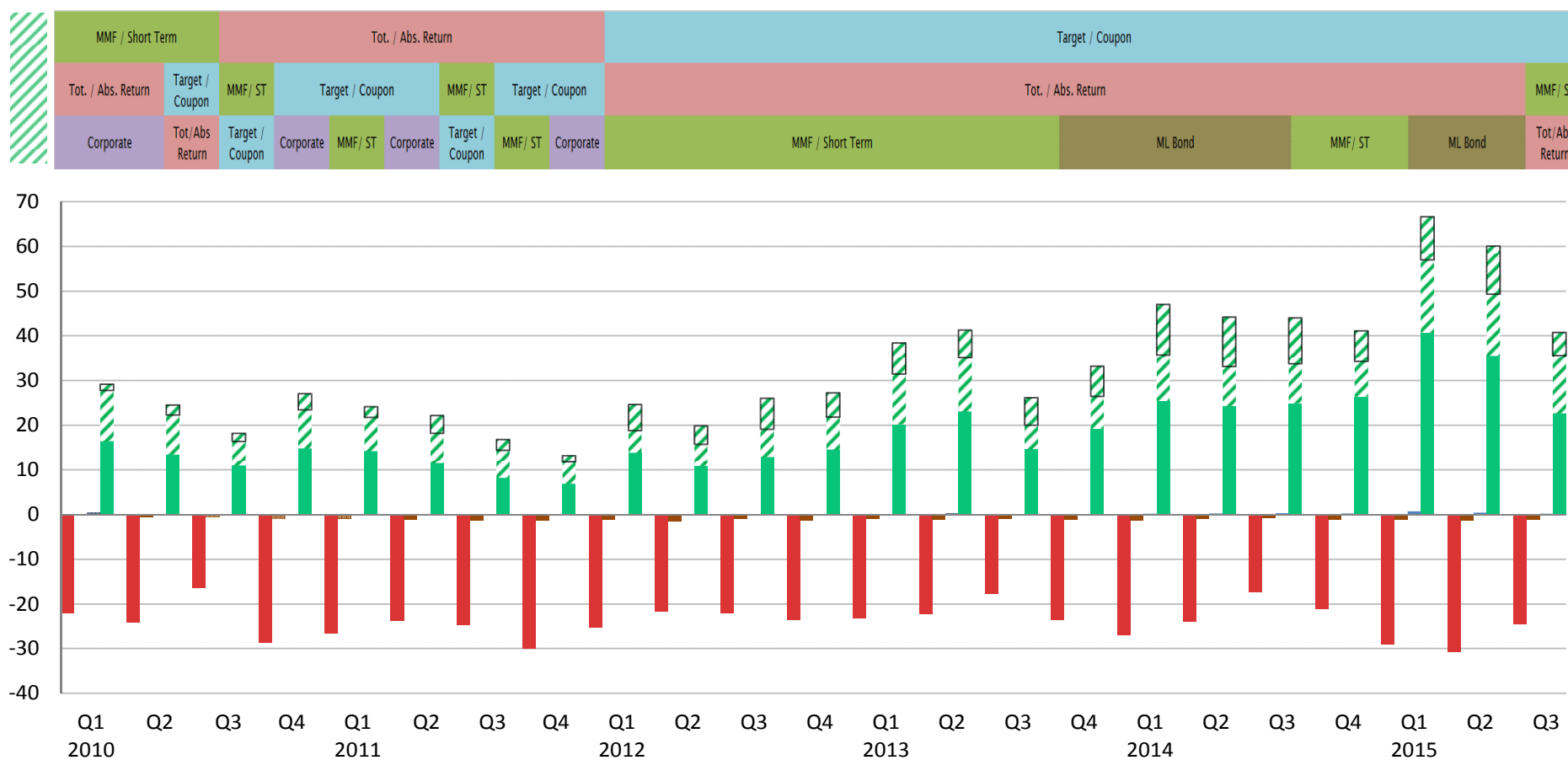


Net & gross flows



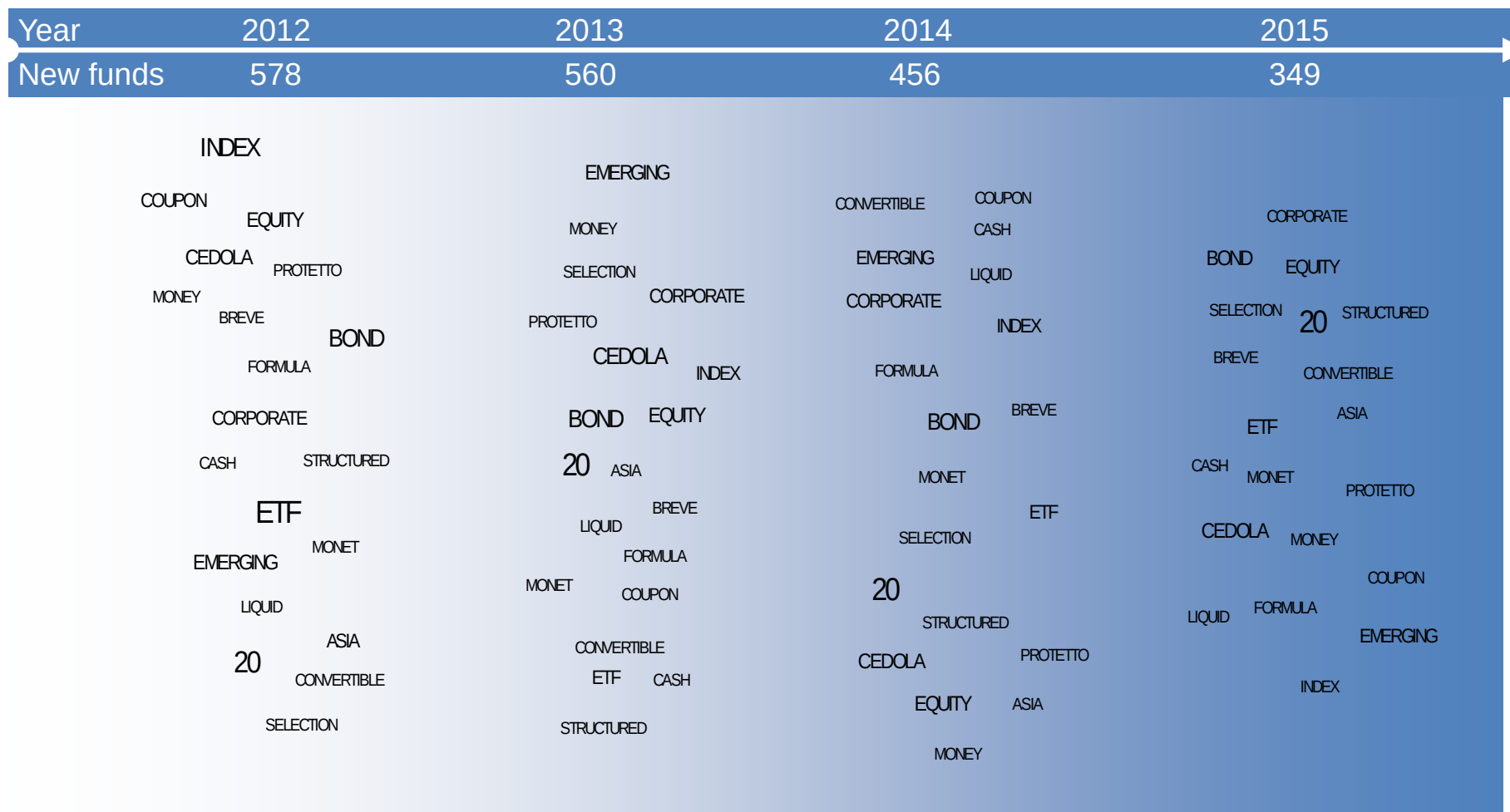


The *blockbuster effect*: top quartile funds take all



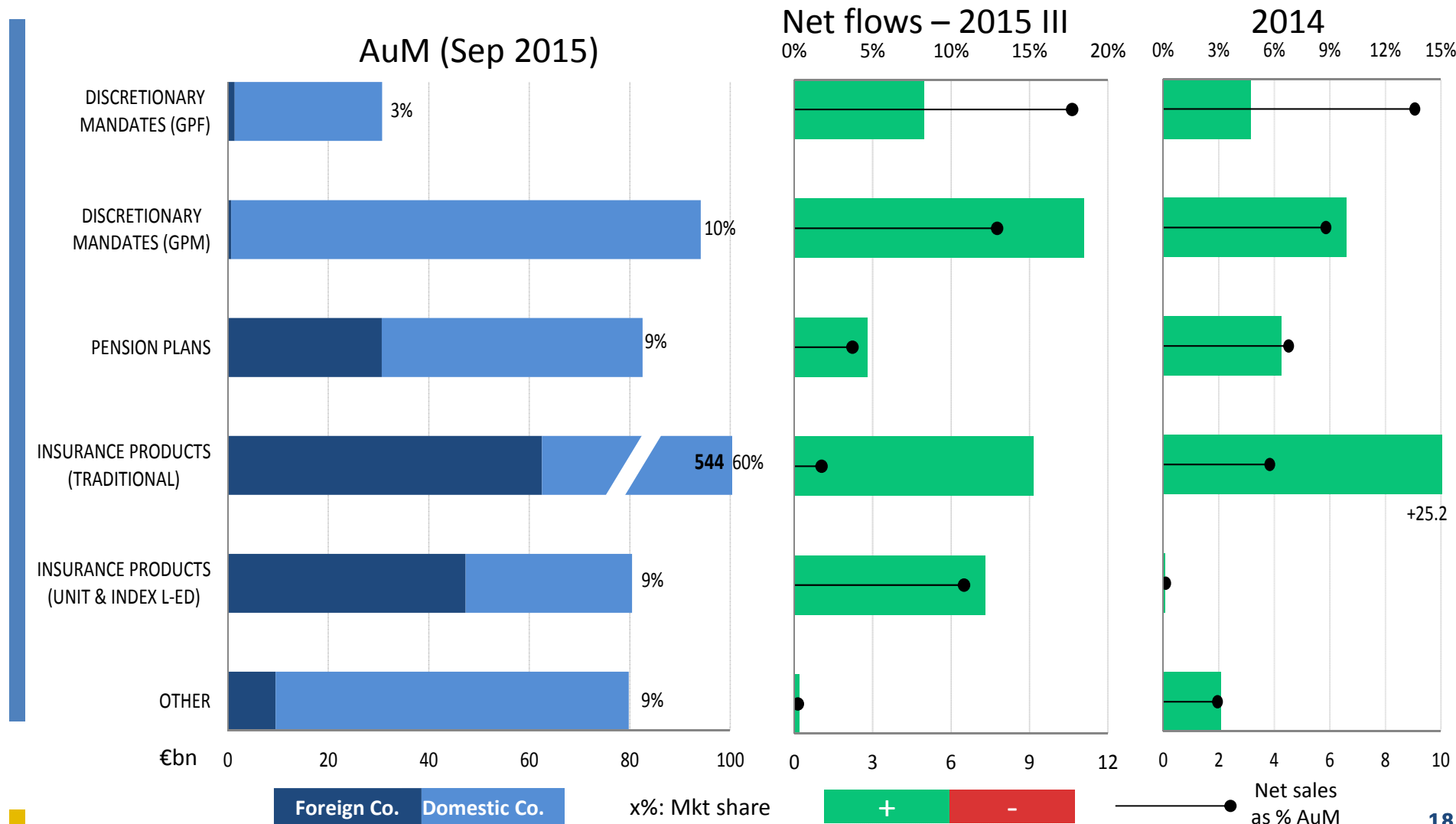


New stories tag cloud



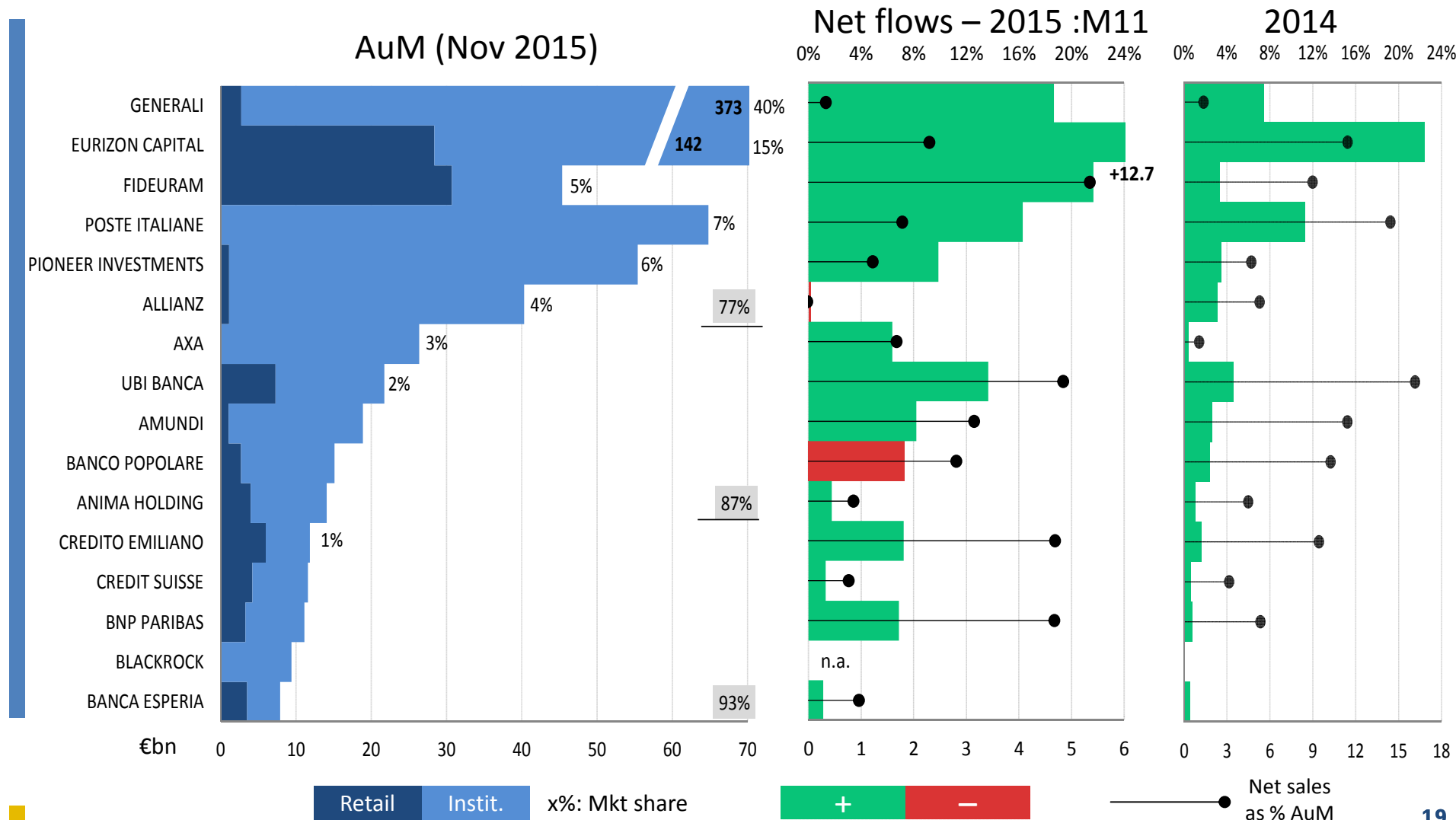


Mandates: AuM & Net Sales trends



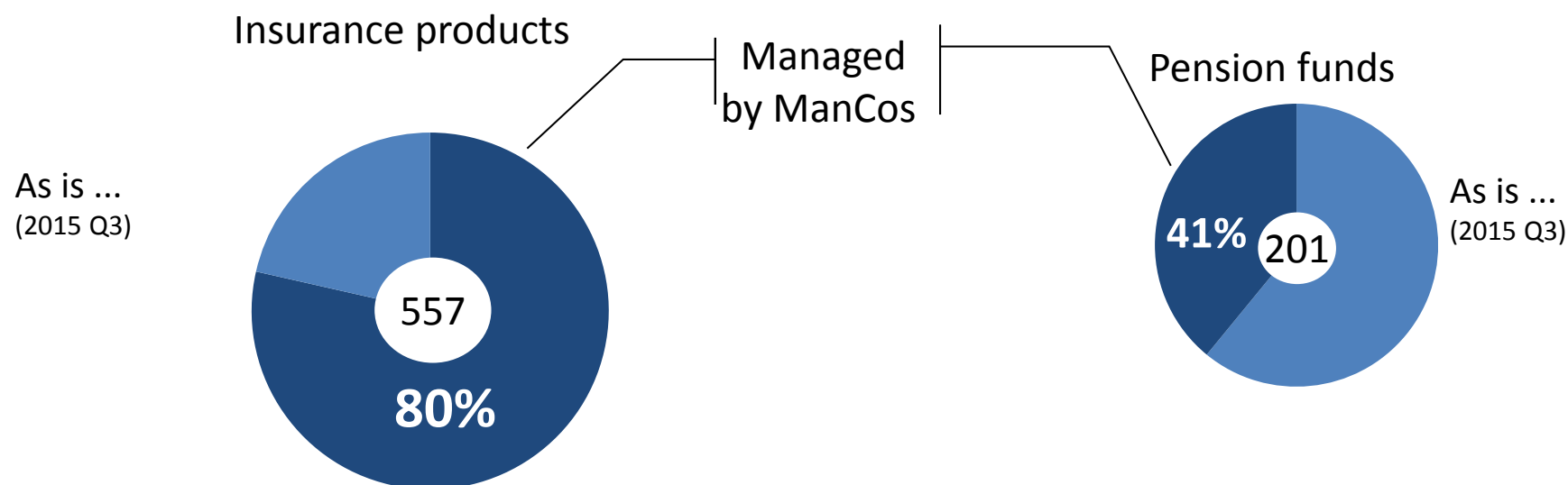


Top 15 Groups (mandates only)





The market for Institutional Mandates



... and as could become:

Household portfolio: share of insurance products & pension funds (2015Q2)

IT	FRA	GER	UK	USA
19.9%	34.0%	30.9%	58.4%	32.9%



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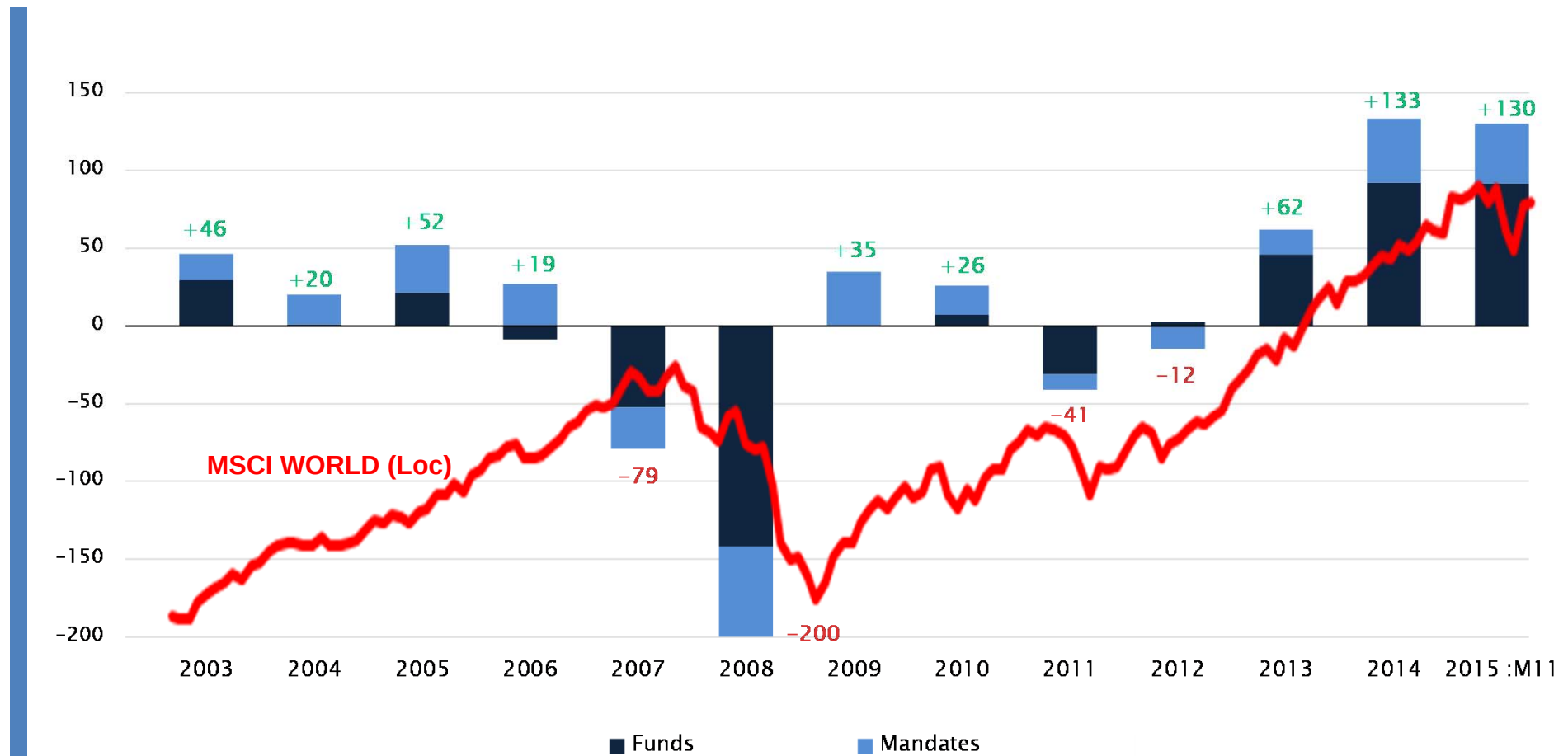
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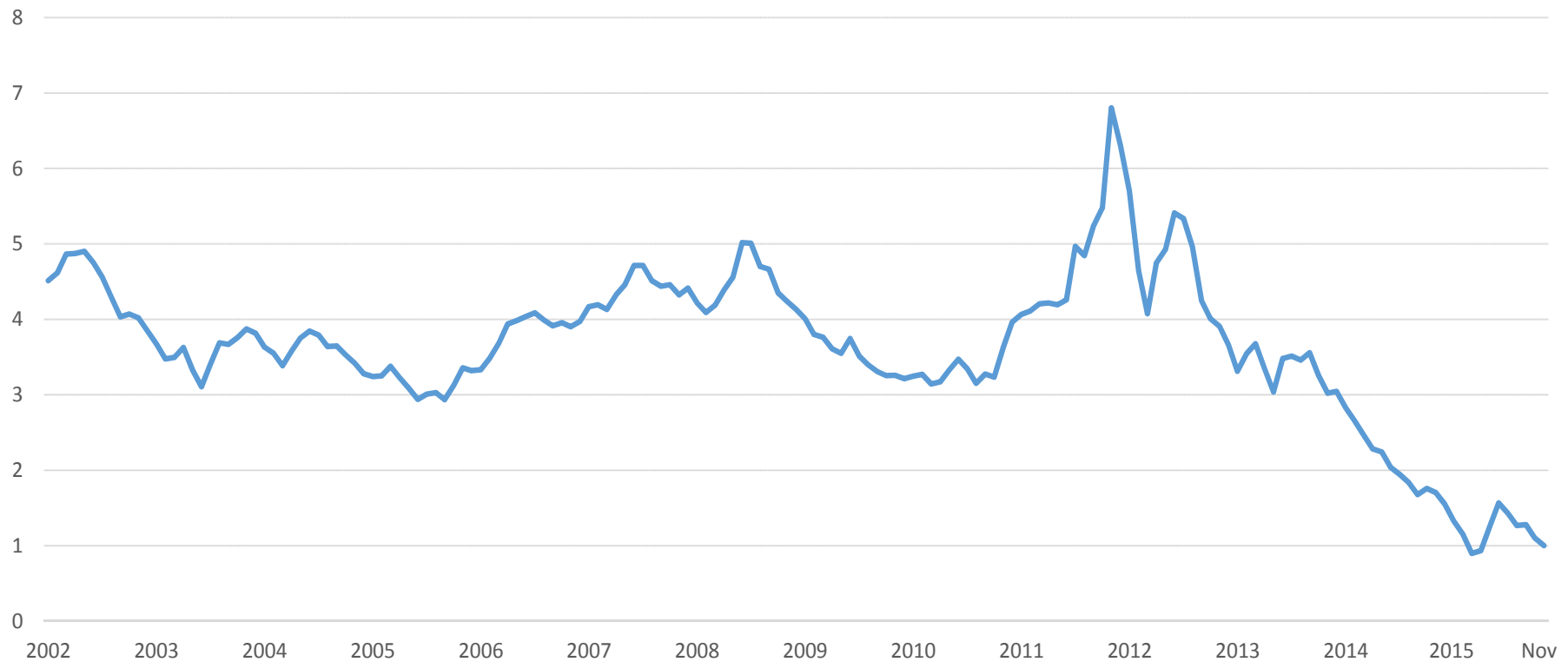
A pro-cyclical market





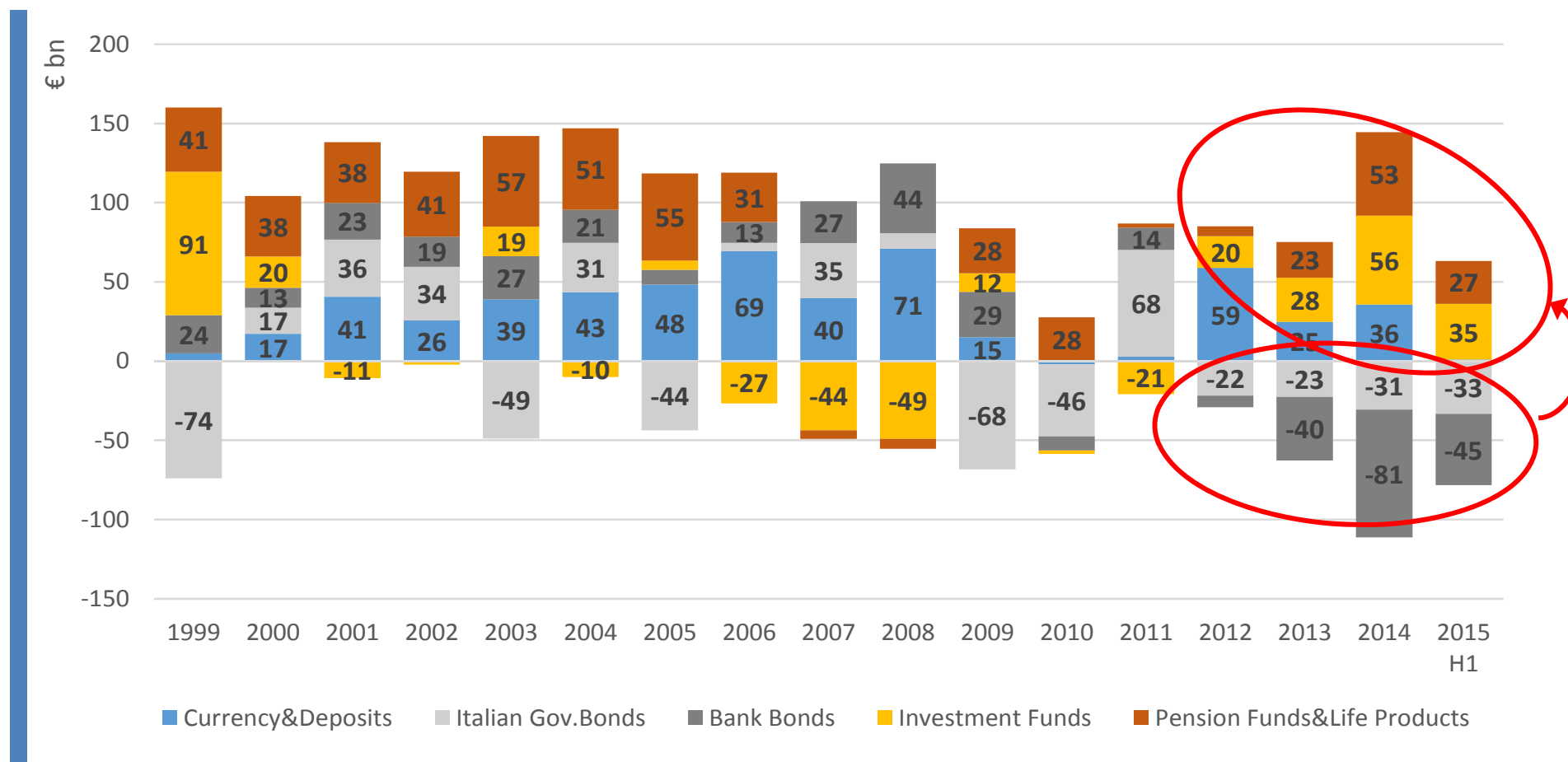
... in search for yield

BTP Yield (Rendistato)





Households: less bonds, more funds (flow view)



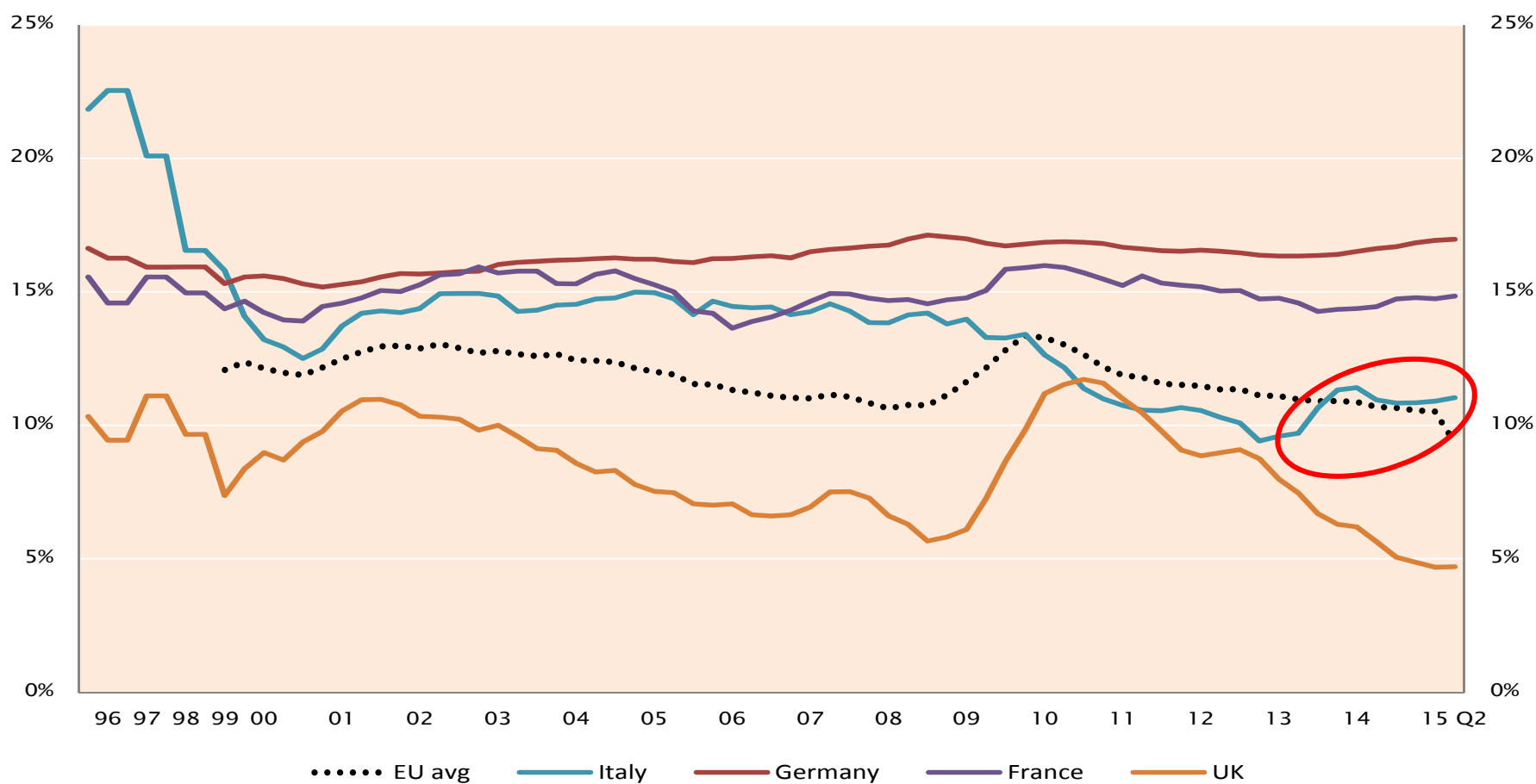


Households: less bonds, more funds (stock view)

	Total Asset	Currency & deposits	Bonds		Stocks		Investment funds	Pension funds & life pr
			Total	Issued by banks	Total	Listed		
Italy	€ bn	%	%	%	%	%	%	%
1995	1,799	38.2%	22.7%	1.9%	19.3%	2.8%	5.8%	8.7%
2000	3,041	22.9%	16.5%	6.4%	29.5%	5.4%	17.0%	10.0%
2005	3,864	23.6%	19.0%	7.1%	28.3%	2.4%	11.0%	14.2%
2010	3,633	30.7%	19.7%	10.3%	20.1%	2.0%	7.5%	17.6%
2012	3,732	31.6%	19.3%	10.0%	19.7%	1.6%	7.3%	17.8%
2014	3,943	31.4%	13.6%	6.0%	21.9%	1.6%	9.6%	19.4%
2015 Q2	4,018	30.9%	10.8%	4.7%	23.7%	1.7%	10.9%	19.9%
2015 Q2								
France	4,830	28.2%	1.5%	n.a.	20.7%	4.5%	6.9%	34.0%
Germany	5,388	39.0%	3.4%	n.a.	10.2%	4.9%	10.0%	30.9%
UK	8,346	24.3%	1.7%	n.a.	6.9%	2.6%	4.5%	58.4%
USA	62,359	13.2%	4.4%	n.a.	34.3%	n.a.	13.2%	32.9%

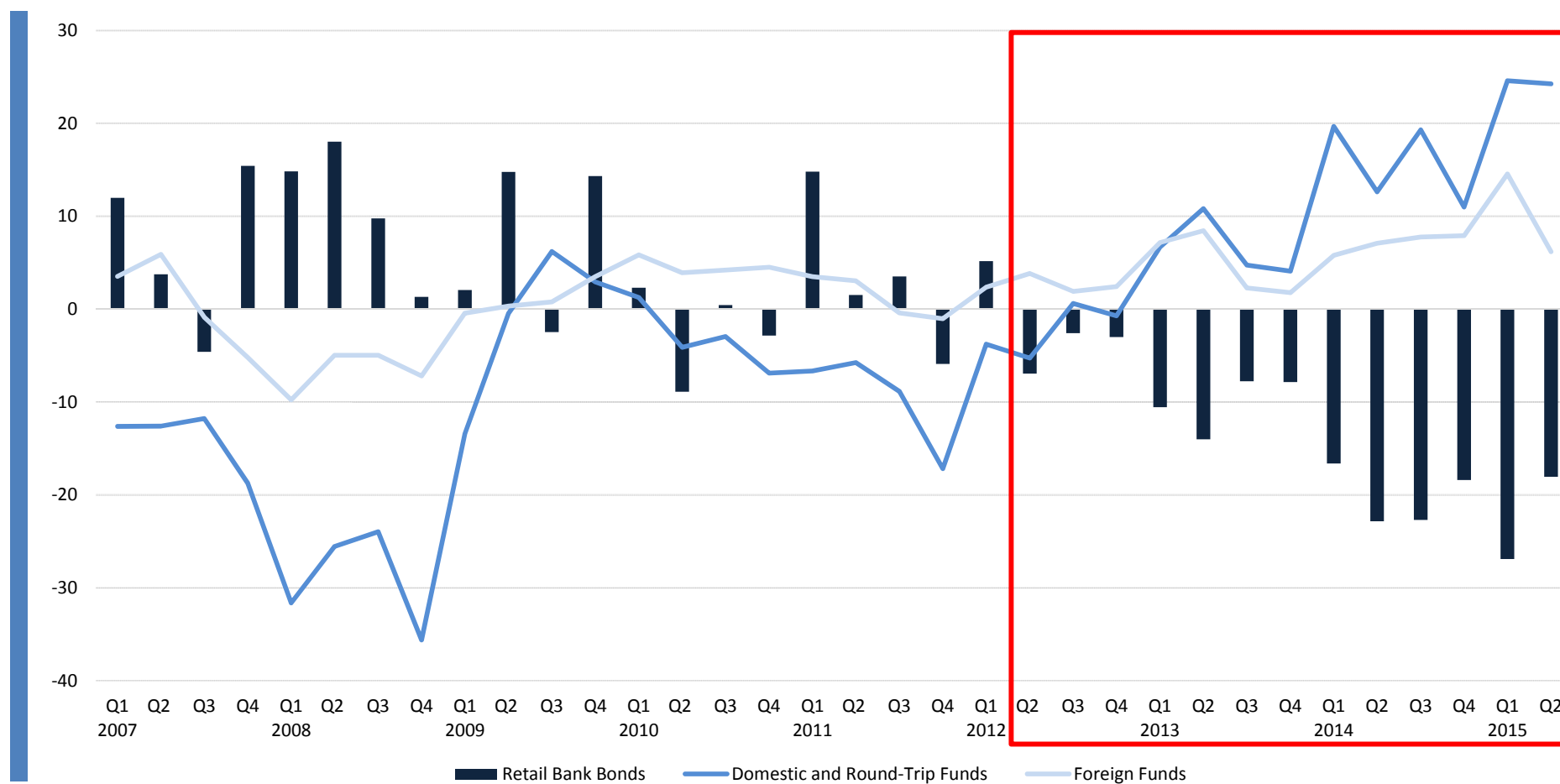


The uptick of the saving rate is good news for the industry



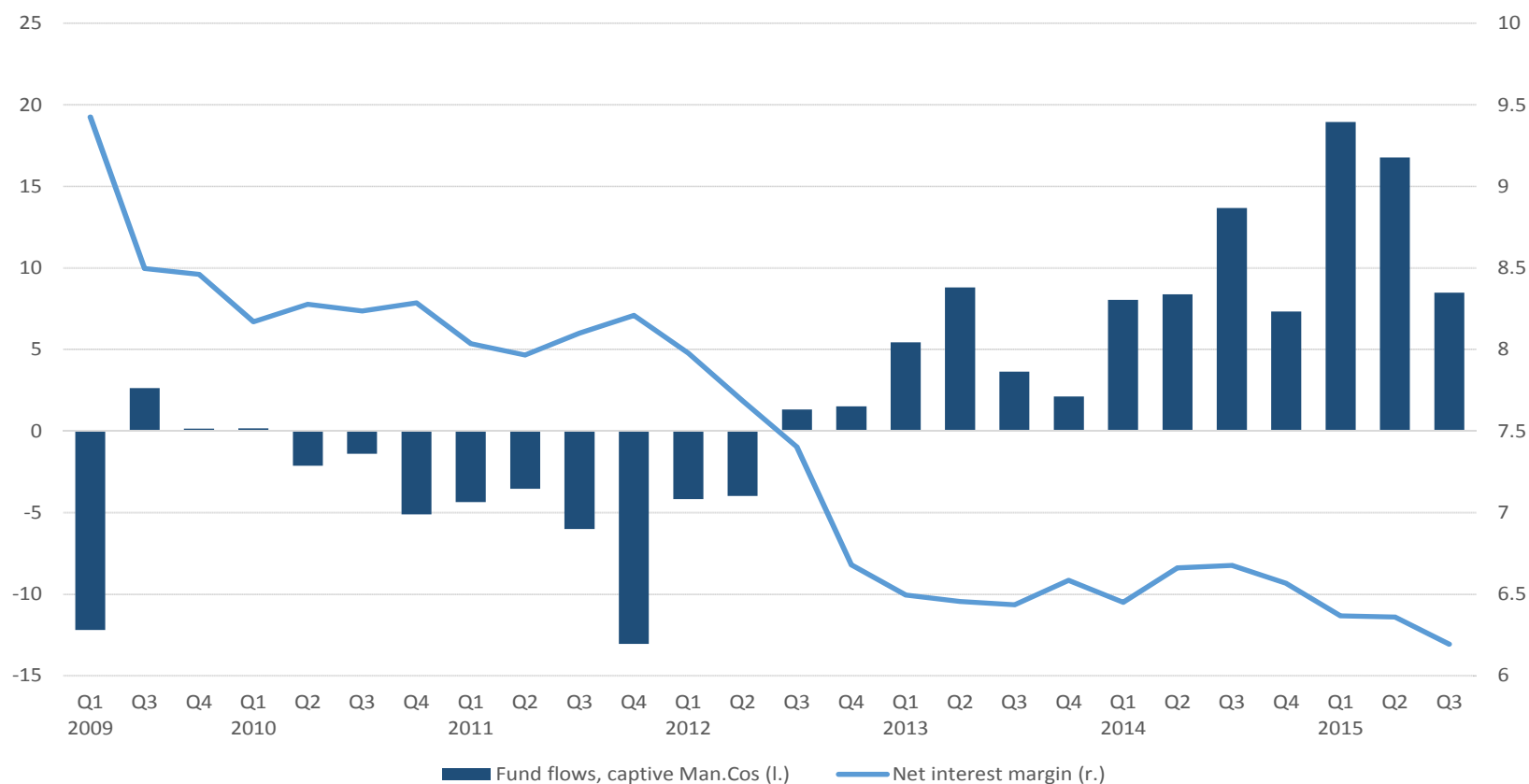


Banks: no more dependent on funding from retail investors...



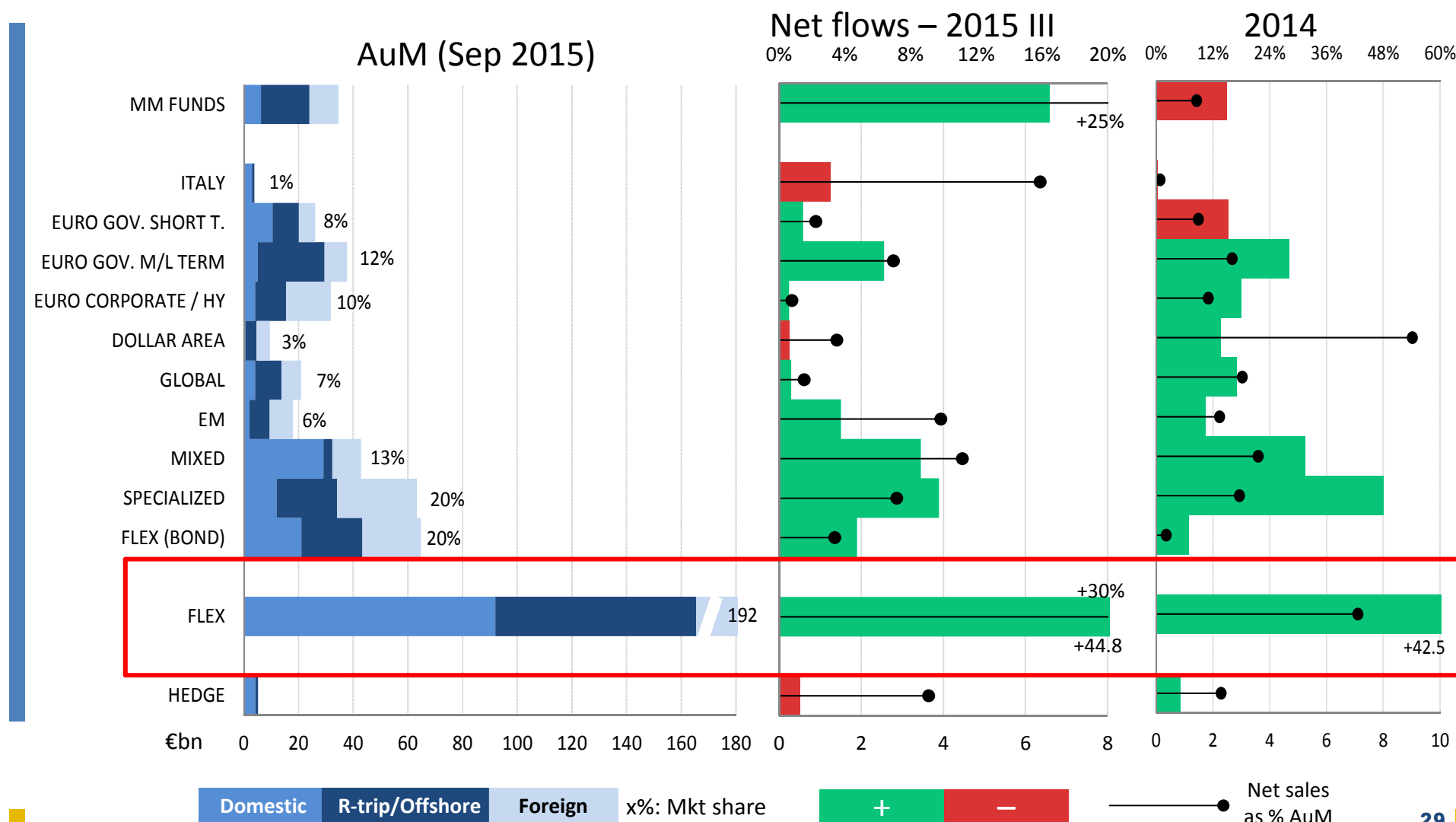


... and urged to sustain profitability through non interest-based sources of revenues





The success of funds with high margins (target-date funds)





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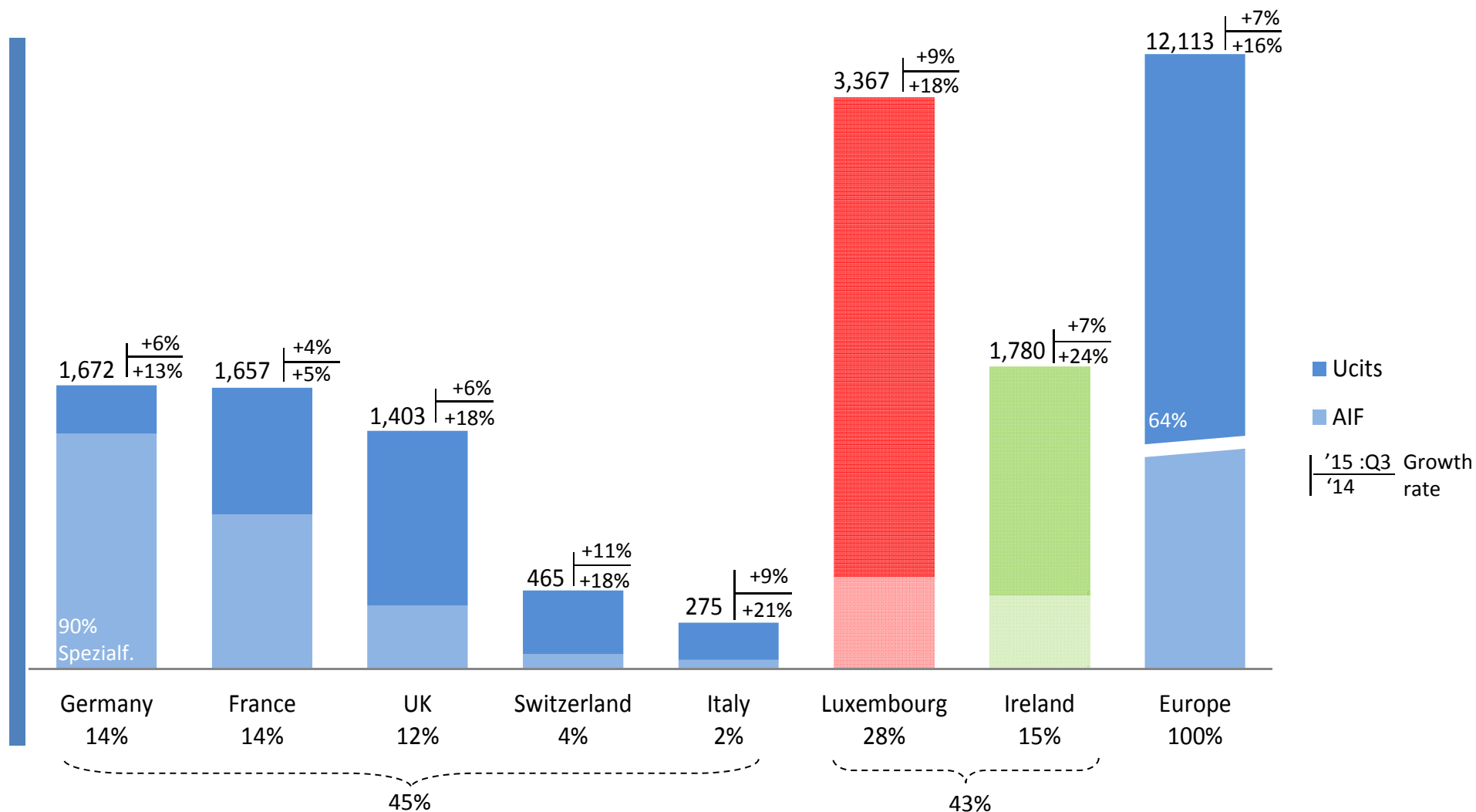
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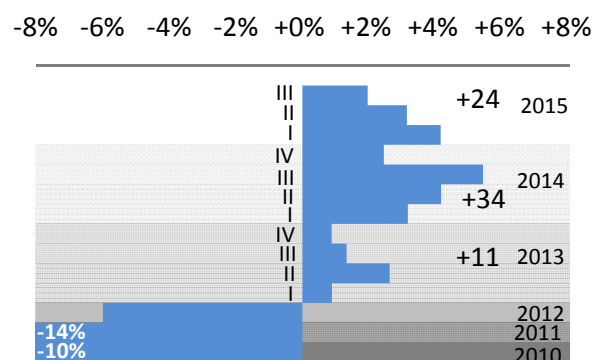
Net Assets by fund domicile



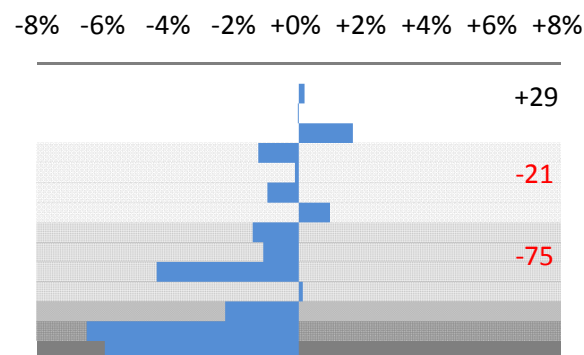


Net sales by fund domicile

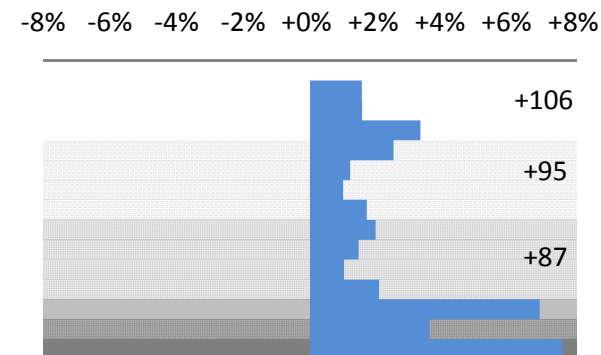
Italy



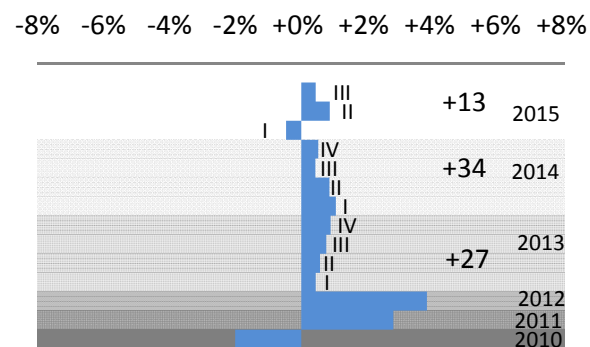
France



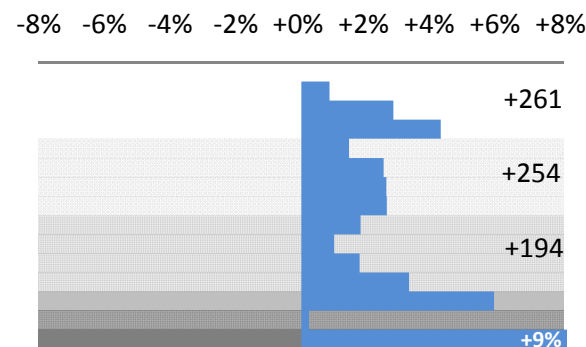
Germany



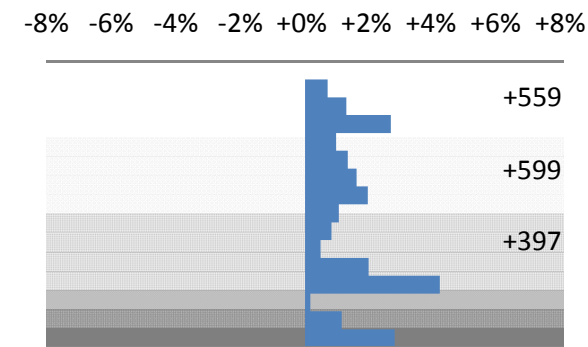
UK



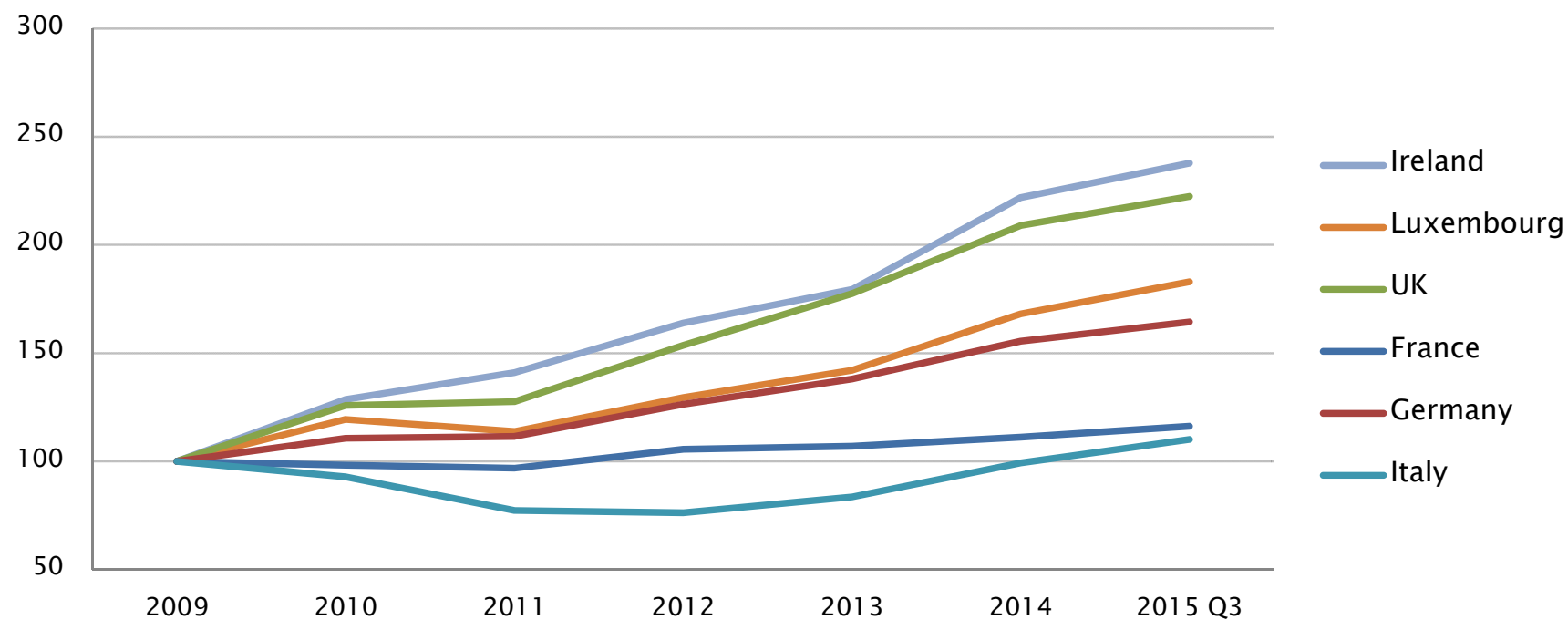
Luxembourg



Europe

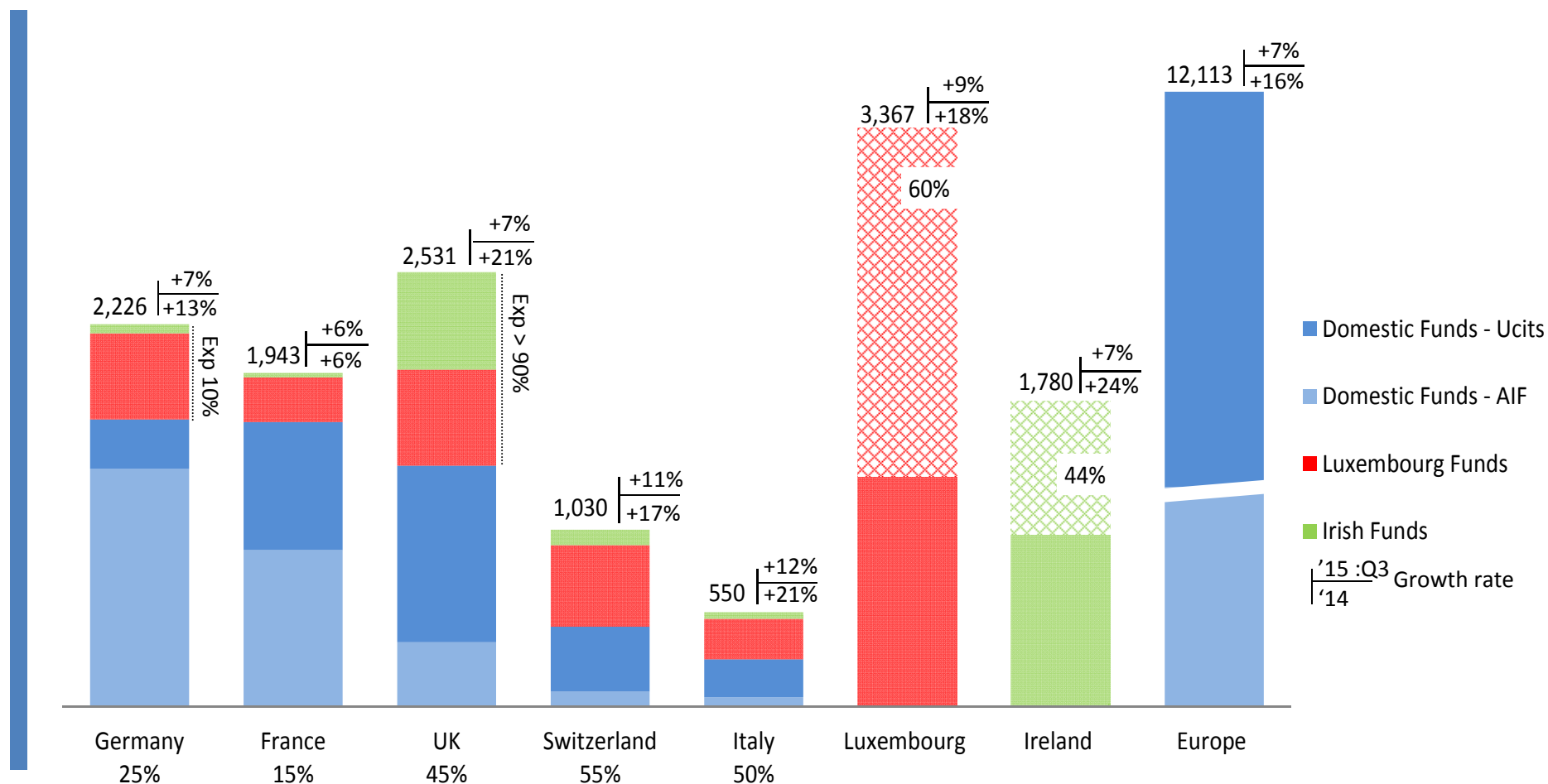


Net Assets by fund domicile – Long-term growth





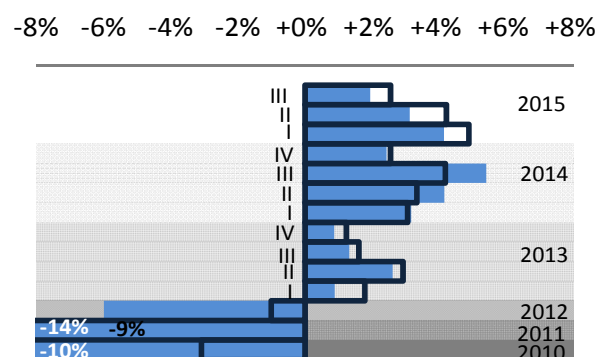
Net Assets by fund group domicile



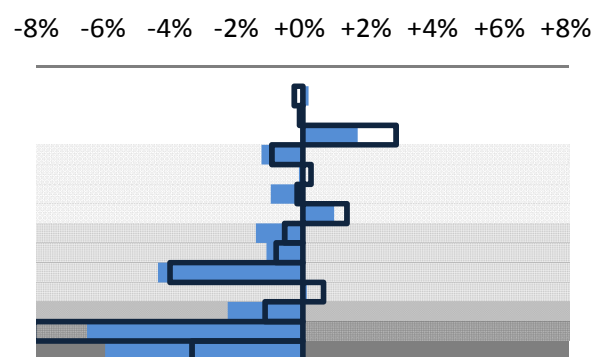


Net sales: fund domicile vs. fund group domicile

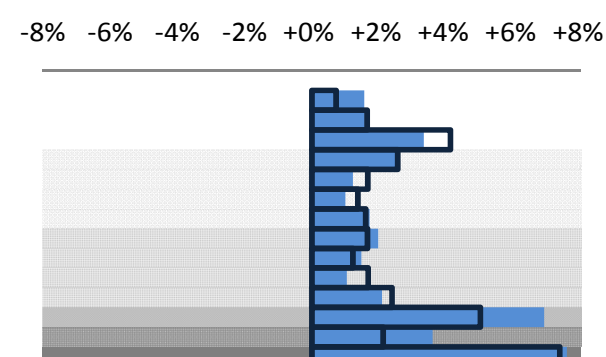
Italy



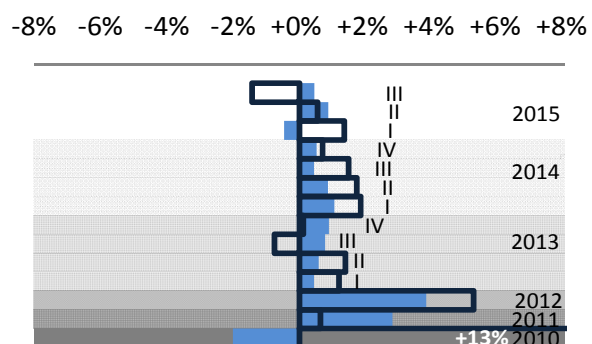
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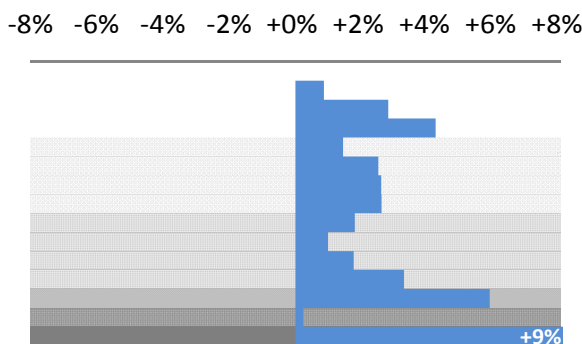
Germany



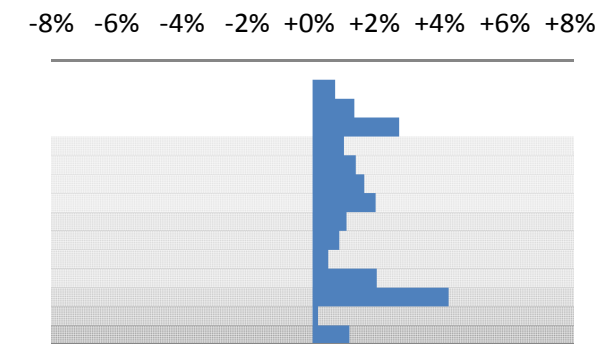
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Luxembourg



Europe





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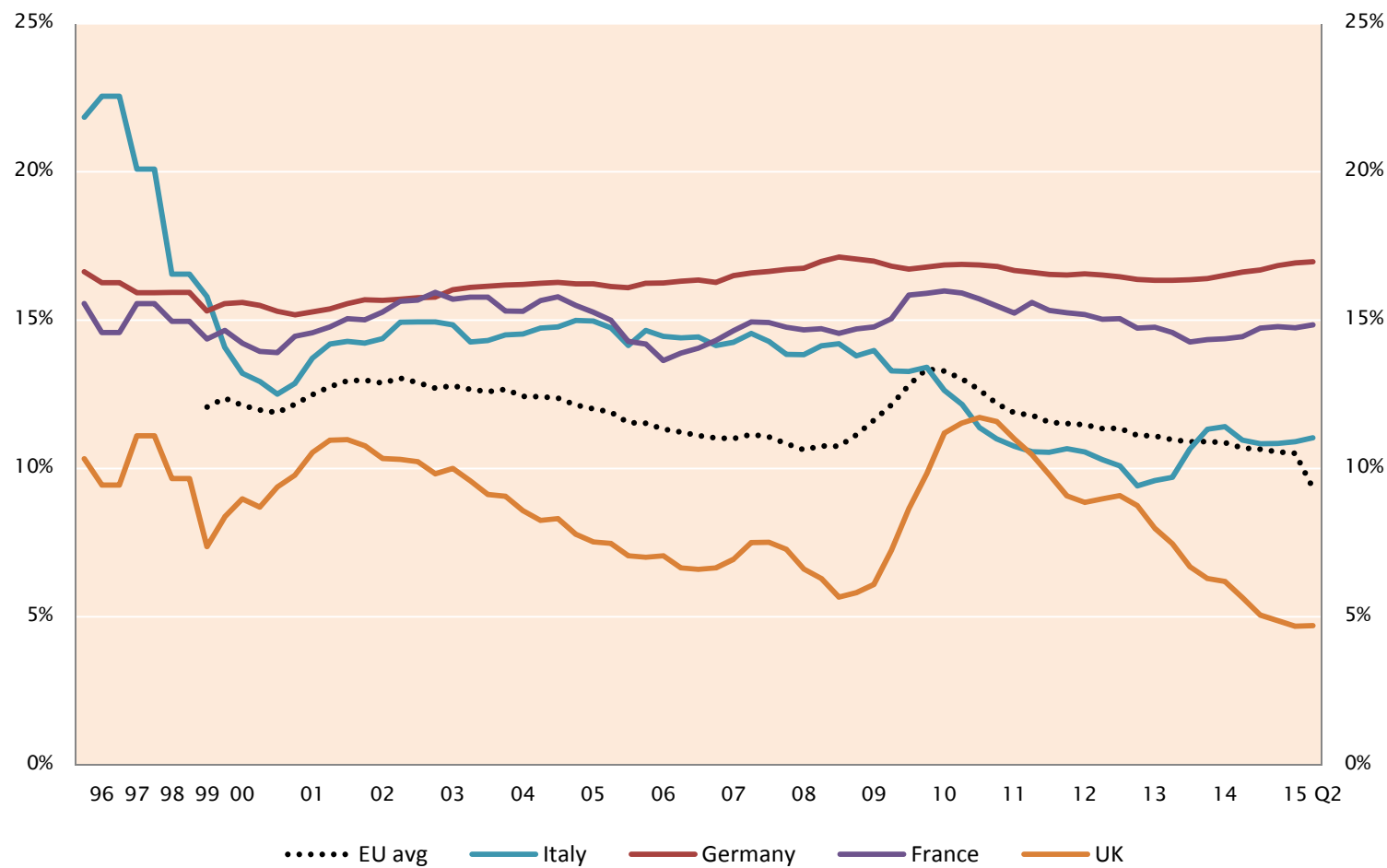
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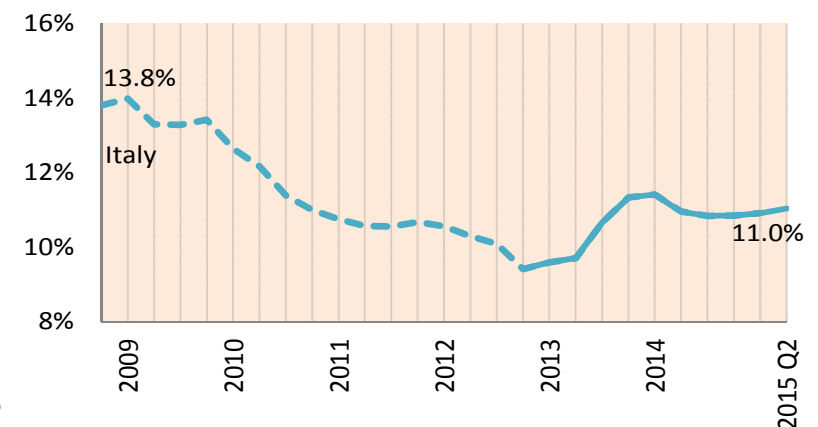
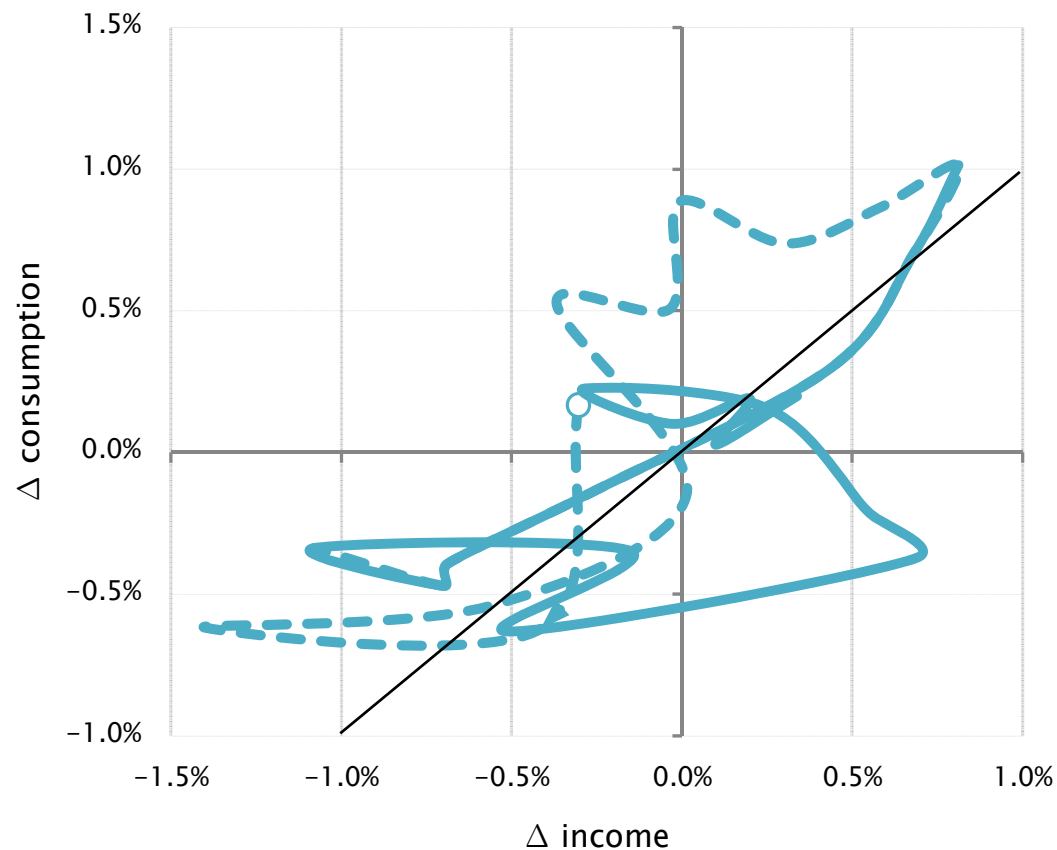


Household saving rates in Europe



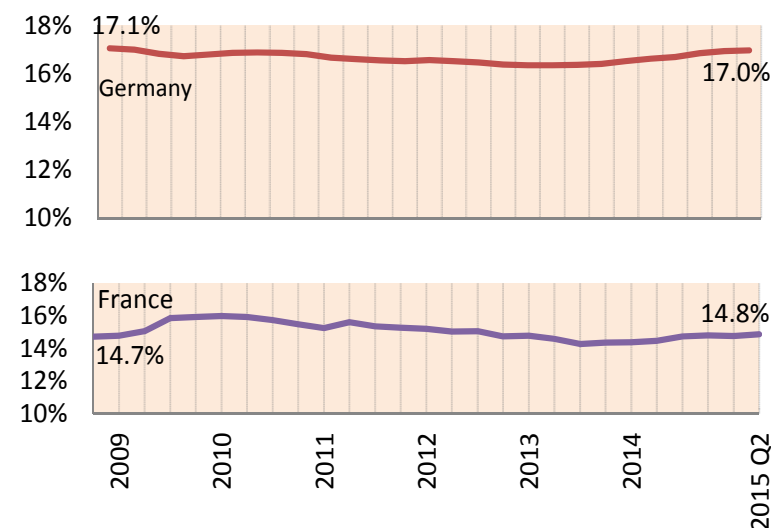
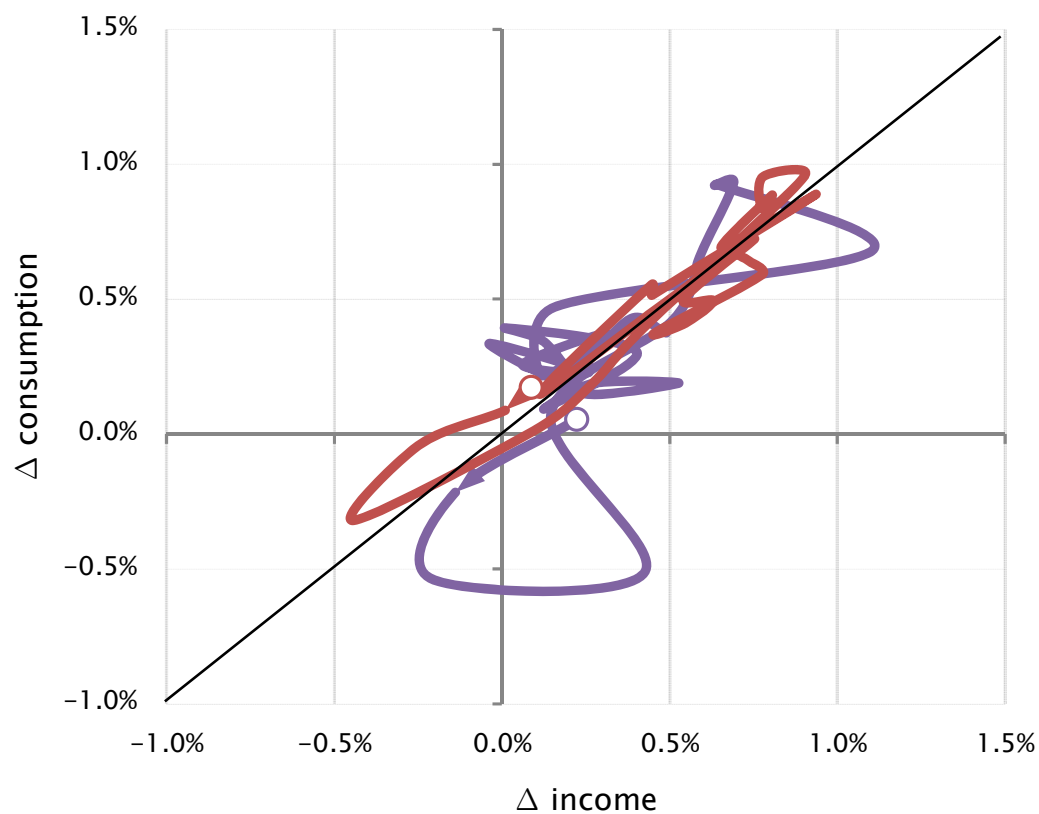


How income & consumption $\Delta\%$ affect saving rates



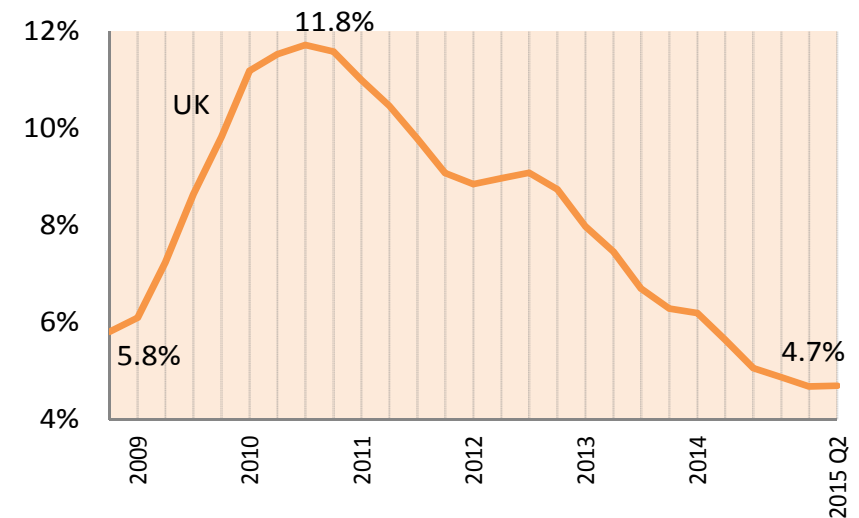
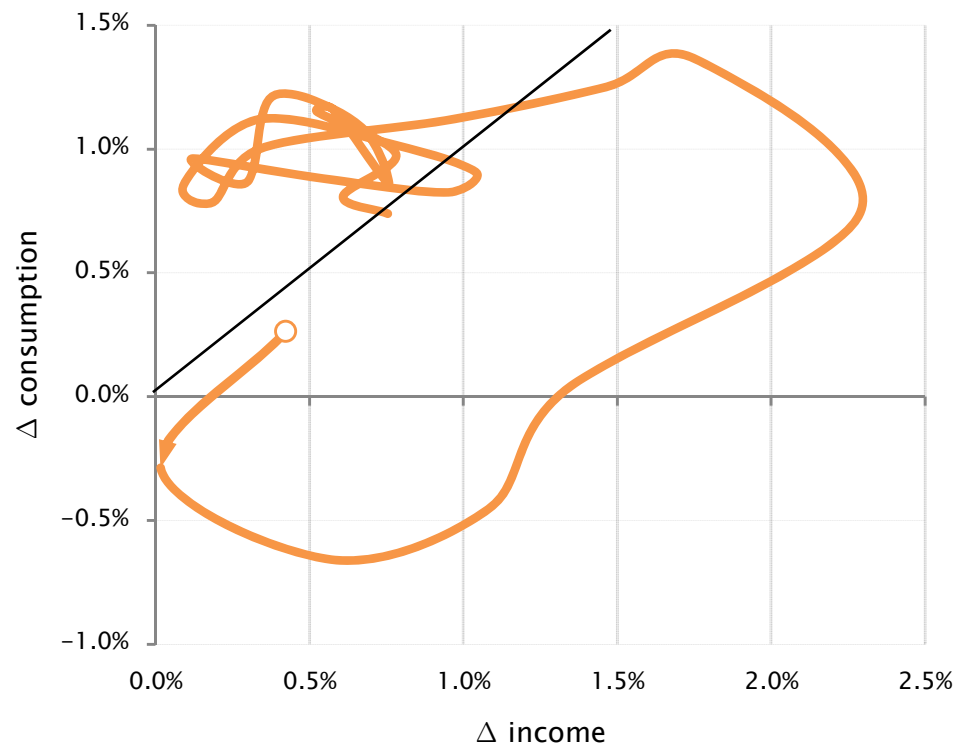


How income & consumption $\Delta\%$ affect saving rates





How income & consumption $\Delta\%$ affect saving rates





Household financial portfolio breakdown

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High level of *direct investment* (~ 35%)

Decreasing amounts of *bank issued bonds* (5.0%)

Negligible level of *listed shares*. High level of *unlisted* ones.

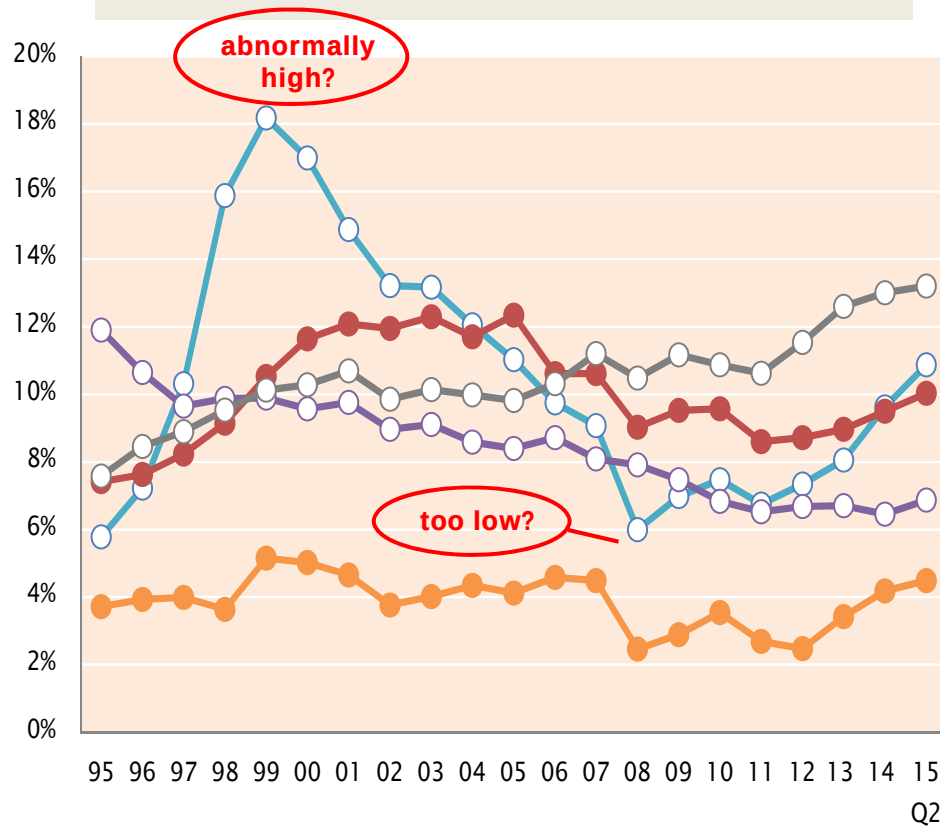
Funds: rise until 1999 (18%) then down, then again up.

Pensions/life product: up but still **too modest**.

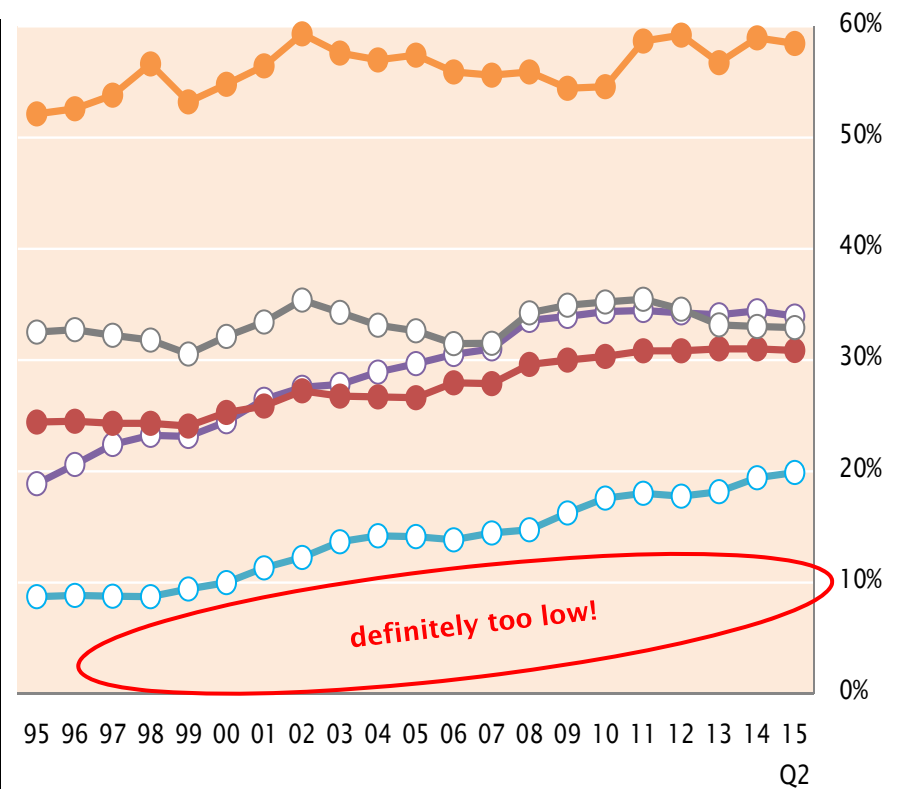


Managed products in household portfolios

Investment funds



Pension funds & life products

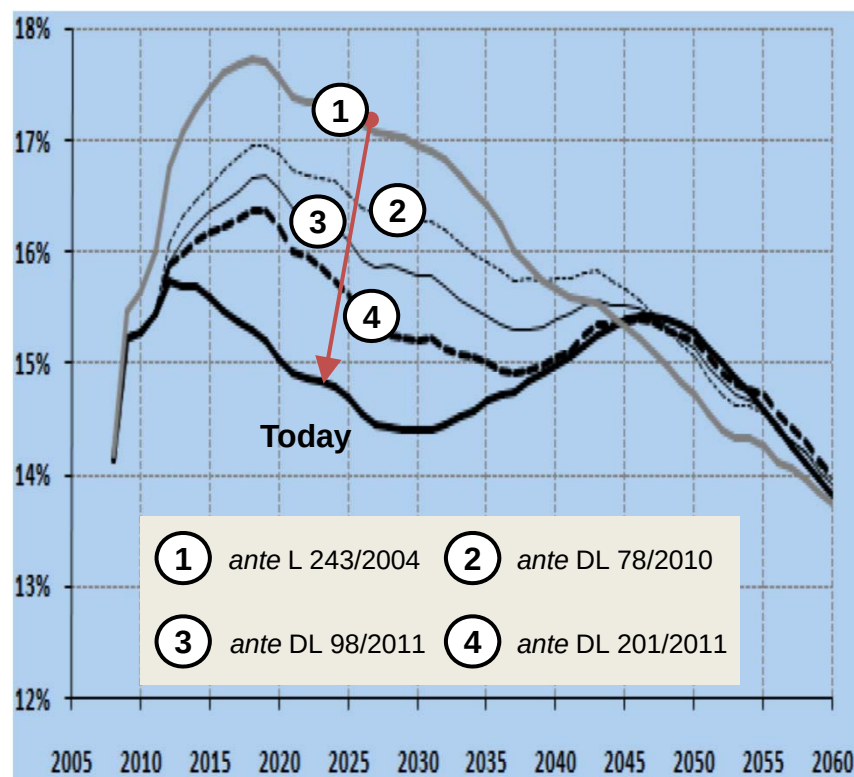


Italy France Germany United Kingdom USA

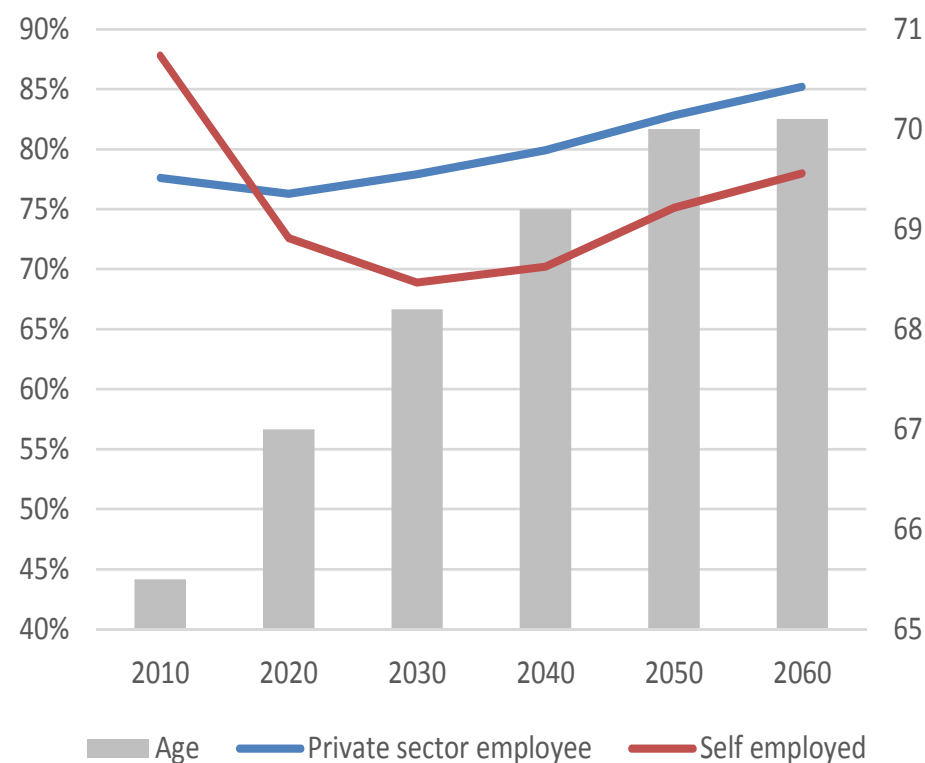


Public Pensions (1st pillar)

Cost (% GDP)



Future substitution rates Old-age pensions





Private pension plans at a glance (2nd & 3rd pillar)

	2014			2008		
		Working pop.	Membership	Membership		
	(,000)	(est.)	rate	rate		
Member breakdown	6,540	22,375	29%	21%		
Private sector employees	4,528	13,523	33%	26%		
Public sector employees	173	3,335	5%	4%		
Self-employed	1,839	5,517	33%	19%		
	2014 Members			Assets		
	(,000)	%	'14 Δ %	6y Δ %	(€ m)	% GDP
Vehicle breakdown	6,540	100%	+6%	+35%	130,941	8.5%
Contractual p.f.	1,944	30%	-0%	-5%	39,644	
Open p.f.	1,056	16%	+7%	+24%	13,980	
Ind. Insurance Plans (PIP)	2,913	44%	+10%	+112%	23,219	
Ante 1993 p.f. ('pre-existing')	650	10%	-0%	-4%	54,033	

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