

The Italian Asset Management market key figures

23 June 2016

Research Department



1. The Italian Asset Management market

- ☐ Summary statistics
- ☐ Open-end funds
- ☐ Mandates
- ☐ A snapshot of the insurance market
- ☐ 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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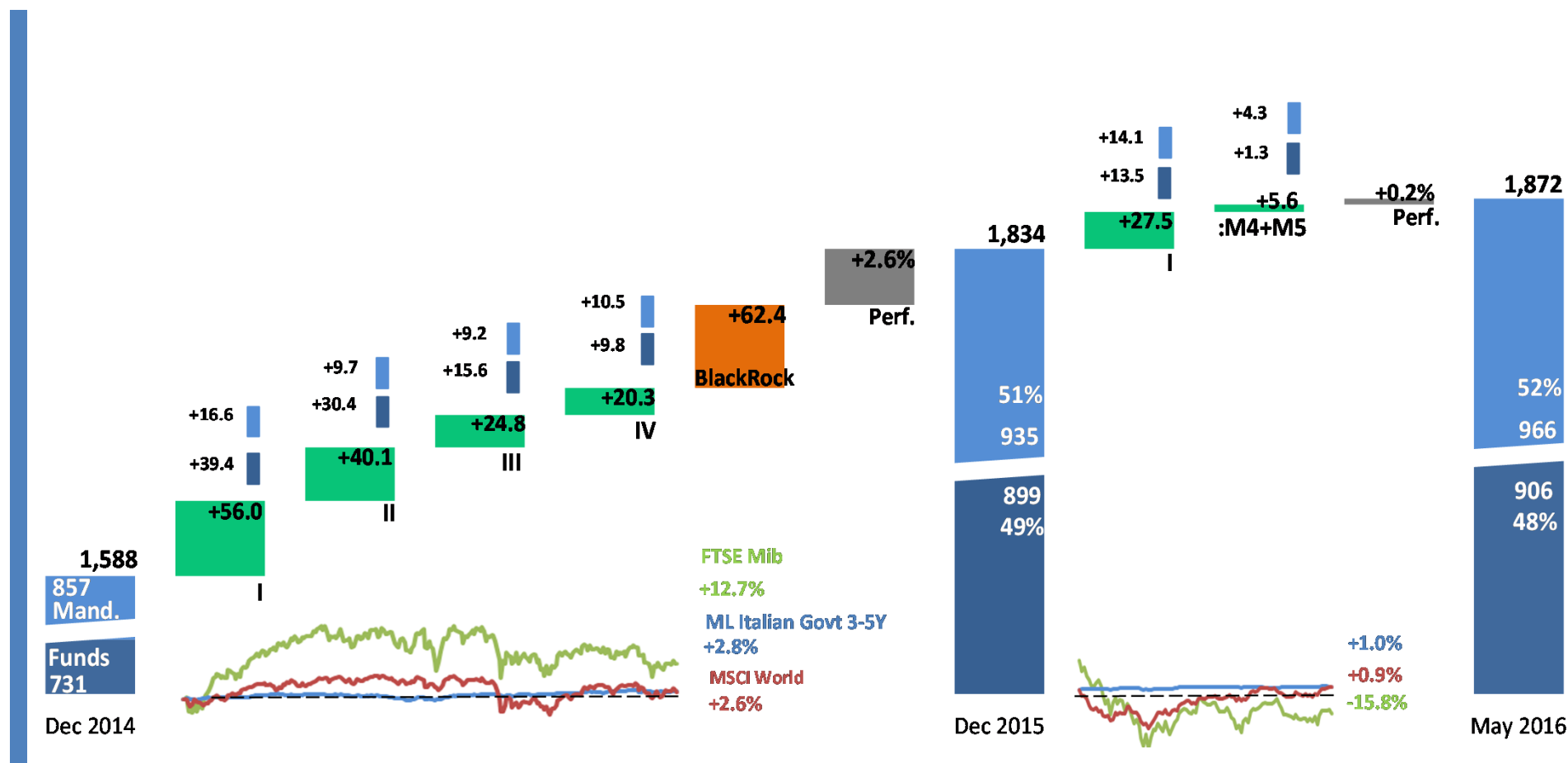
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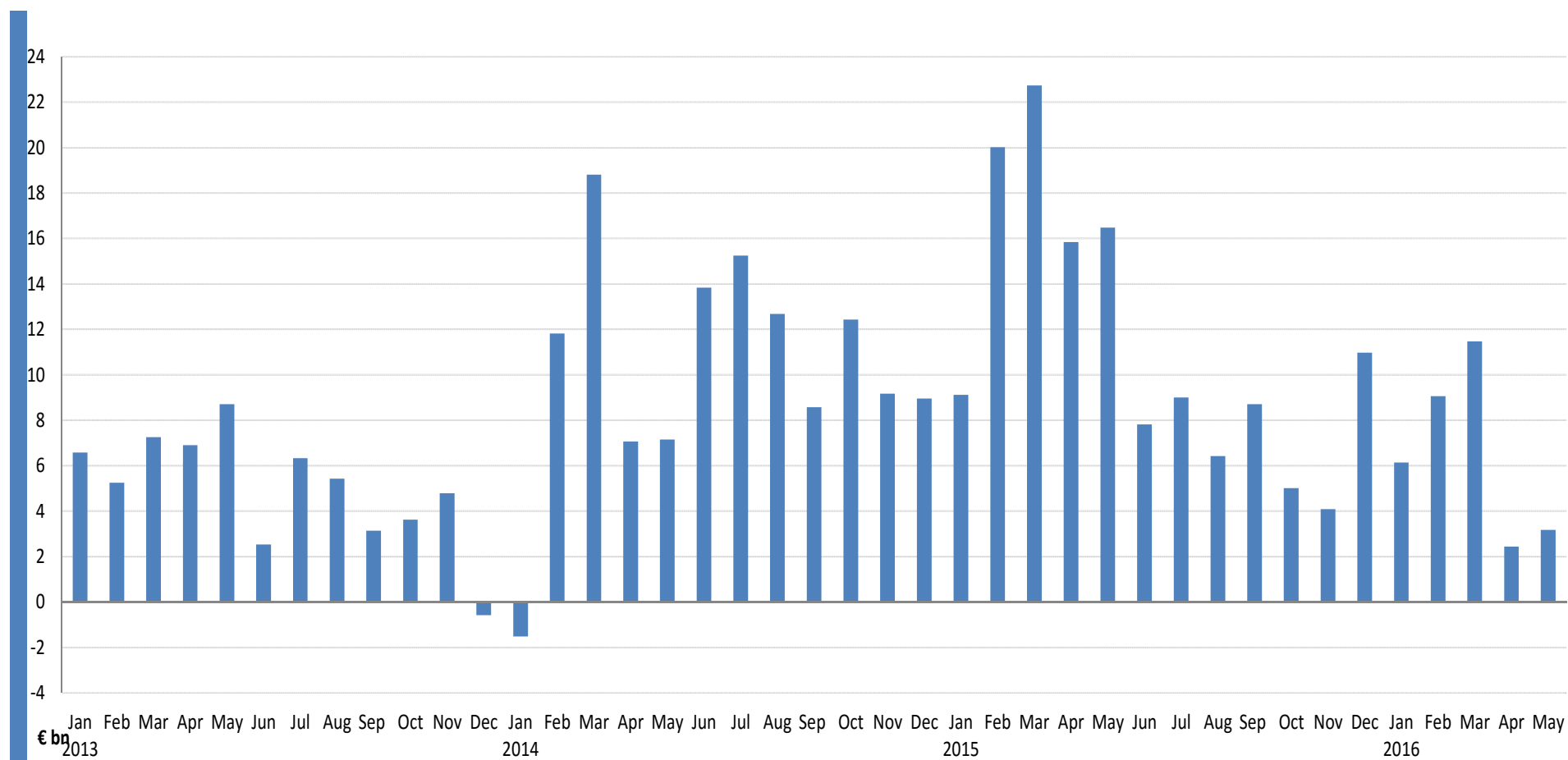


The Italian AM market (Jan 2015: May 2016)



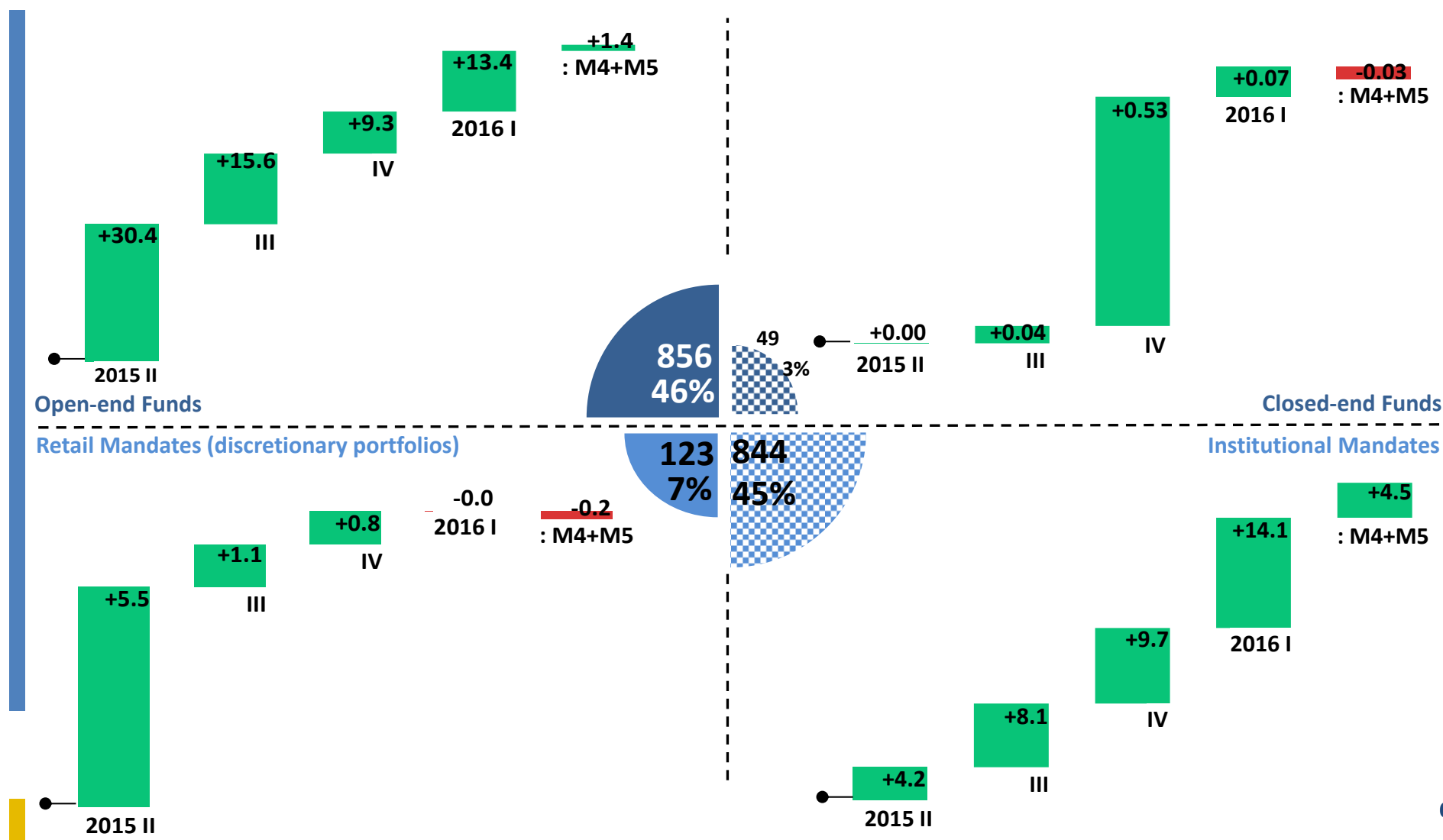


Net flows (monthly data)



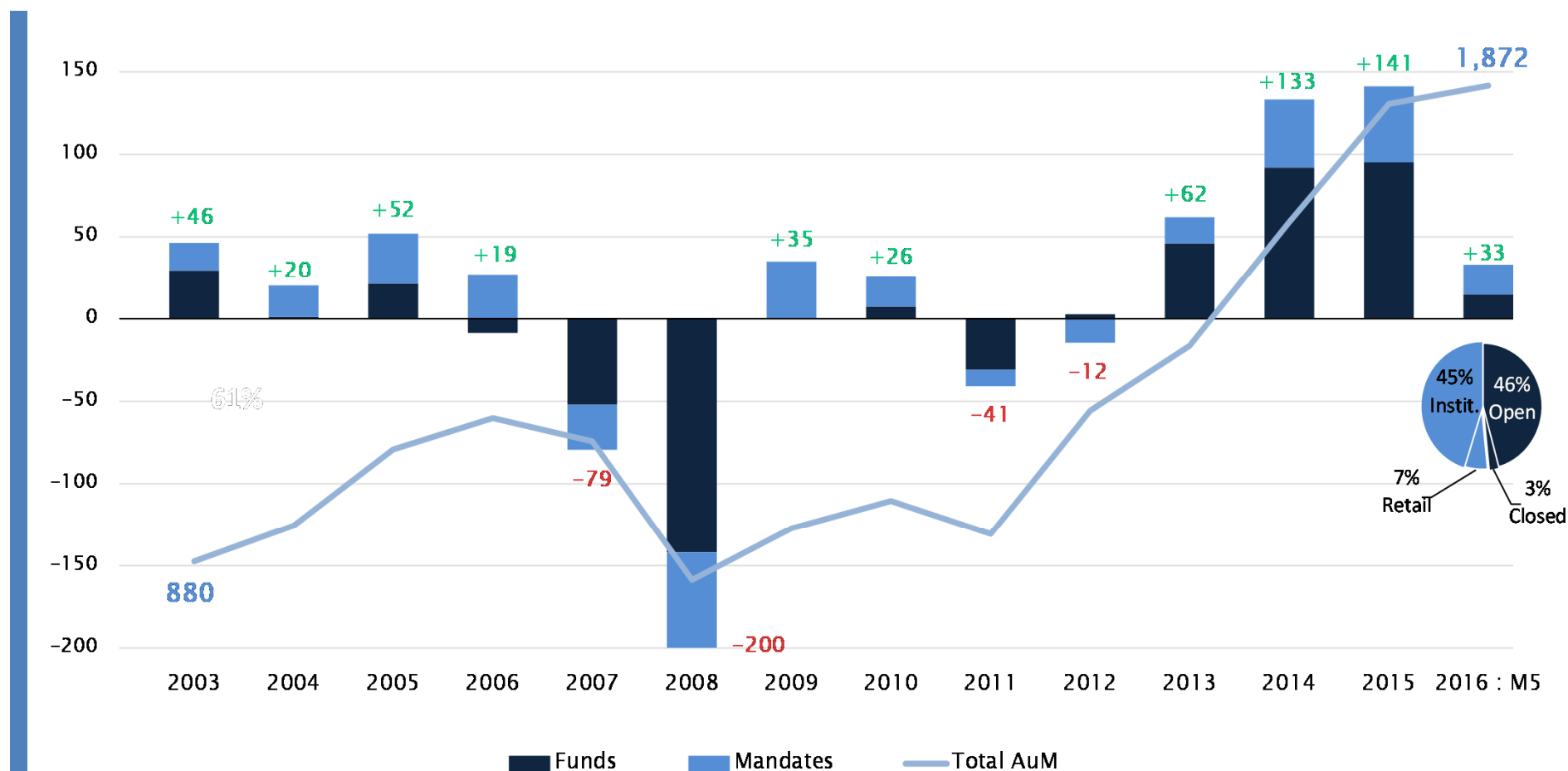


Product breakdown



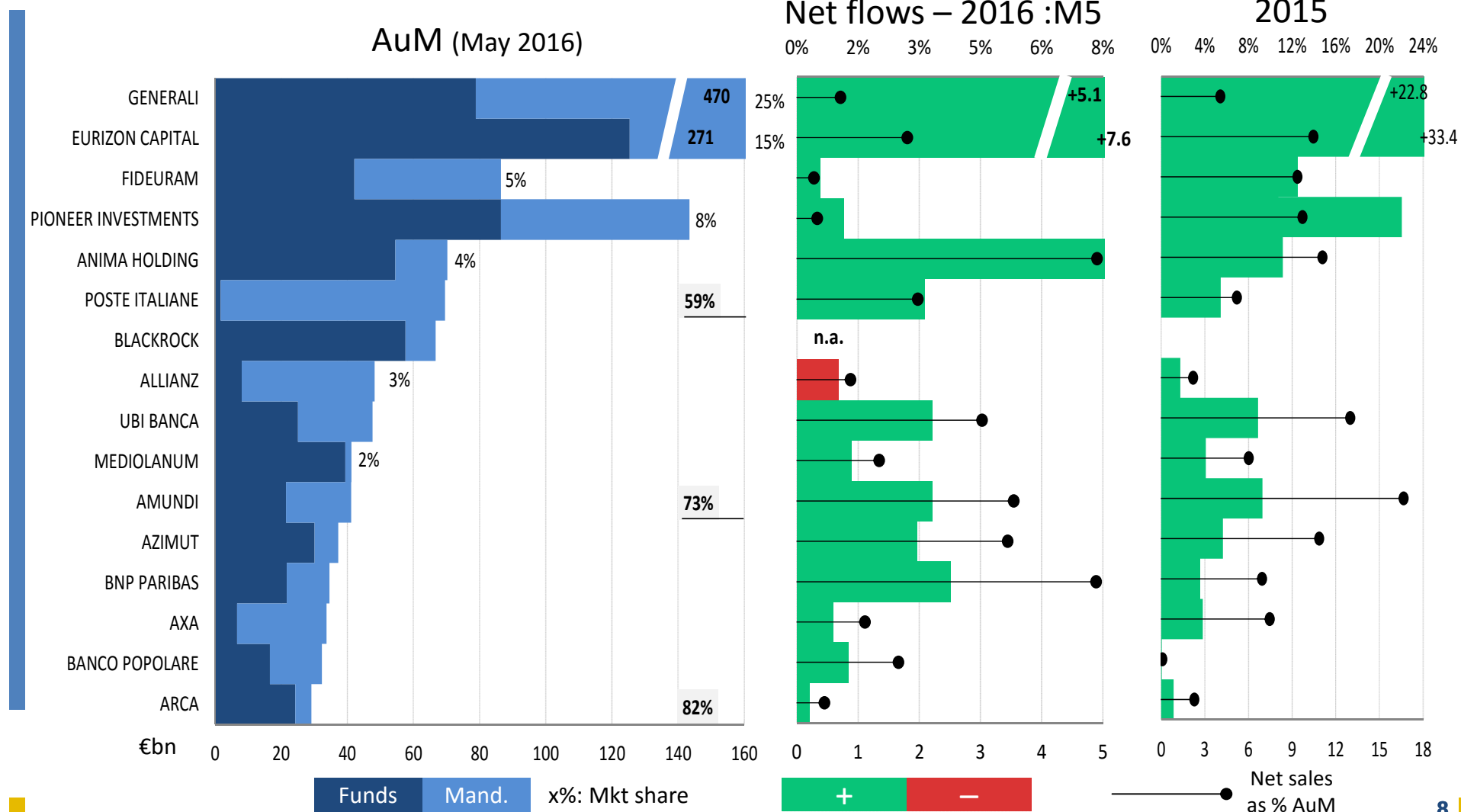


Long term trend



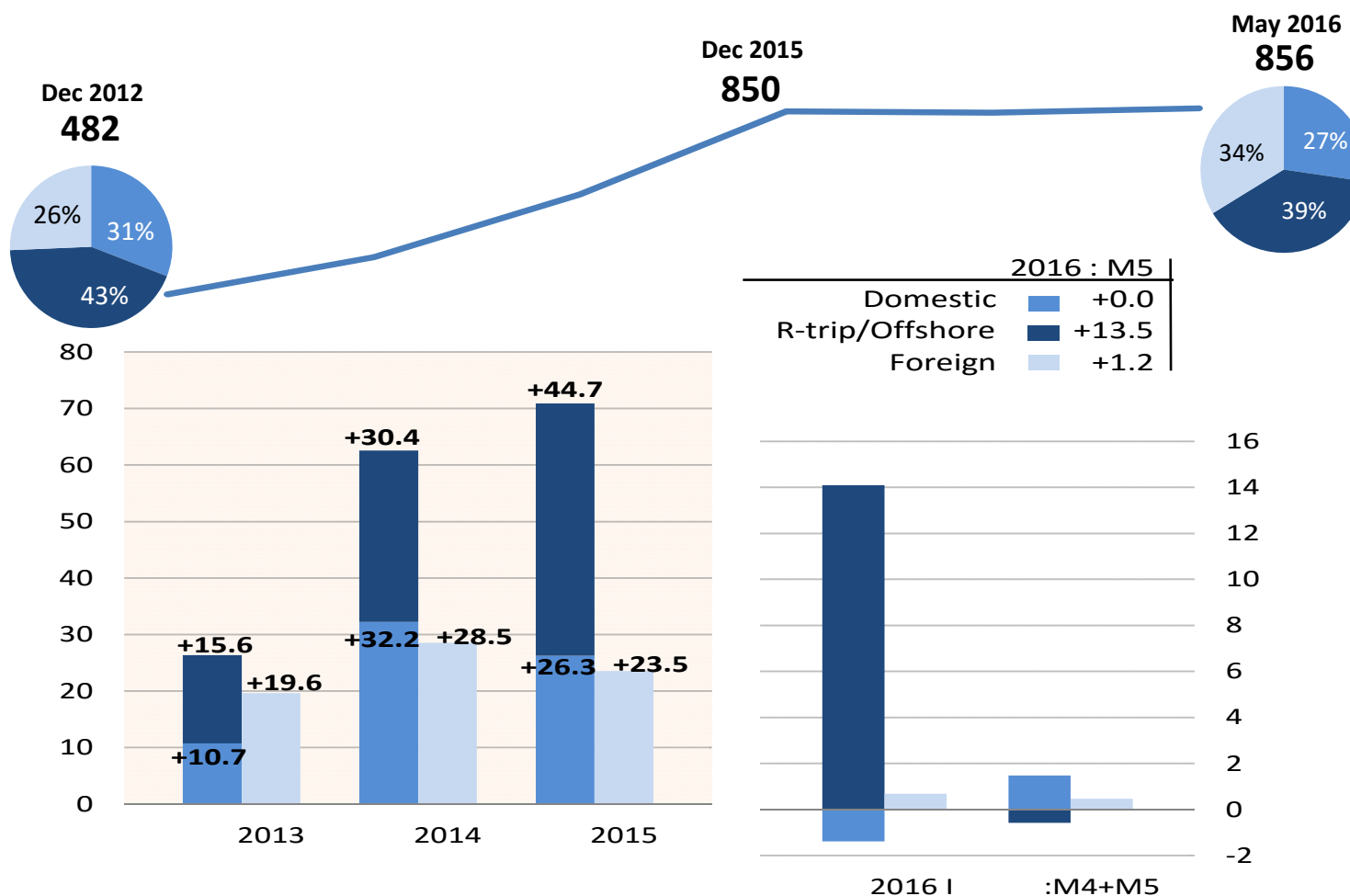


Top 15 Groups



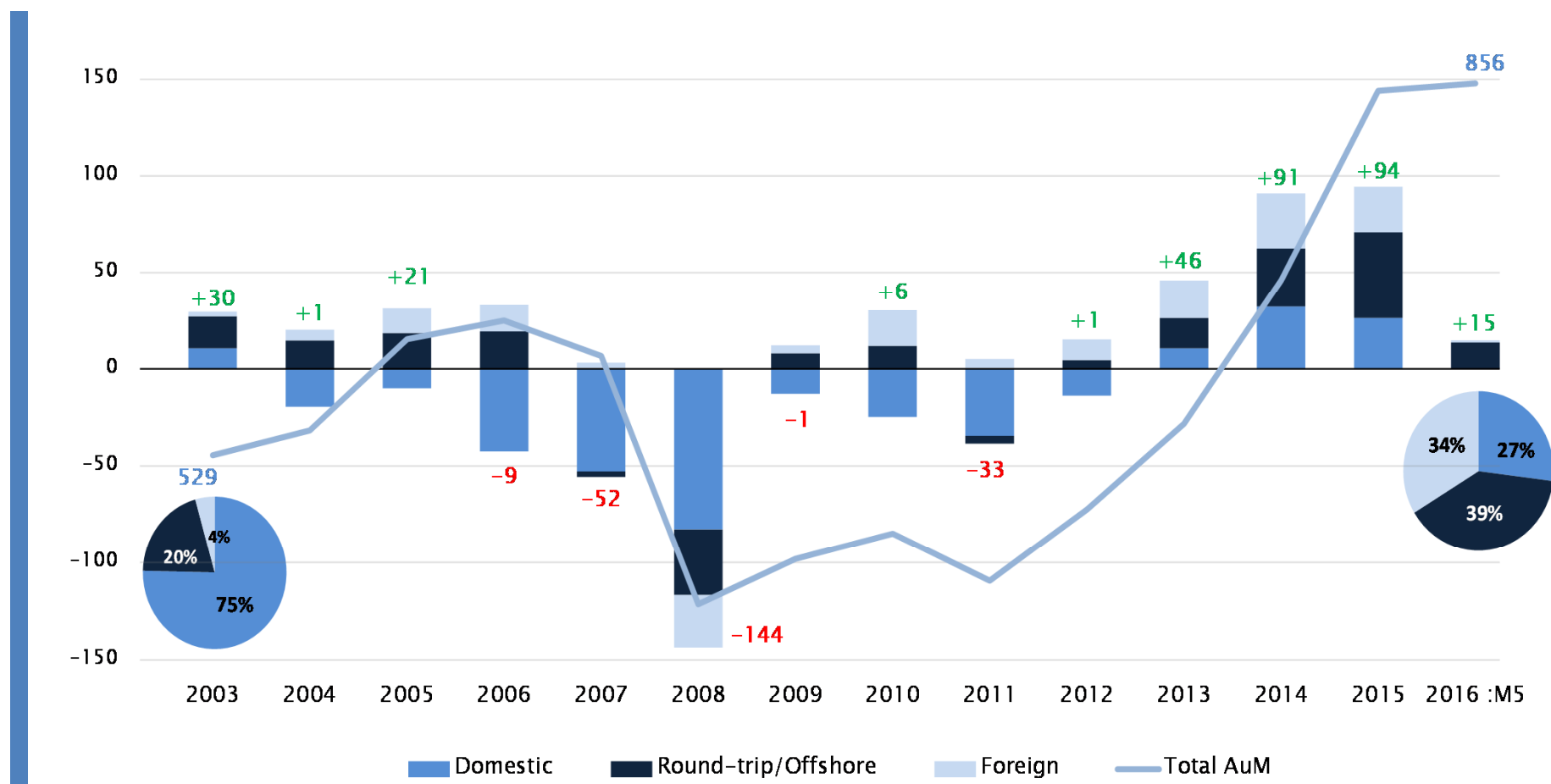


Open-end funds: domicile breakdown



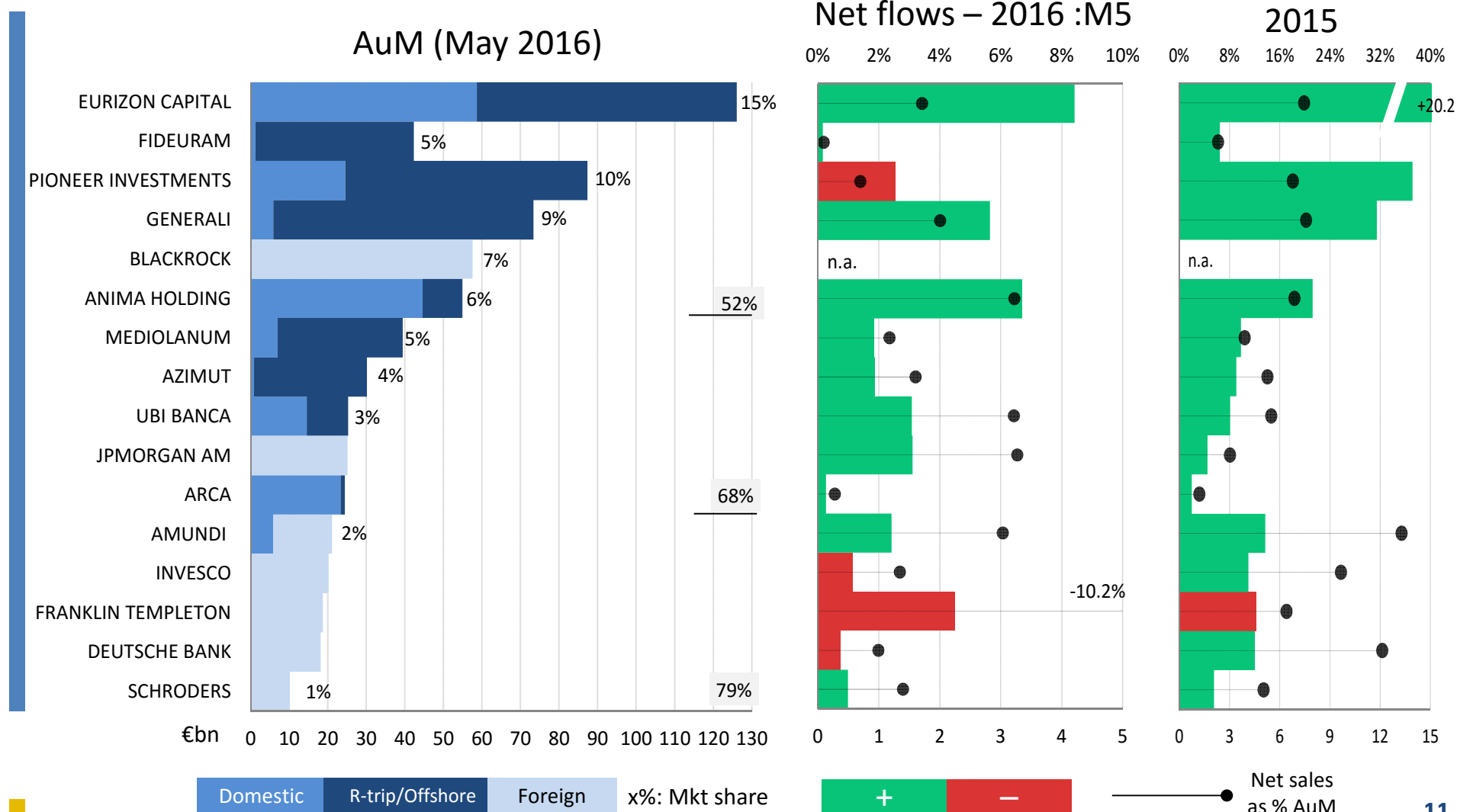


Long term trend: open-end funds



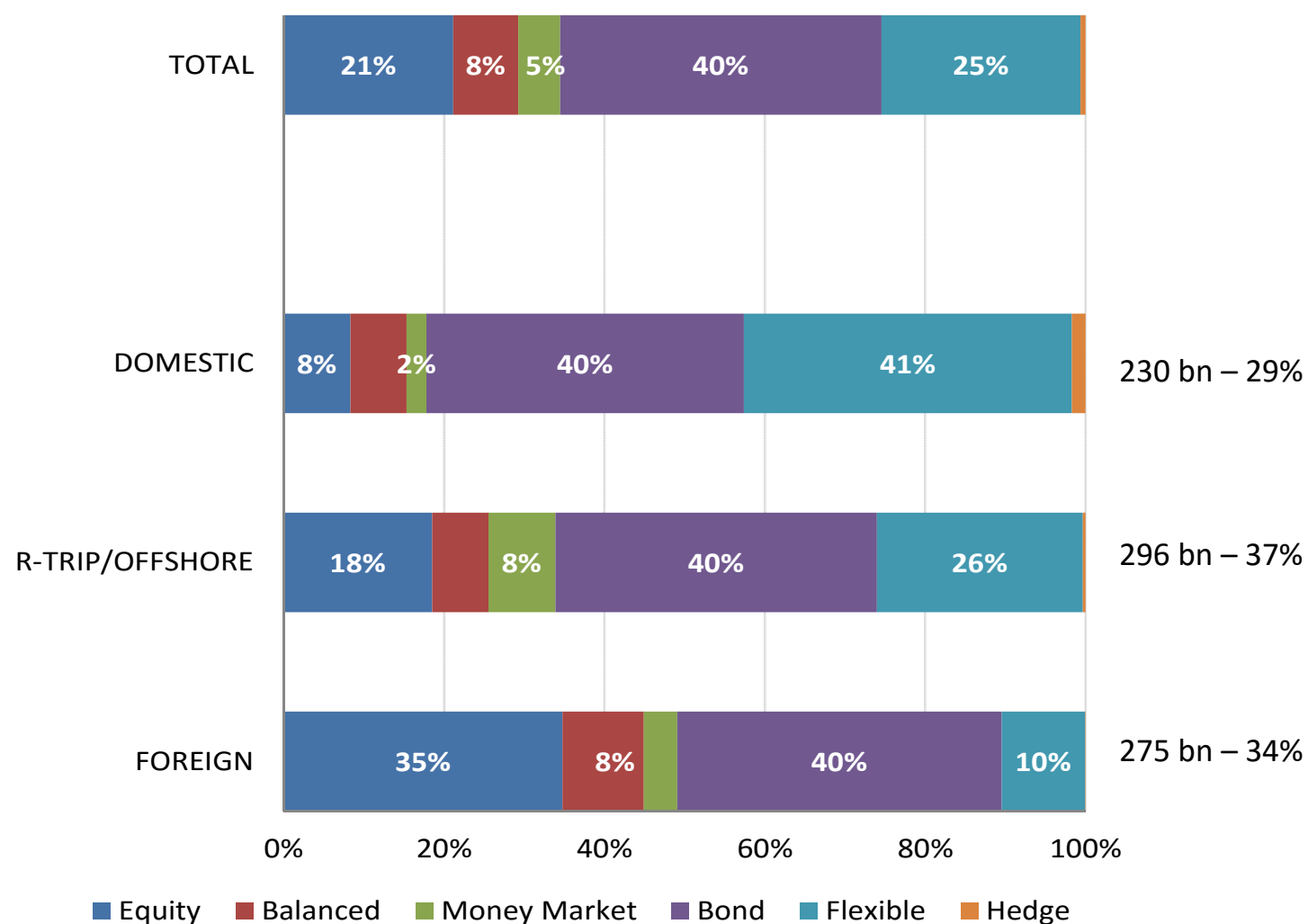


Top 15 Groups (open-end funds only)



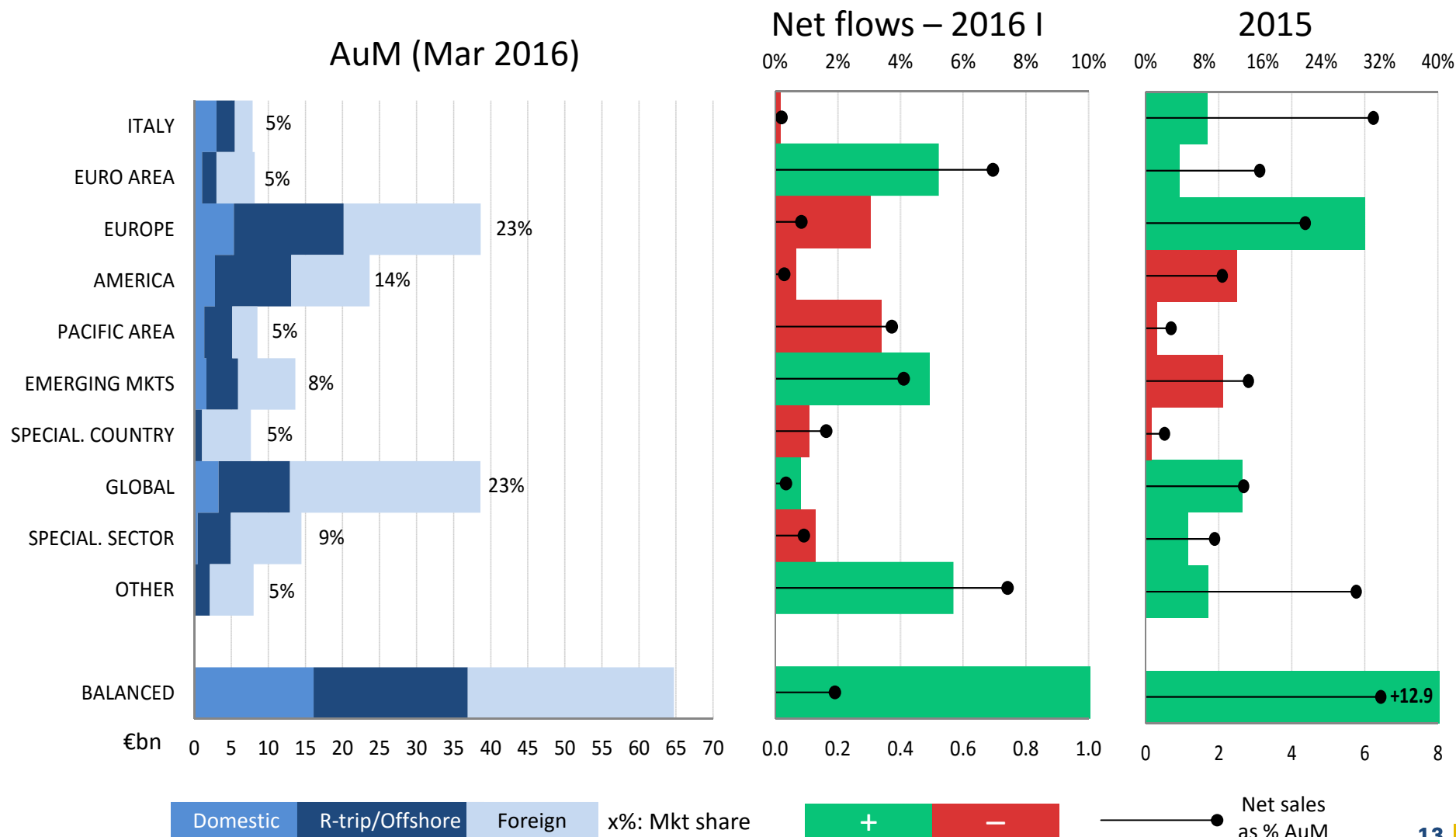


Asset Class breakdown



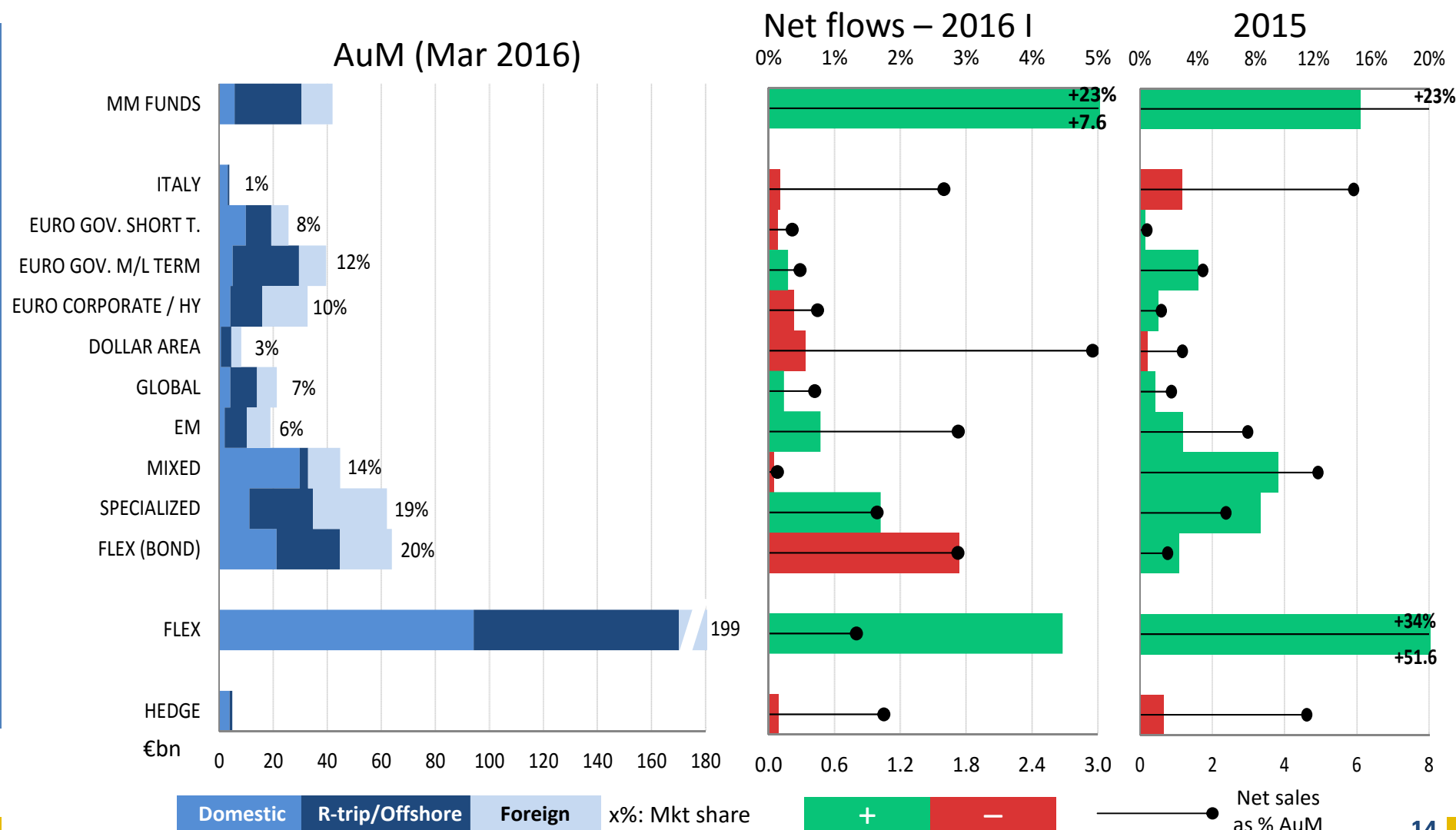


Equity & balanced funds



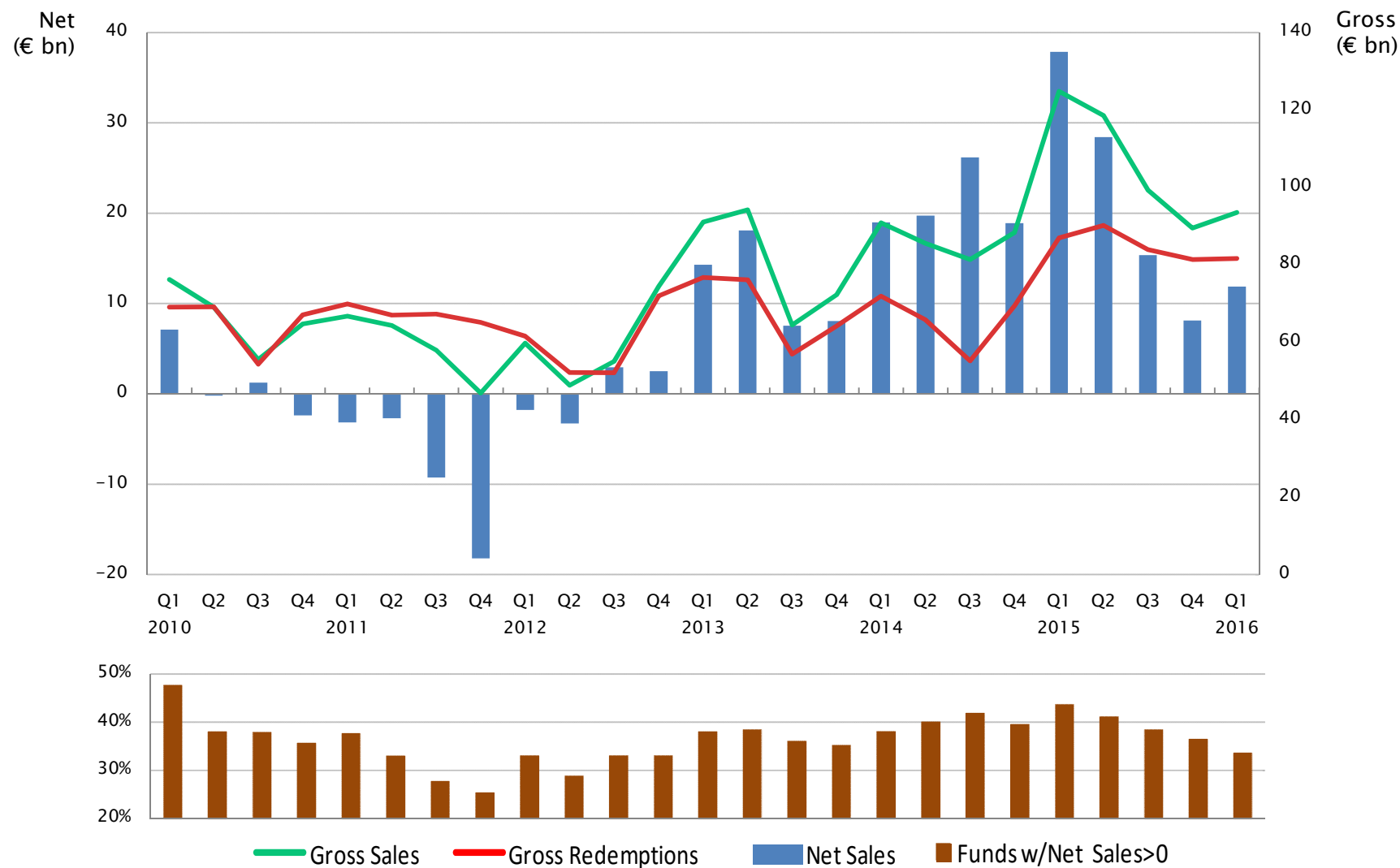


Money mkt, Bond, Flex & Hedge funds



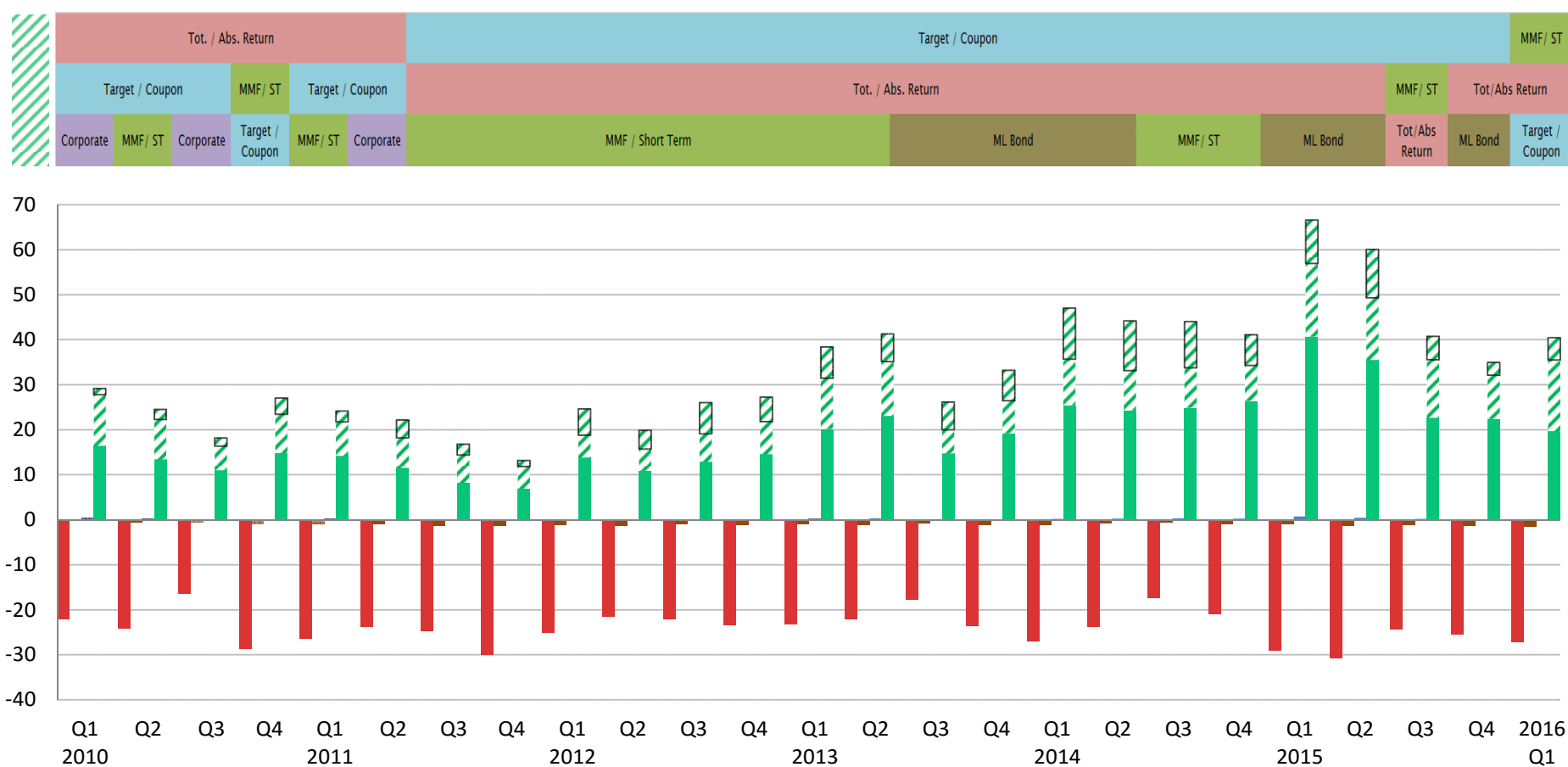


Net & gross flows



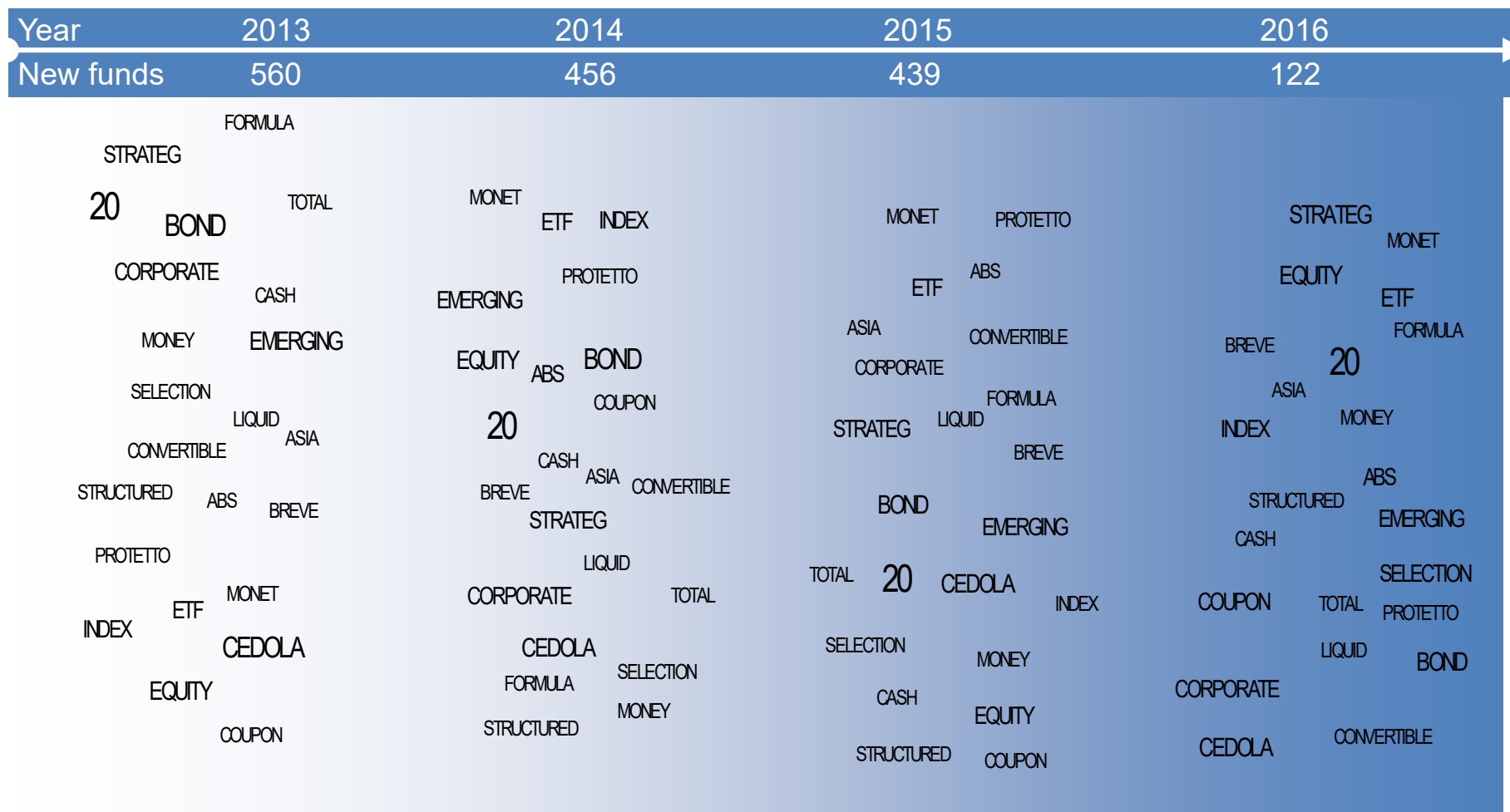


The *blockbuster effect*: top quartile funds take all



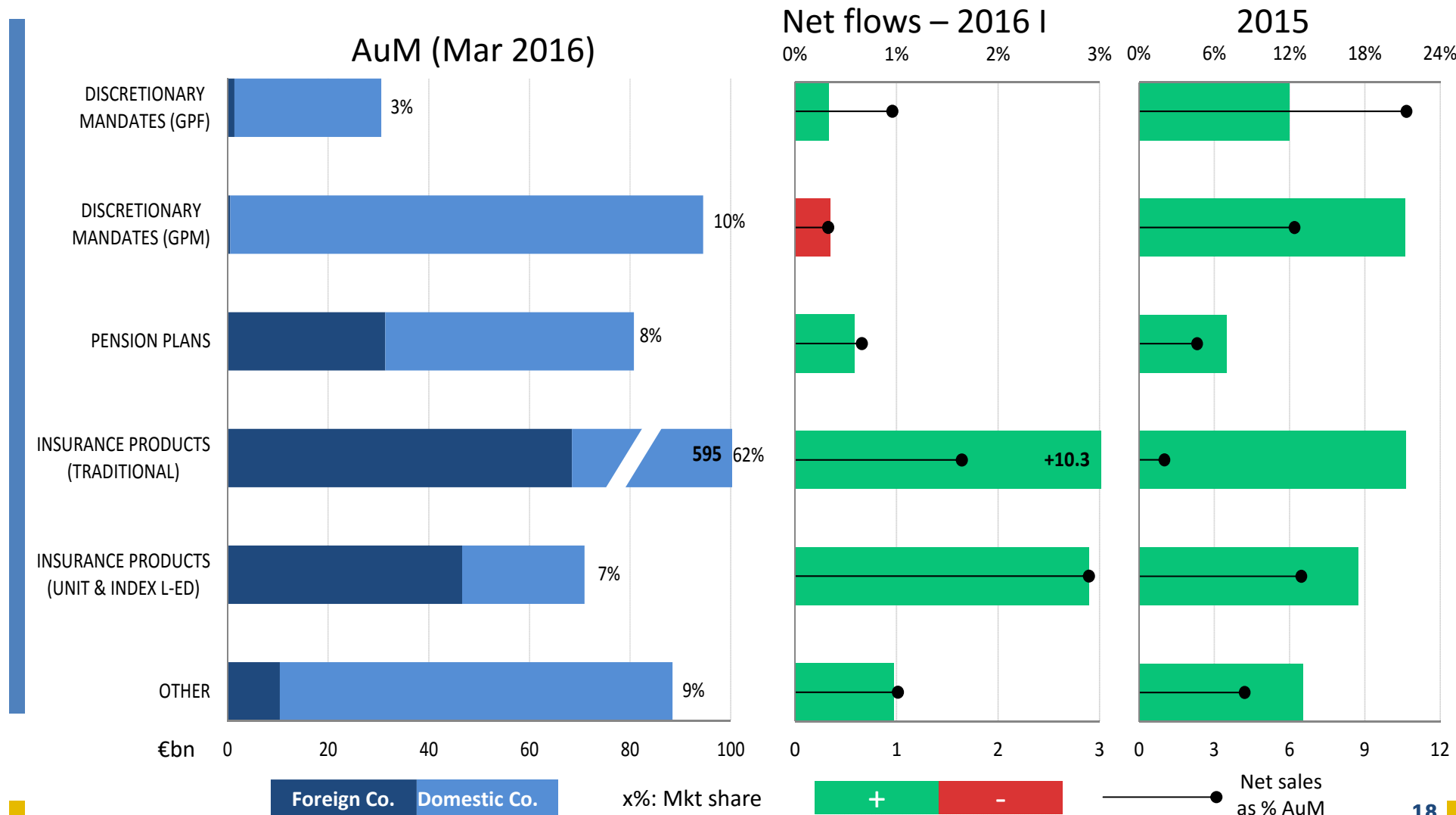


New stories tag cloud



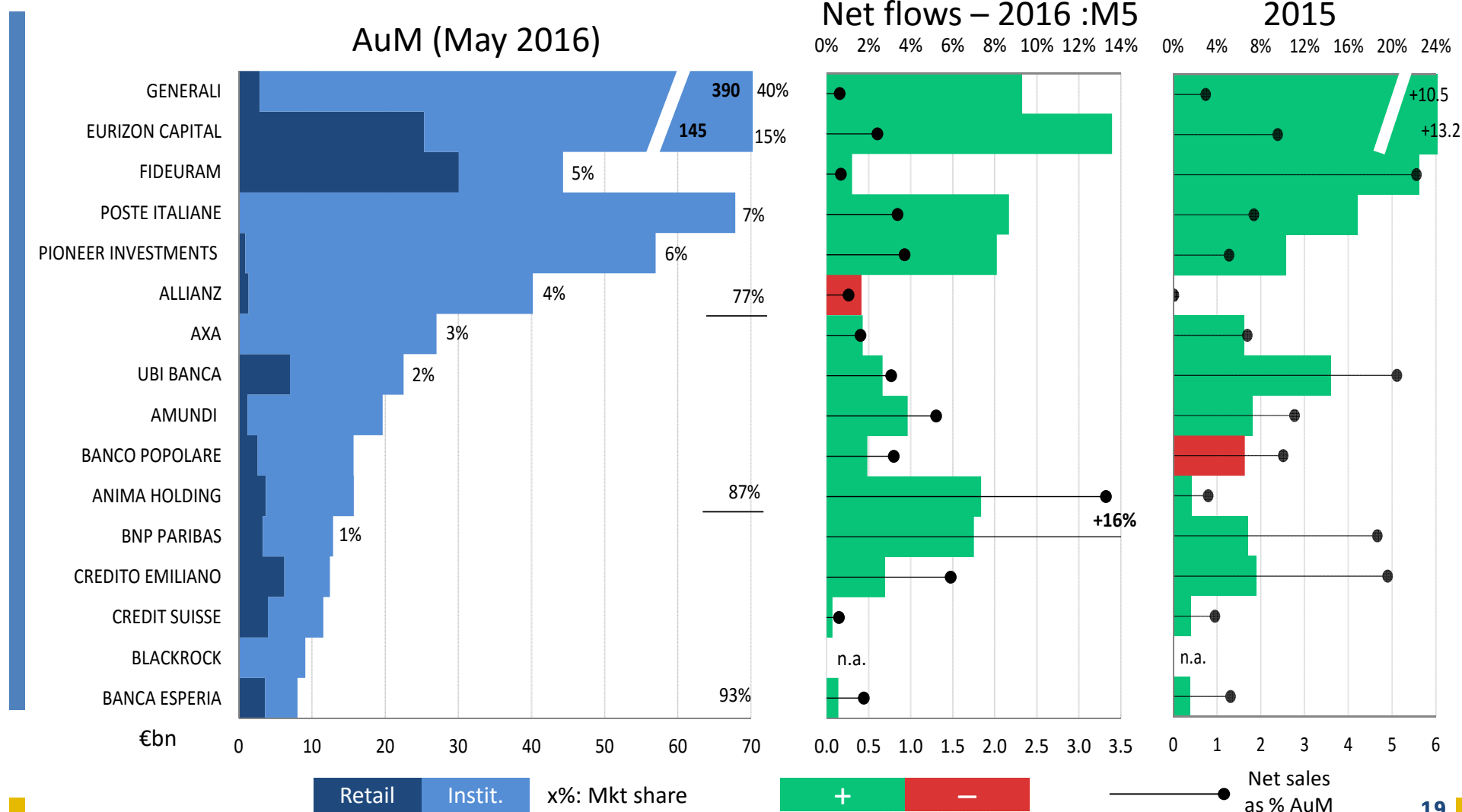


Mandates: AuM & Net Sales trends



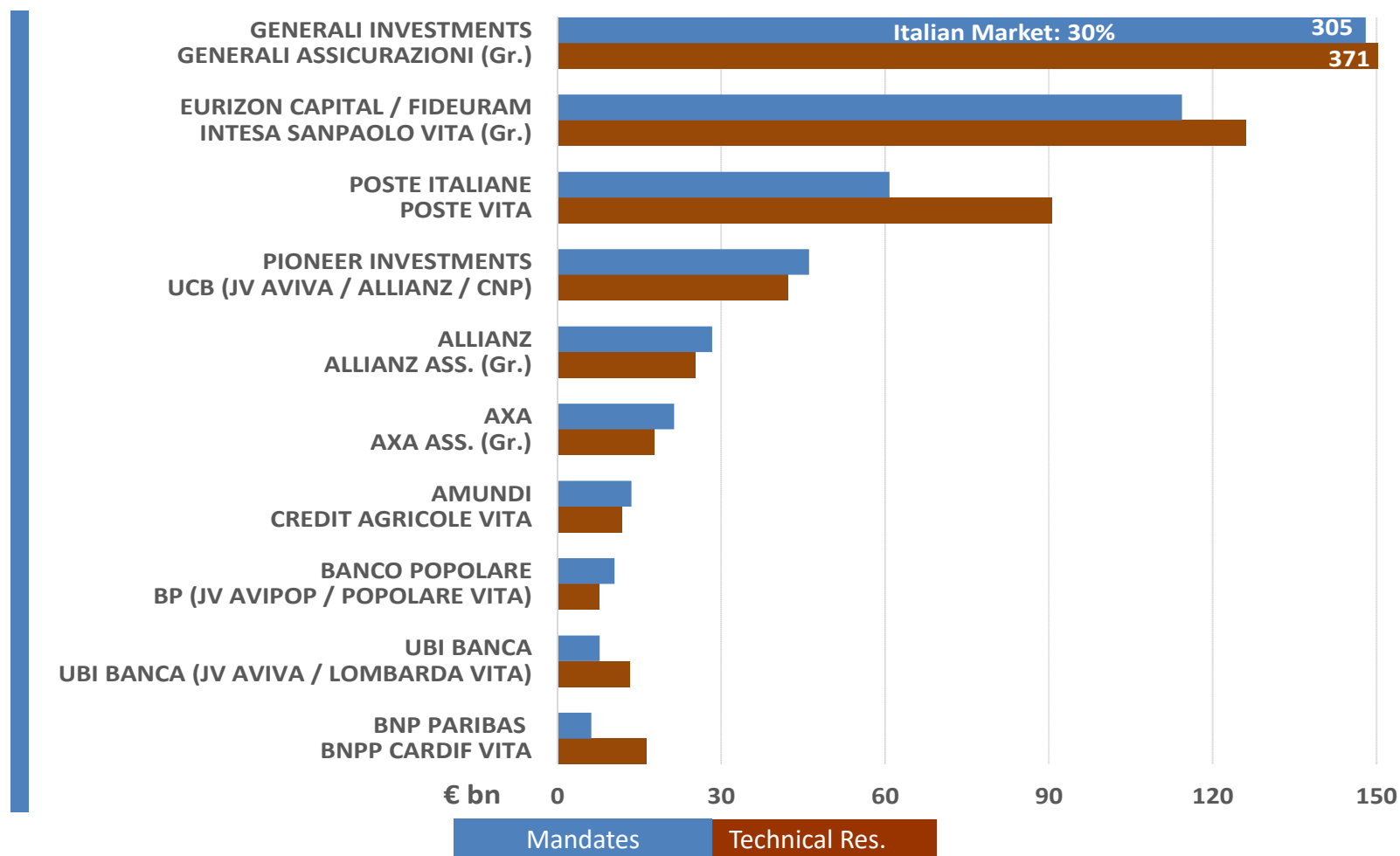


Top 15 Groups (mandates only)

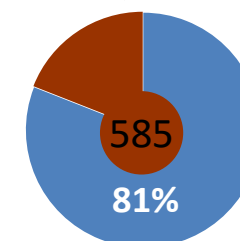




Insurance Mandates & Captive/Affiliated Insurers

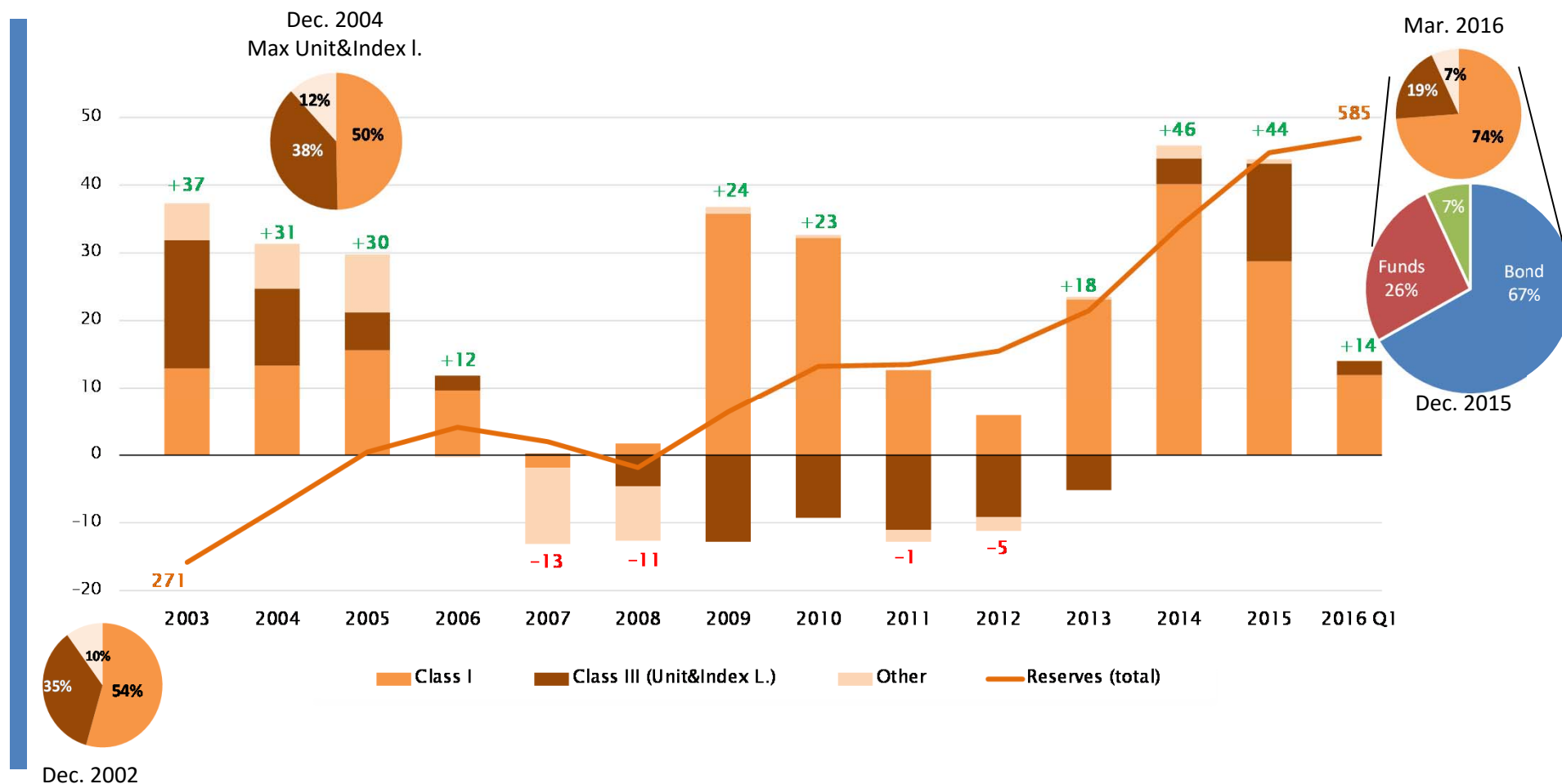


Italian insurance
market (Mar 2016)





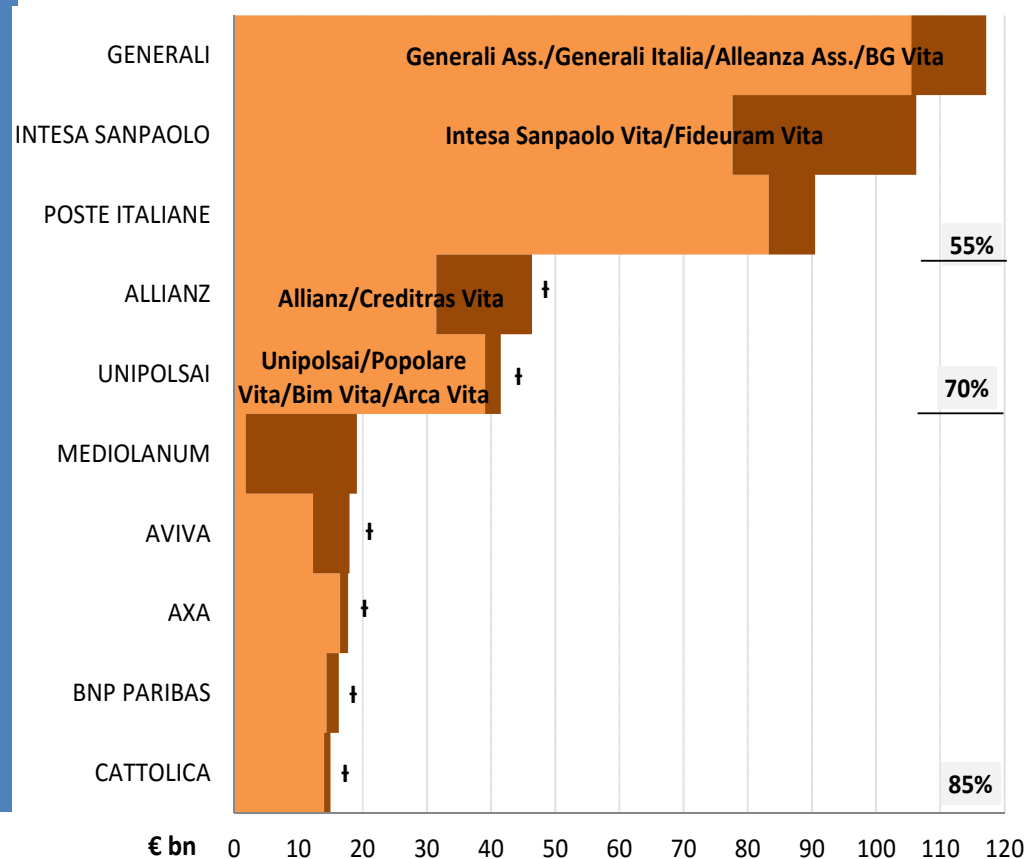
Life Insurance Market: long-term trend





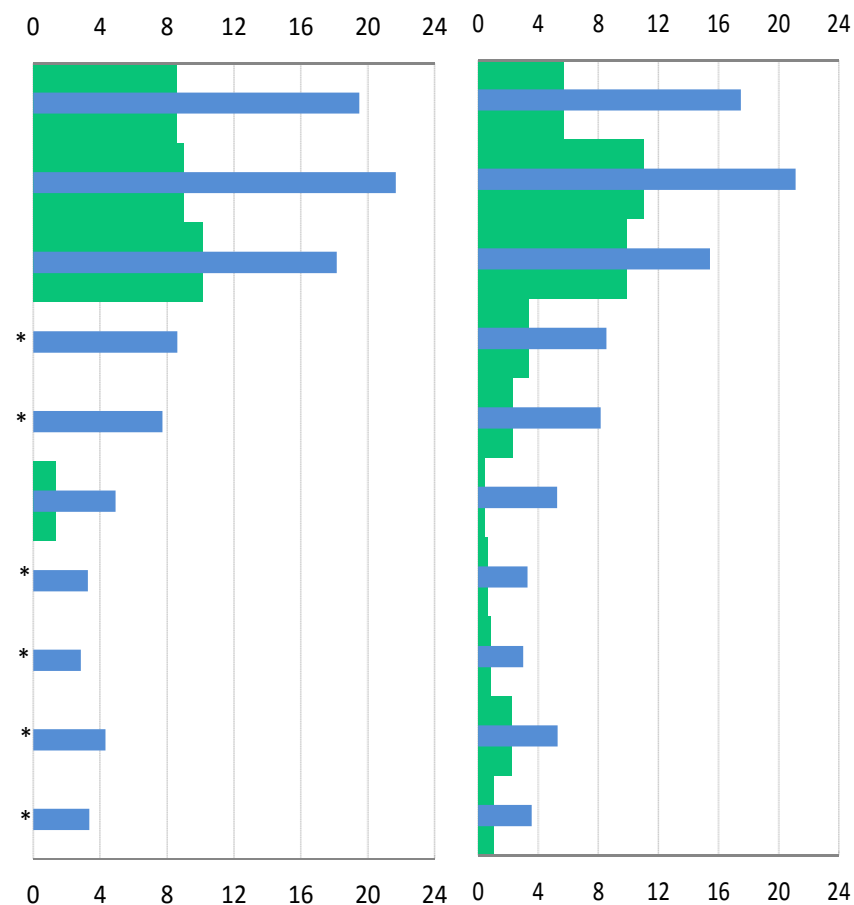
Top 10 Life Insurance Groups

Technical Reserves (Dec 2015, † 2014)



Flows – 2015

2014



Class I & Other

Class III (unit/index)

x%: Mkt share

+

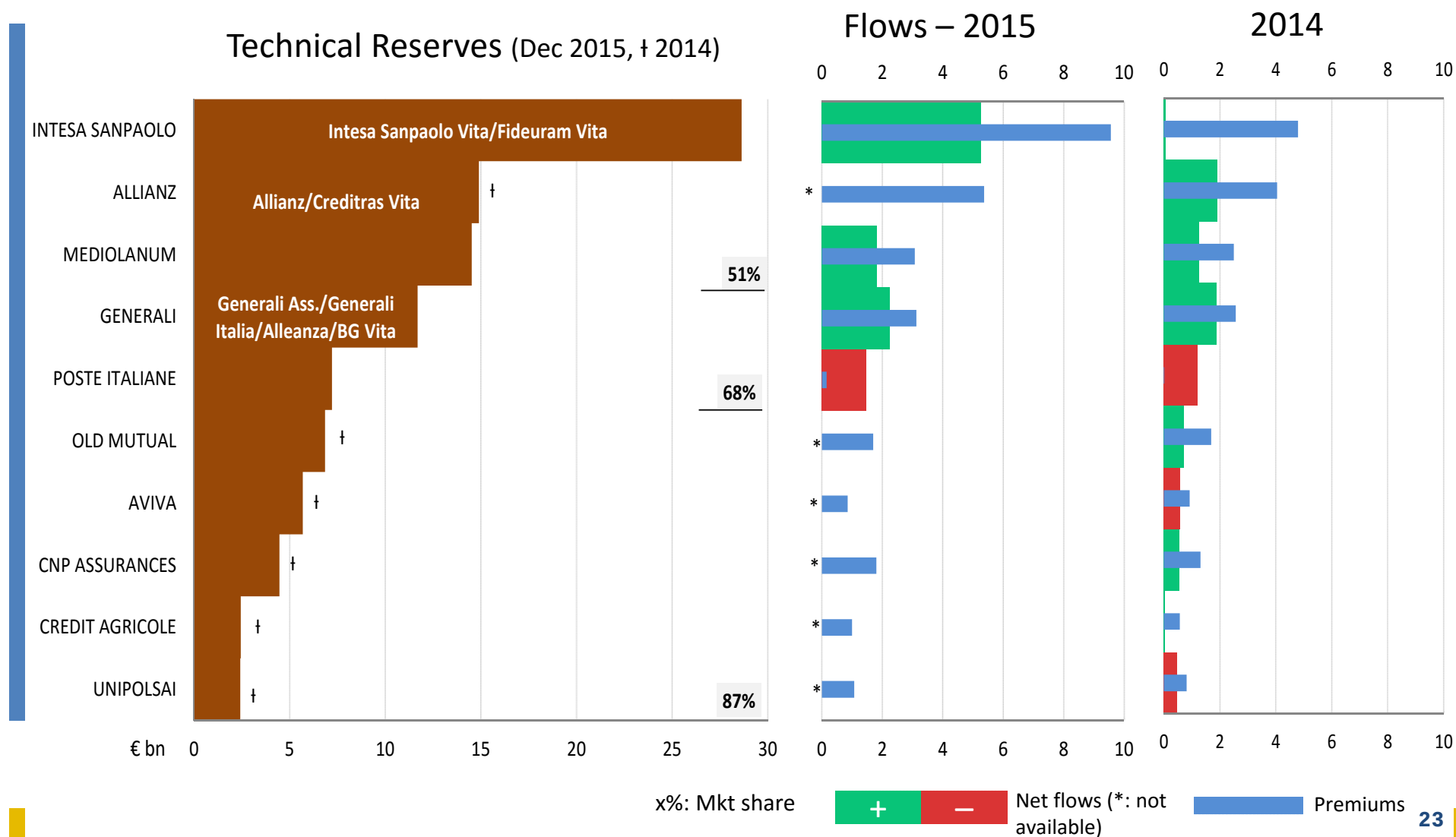
-

Net flows (*: not
available)

Premiums



Top 10 Unit&Index Linked Groups





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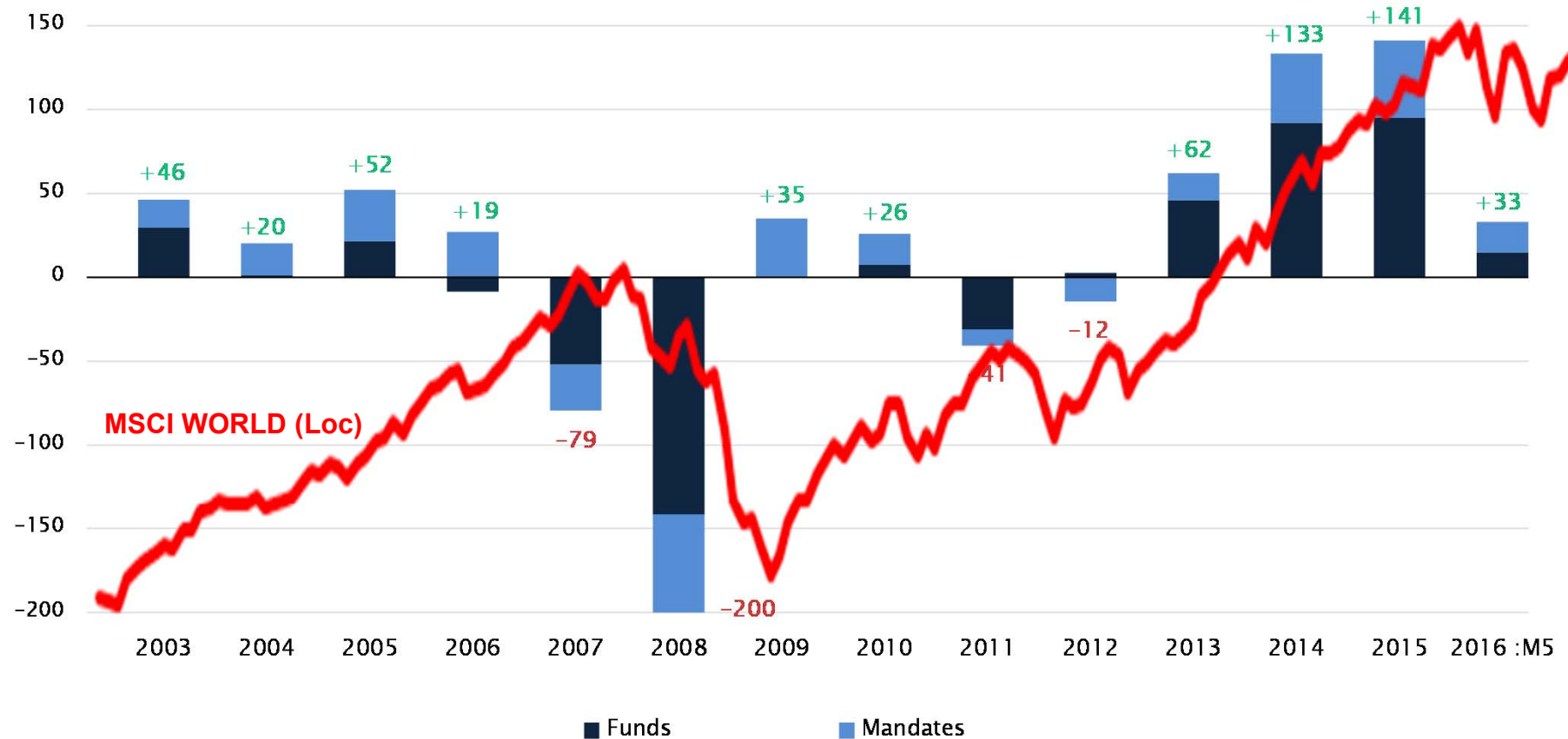
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- ☐ Household financial portfolio & private pension plans



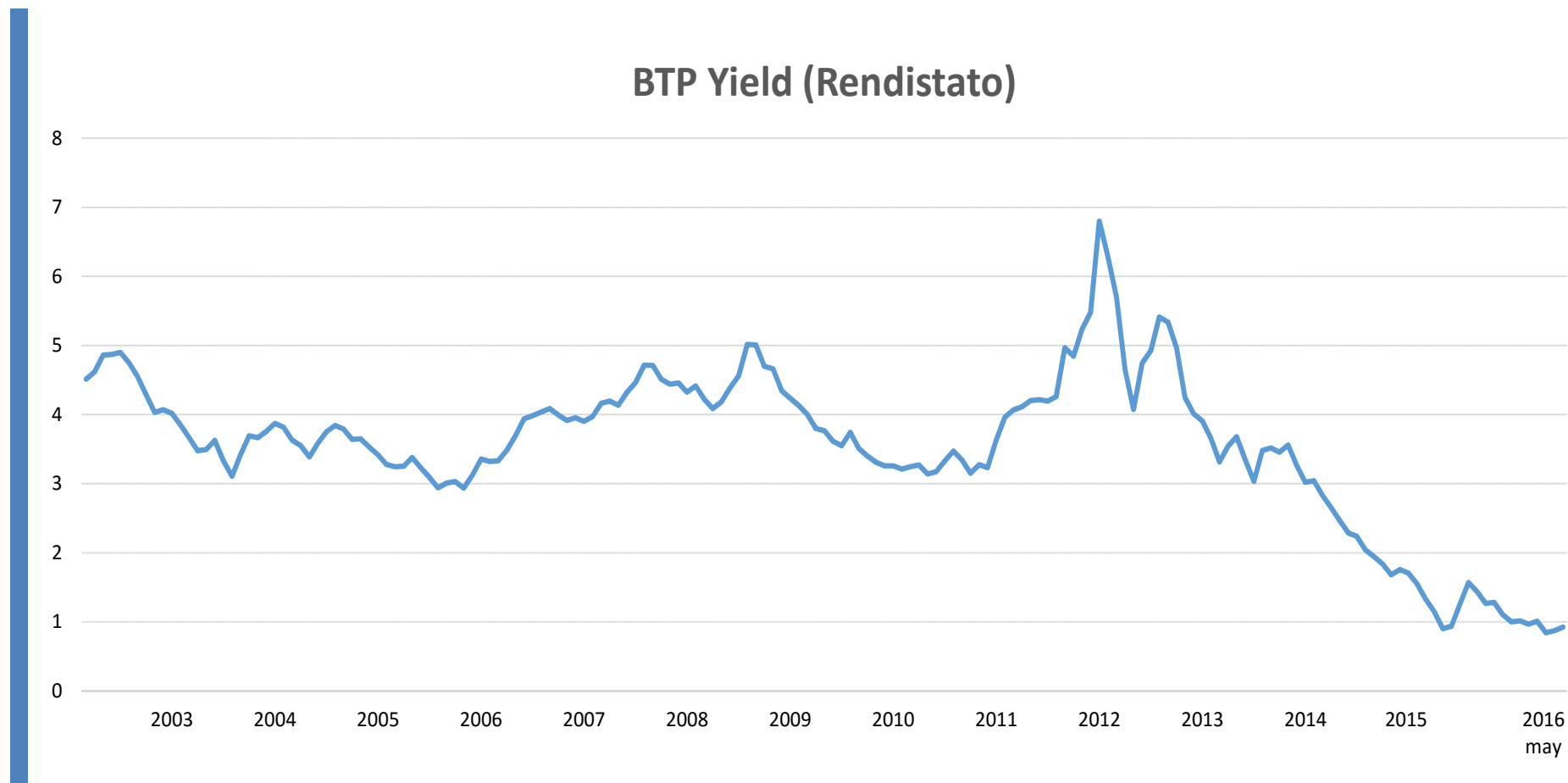
A pro-cyclical market





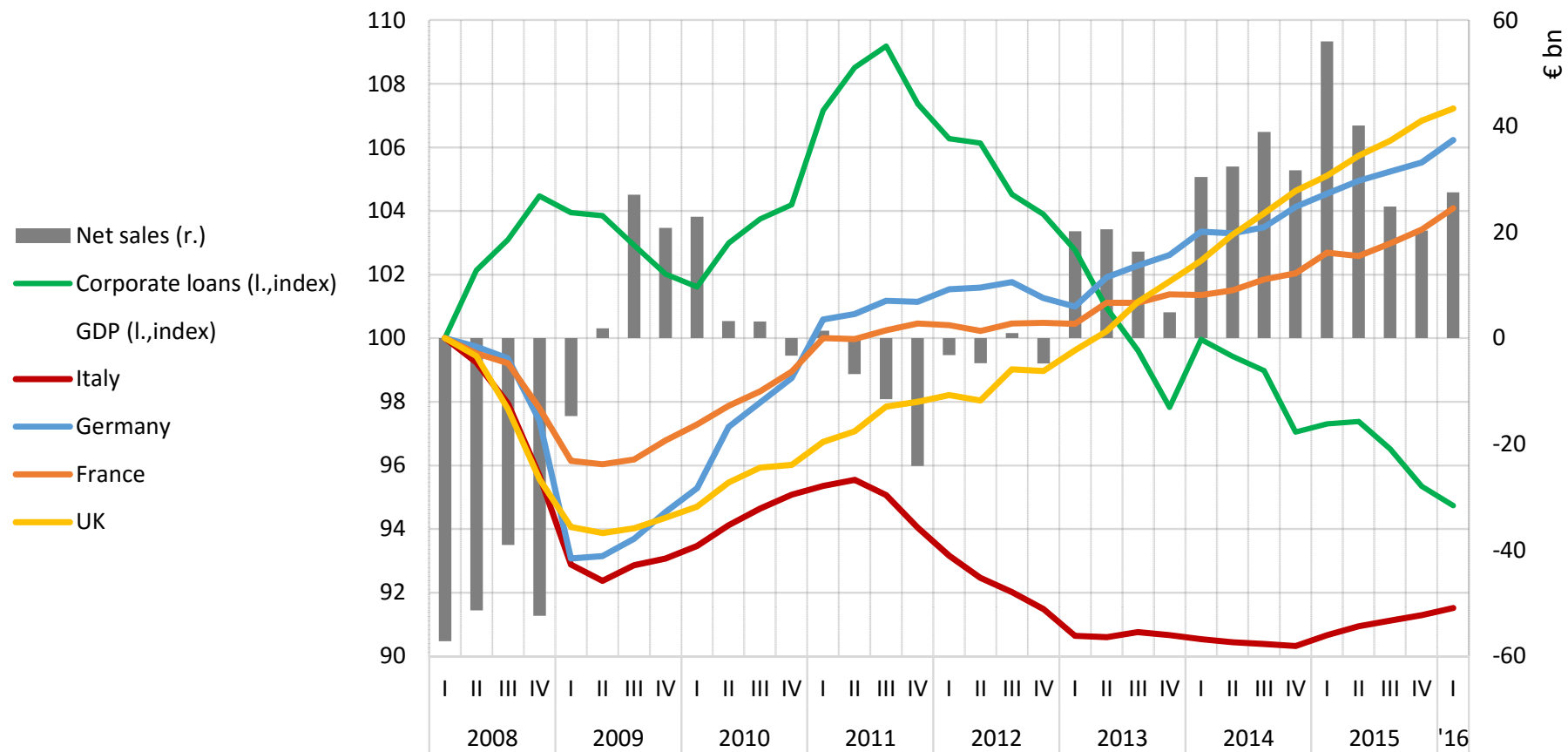
... in search for yield

BTP Yield (Rendistato)



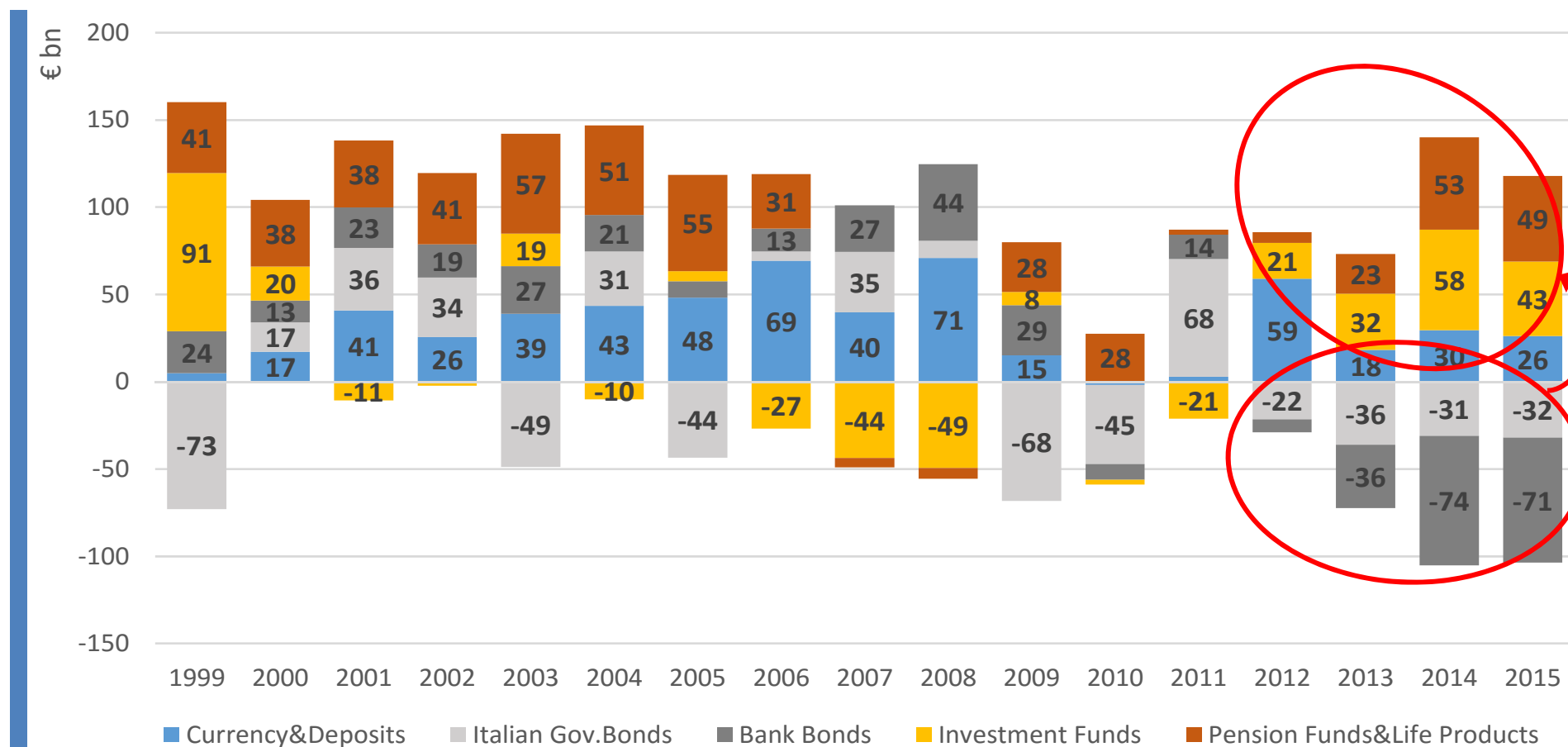


AM Market, GDP & Bank credit





Households: less bonds, more funds (flow view)



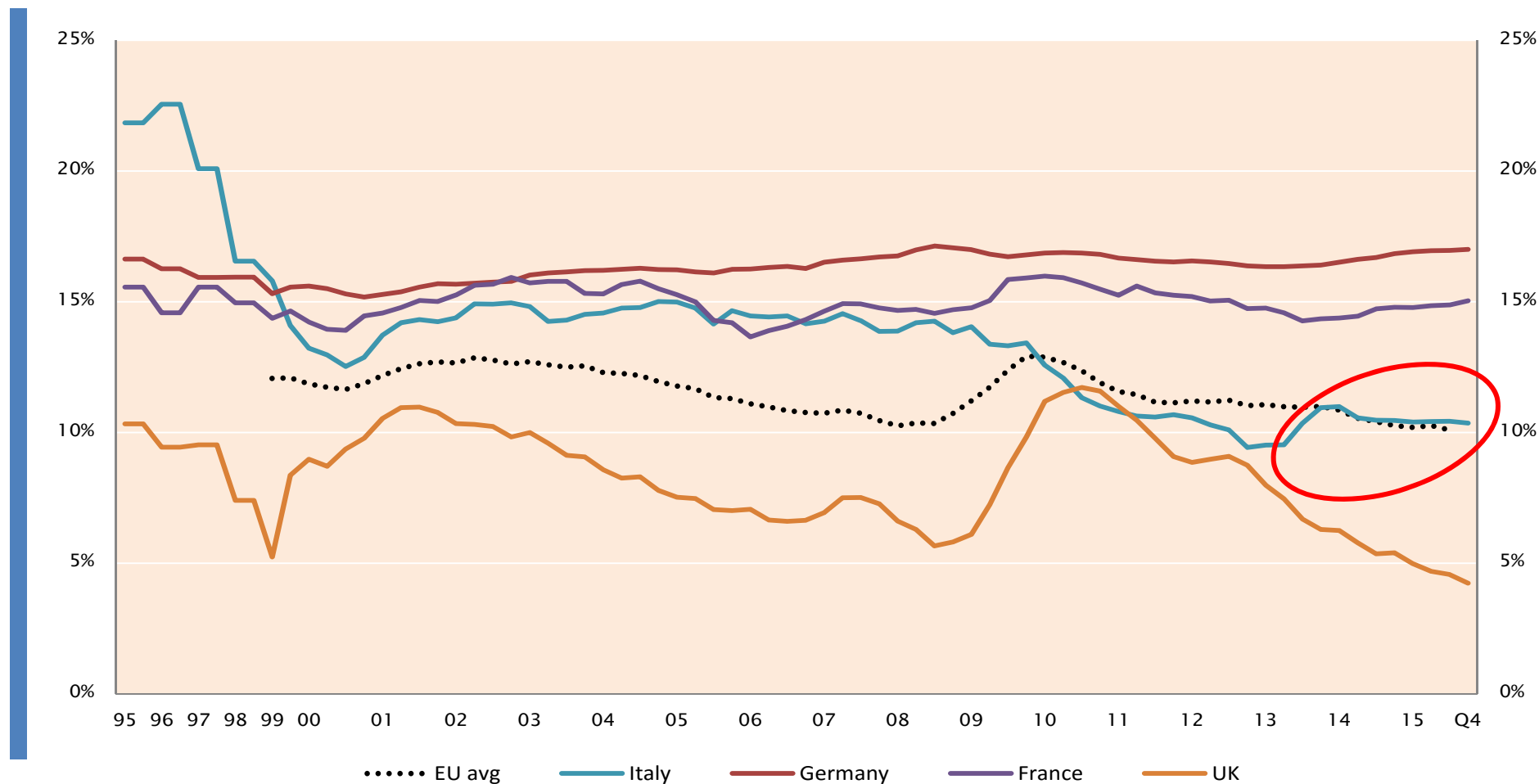


Households: less bonds, more funds (stock view)

	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%	22.6%	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	3,951	31.4%	13.6%	6.2%	22.0%	1.6%	9.6%	19.4%
2015	4,017	30.9%	10.7%	4.5%	23.3%	1.6%	11.1%	20.1%
2015								
France	4,869	28.3%	1.4%	n.a.	20.8%	4.7%	7.0%	34.1%
Germany	5,482	39.1%	3.2%	n.a.	10.4%	5.0%	9.9%	31.0%
UK	8,239	24.4%	1.5%	n.a.	7.4%	2.3%	4.1%	58.1%
USA	64,597	13.7%	4.6%	n.a.	34.2%	n.a.	13.0%	32.5%

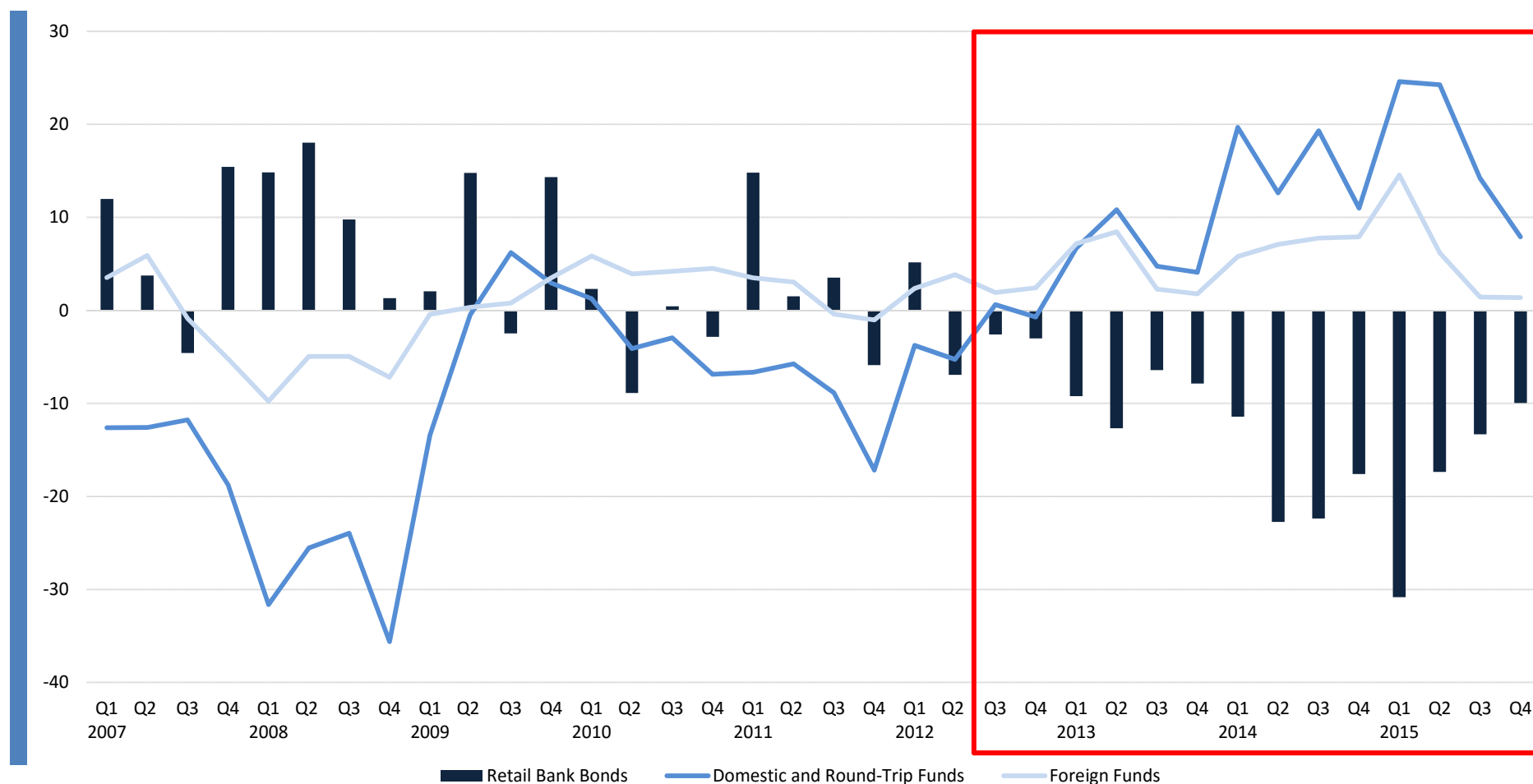


The uptick of the saving rate is good news for the industry



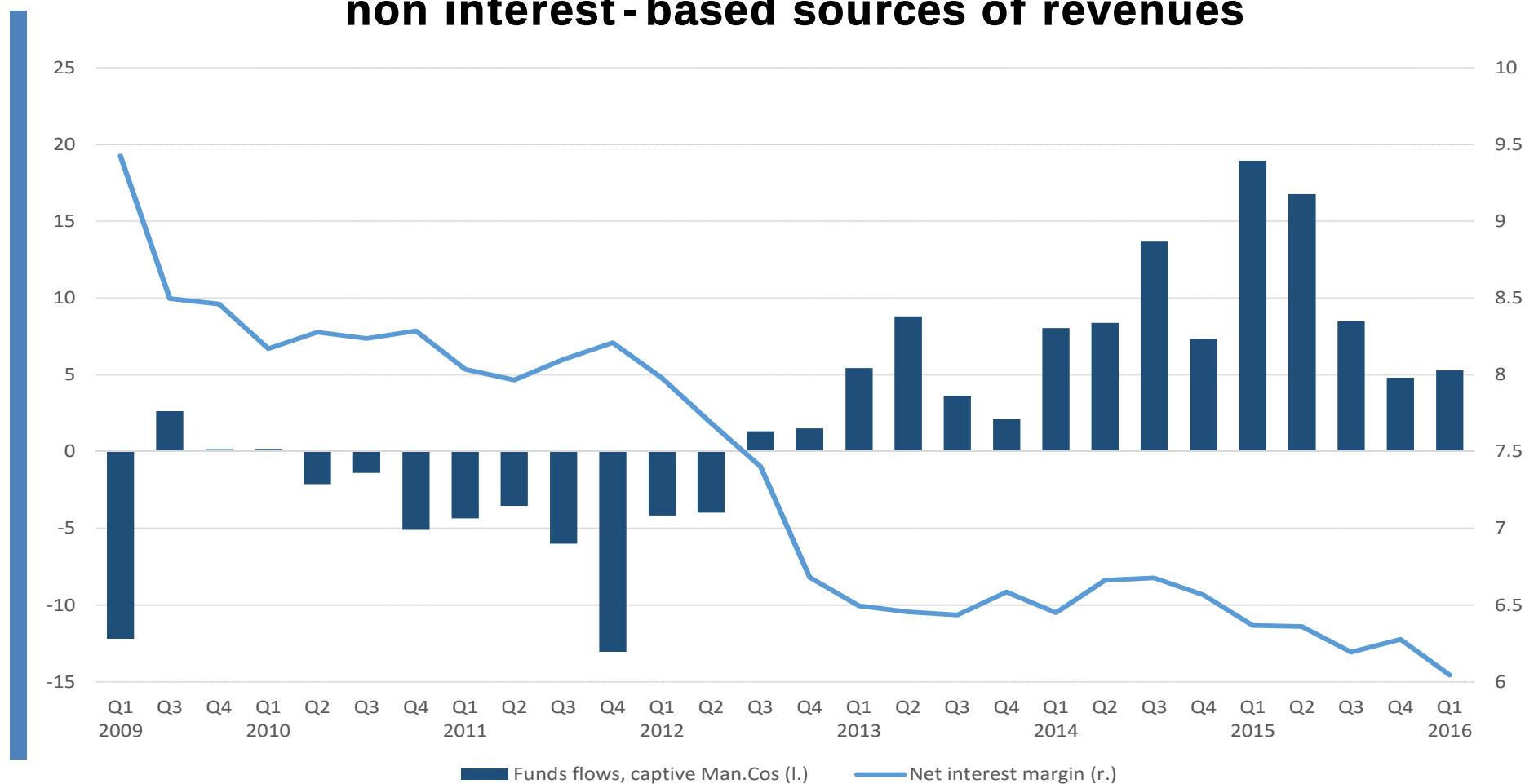


Banks: no more dependent on funding from retail investors...



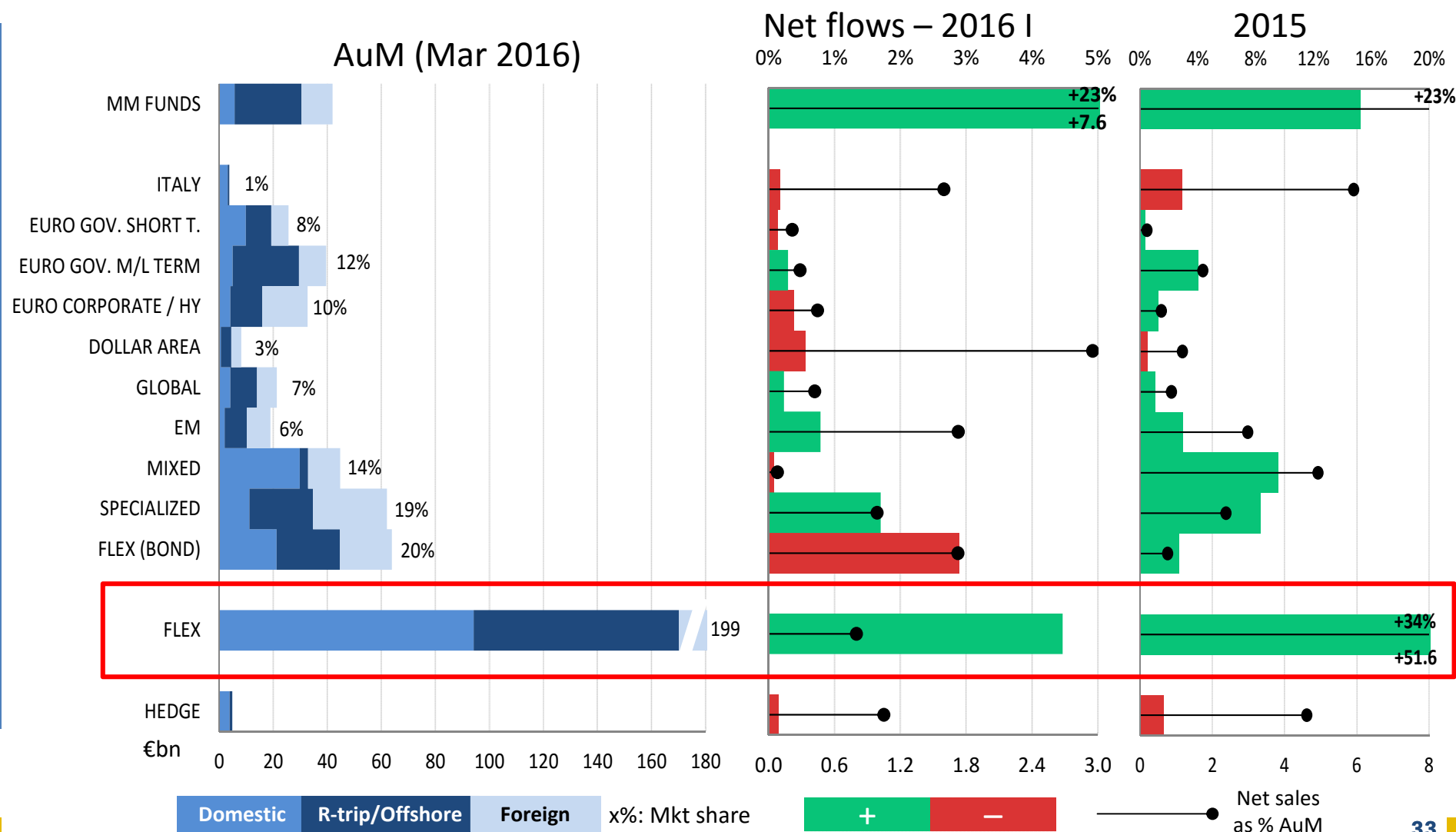


... and urged to sustain profitability through non interest-based sources of revenues





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





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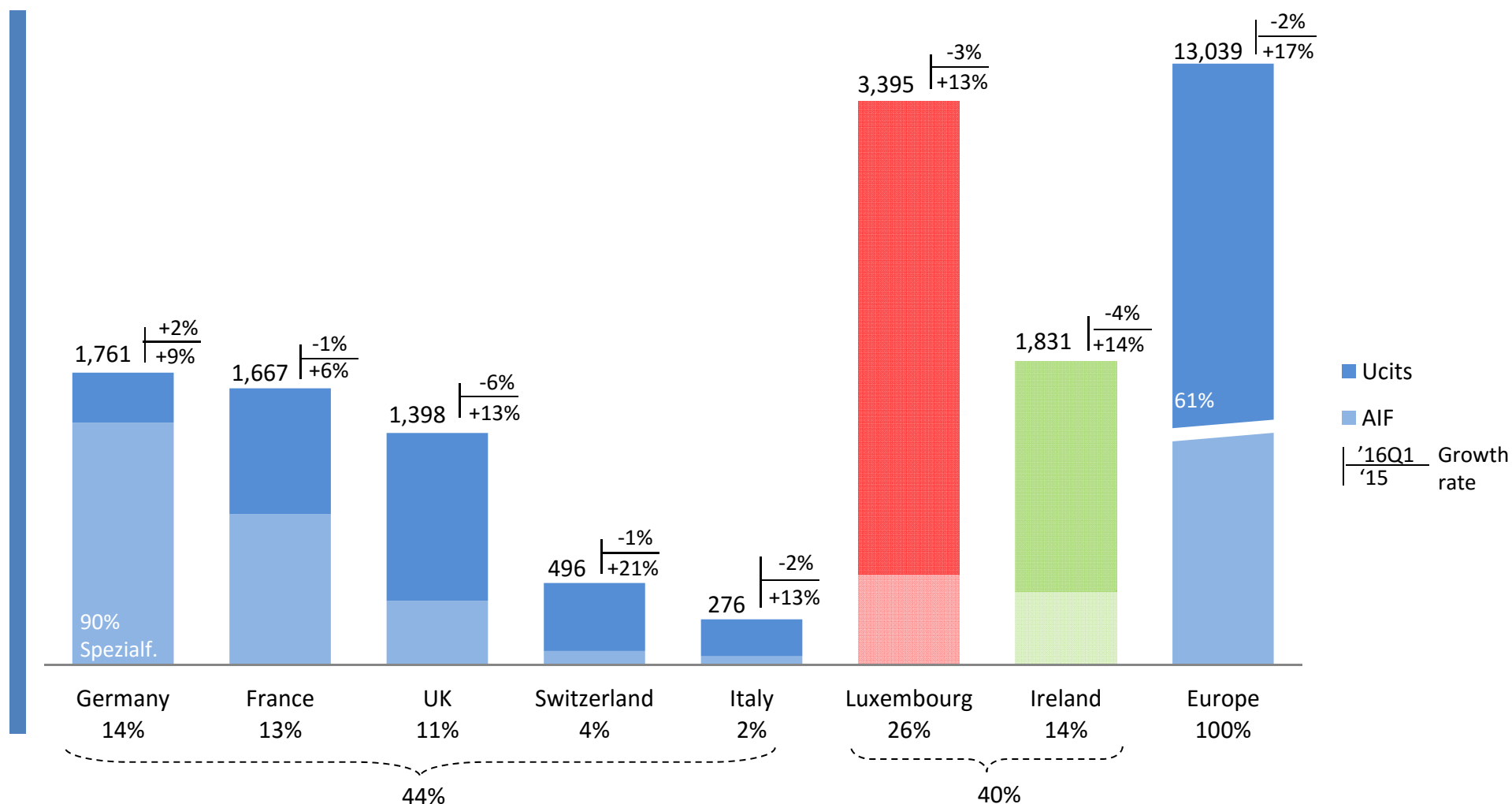
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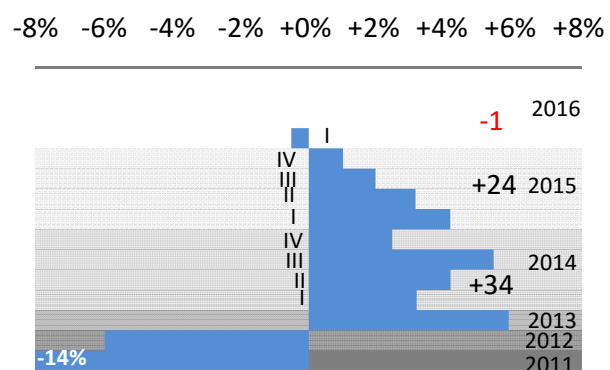
Net Assets by fund domicile



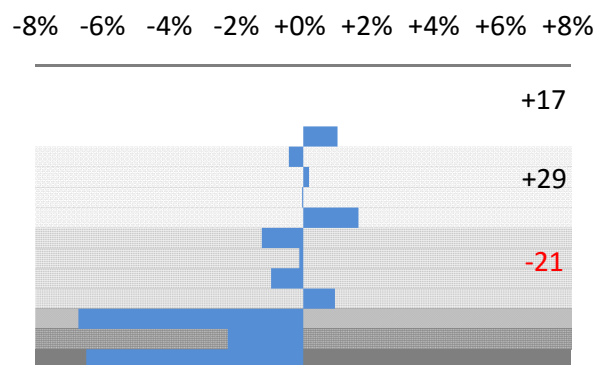


Net sales by fund domicile

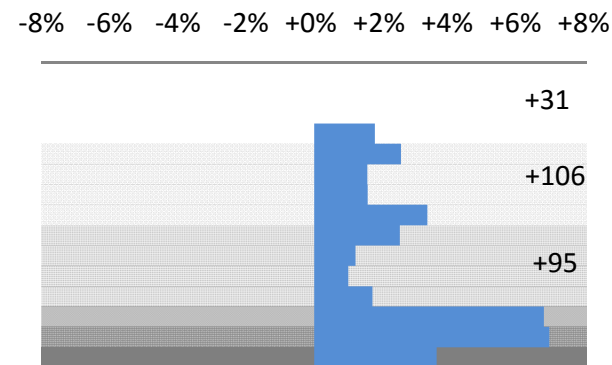
Italy



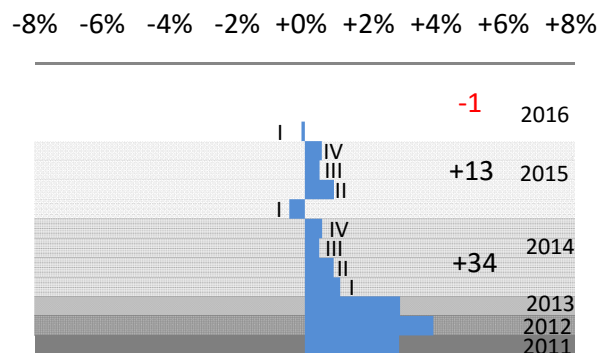
France



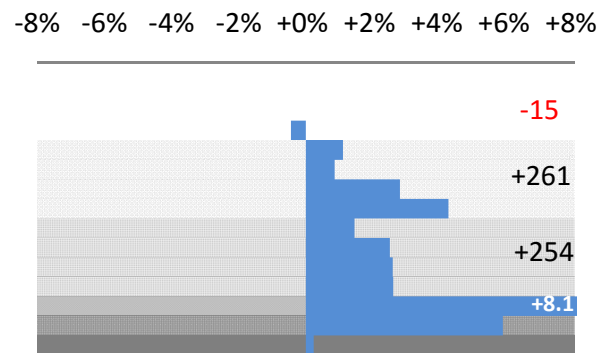
Germany



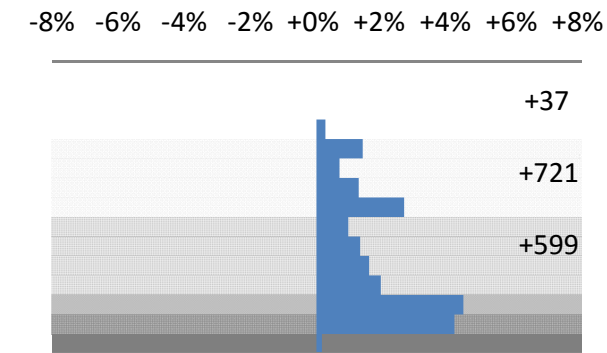
UK



Luxembourg

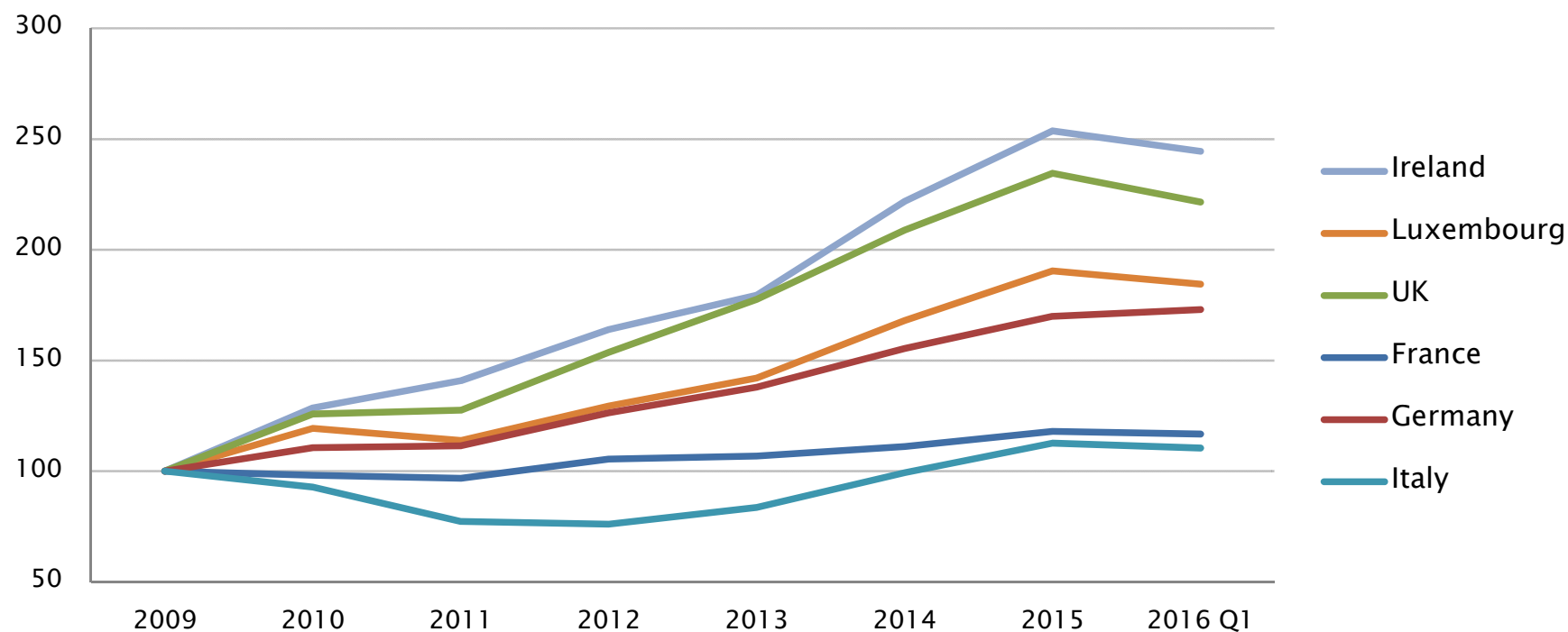


Europe



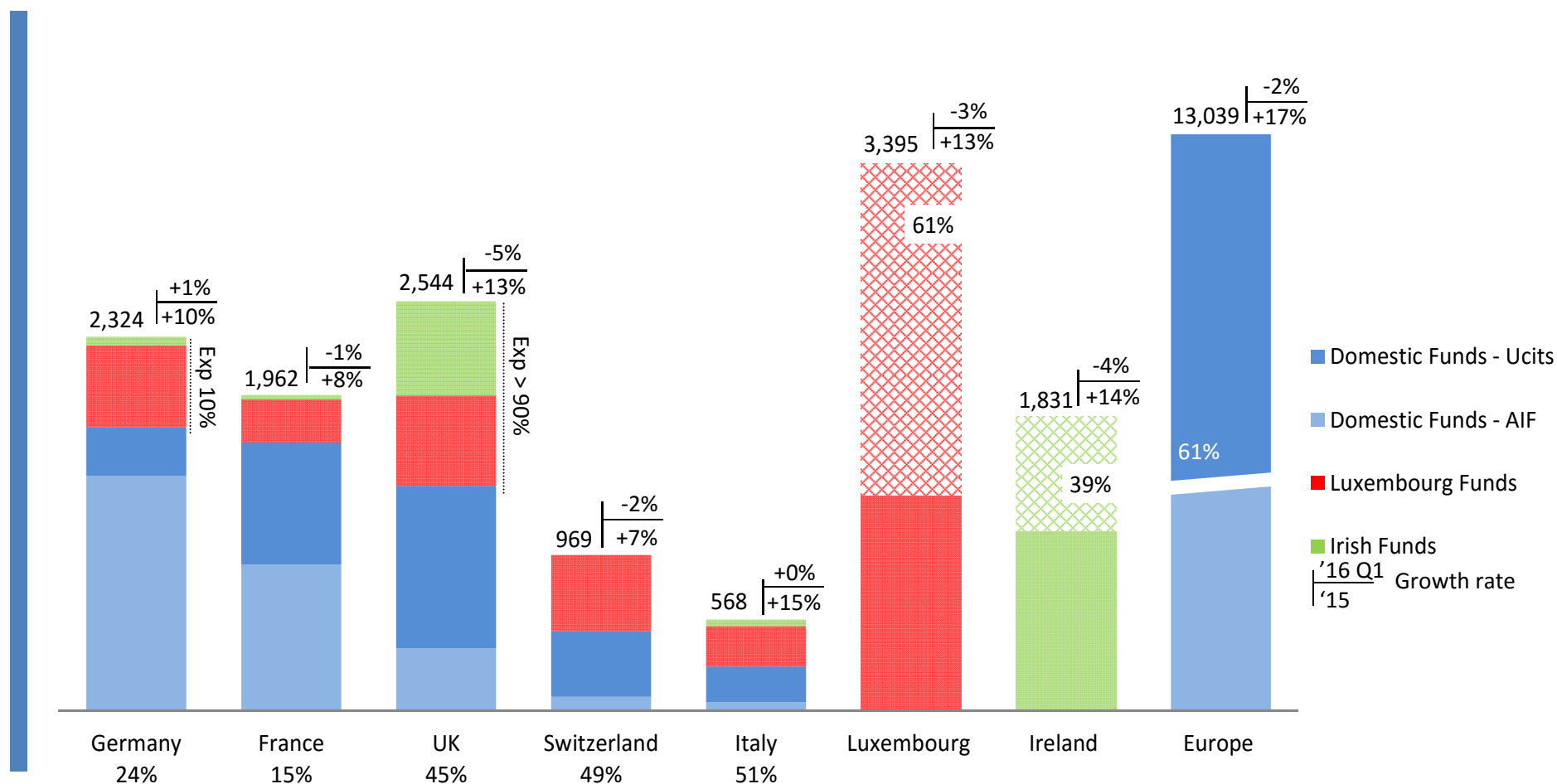


Net Assets by fund domicile – Long-term growth





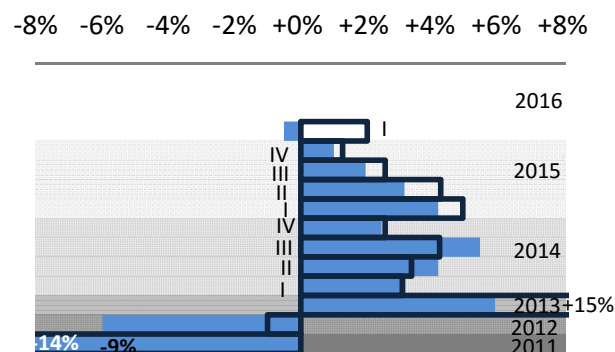
Net Assets by fund group domicile



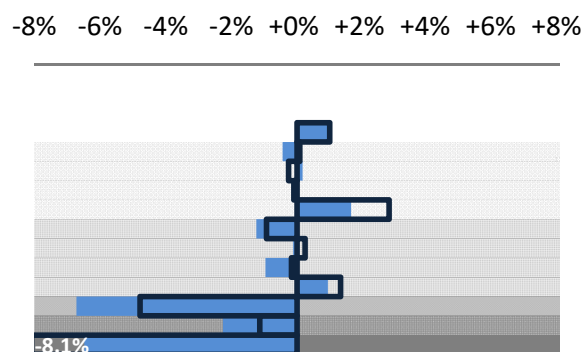


Net sales: fund domicile vs. fund group domicile

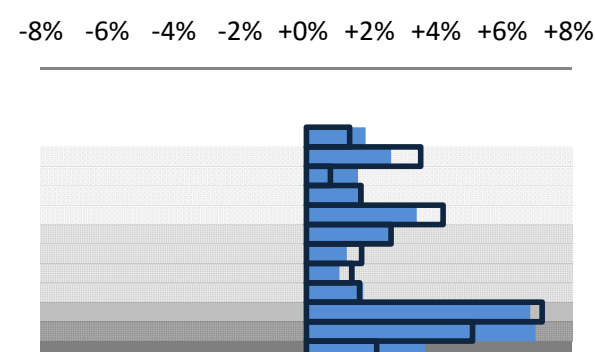
Italy



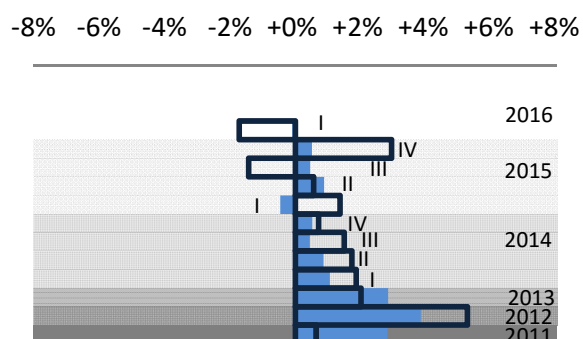
France



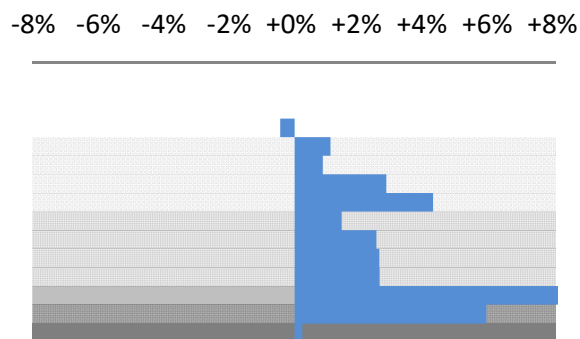
Germany



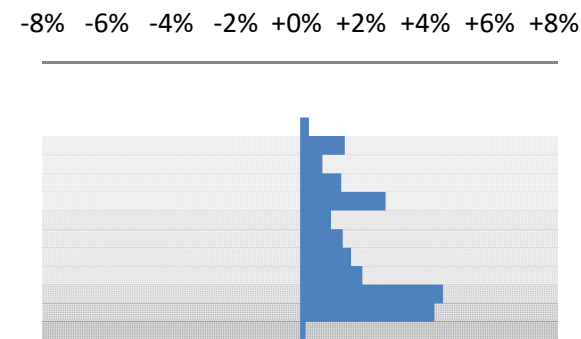
UK



Luxembourg



Europe





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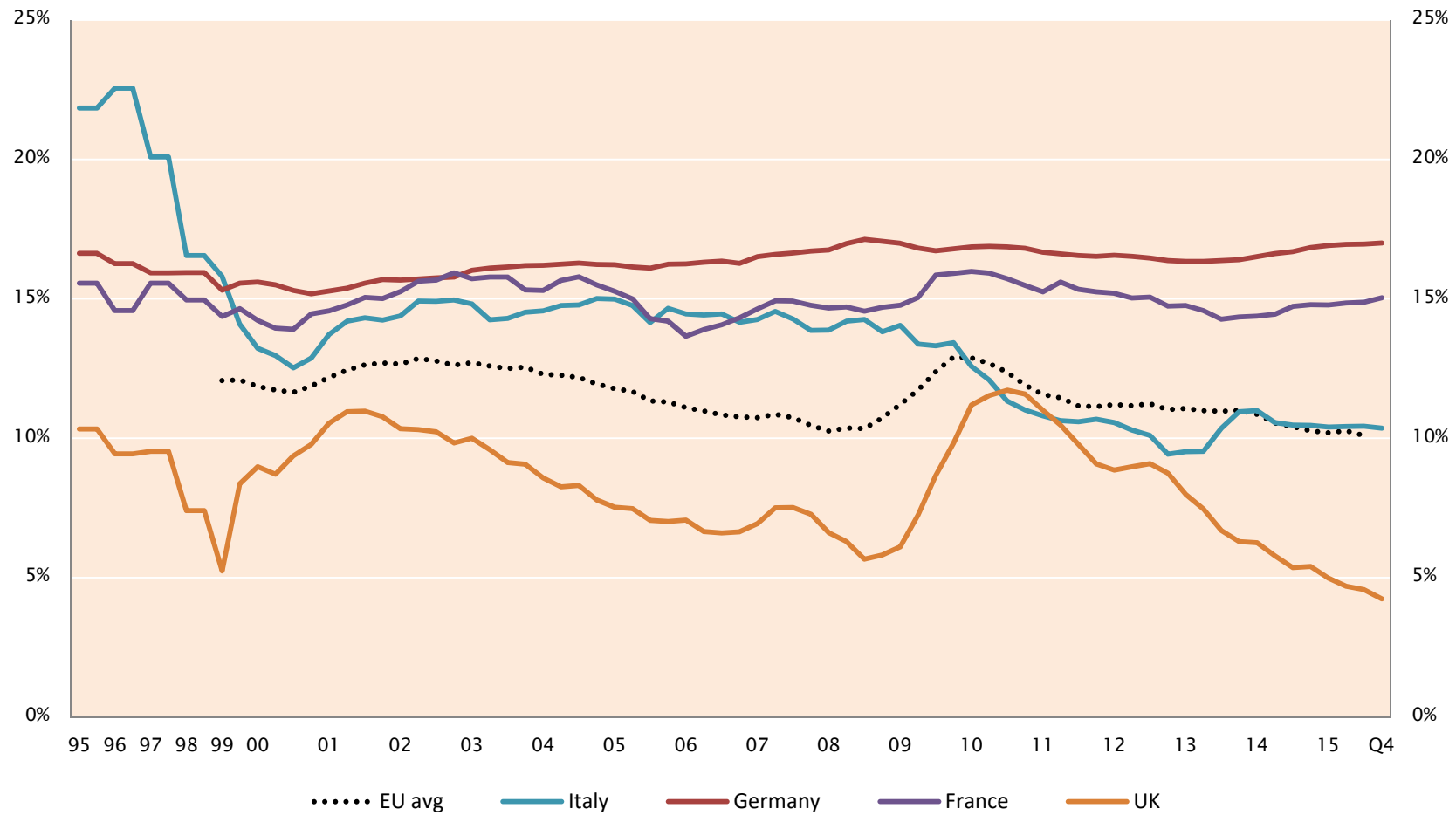
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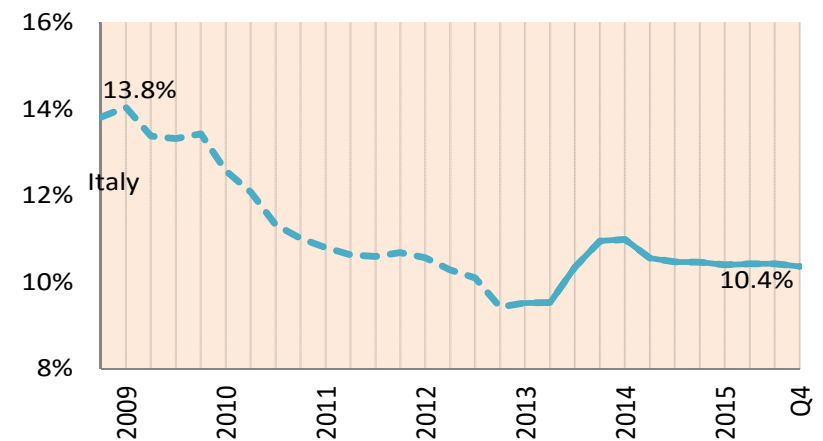
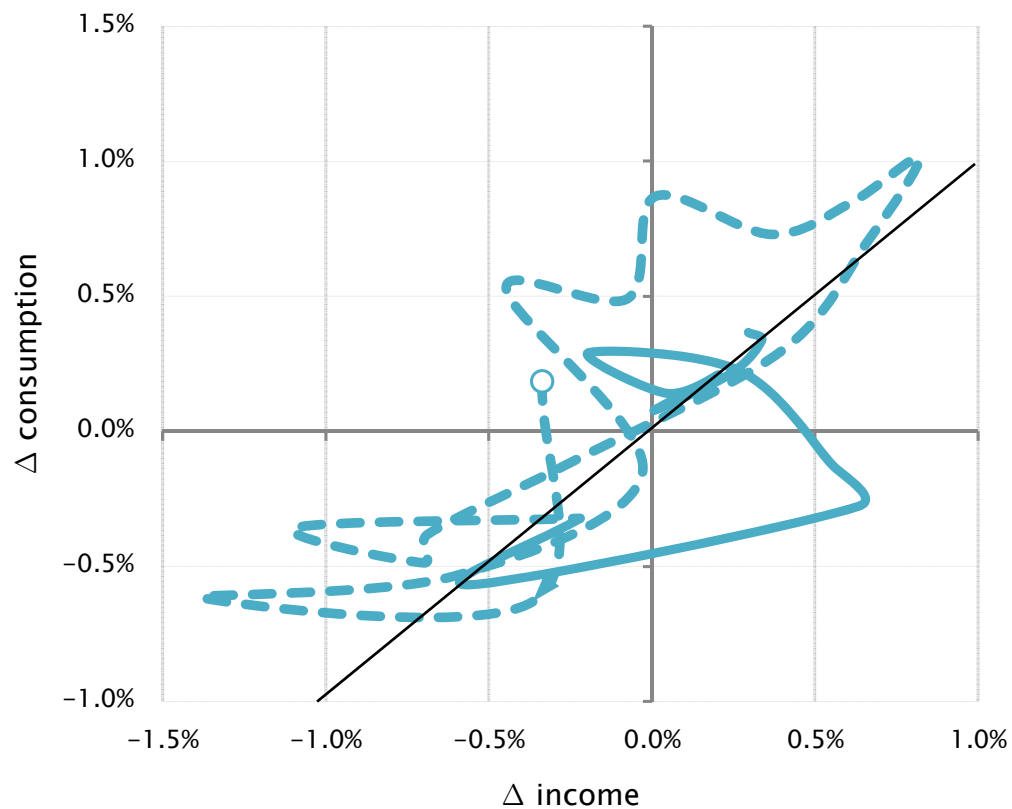


Household saving rates in Europe



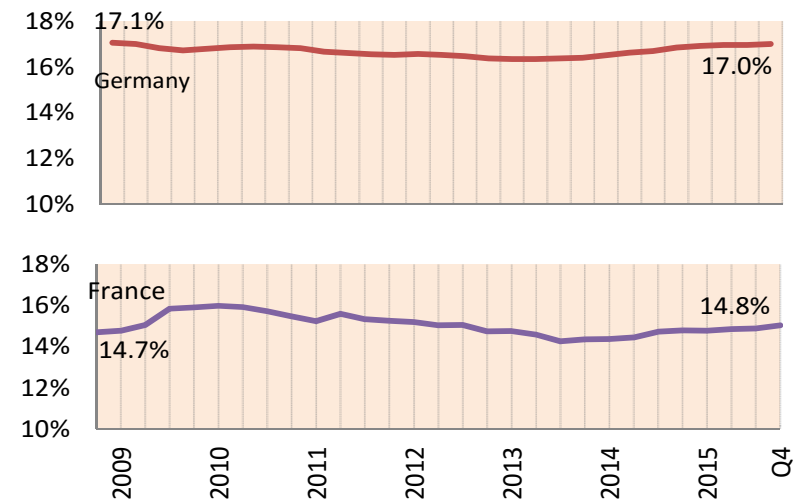
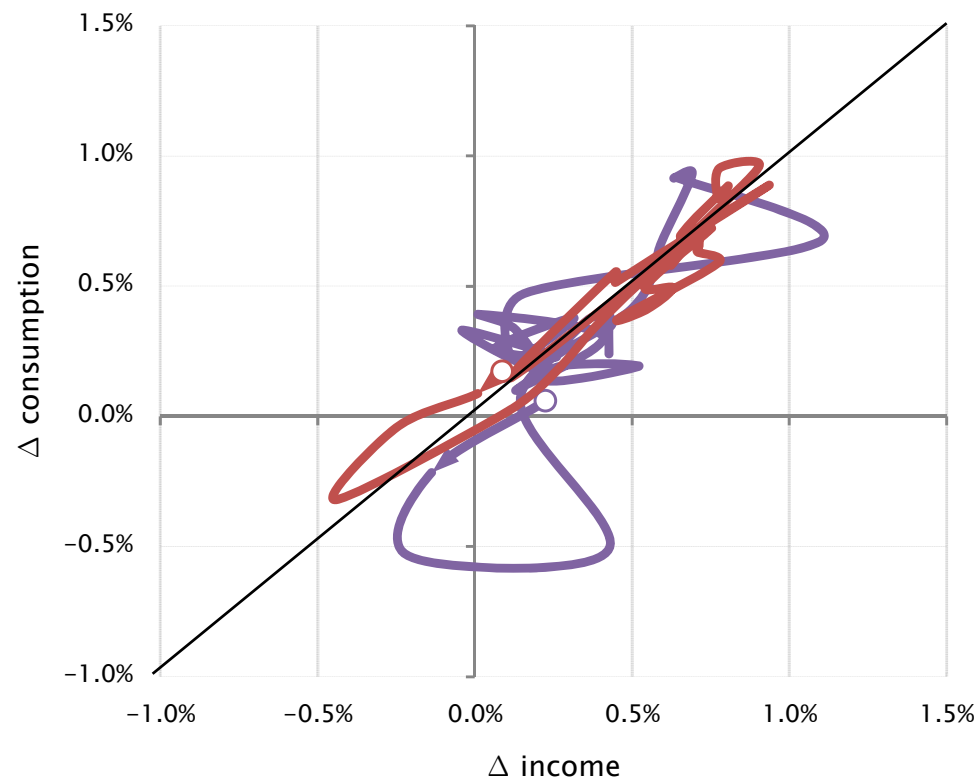


How income & consumption $\Delta\%$ affect saving rates



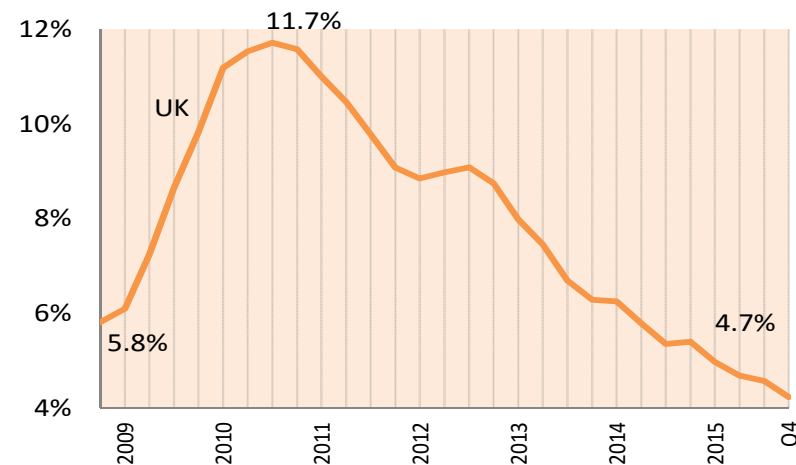
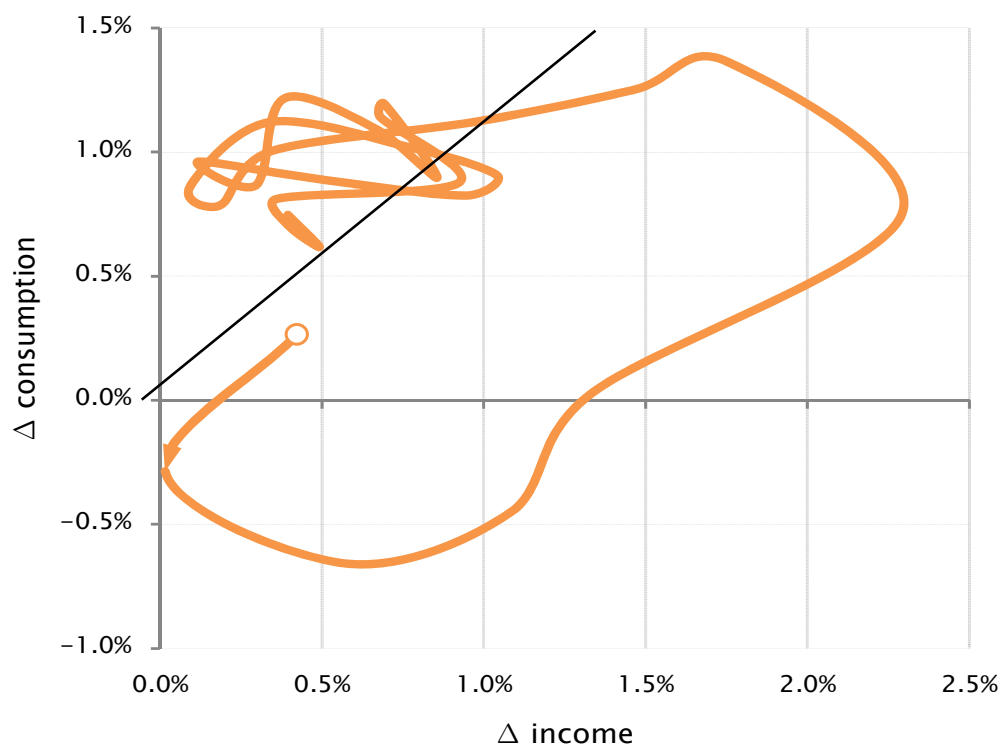


How income & consumption $\Delta\%$ affect saving rates





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.

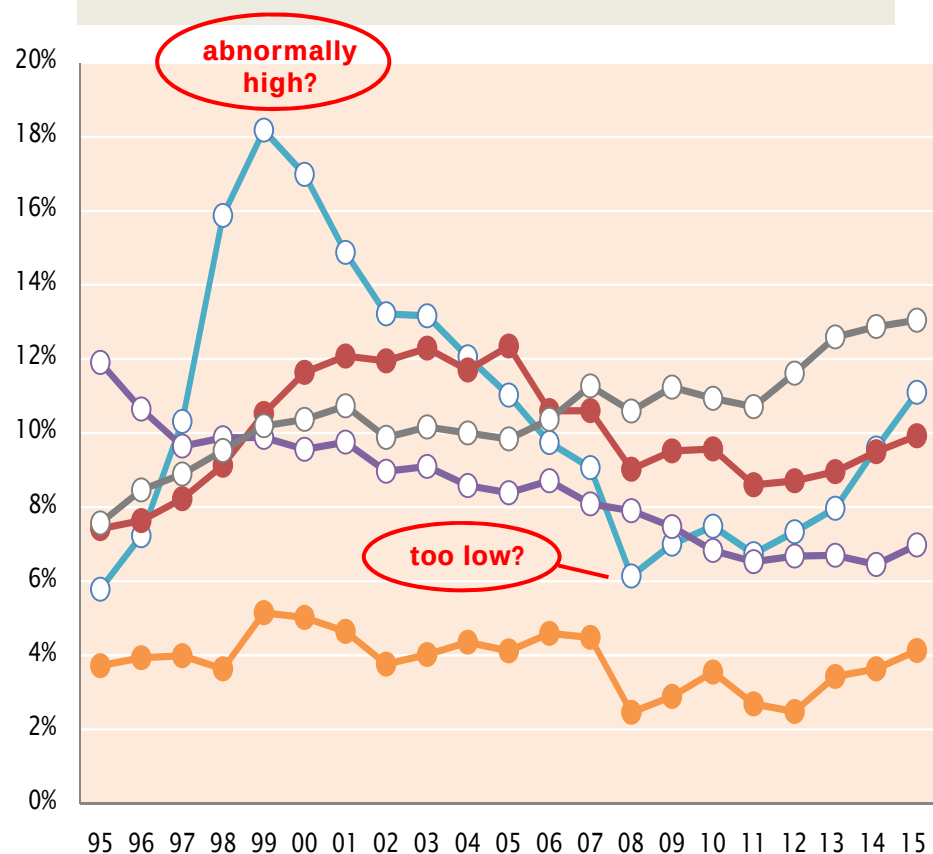
Funds: rise until 1999 (18%) then down, then again up.

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

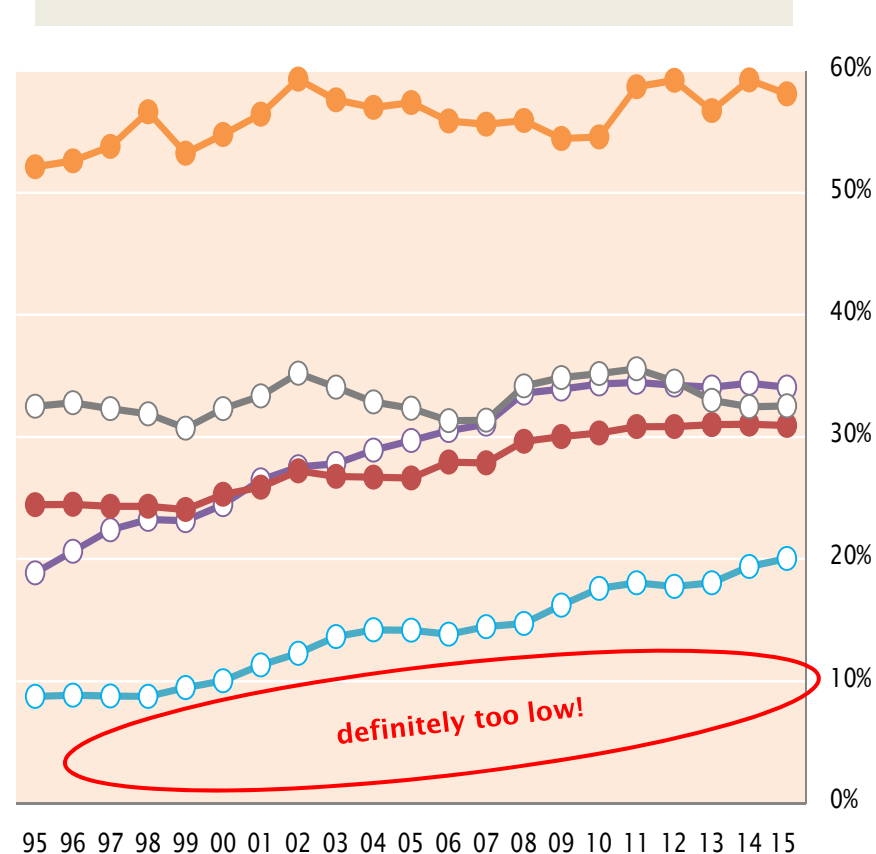


Managed products in household portfolios

Investment funds



Pension funds & life products



—●— Italy —●— France —●— Germany —●— United Kingdom —●— USA

The Italian Asset Management market key figures

23 June 2016

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