

The Italian Asset Management market key figures

25 October 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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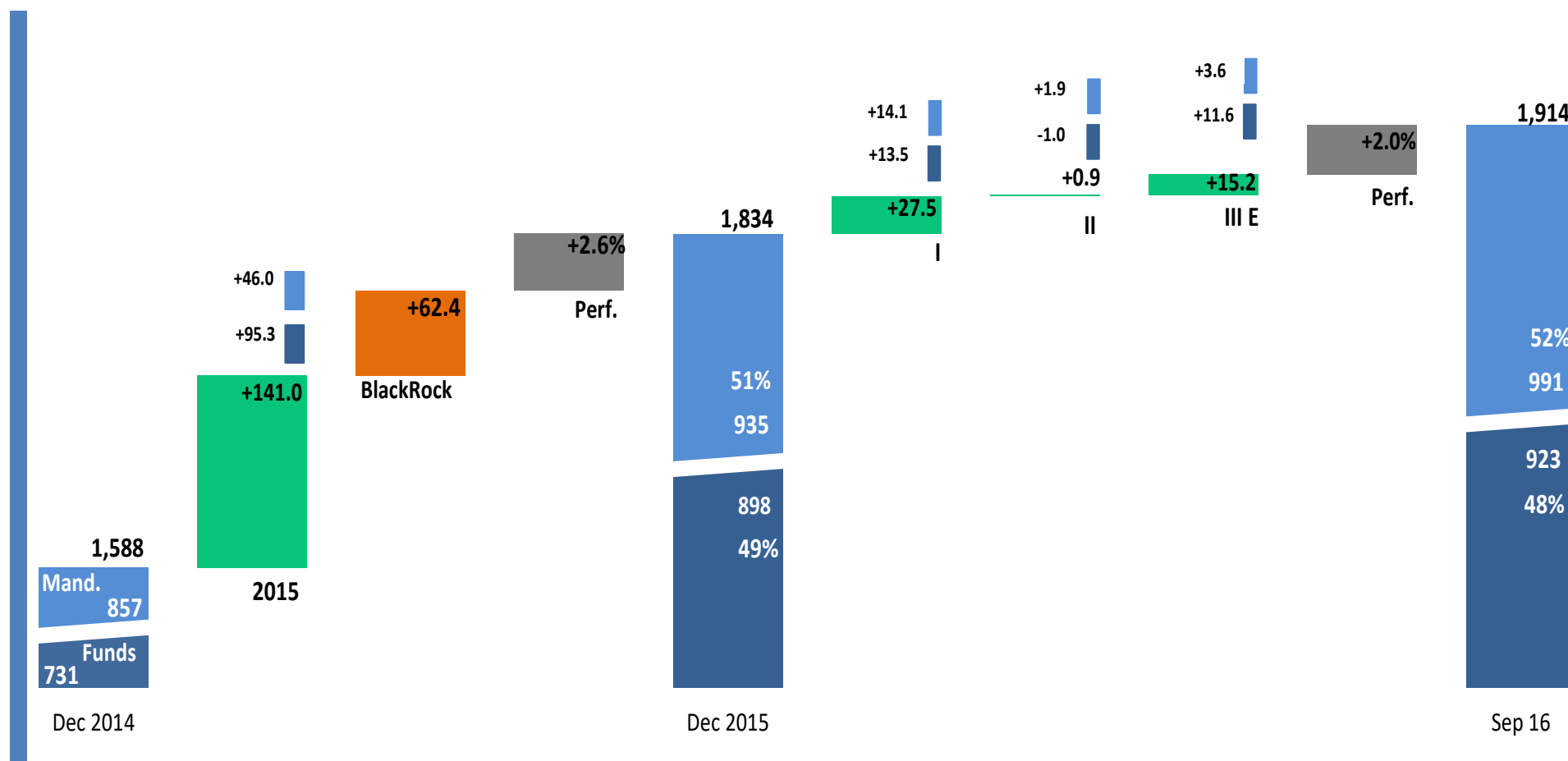
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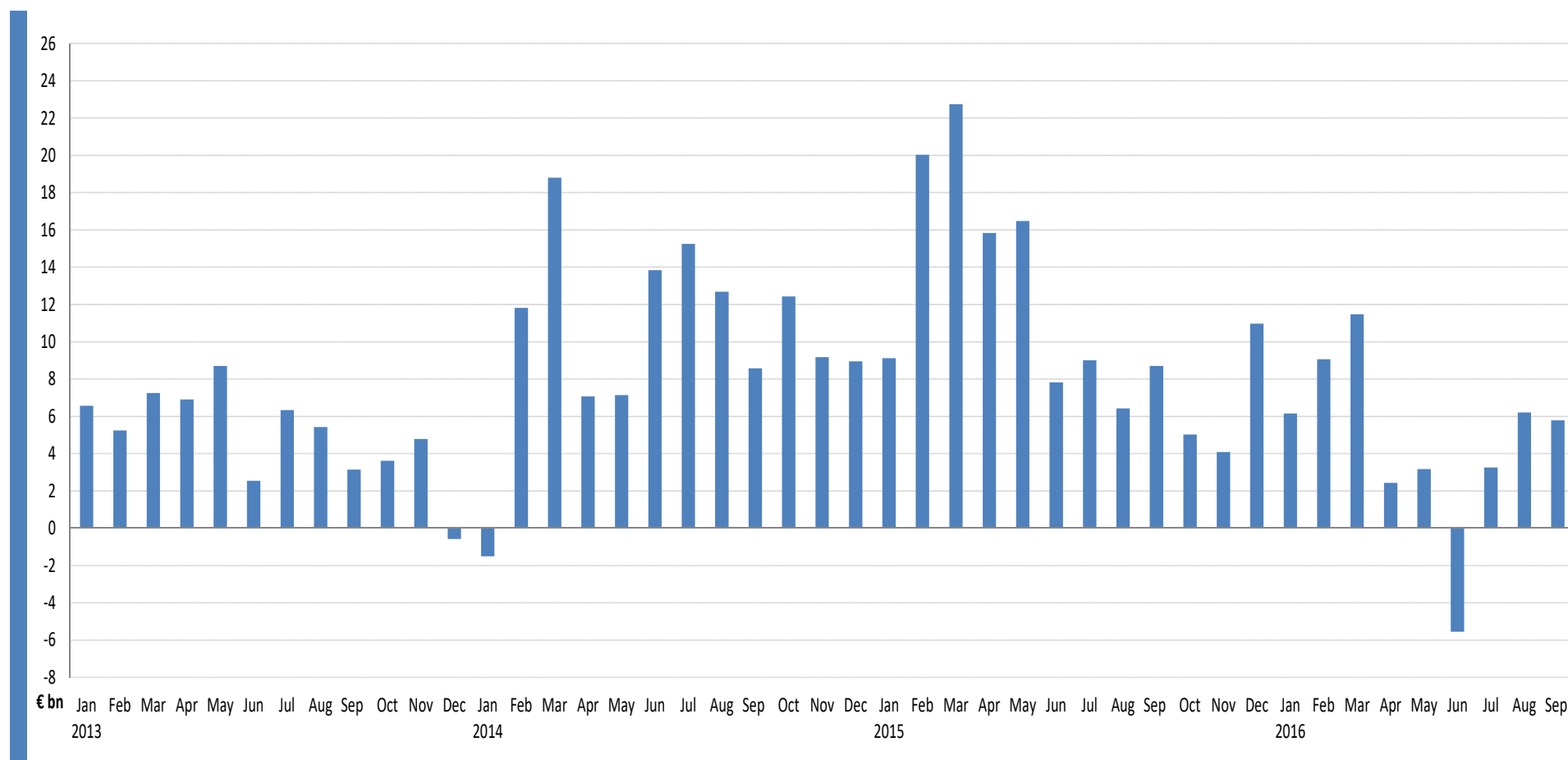


The Italian AM market (Jan 2015: Sep 2016)



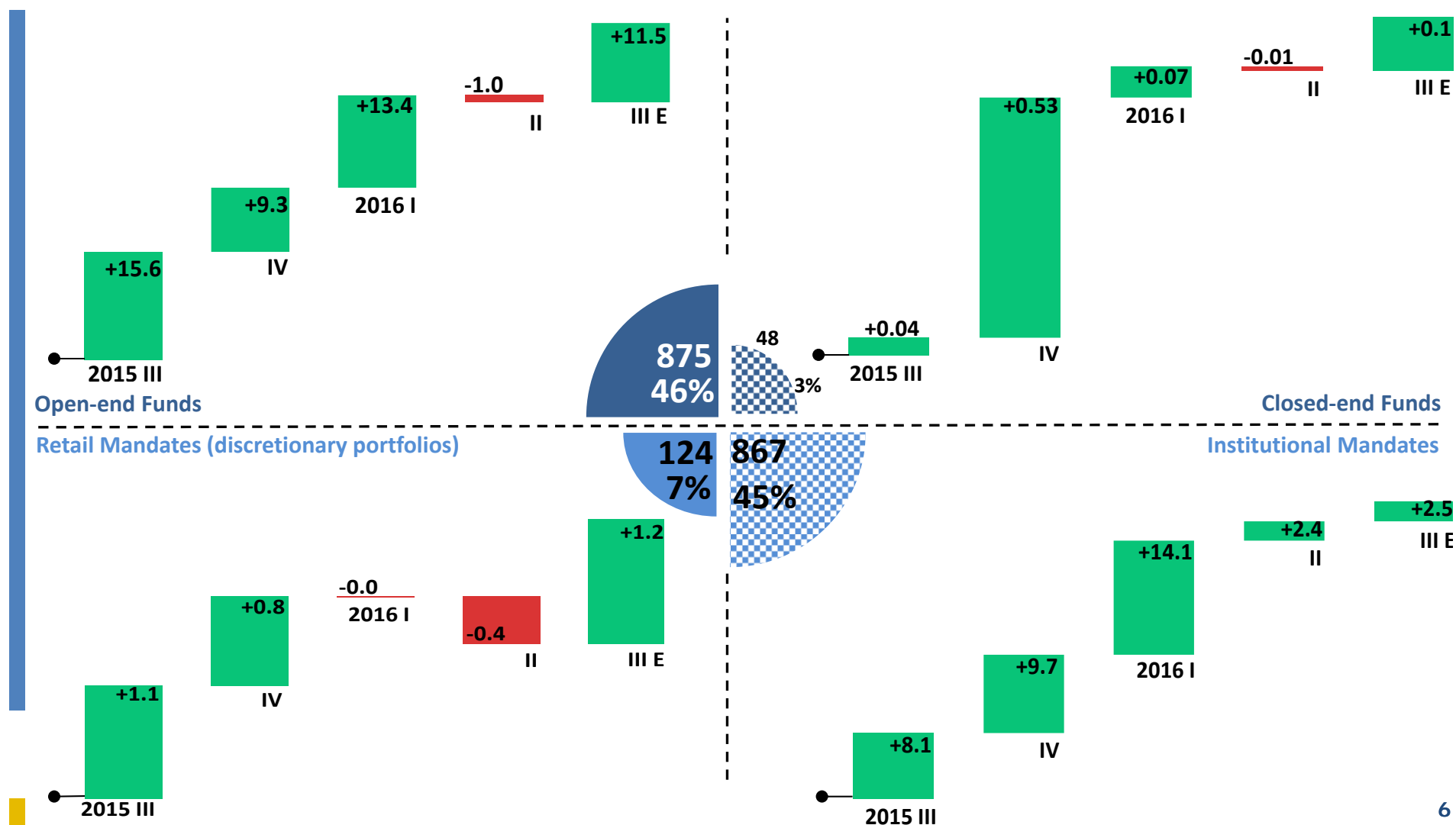


Net flows (monthly data)



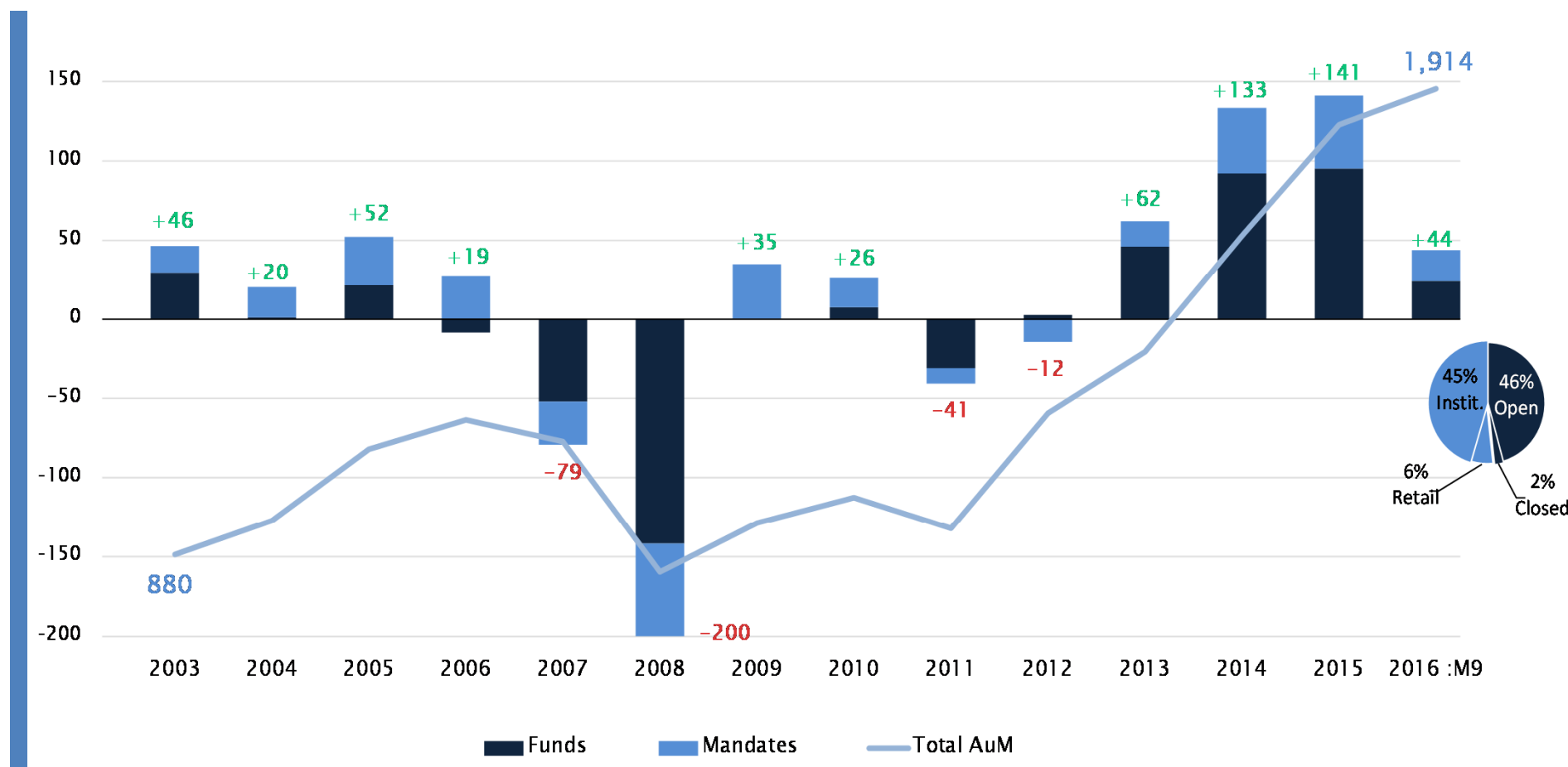


Product breakdown



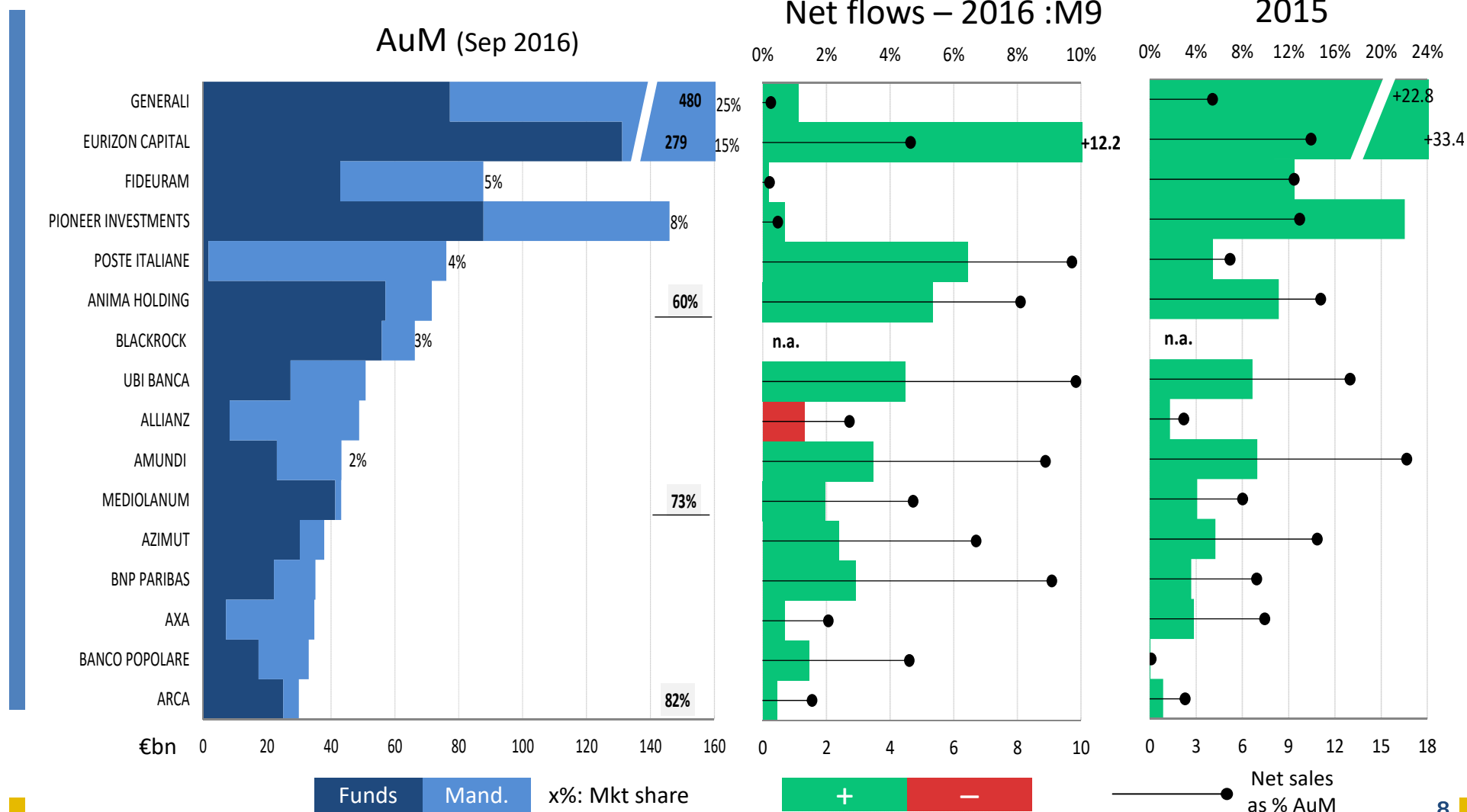


Long term trend



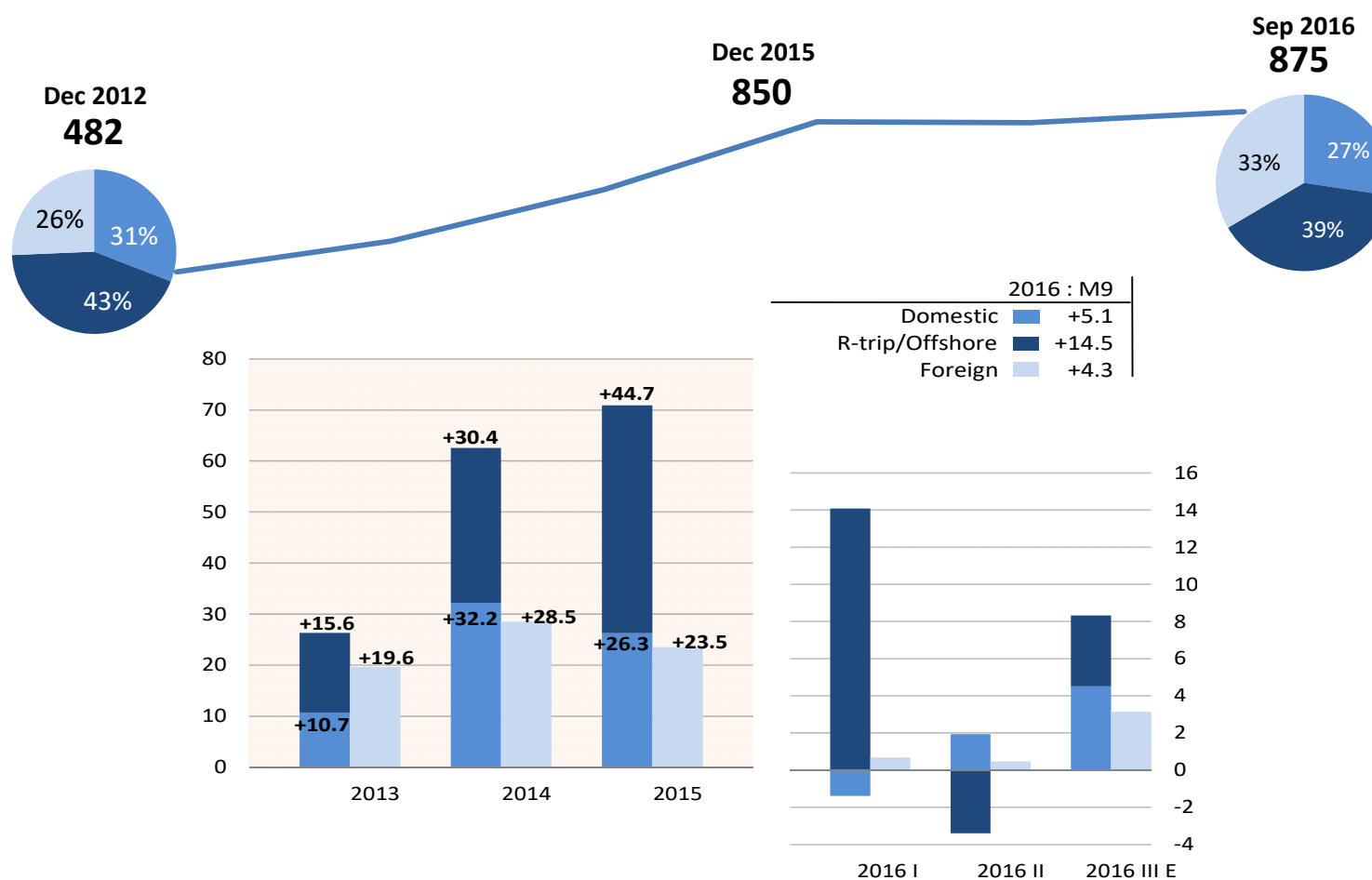


Top 15 Groups



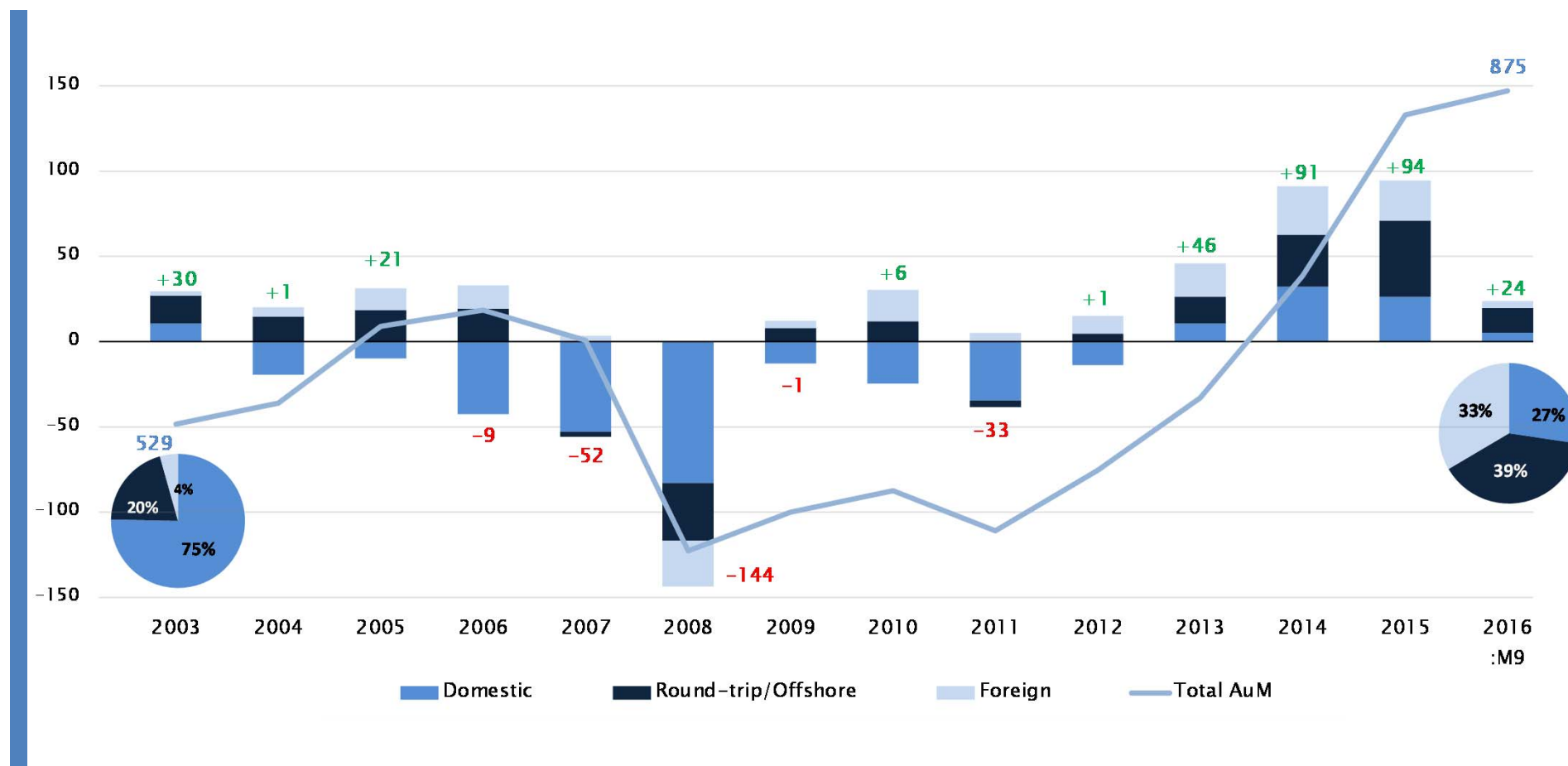


Open-end funds: domicile breakdown



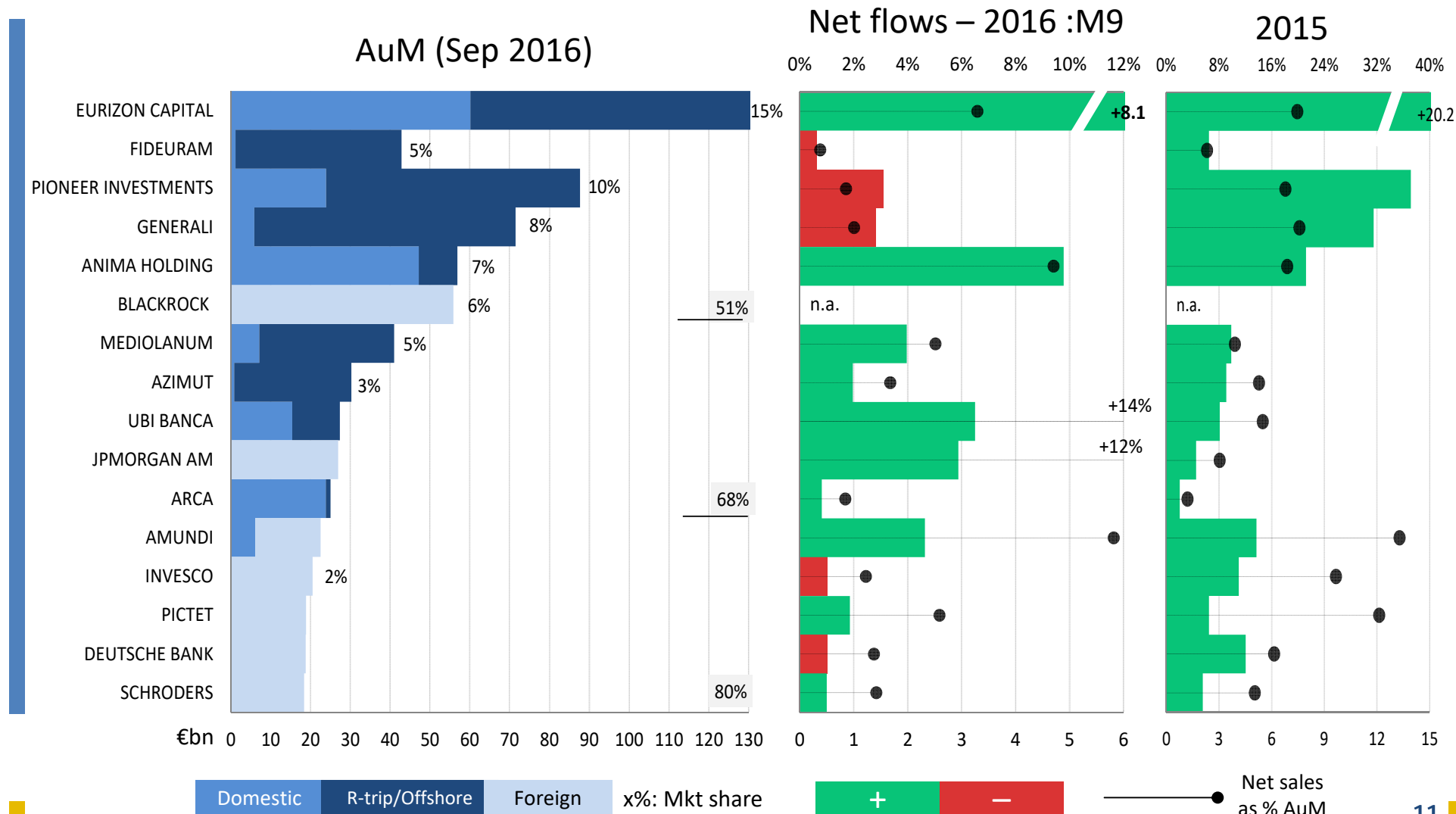


Long term trend: open-end funds



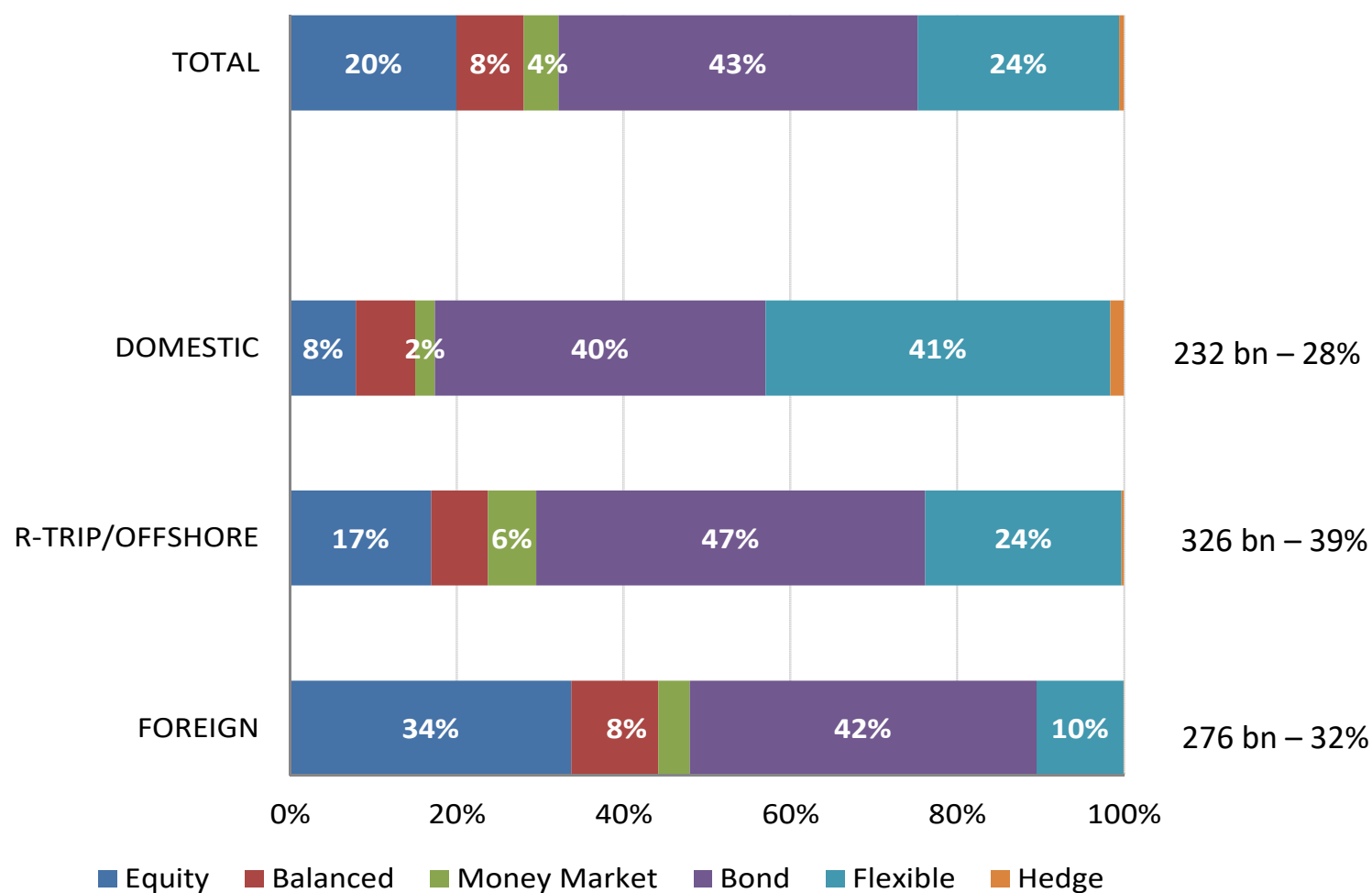


Top 15 Groups (open-end funds only)



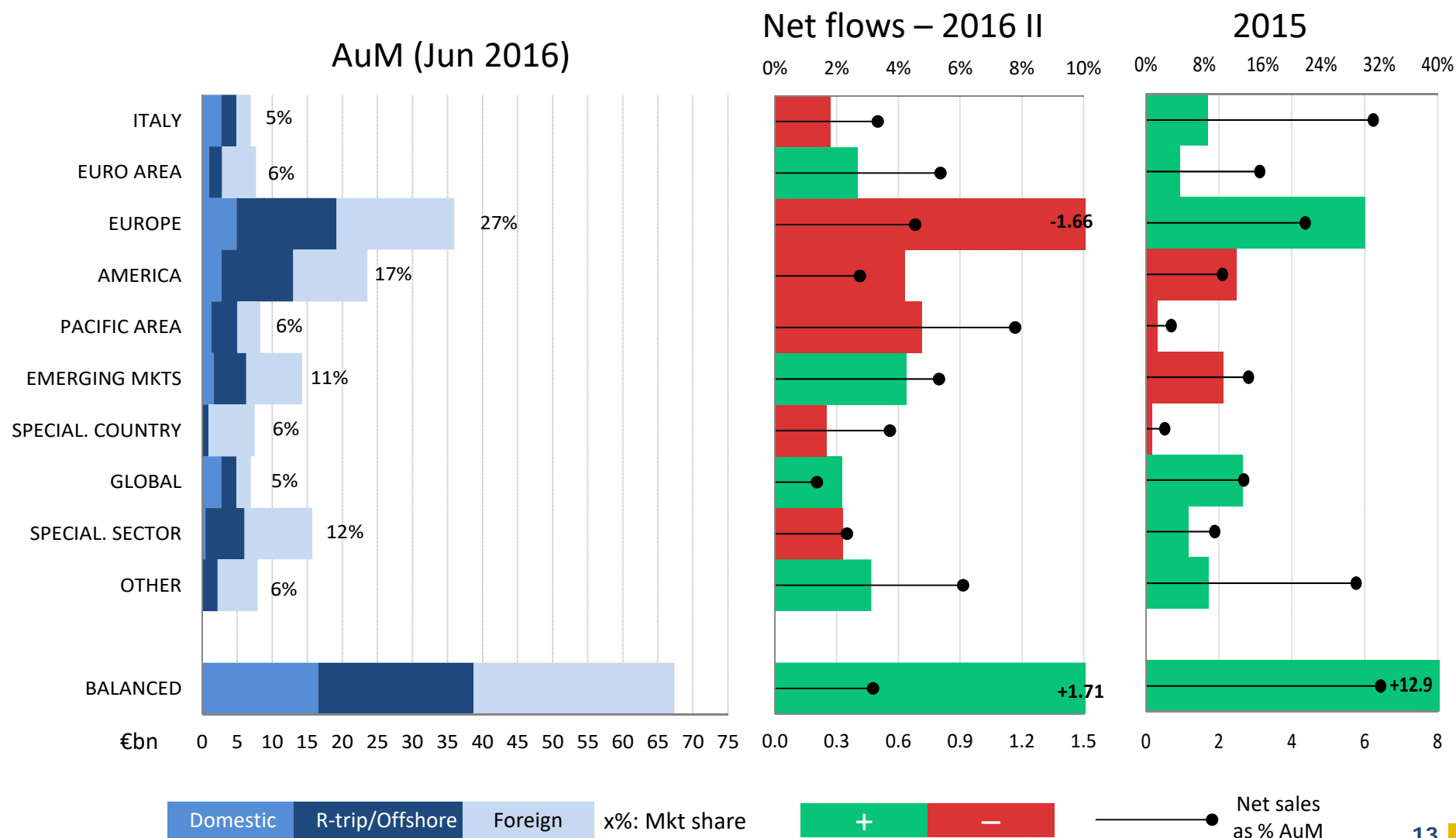


Asset Class breakdown



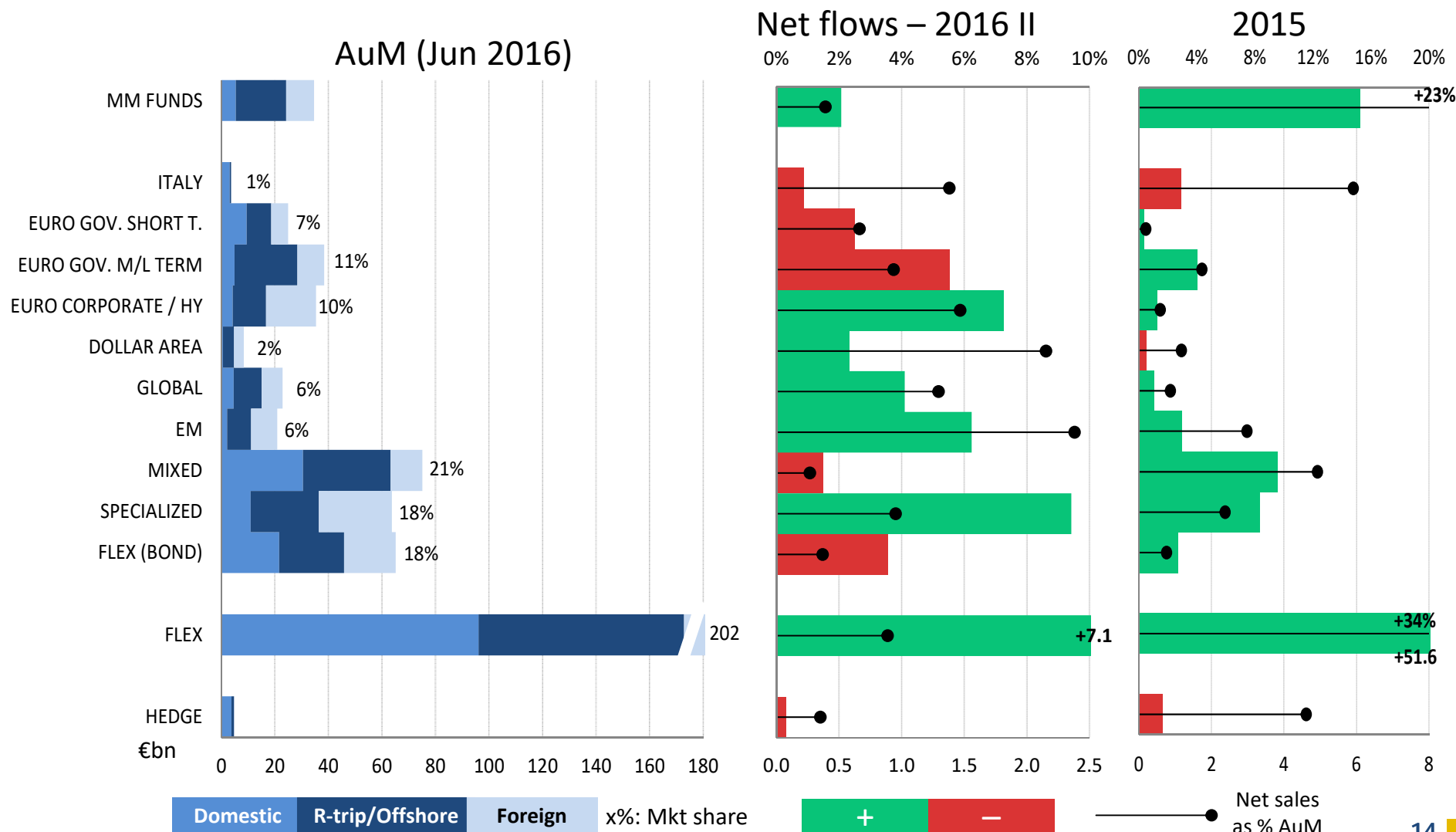


Equity & balanced funds



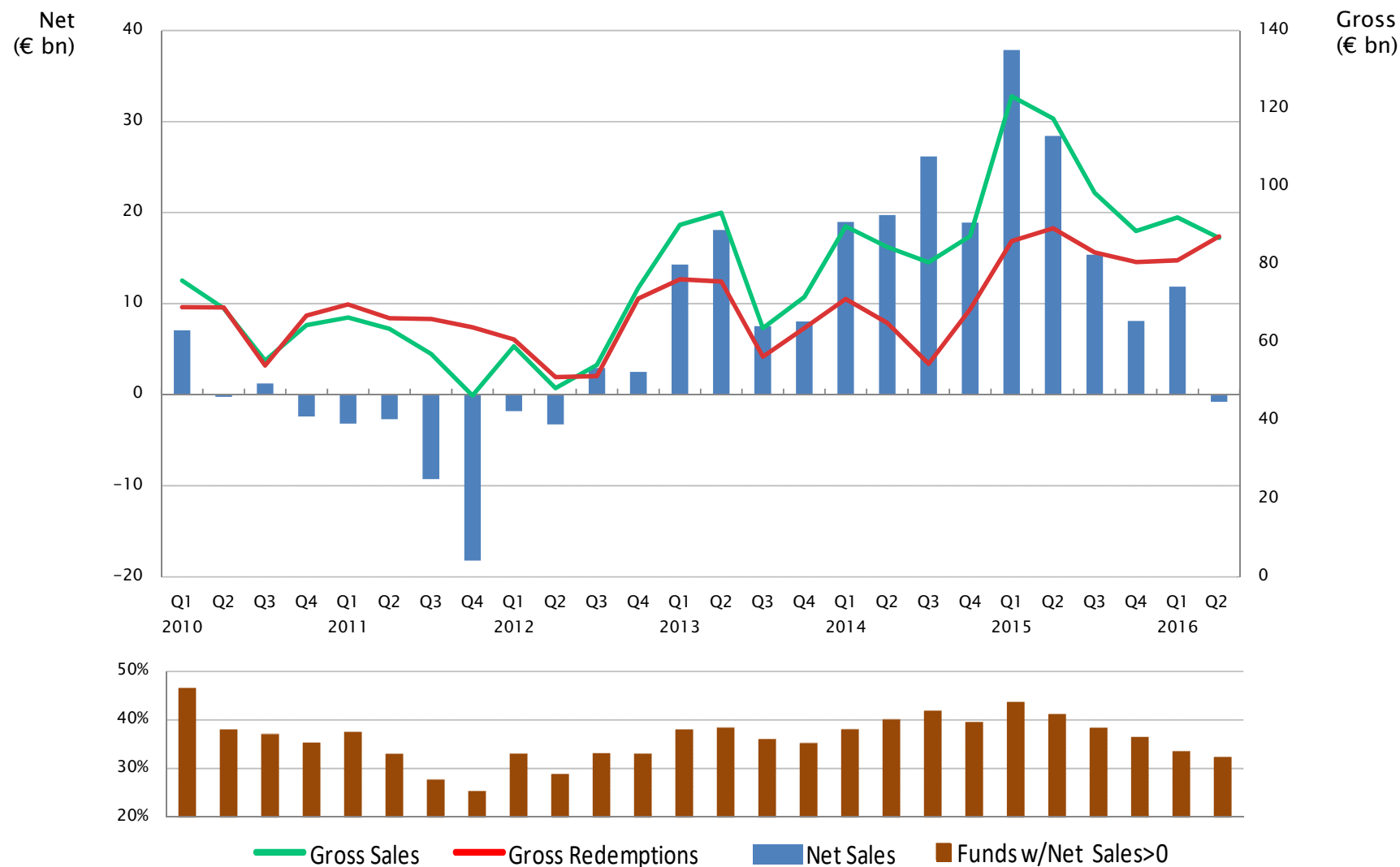


Money mkt, Bond, Flex & Hedge funds





Net & gross flows





The *blockbuster effect*: top quartile funds take all





New stories tag cloud

Year	2013	2014	2015	2016
New funds	560	456	439	252

EQUITY
COUPON
MONEY
CEDOLA
FLEXIBLE
INDEX
BREVE
MULTI
CORPORATE
STRUCTURED
CASH
ETF
BOND
MONET
SELECTION
ASIA
20
LIQUID
EMERGING
FLESSIBILE

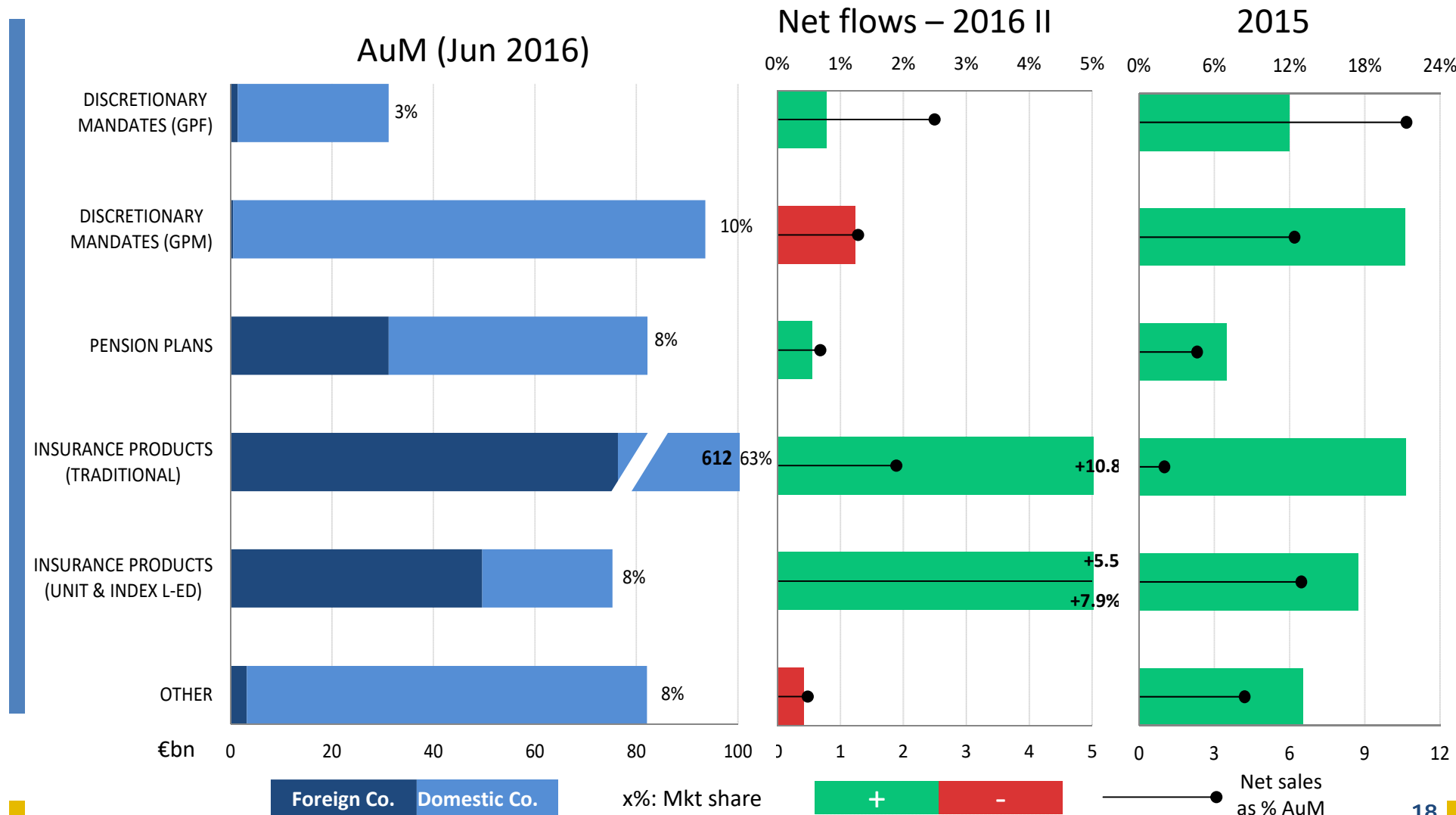
LIQUID
SELECTION
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COUPON
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ASIA
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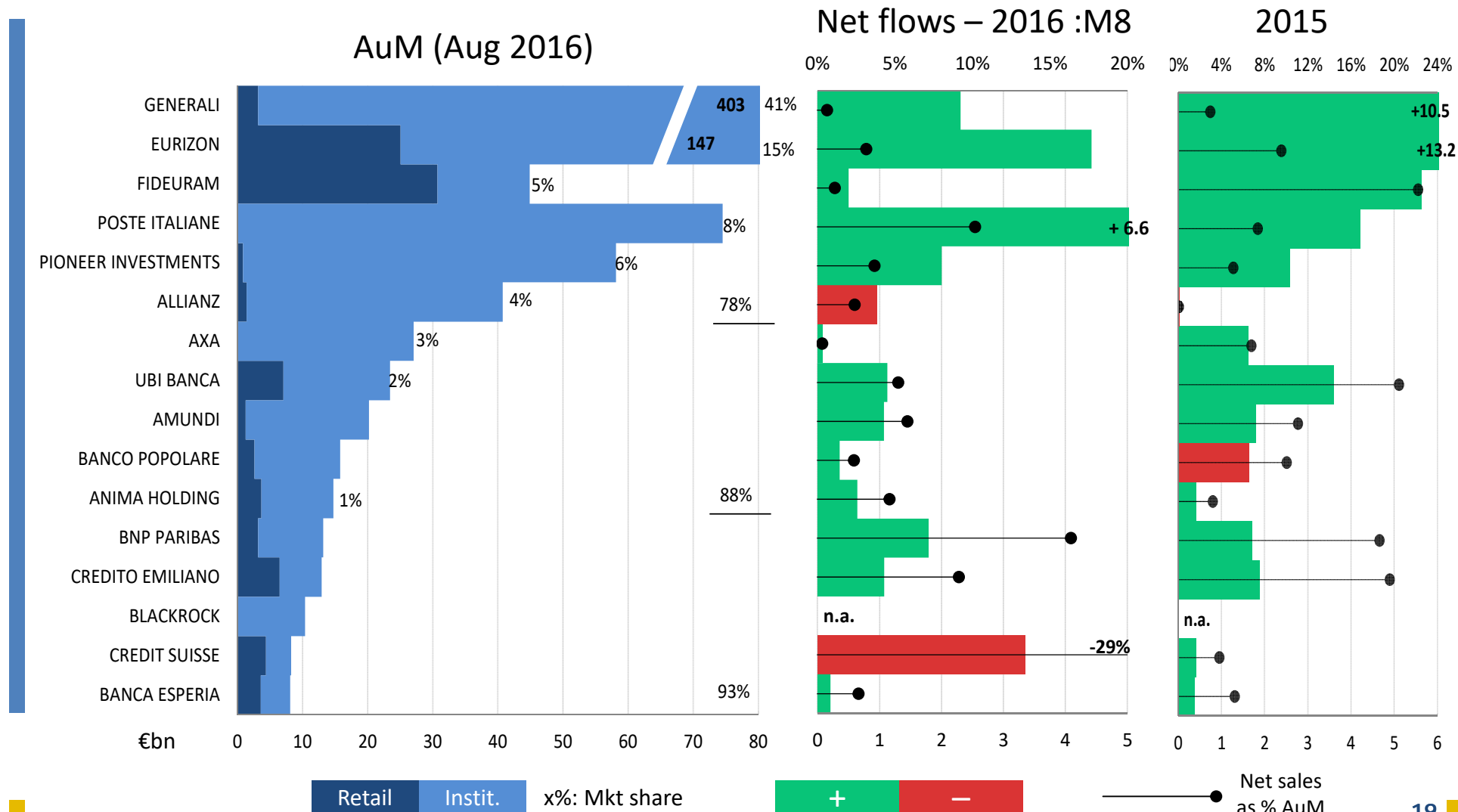


Mandates: AuM & Net Sales trends



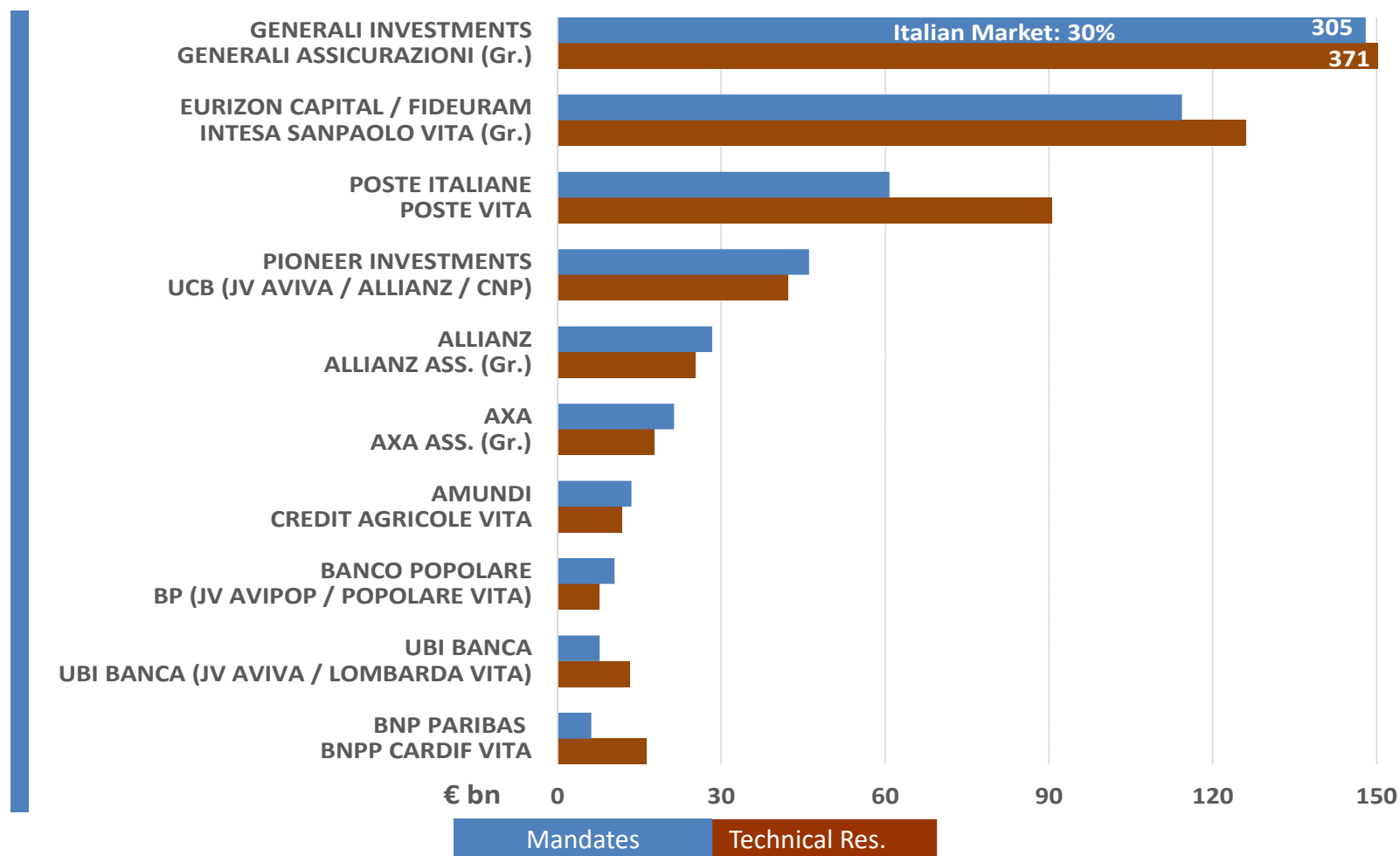


Top 15 Groups (mandates only)

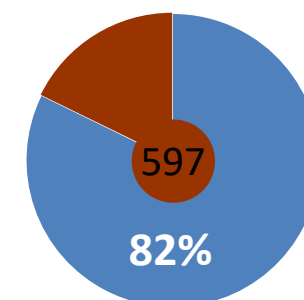




Insurance Mandates & Captive/Affiliated Insurers

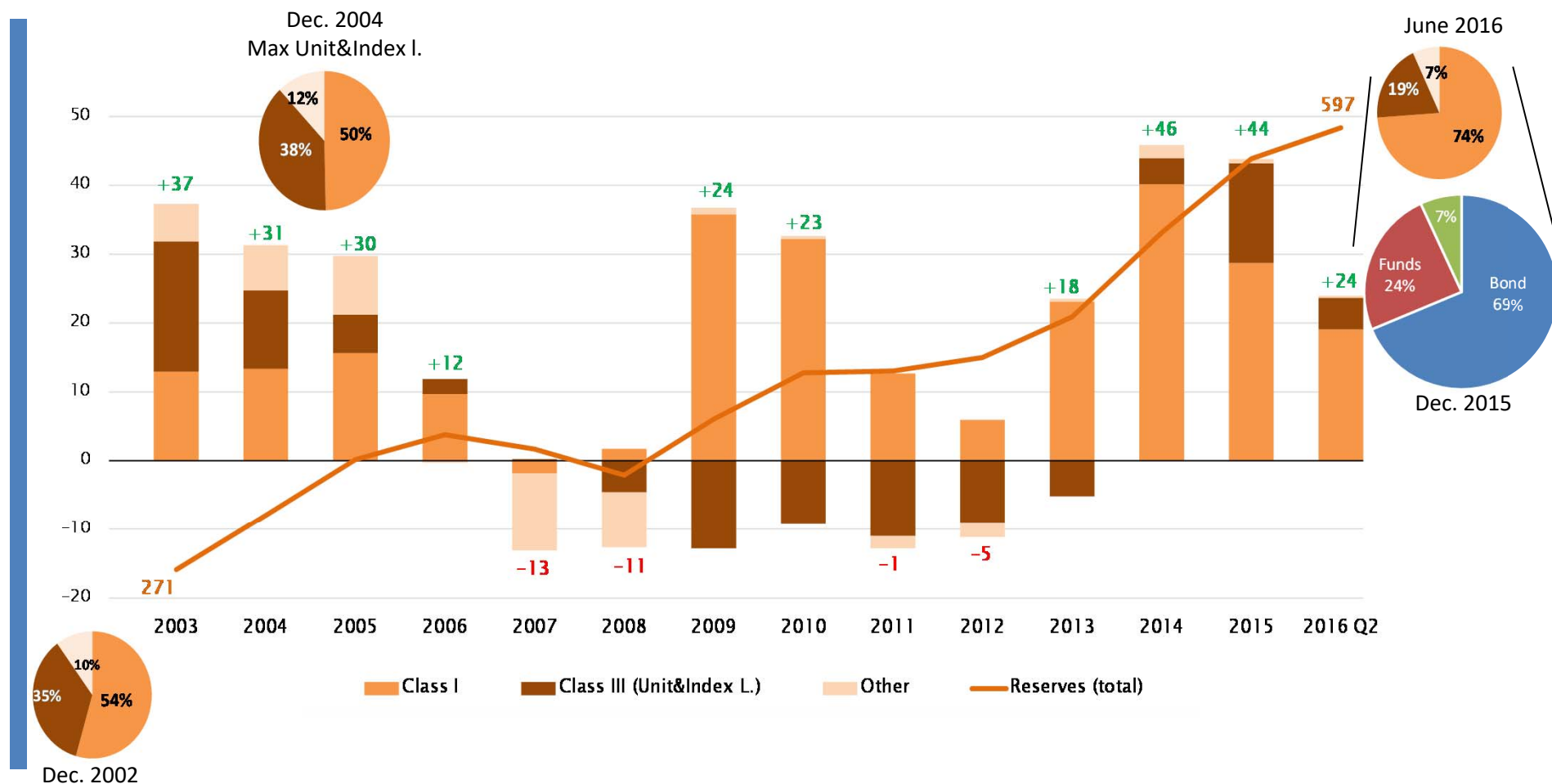


Italian insurance
market (June 2016)



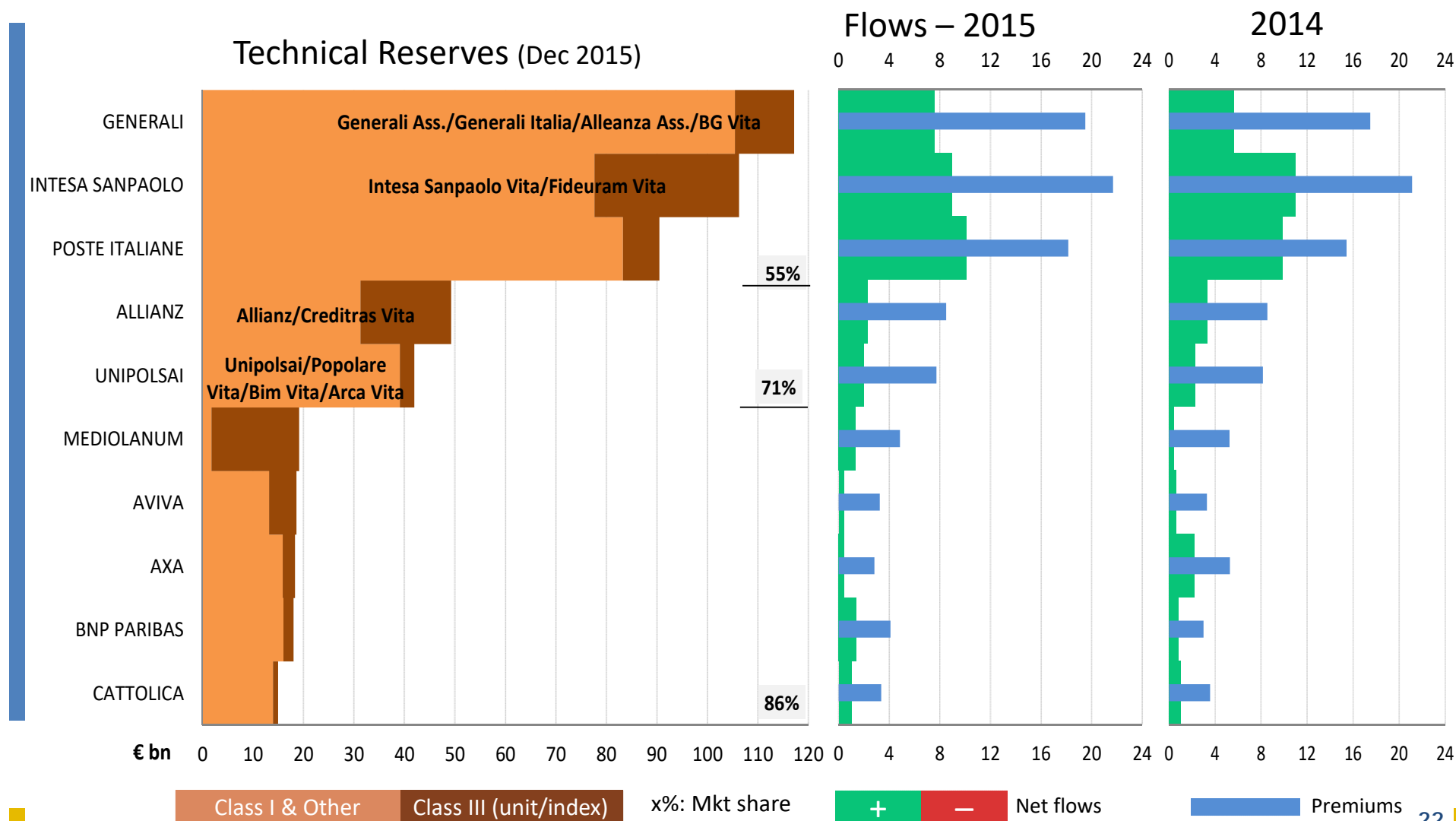


Life Insurance Market: long-term trend



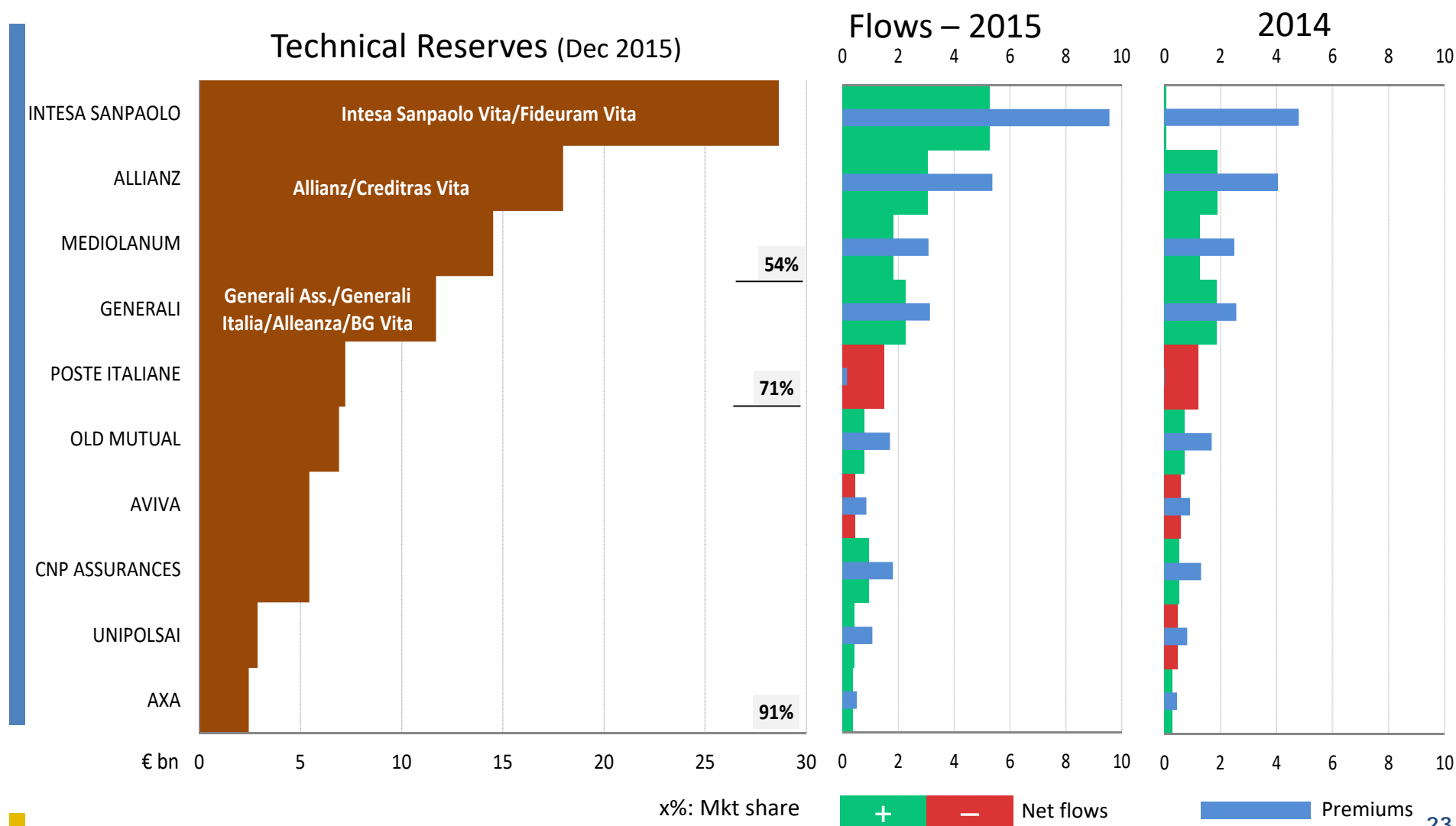


Top 10 Life Insurance Groups





Top 10 Unit&Index Linked Groups





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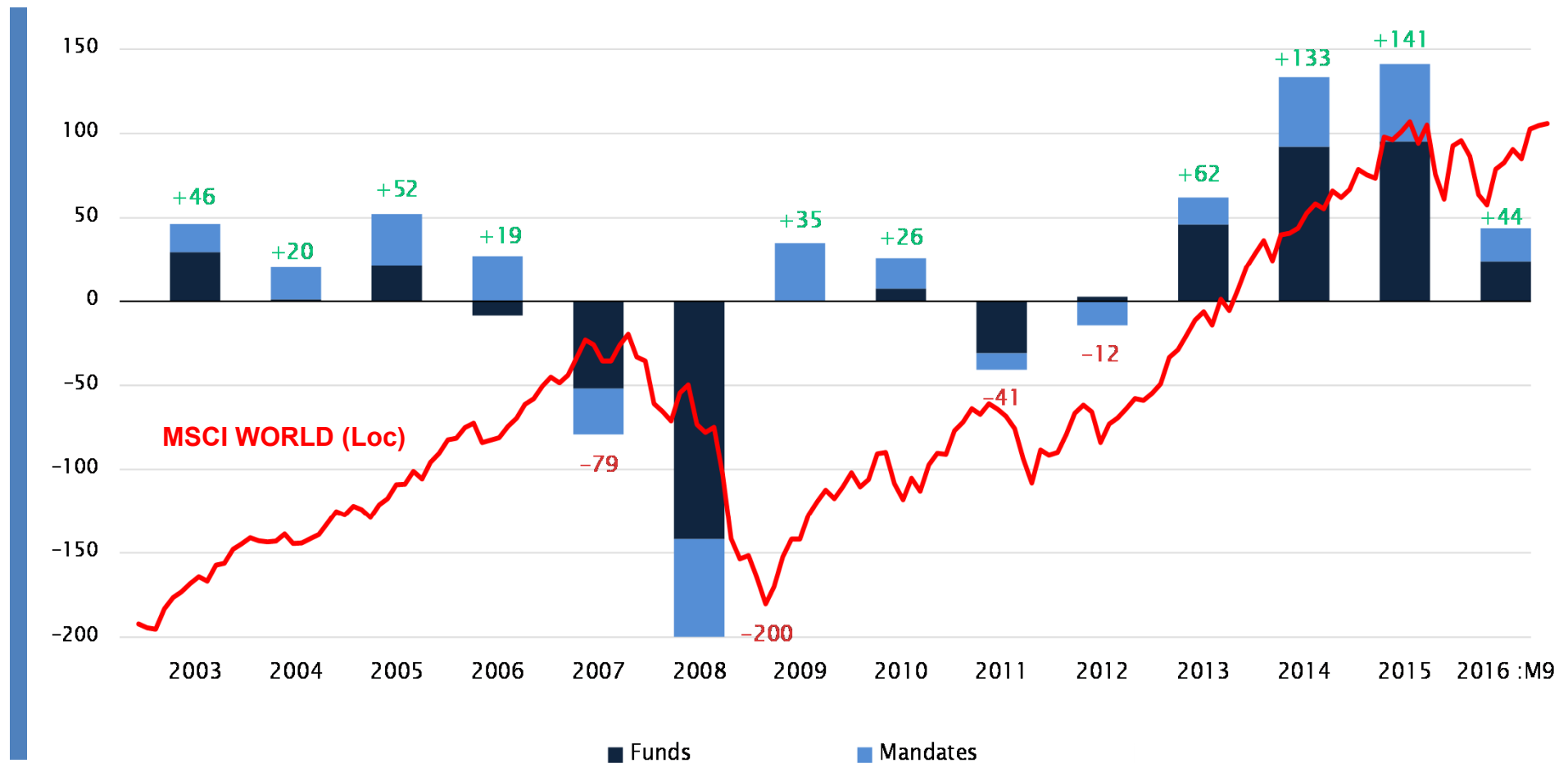
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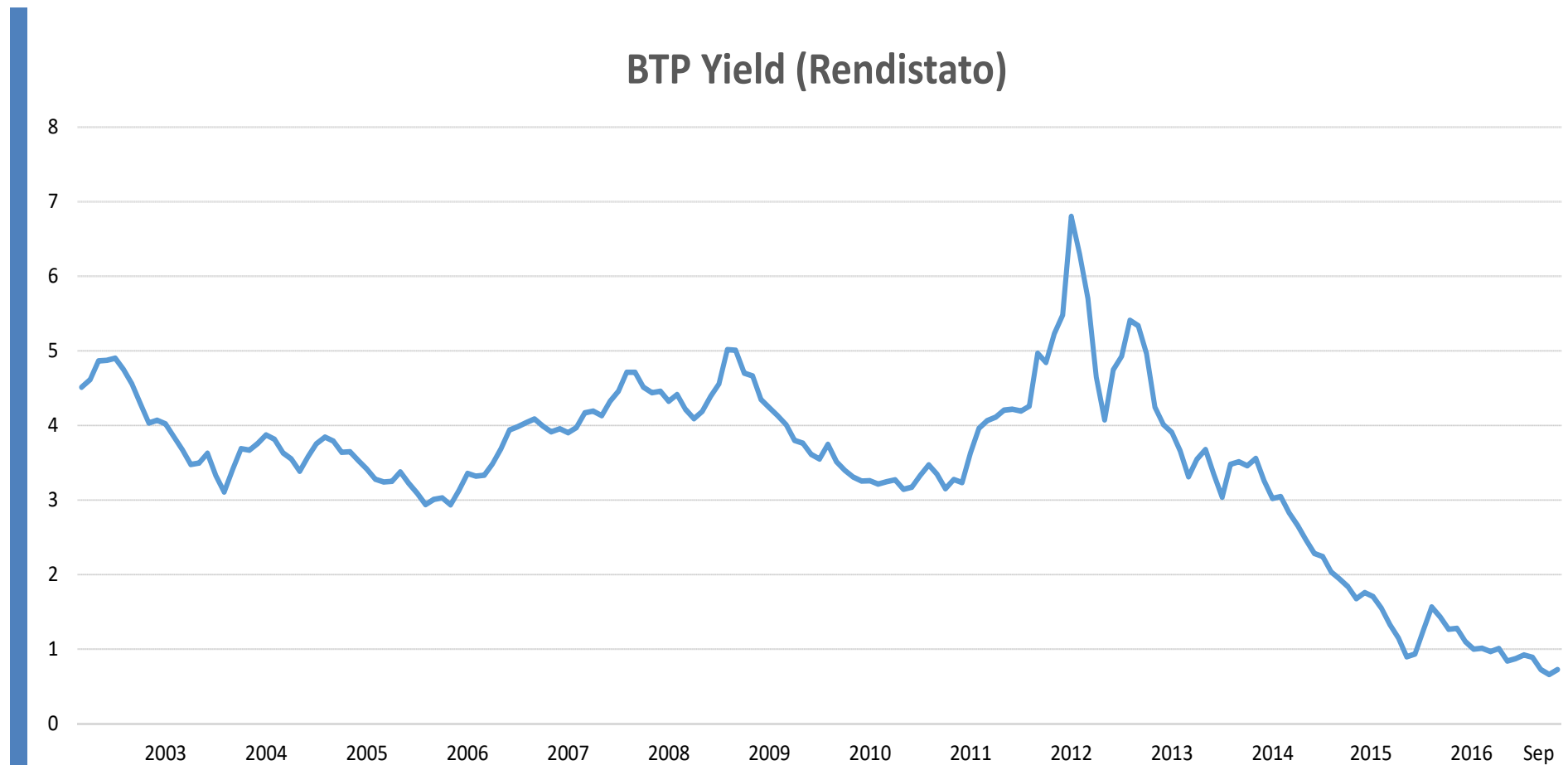


A pro-cyclical market

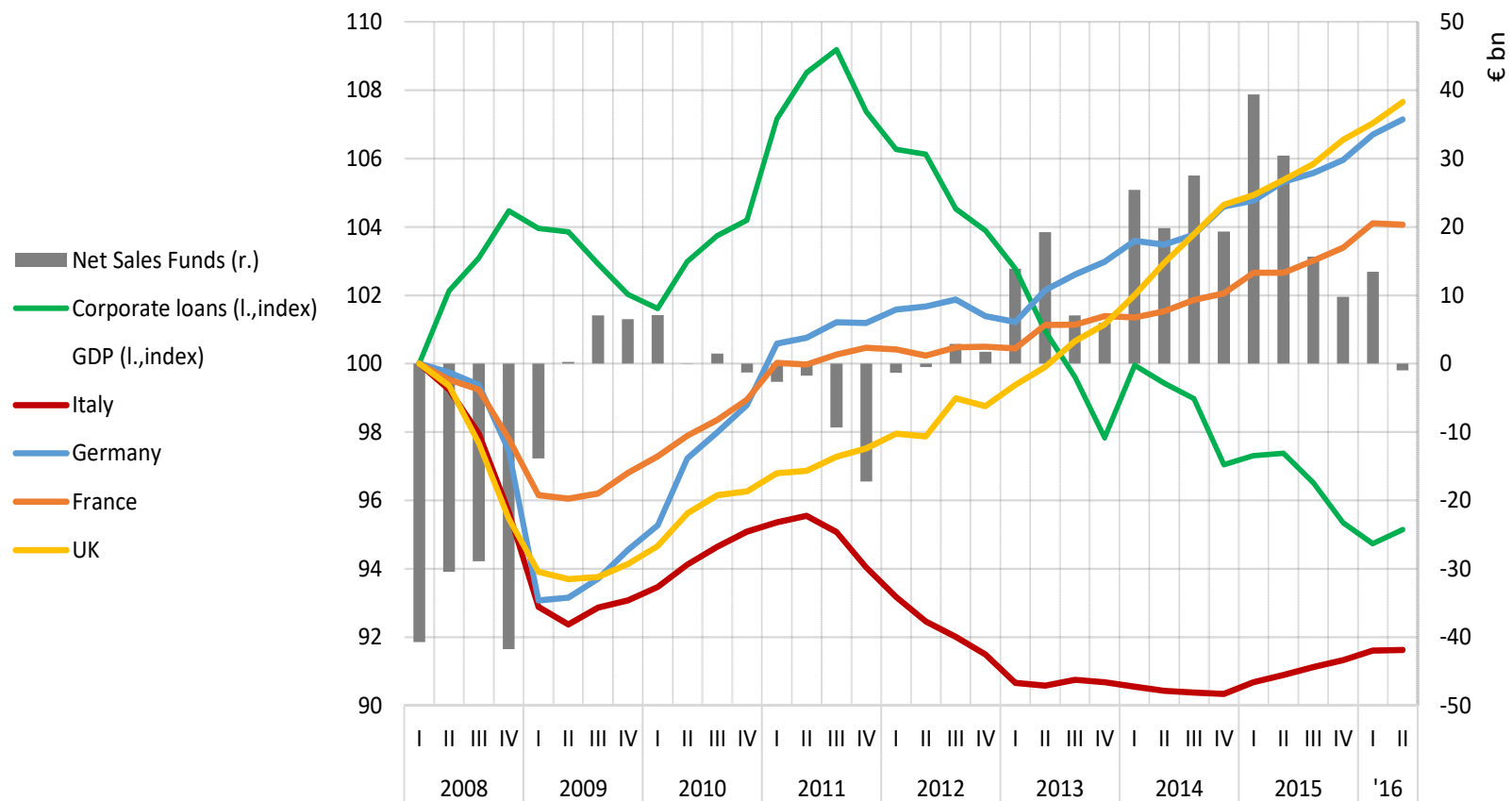




... in search for yield

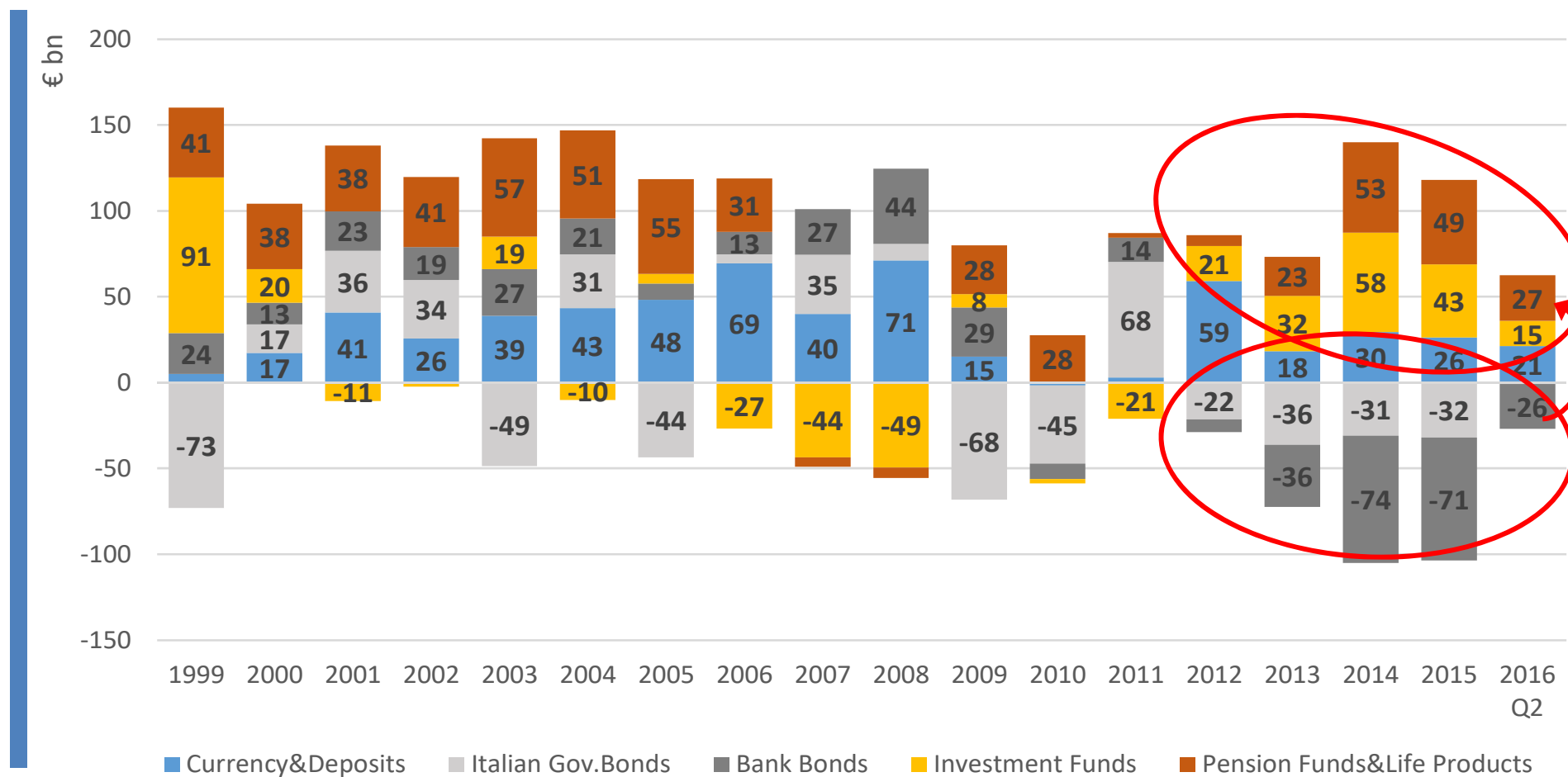


AM Market, GDP & Bank credit





Households: less bonds, more funds (flow view)



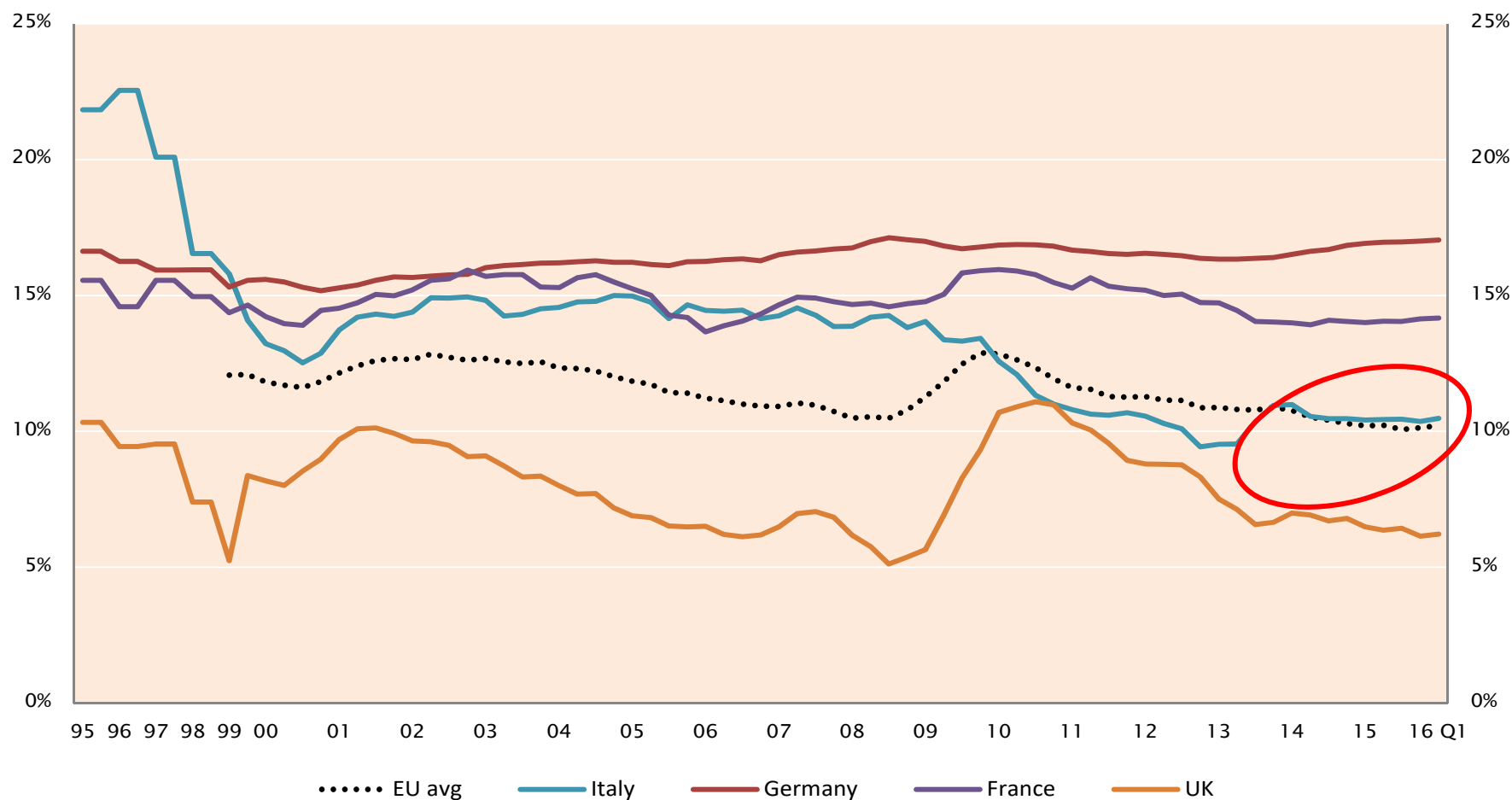


Households: less bonds, more funds (stock view)

	Total Asset	Currency & deposits	Bonds		Stocks		Investment funds	Pension funds & life pr
			Total	<i>Issued by banks</i>	Total	<i>Listed</i>		
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%
2015	4,117	30.9%	10.7%	4.5%	23.3%	1.6%	11.1%	20.1%
2016 Q1	4,047	31.8%	10.5%	4.3%	22.1%	1.4%	11.0%	20.7%
2016 Q1								
France	4,896	28.4%	1.4%	<i>n.a.</i>	20.3%	4.1%	6.8%	34.2%
Germany	5,502	39.1%	3.1%	<i>n.a.</i>	10.1%	4.8%	9.8%	31.3%
UK	8,244	22.9%	1.5%	<i>n.a.</i>	7.9%	2.7%	4.2%	59.4%
USA	62,431	13.8%	6.3%	<i>n.a.</i>	34.9%	<i>n.a.</i>	10.8%	32.3%

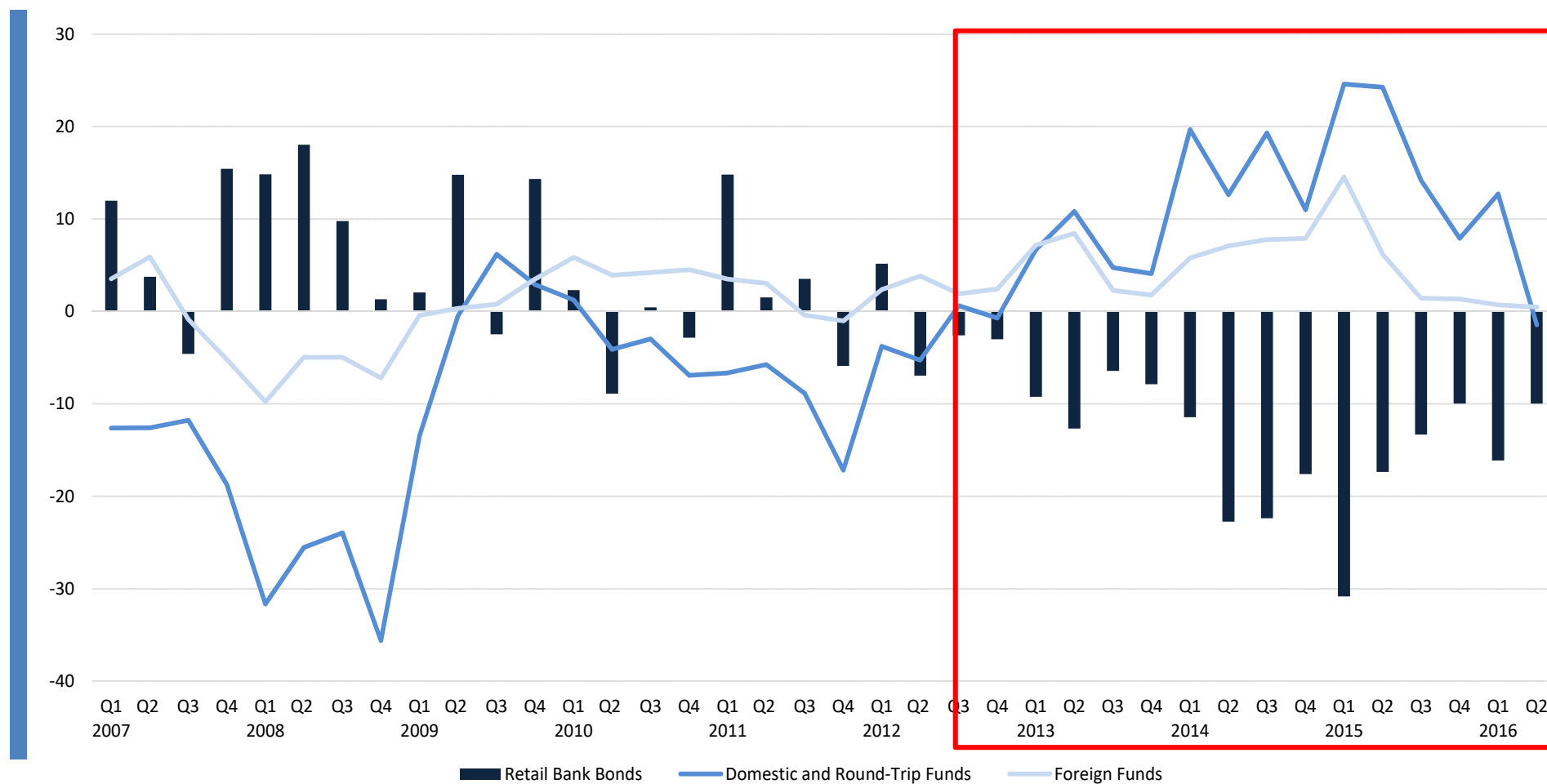


The uptick of the saving rate is good news for the industry



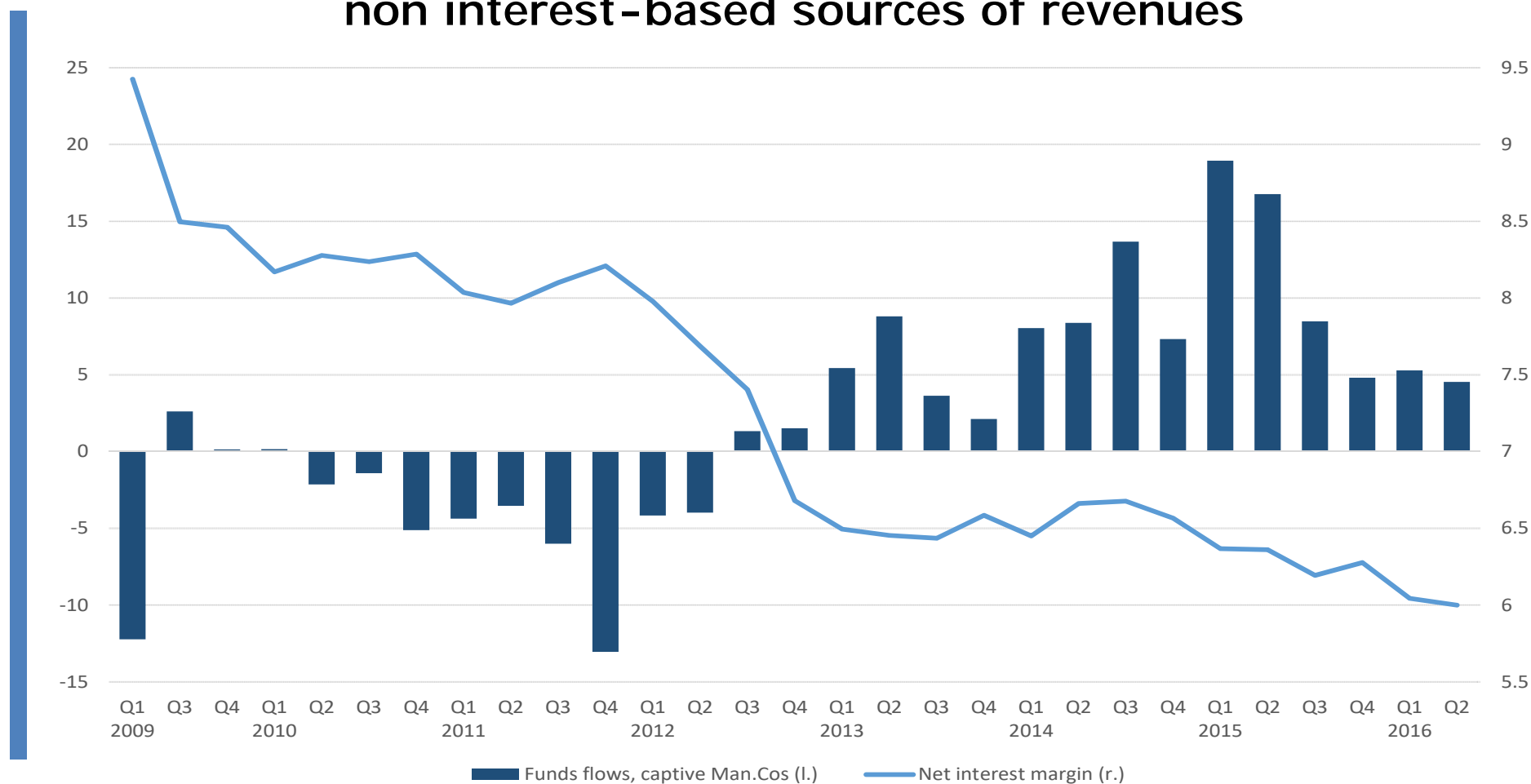


Banks: no more dependent on funding from retail investors...



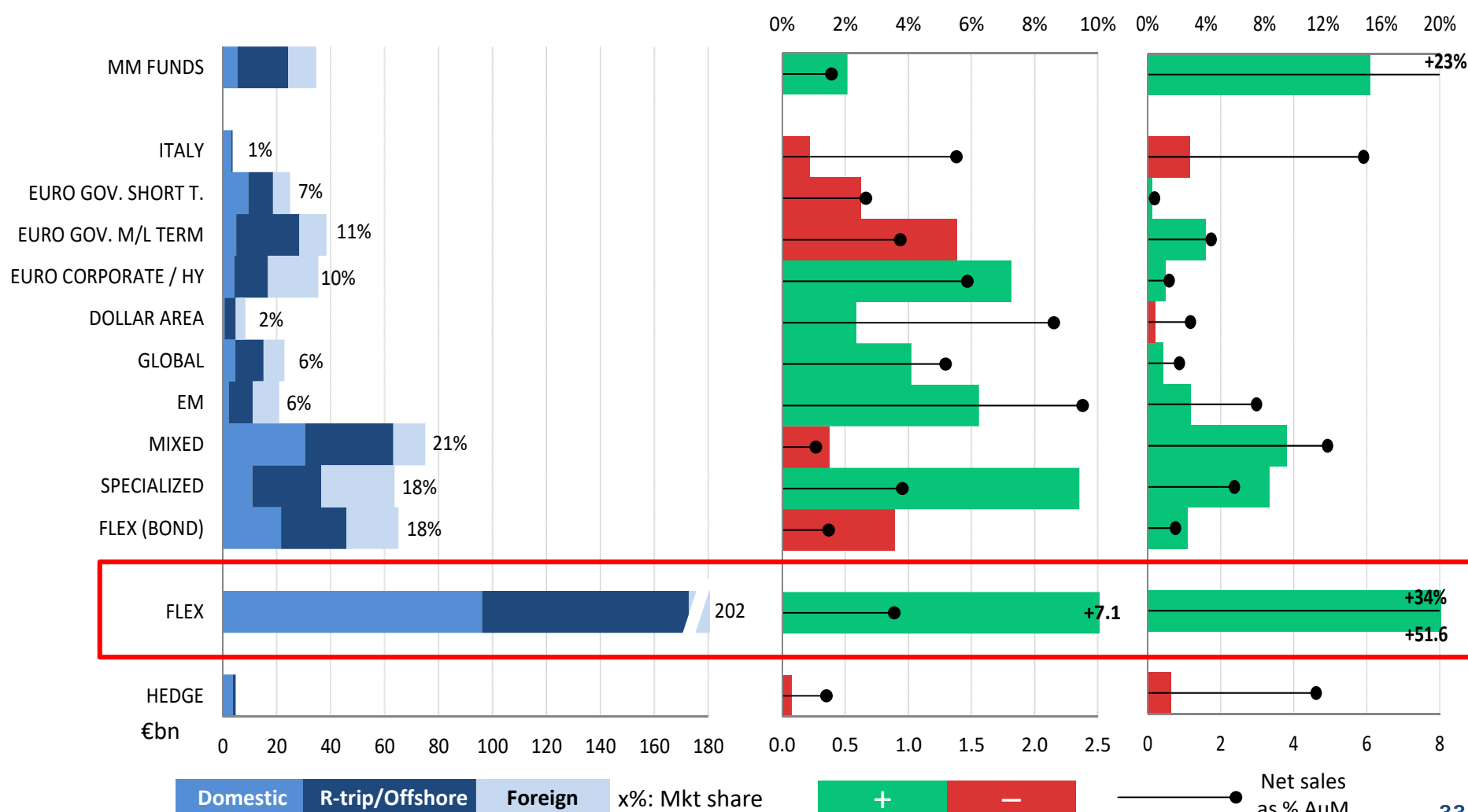


... and urged to sustain profitability through non interest-based sources of revenues





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





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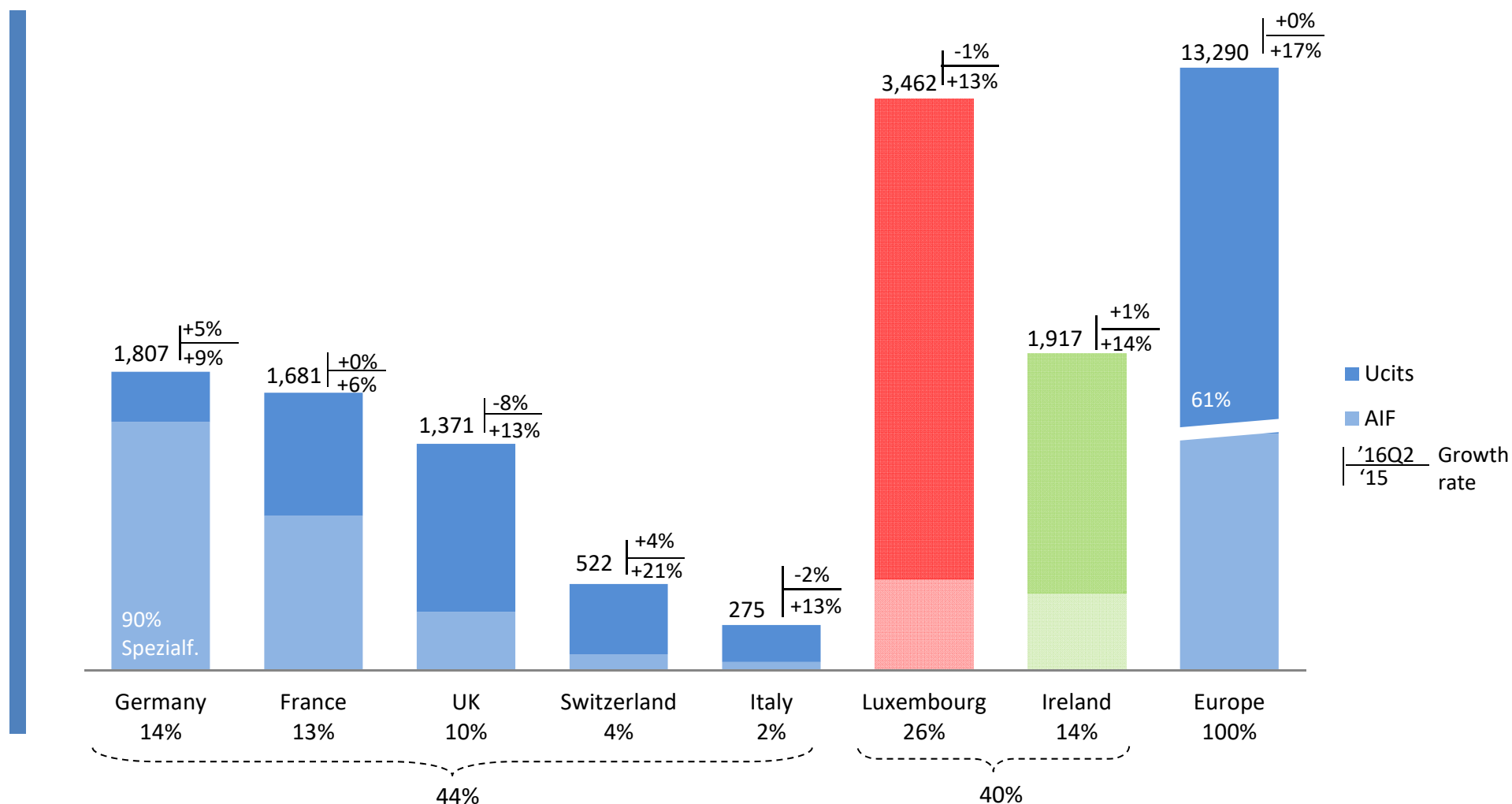
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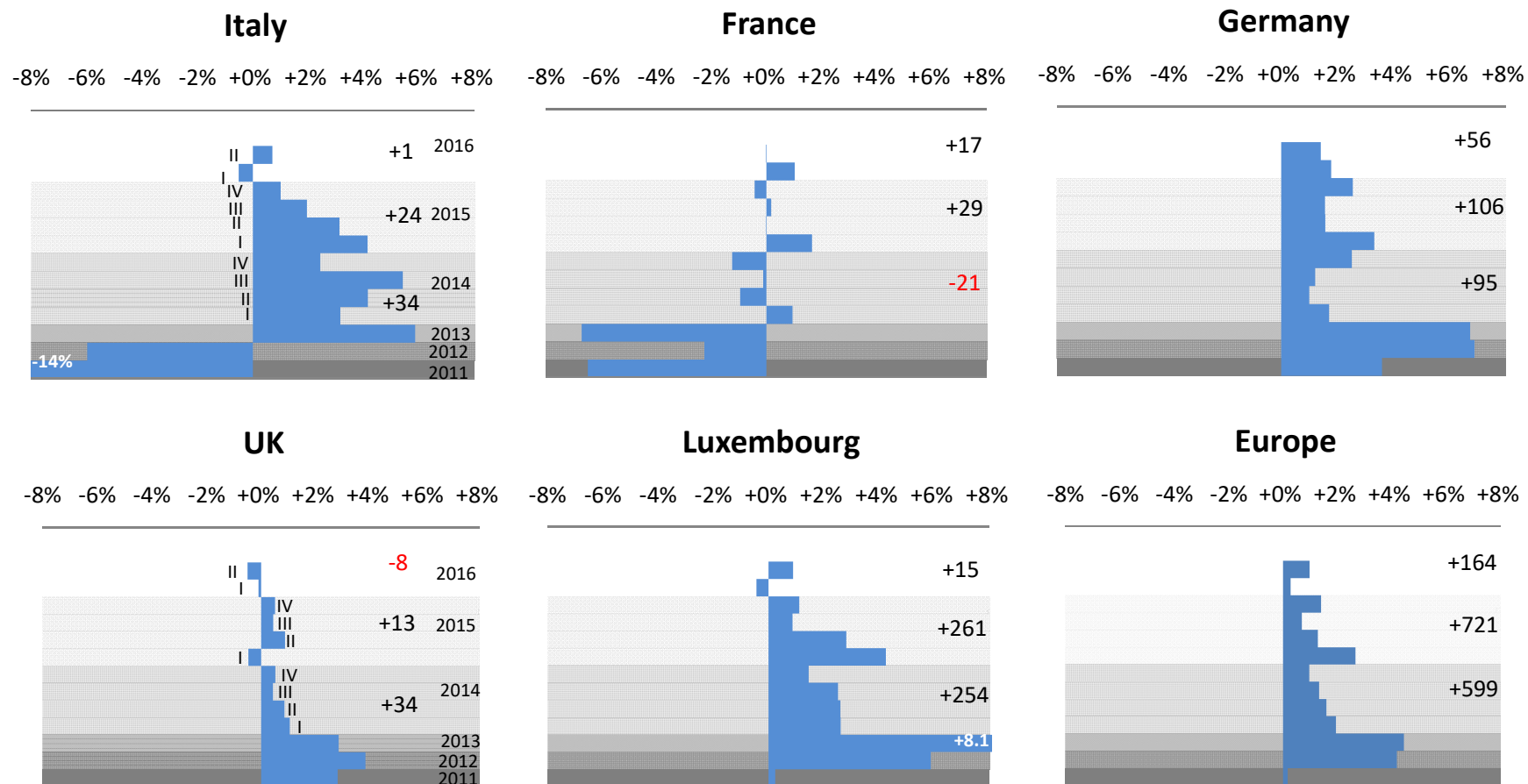


Net Assets by fund domicile



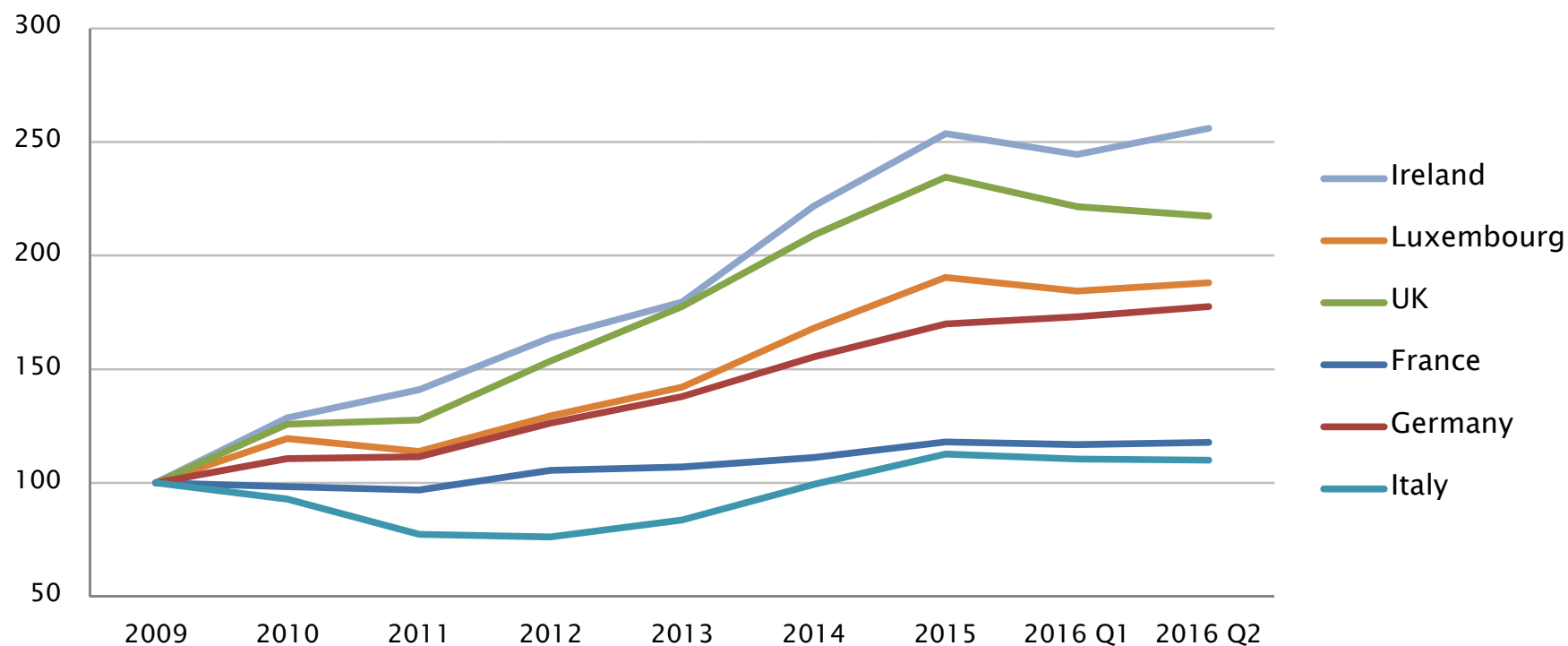


Net sales by fund domicile



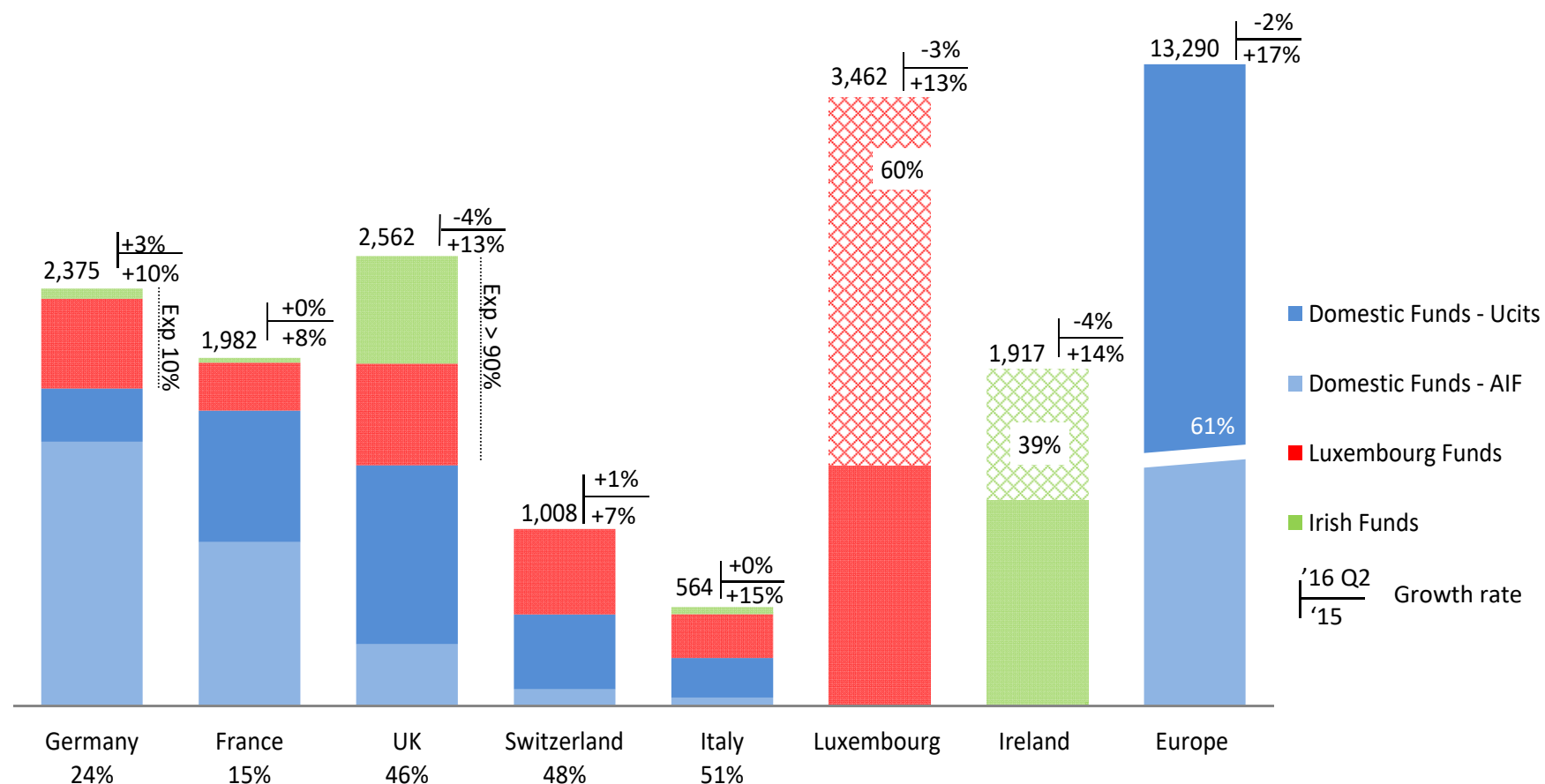


Net Assets by fund domicile – Long-term growth



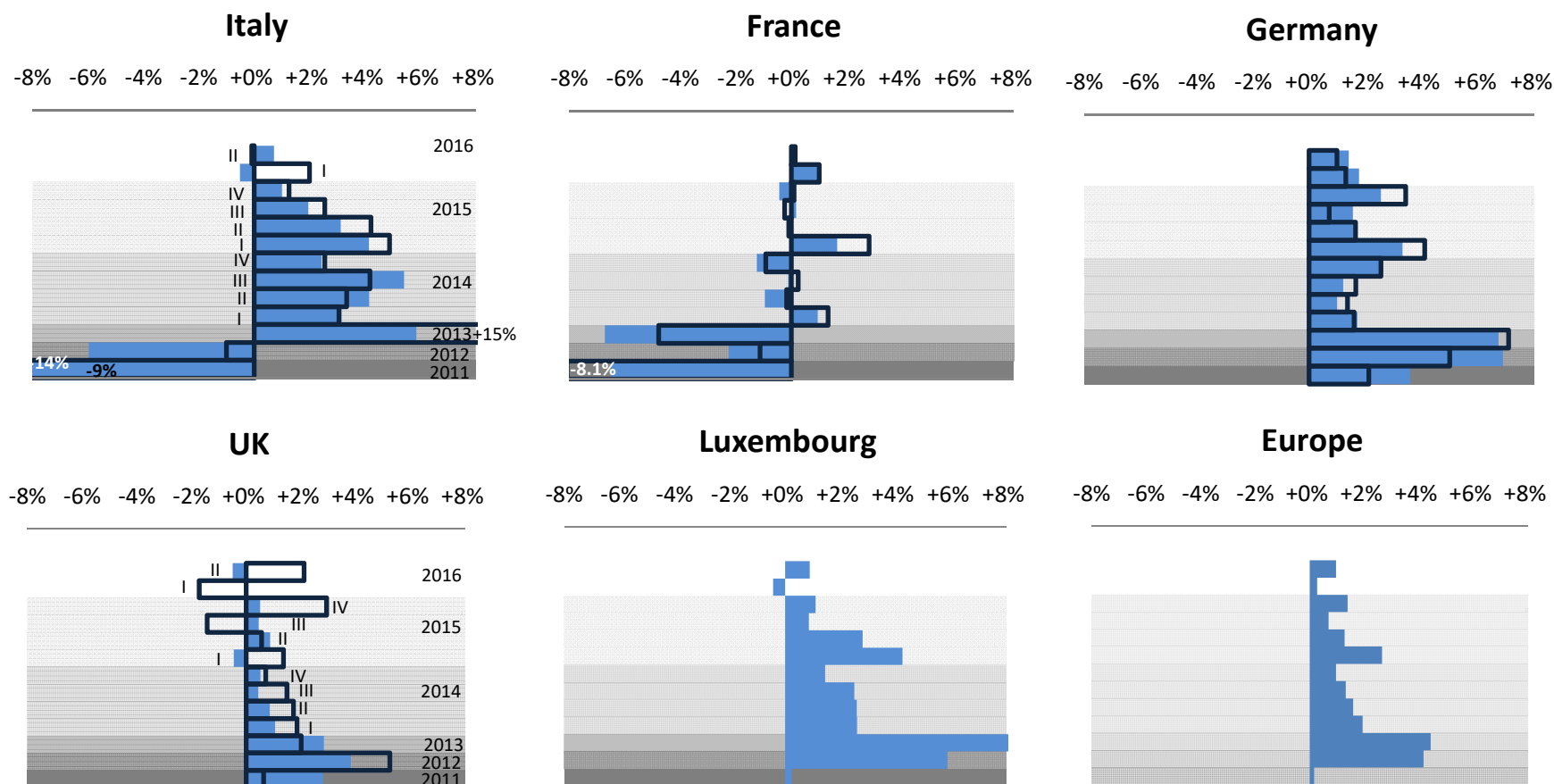


Net Assets by fund group domicile





Net sales: fund domicile vs. fund group domicile





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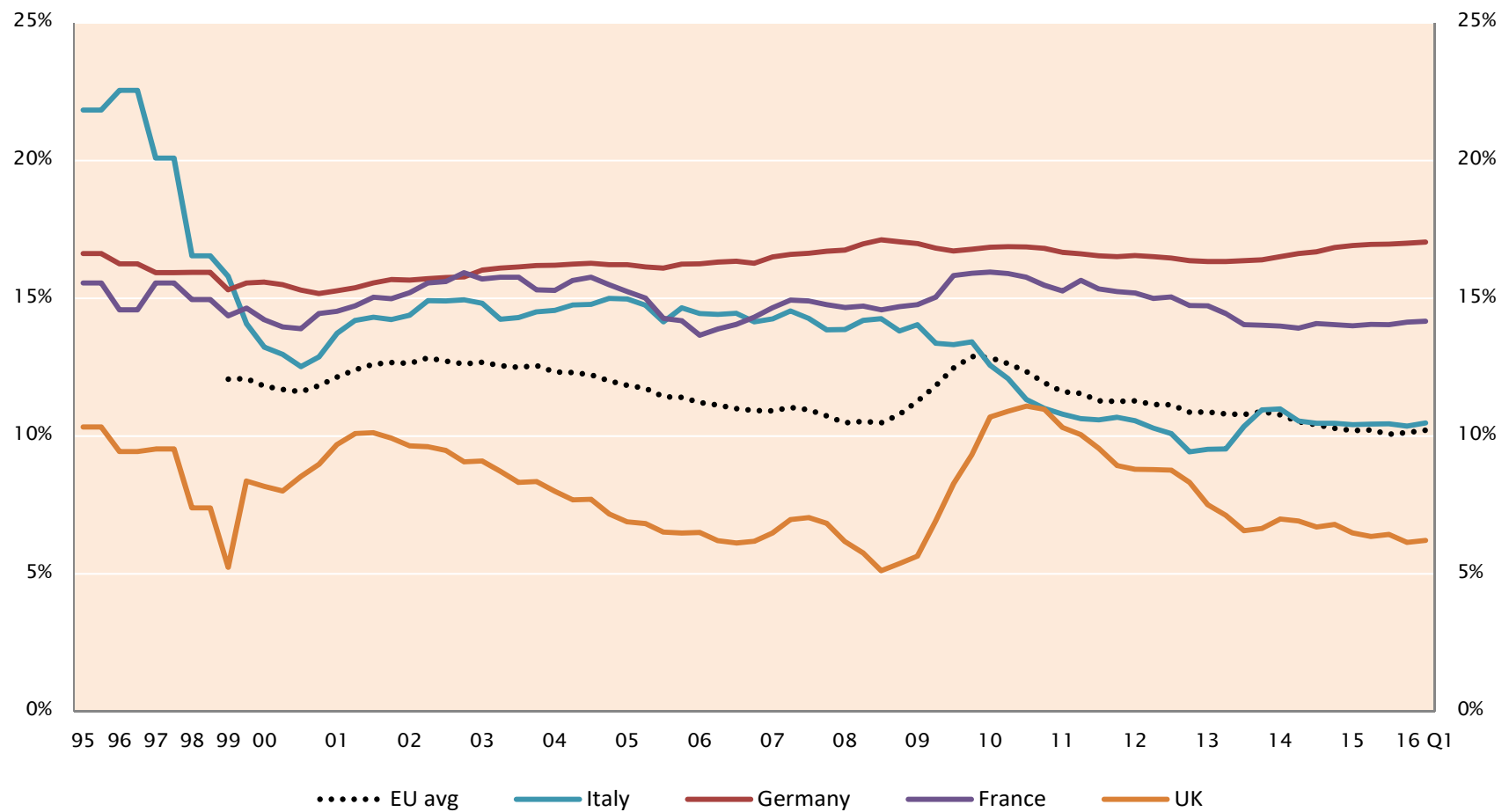
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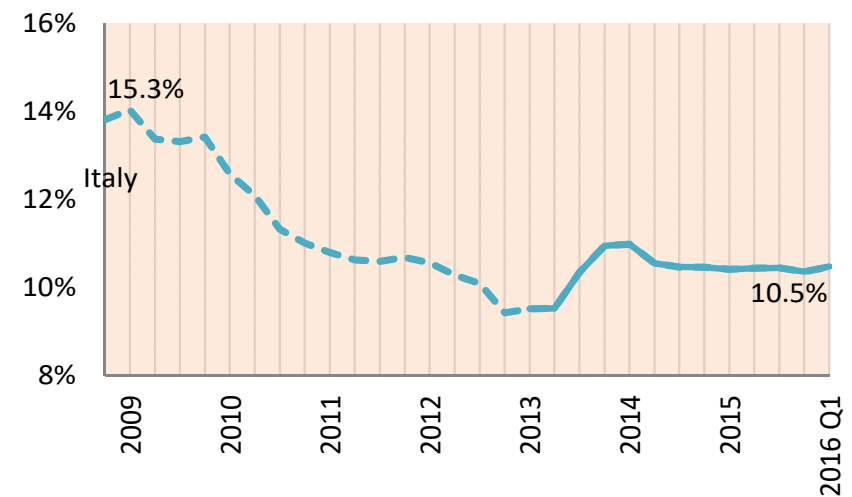
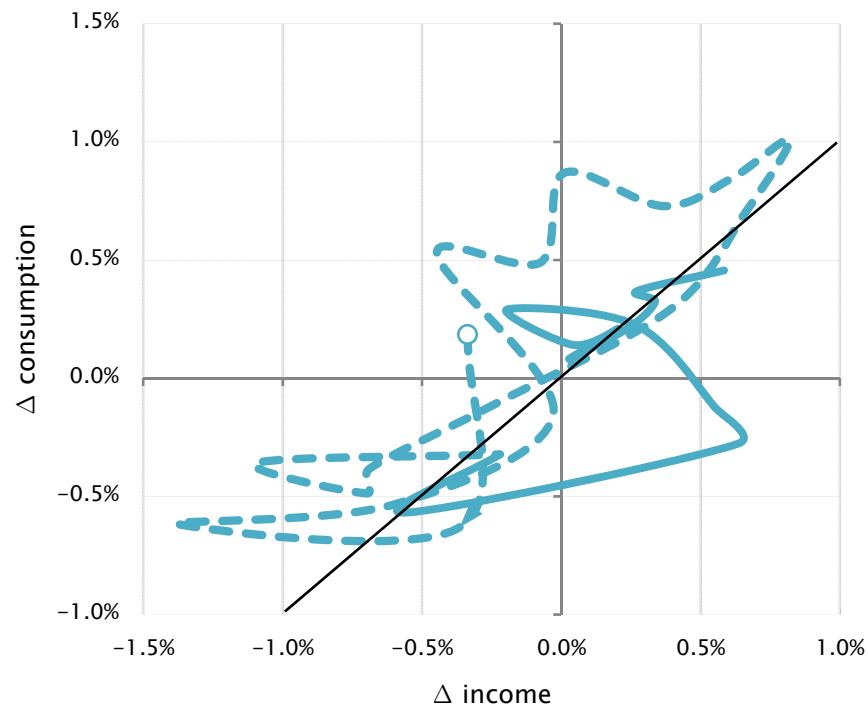


Household saving rates in Europe



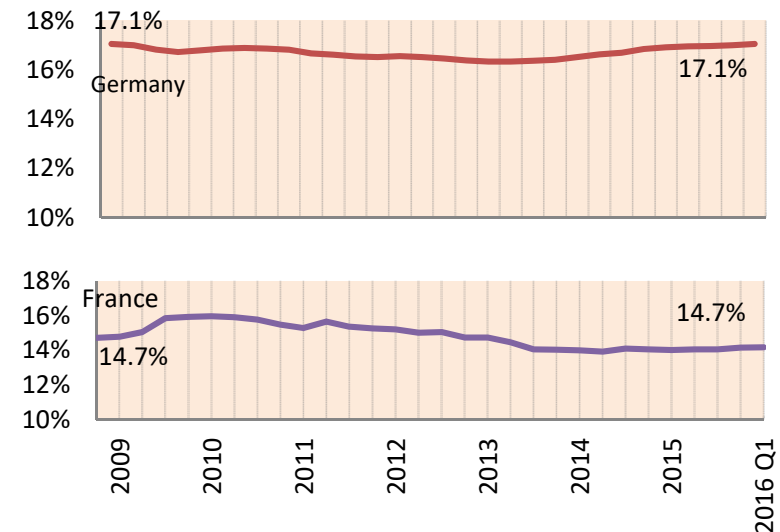
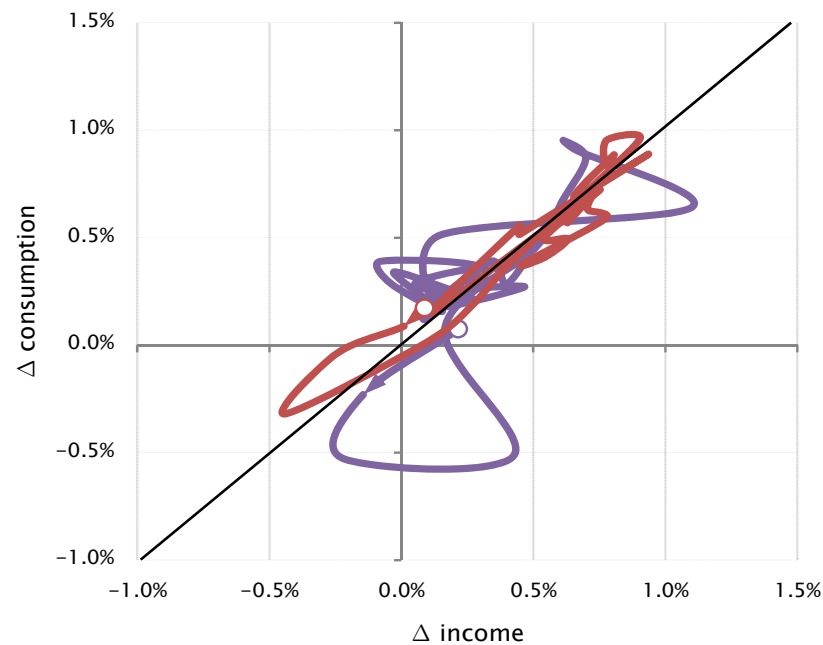


How income & consumption $\Delta\%$ affect saving rates



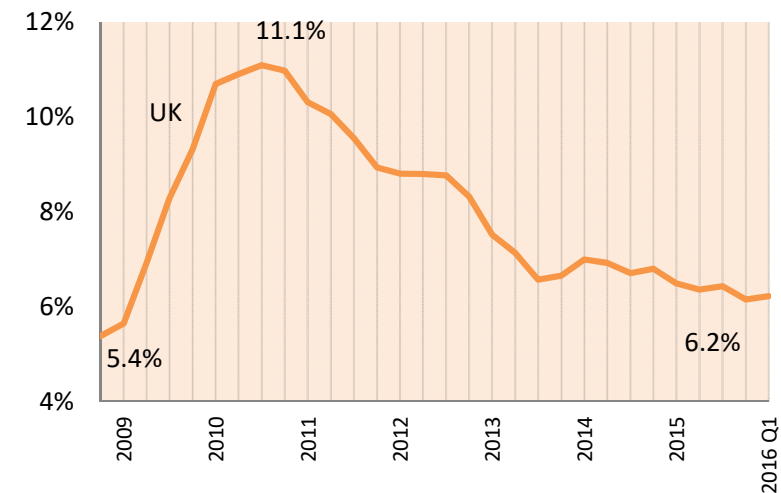
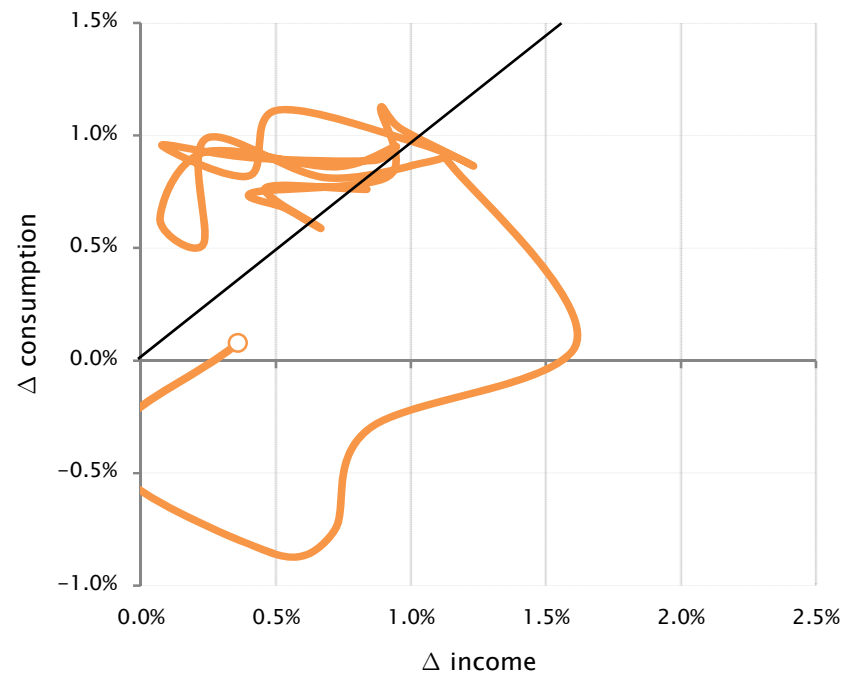


How income & consumption $\Delta\%$ affect saving rates





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.

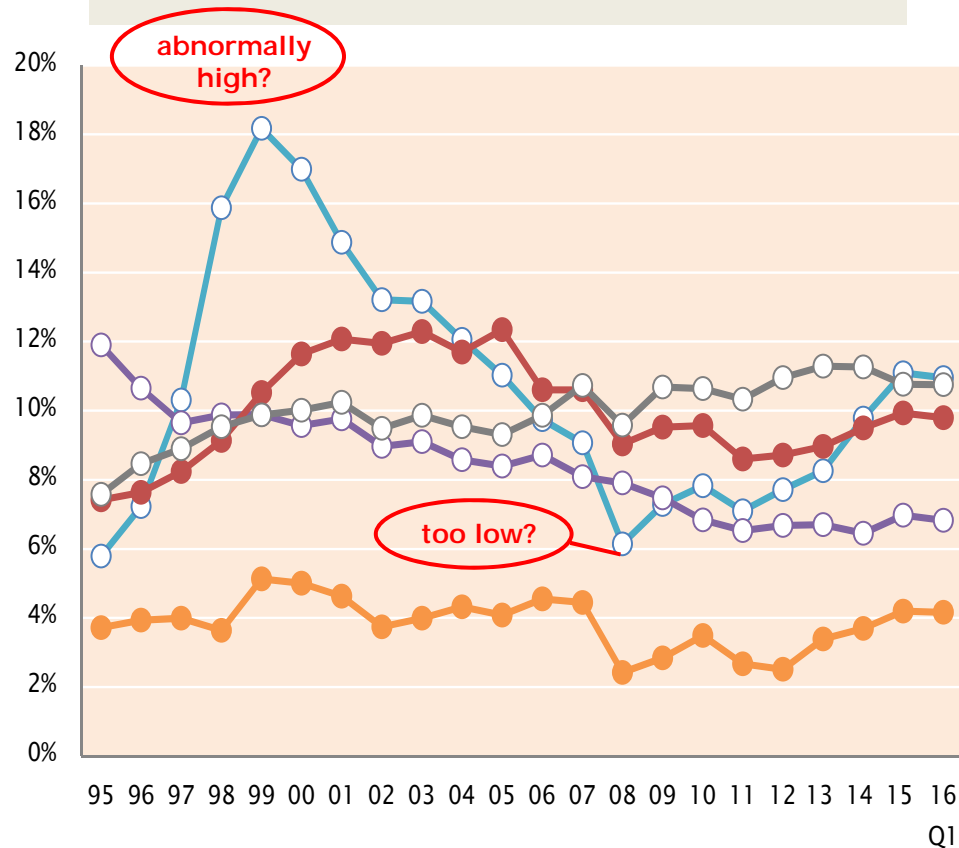
Funds: rise until 1999 (18%) then down, then again up.

Pensions/life product: up but still too modest.

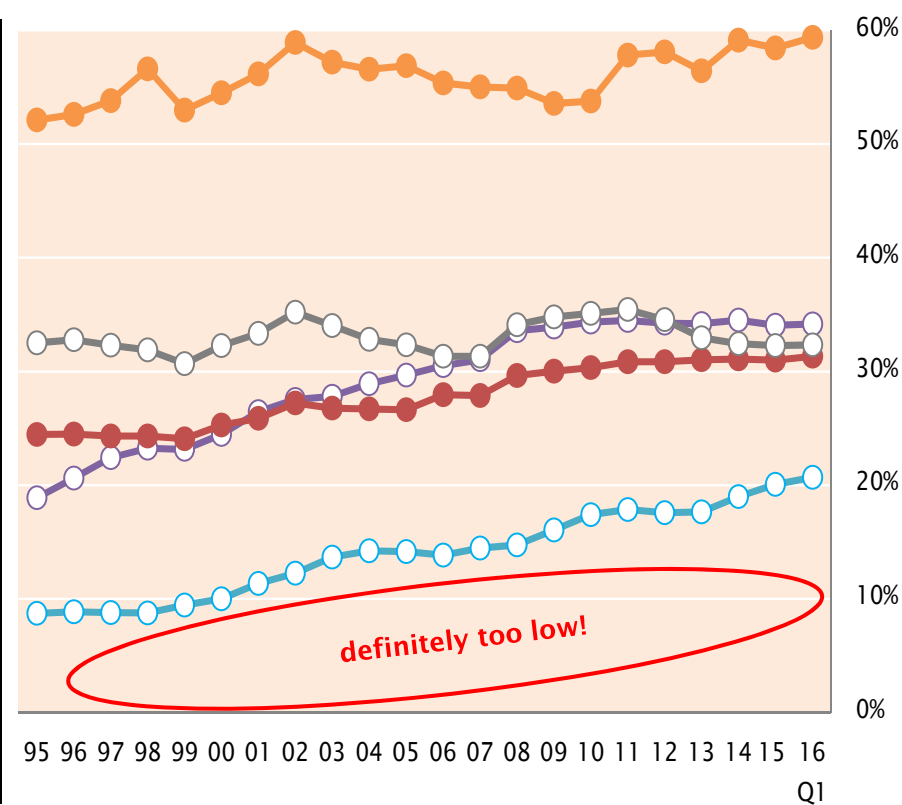


Managed products in household portfolios

Investment funds



Pension funds & life products



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



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

	2015			2008	
	Working pop. (,000)	Membership (est.)	Membership rate	Membership rate	
Member breakdown	7,227	22,559	32.0%	21.0%	
Private sector employees	5,174	13,903	37.2%	26.0%	
Public sector employees	174	3,253	5.4%	4.0%	
Self-employed	1,879	5,403	34.8%	19.0%	
	2015 Members				Assets
	(,000)	%	'15 Δ %	7y Δ %	(€ m) % GDP
Vehicle breakdown	7,227	100%	+11%	+49%	140,180 8.6%
Contractual p.f.	2,419	33%	+24%	+18%	42,546
Open p.f.	1,150	16%	+9%	+45%	15,430
Ind. Insurance Plans (PIP)	3,028	42%	+4%	+120%	26,835
Ante 1993 p.f. ('pre-existing')	645	9%	-0%	-5%	55,299

The Italian Asset Management market key figures

25 October 2016

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