



ASSOGESTIONI

associazione del risparmio gestito

The Italian Asset Management market key figures

27 July 2017

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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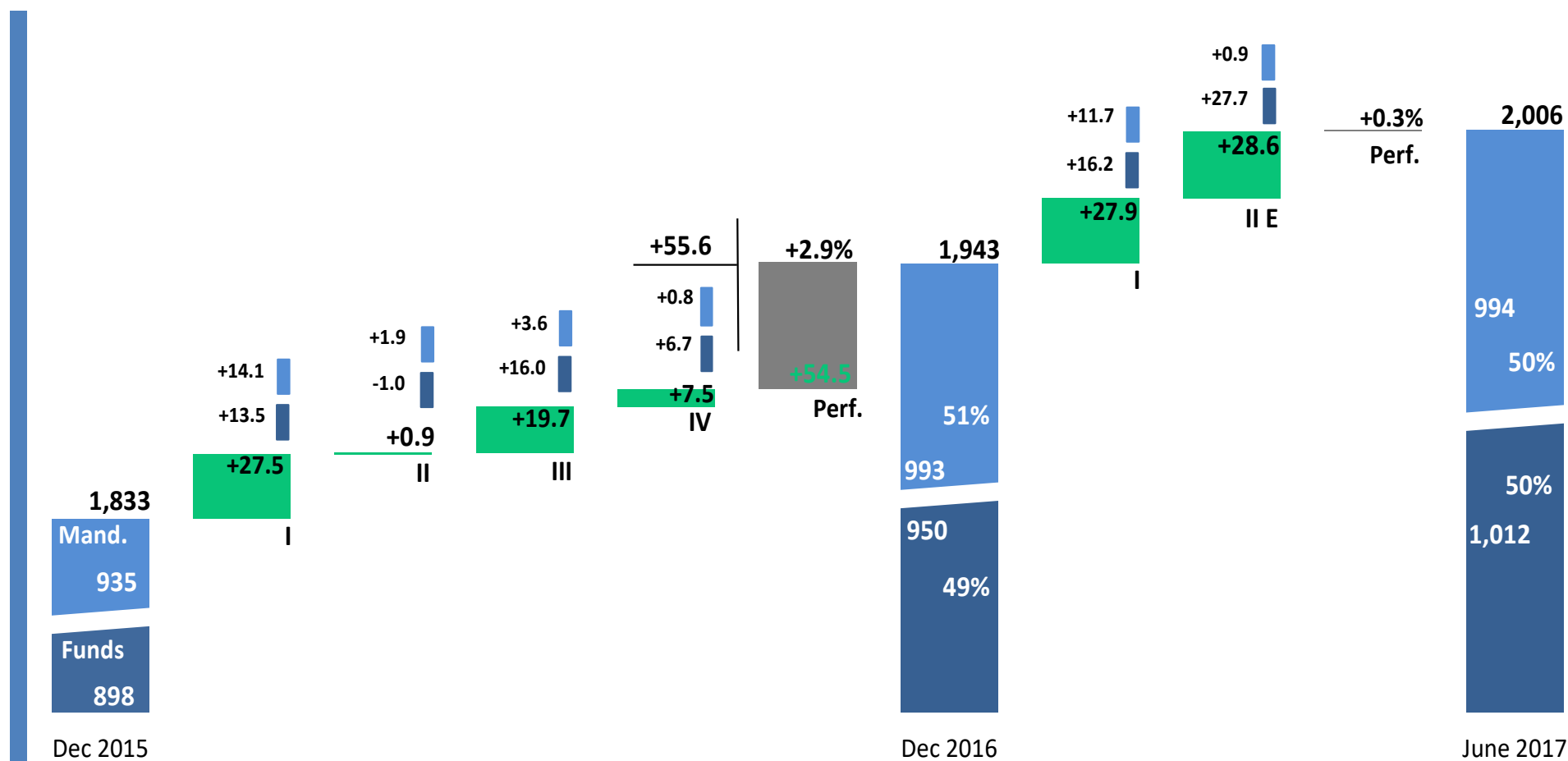
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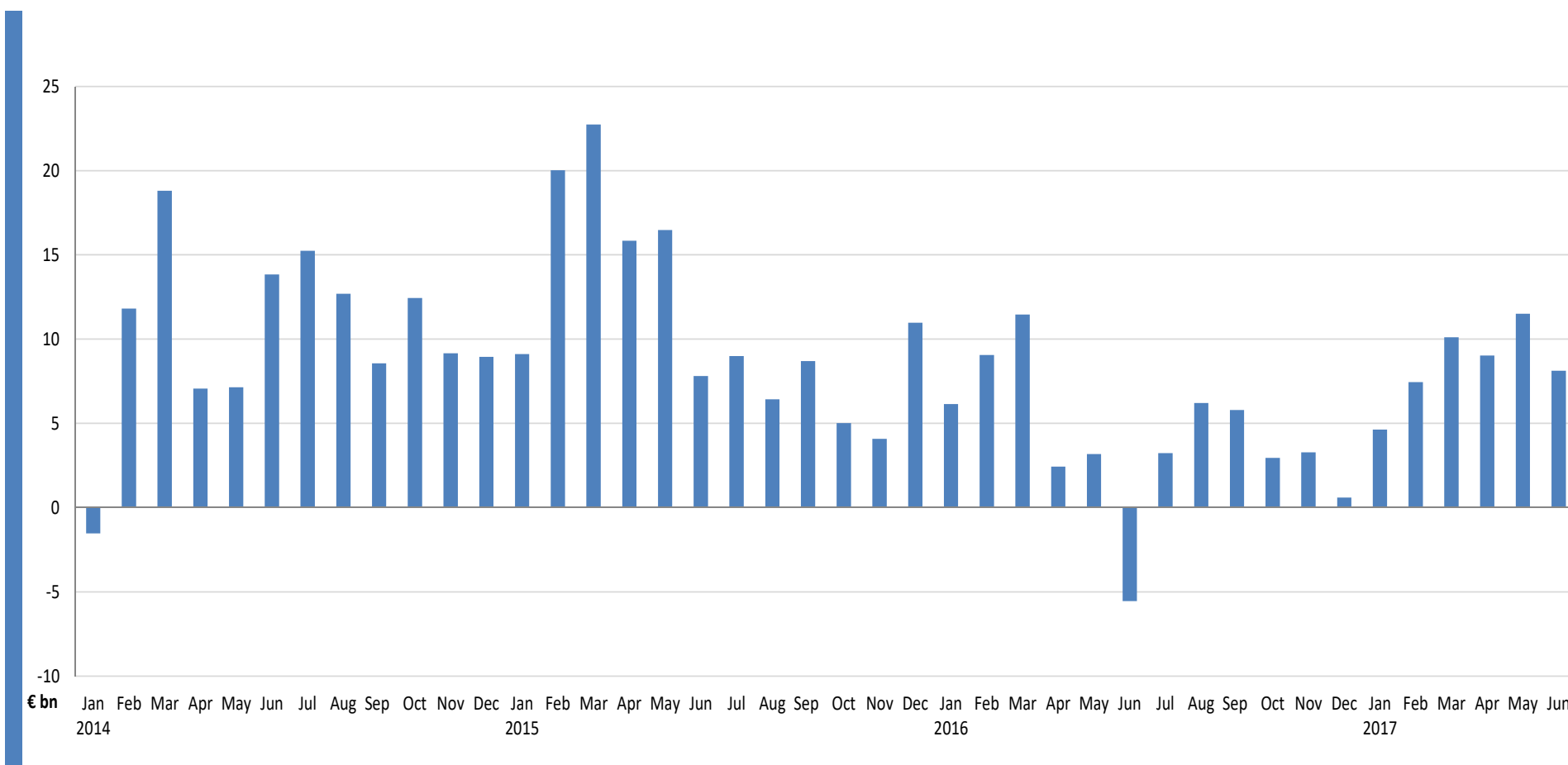


The Italian AM market (Jan 2016: June 2017)



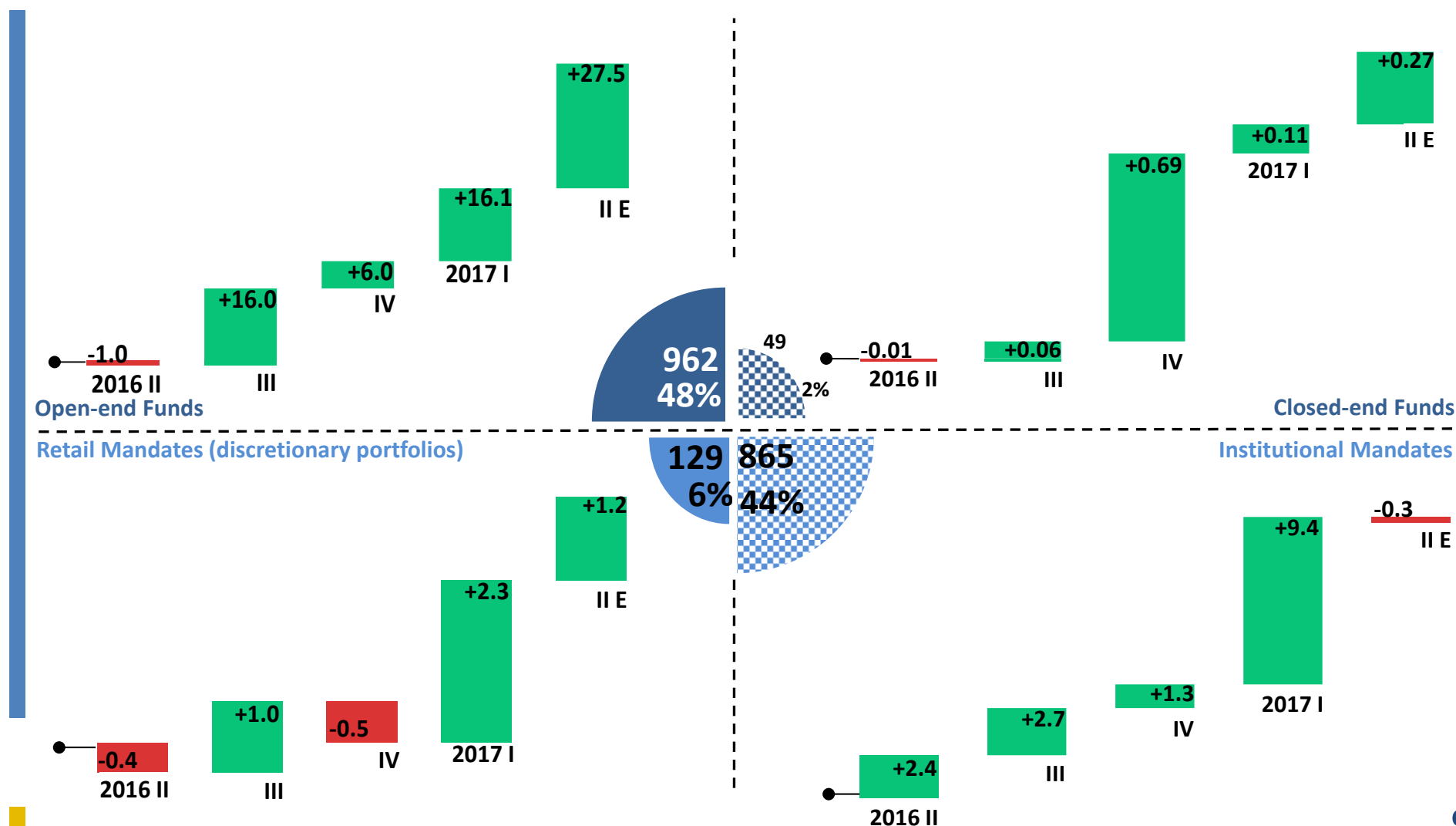


Net flows (monthly data)



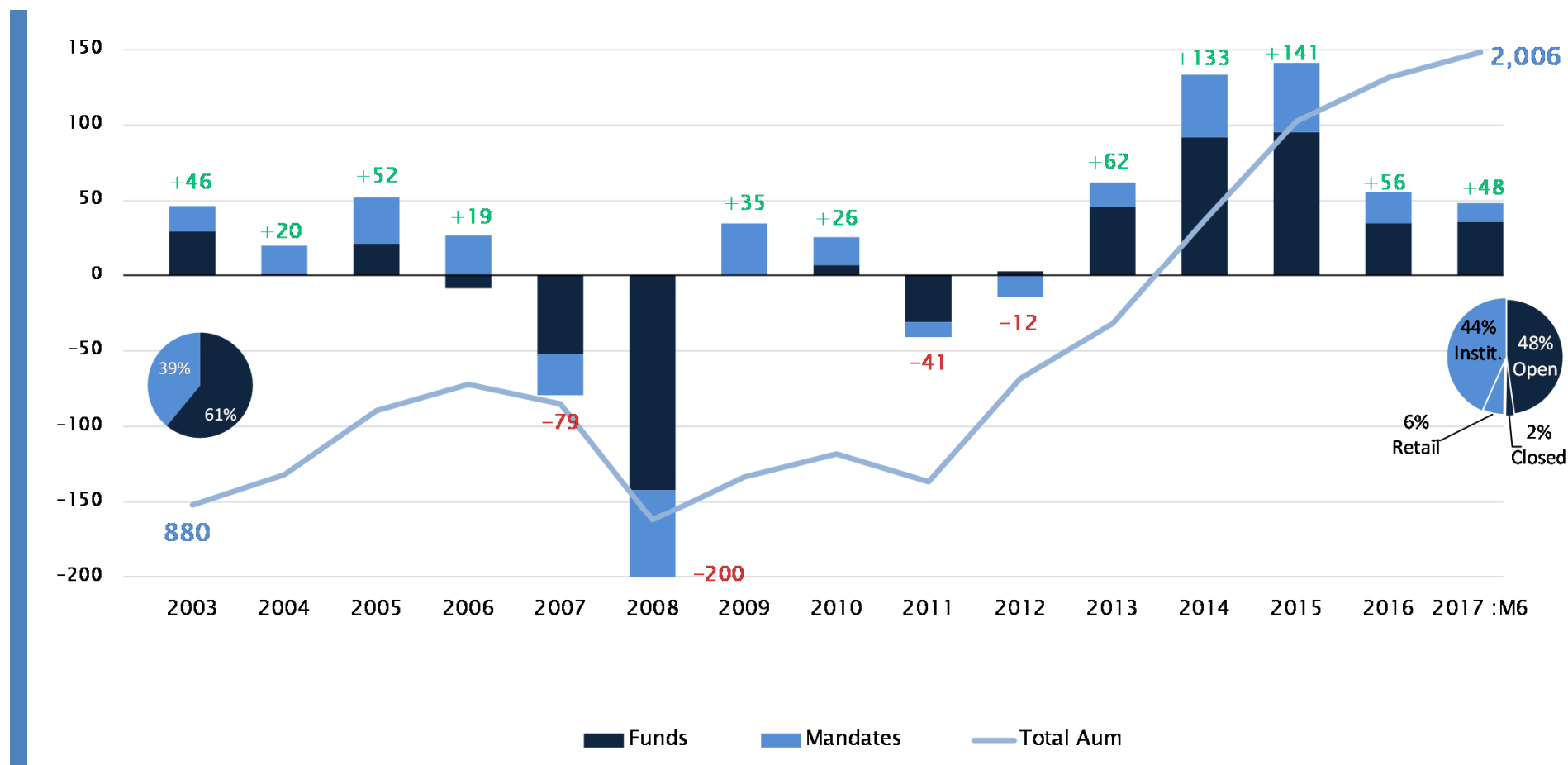


Product breakdown



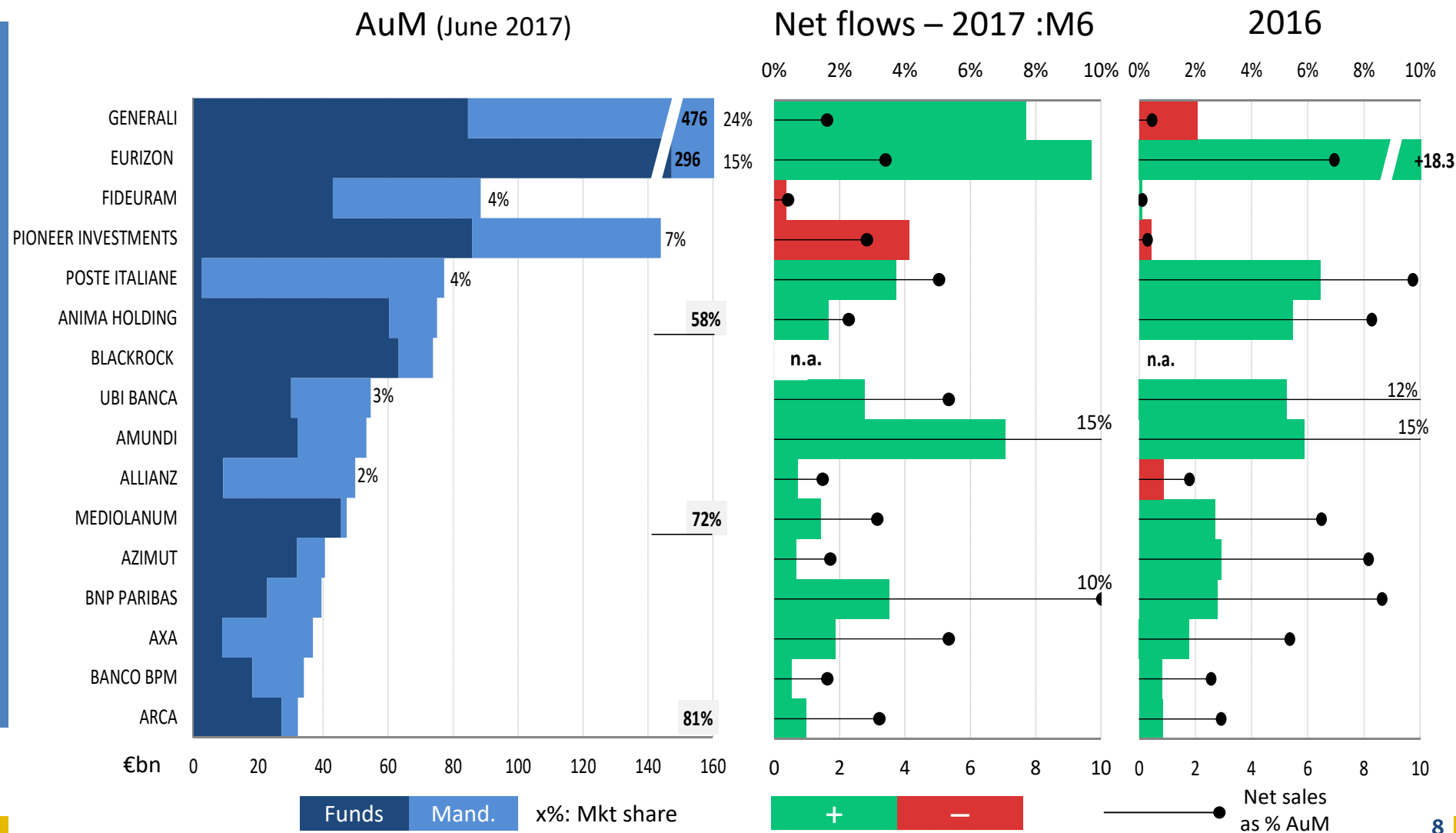


Long term trend



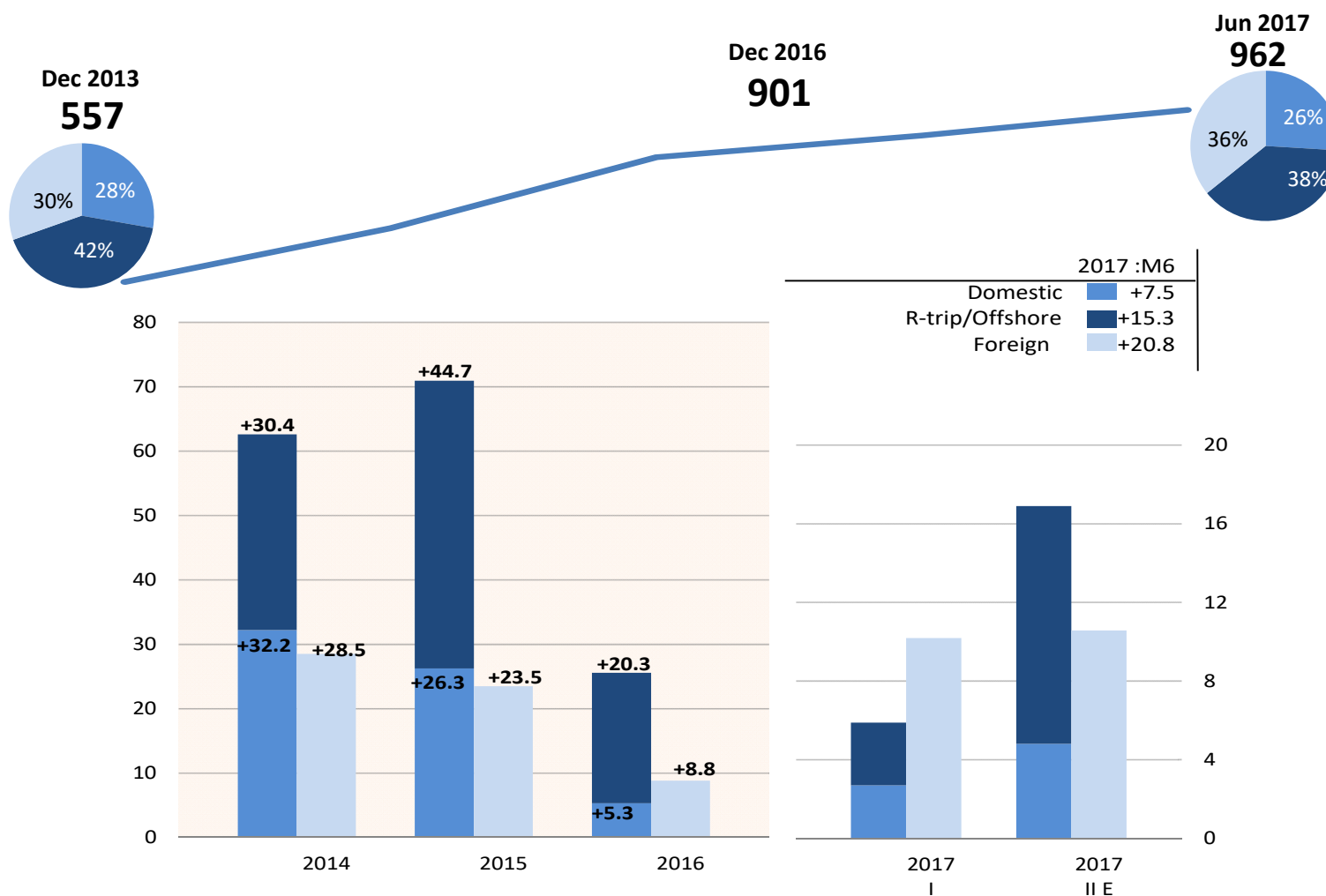


Top 15 Groups



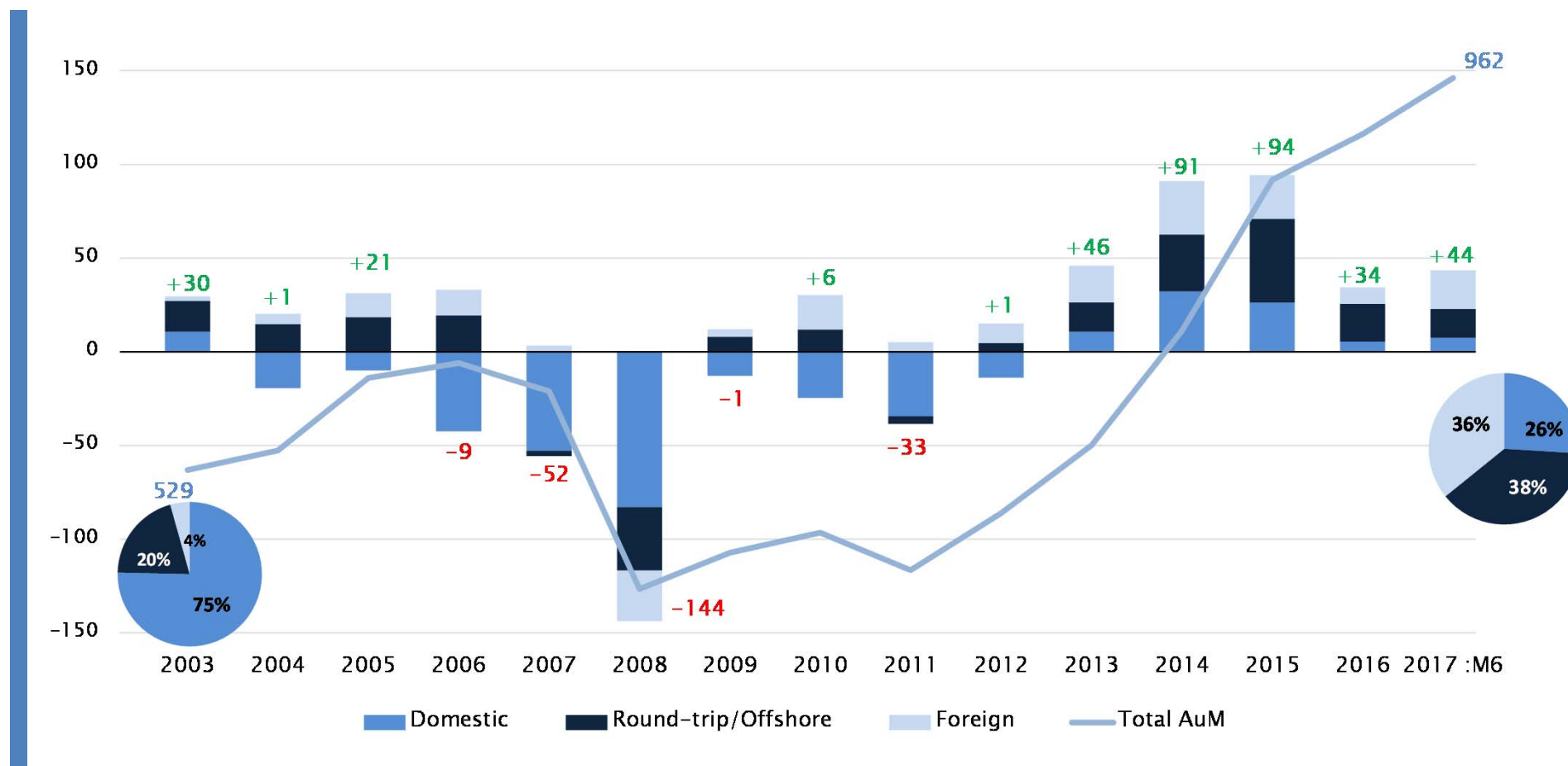


Open-end funds: domicile breakdown





Long term trend: open-end funds





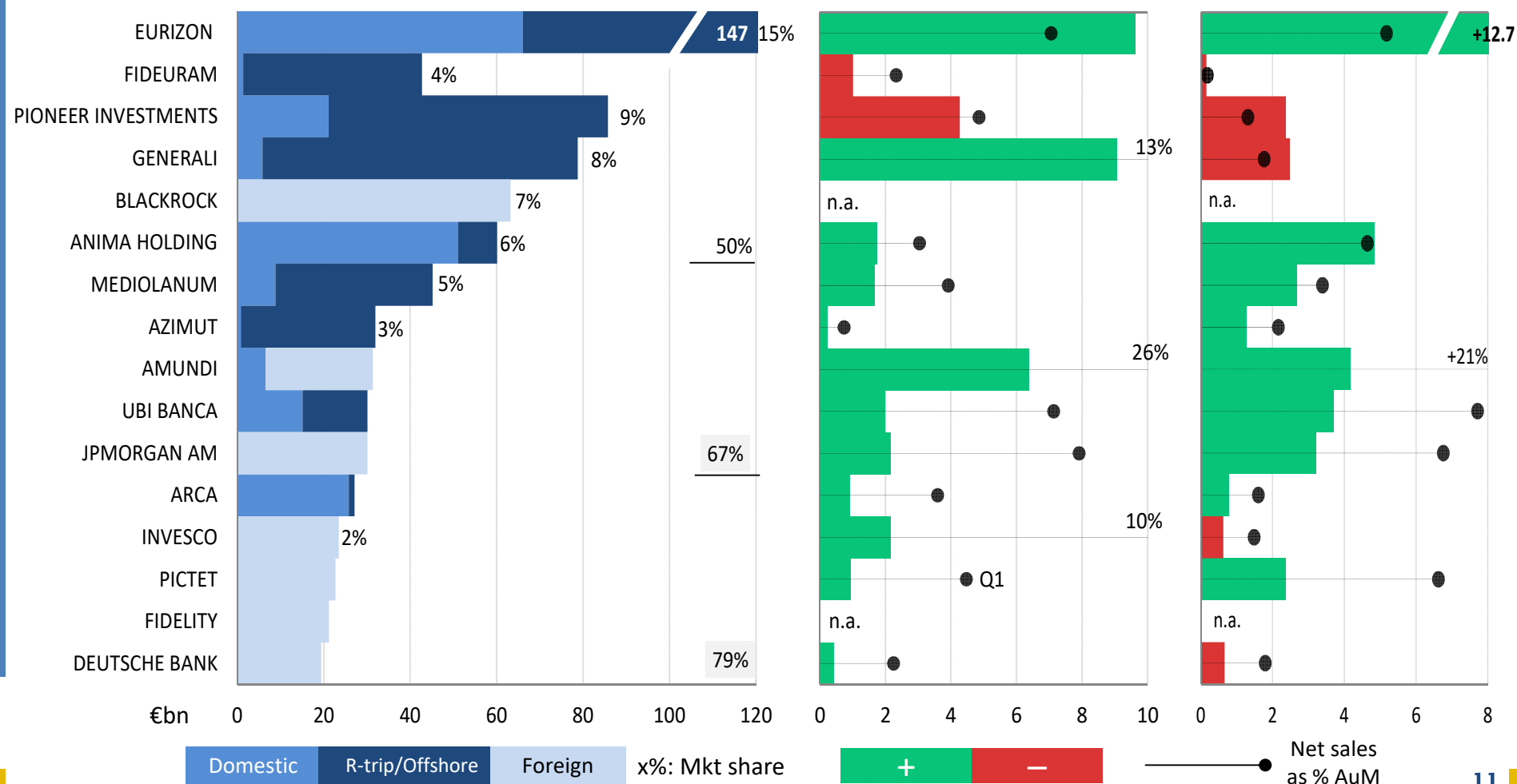
Top 15 Groups (open-end funds only)

AuM (June 2017)

Net flows – 2017 :M6

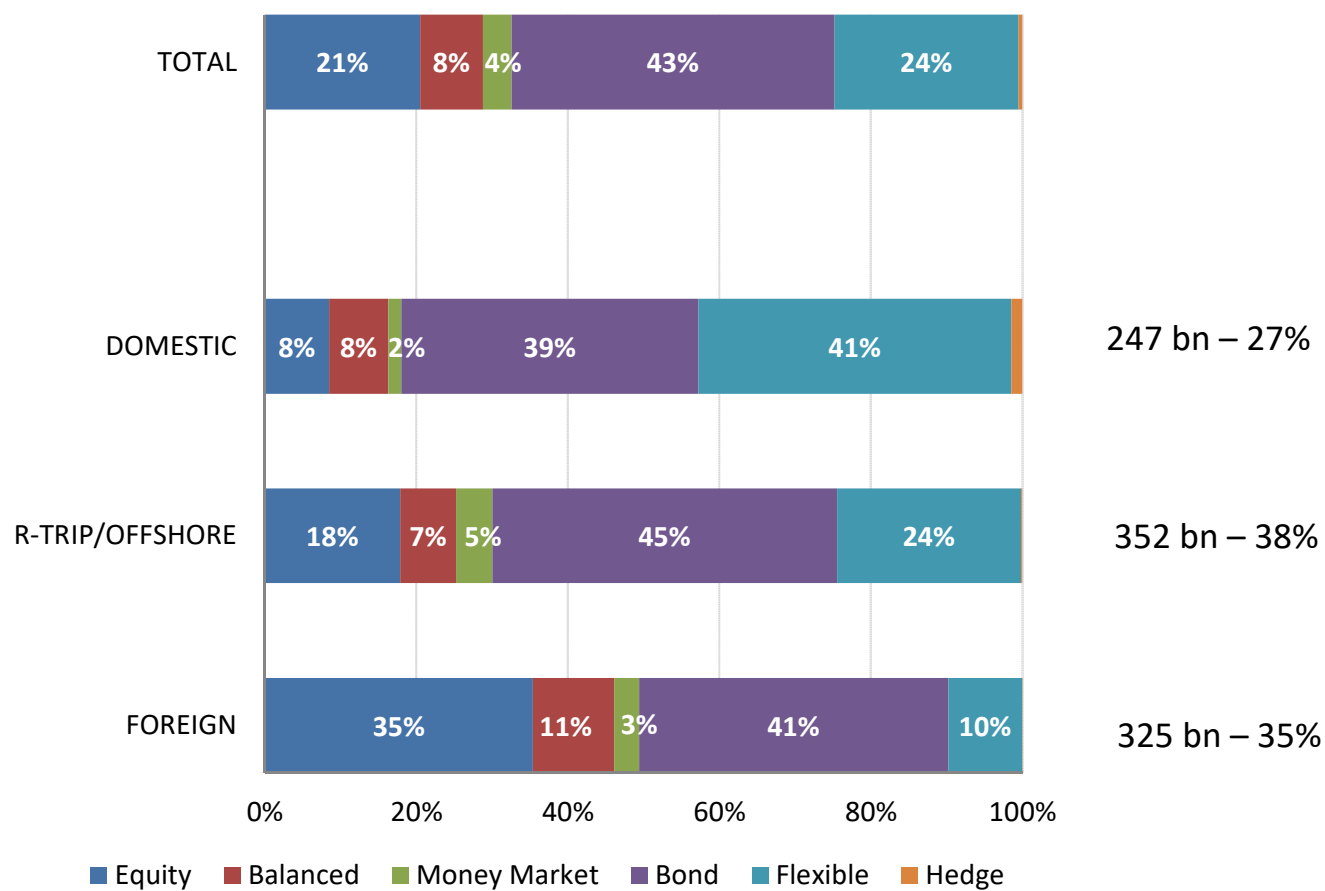
2016

0% 2% 4% 6% 8% 10% 0% 4% 8% 12% 16%





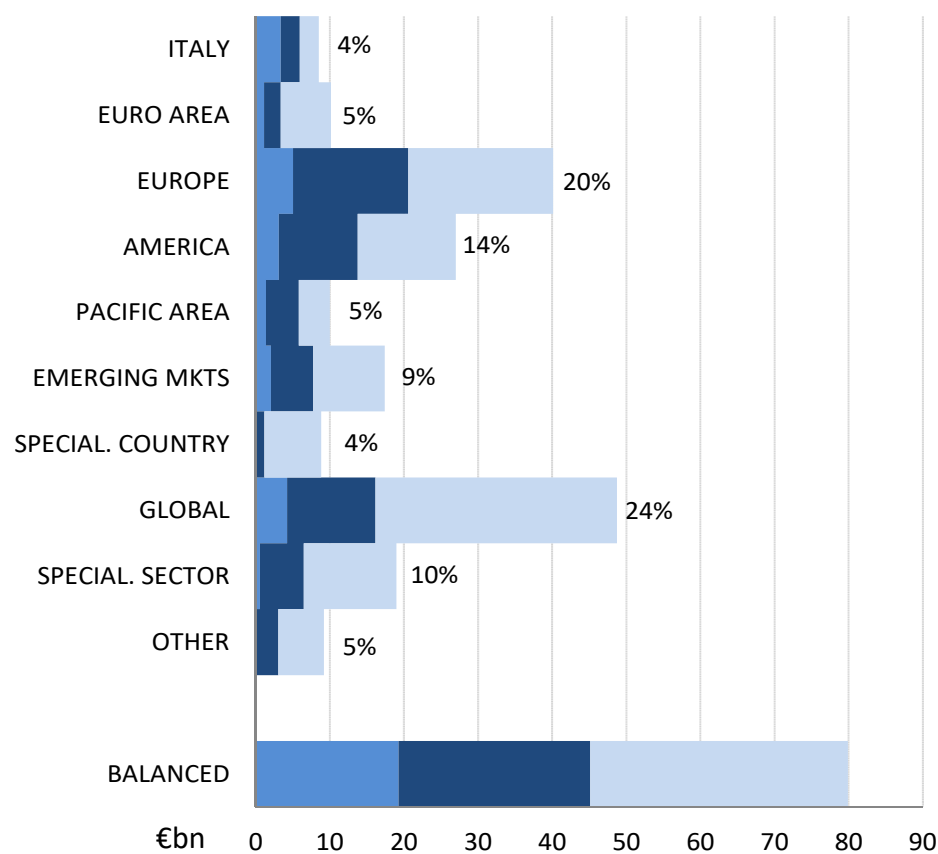
Asset Class breakdown



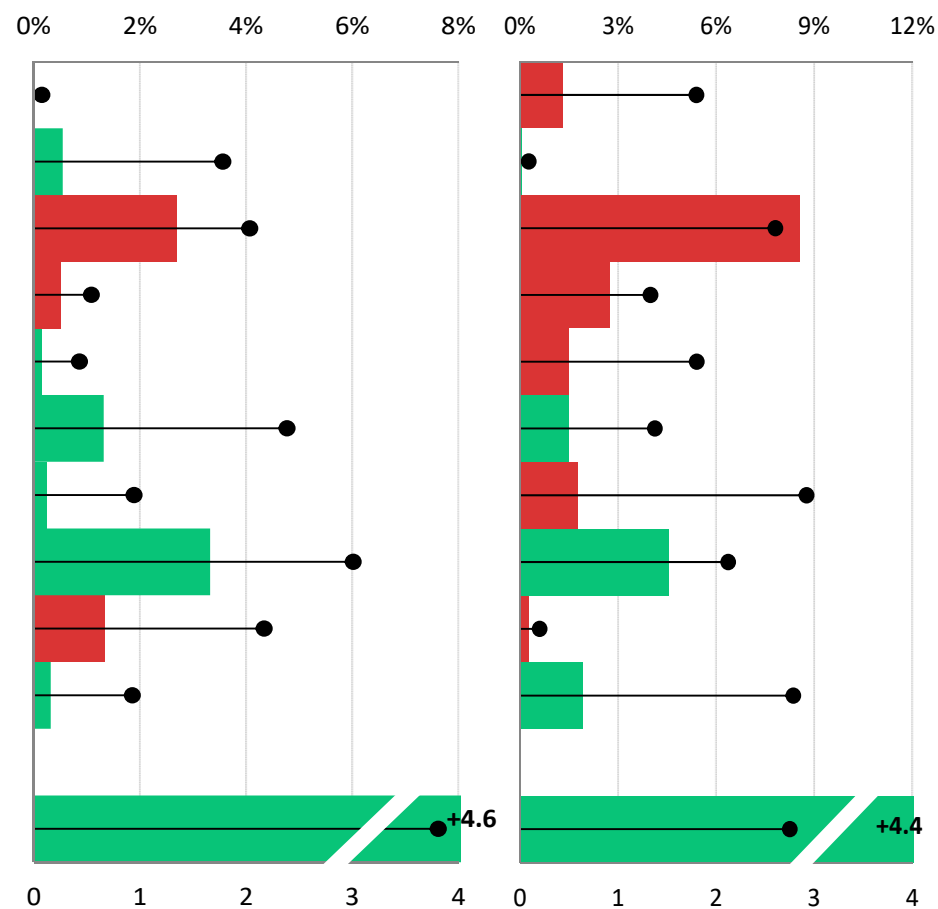


Equity & balanced funds

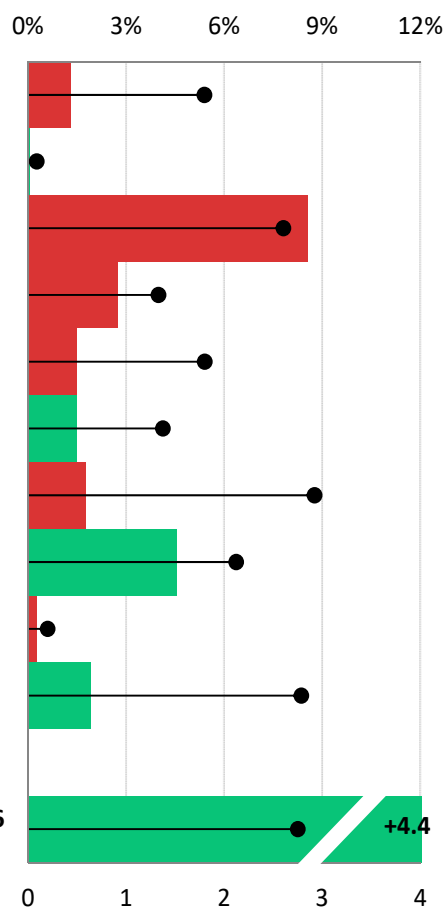
AuM (Mar 2017)



Net flows – 2017 I



2016



Domestic

R-trip/Offshore

Foreign

x%: Mkt share

+

-

Net sales
as % AuM

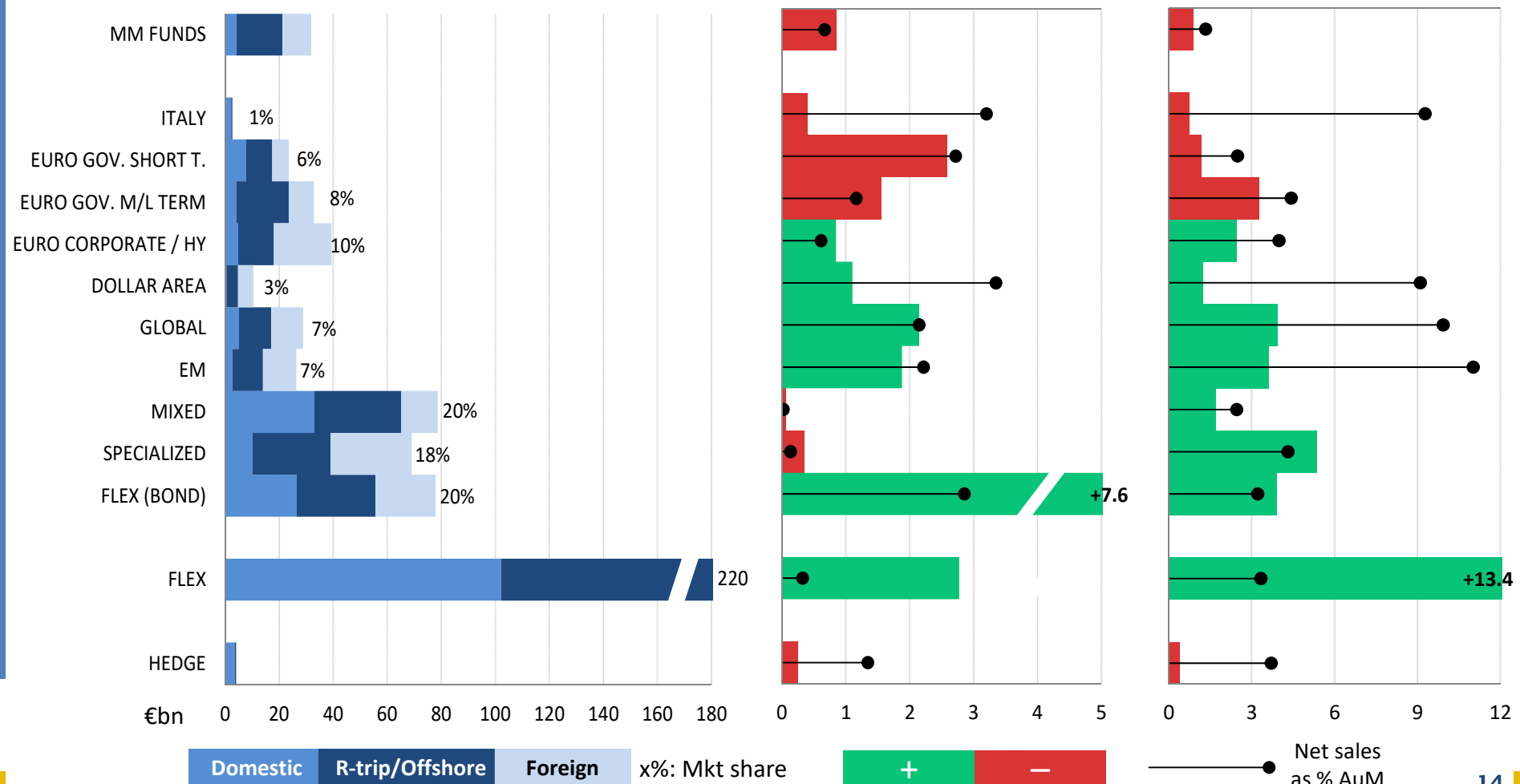


Money mkt, Bond, Flex & Hedge funds

AuM (Mar 2017)

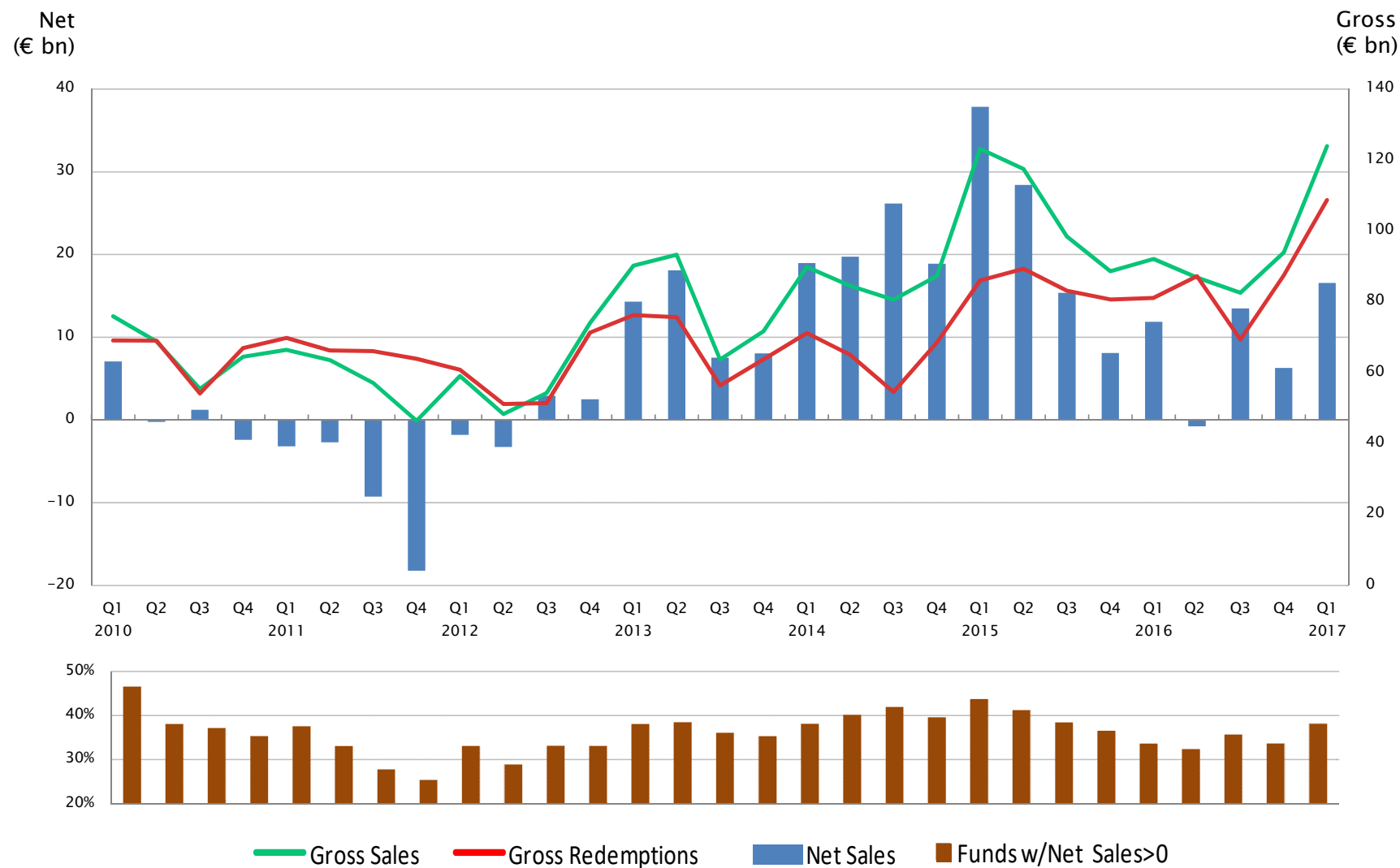
Net flows – 2017 I

2016



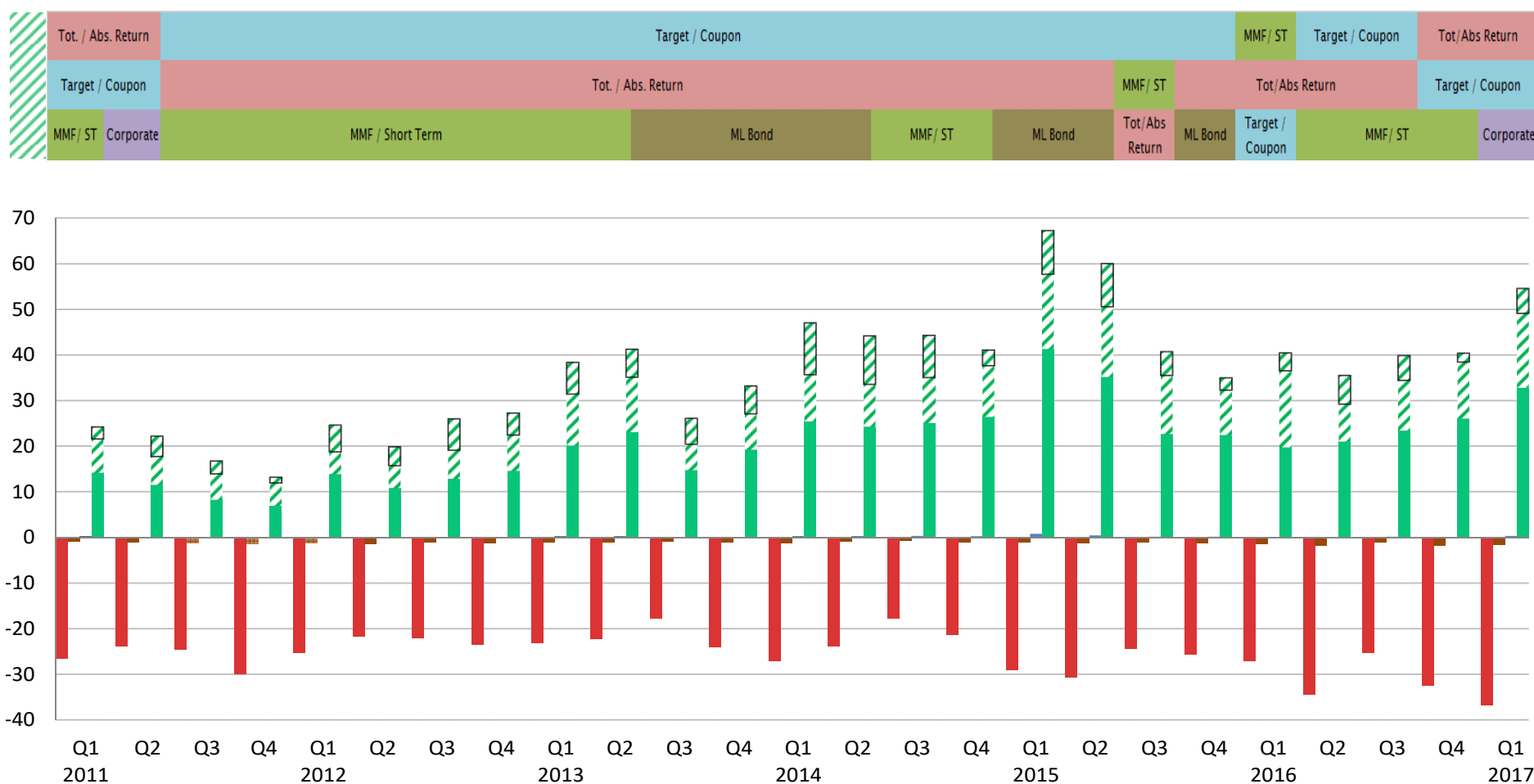


Net & gross flows





The *blockbuster effect* : top quartile funds take all



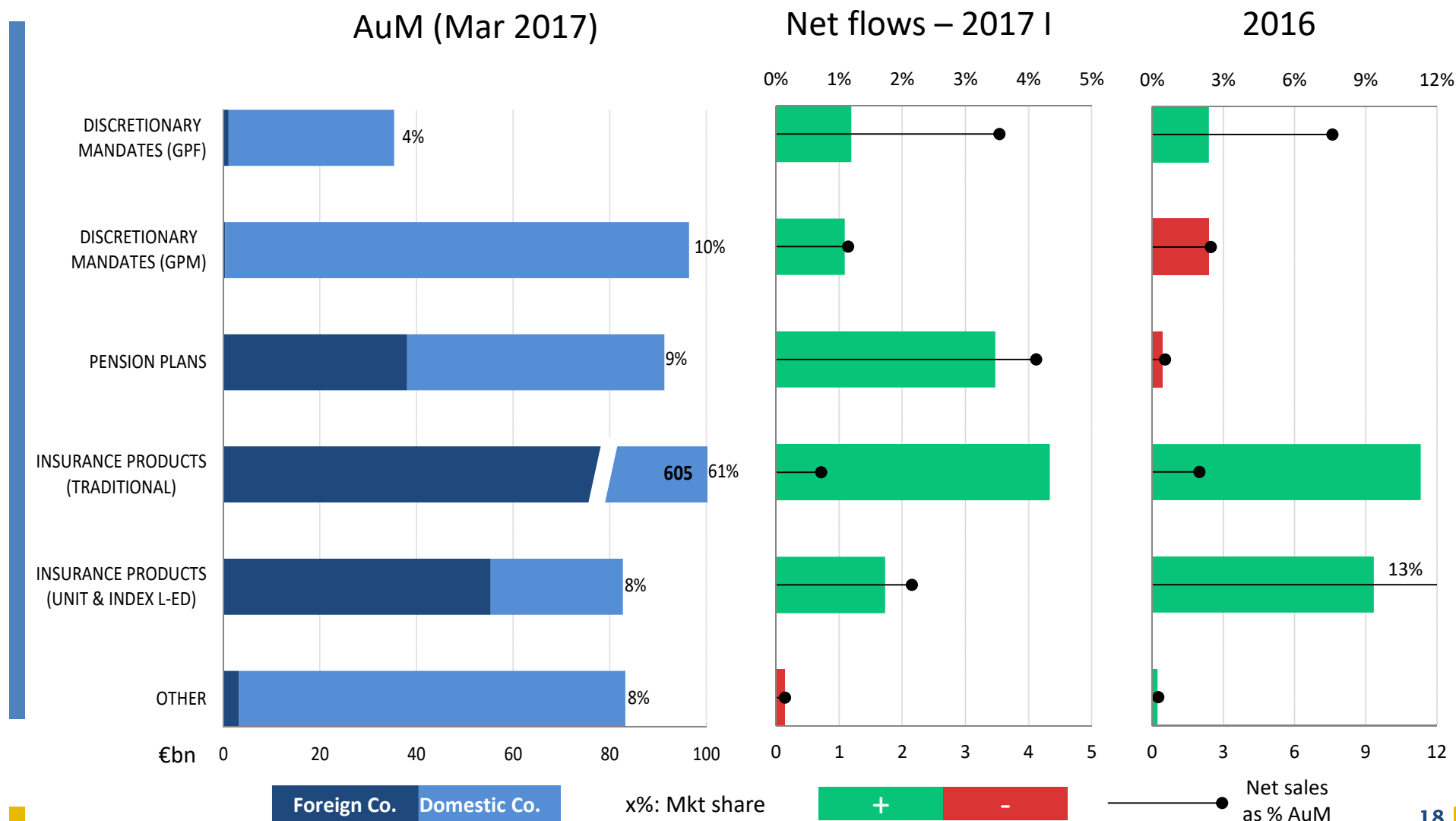


New stories tag cloud





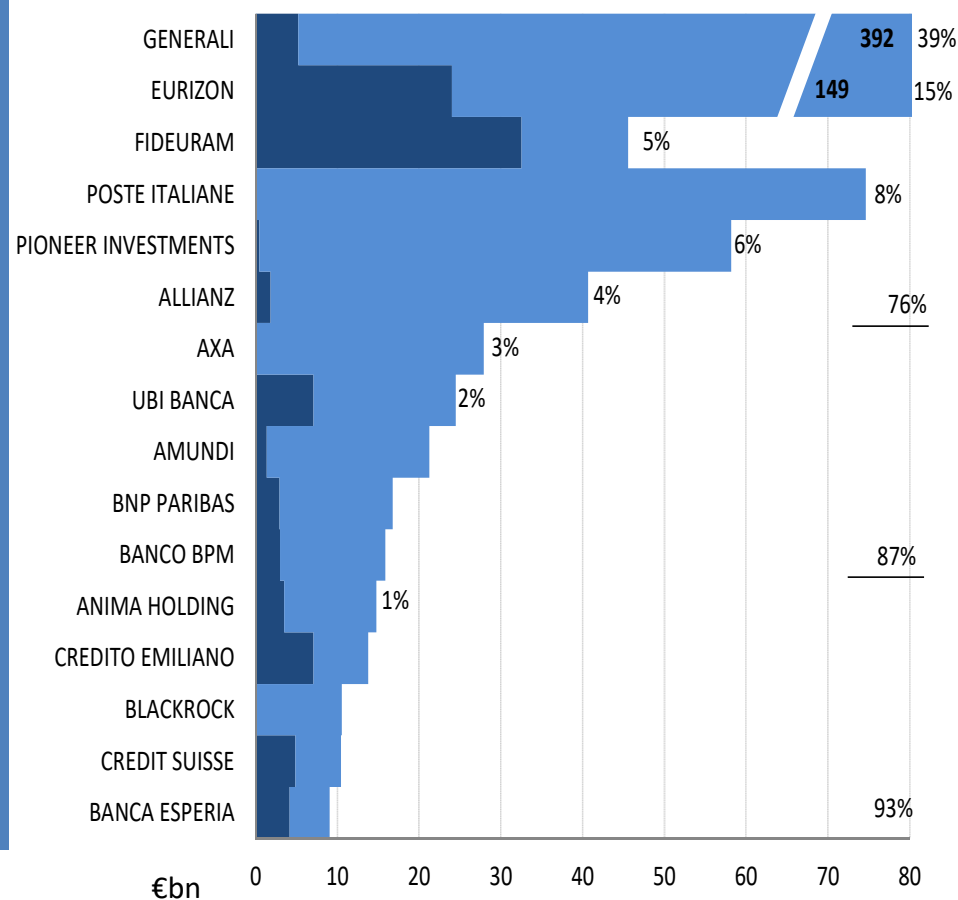
Mandates: AuM & Net Sales trends



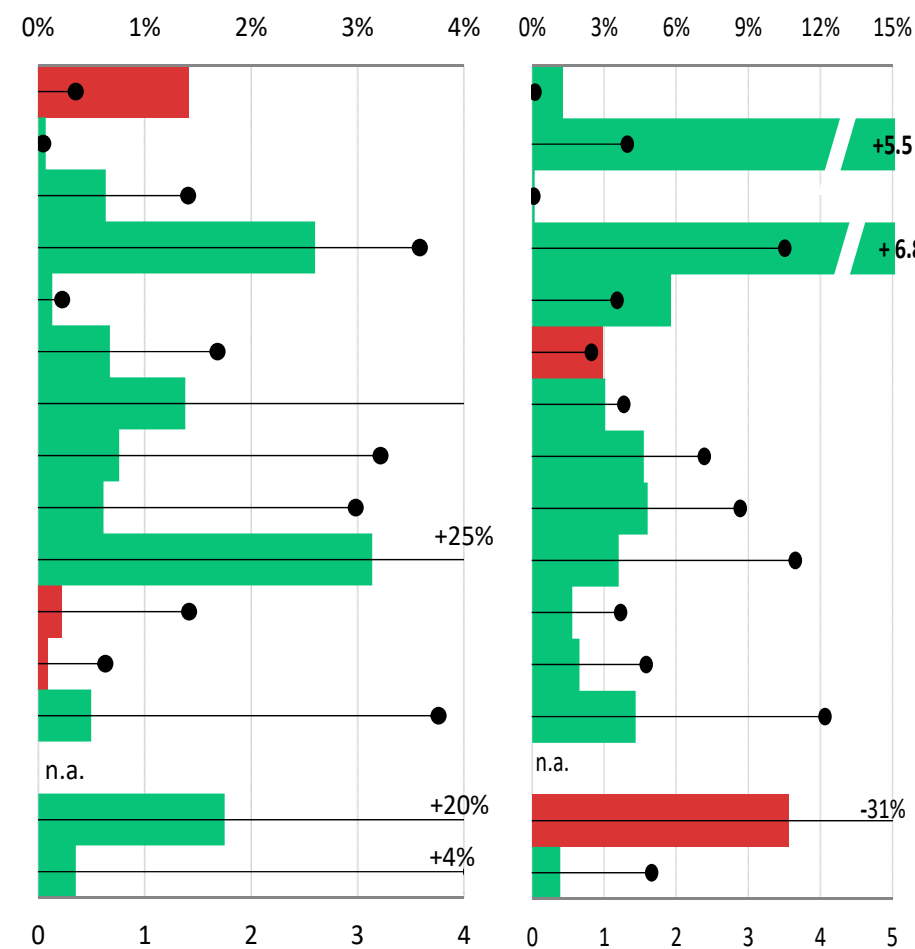


Top 15 Groups (mandates only)

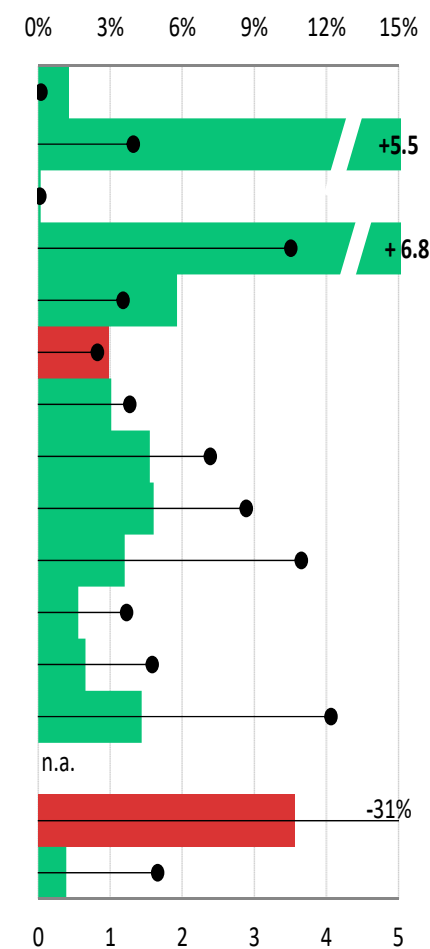
AuM (June 2017)



Net flows – 2017 :M6



2016



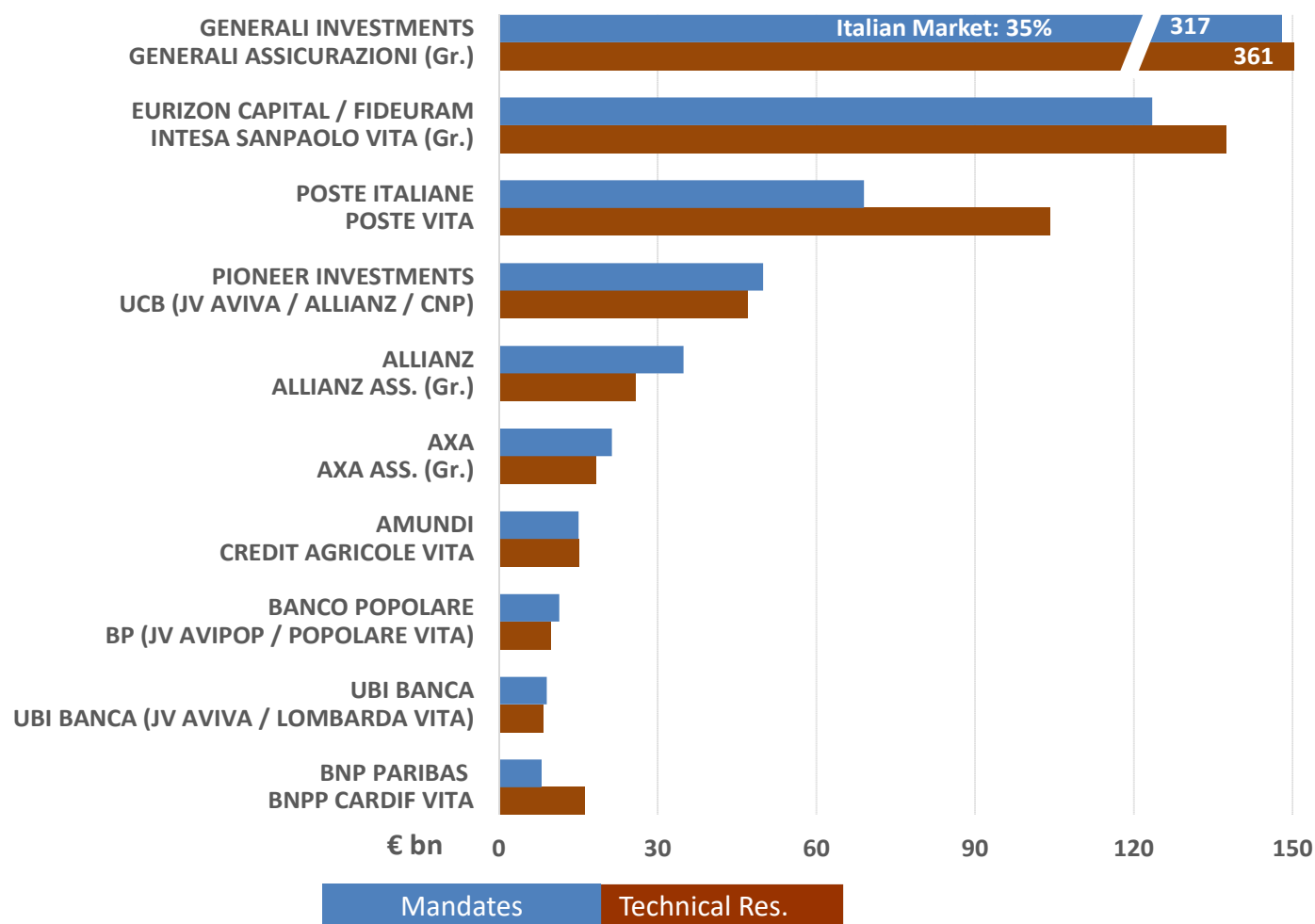
Retail Instit. x%: Mkt share

+ -

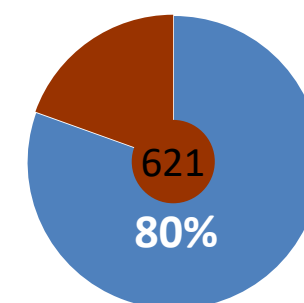
Net sales
as % AuM



Insurance Mandates & Captive/Affiliated Insurers

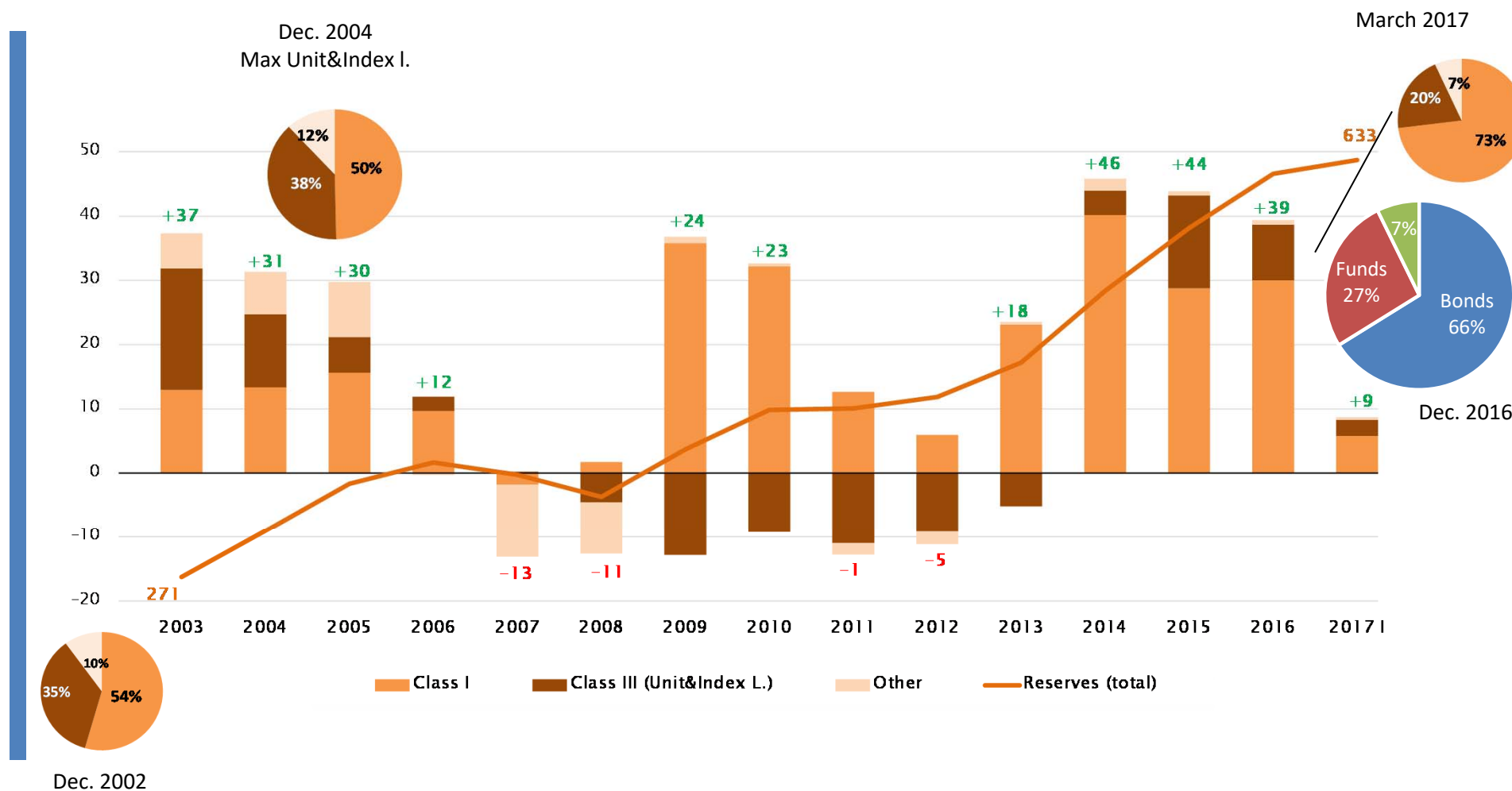


Italian insurance
market (Dec 2016)



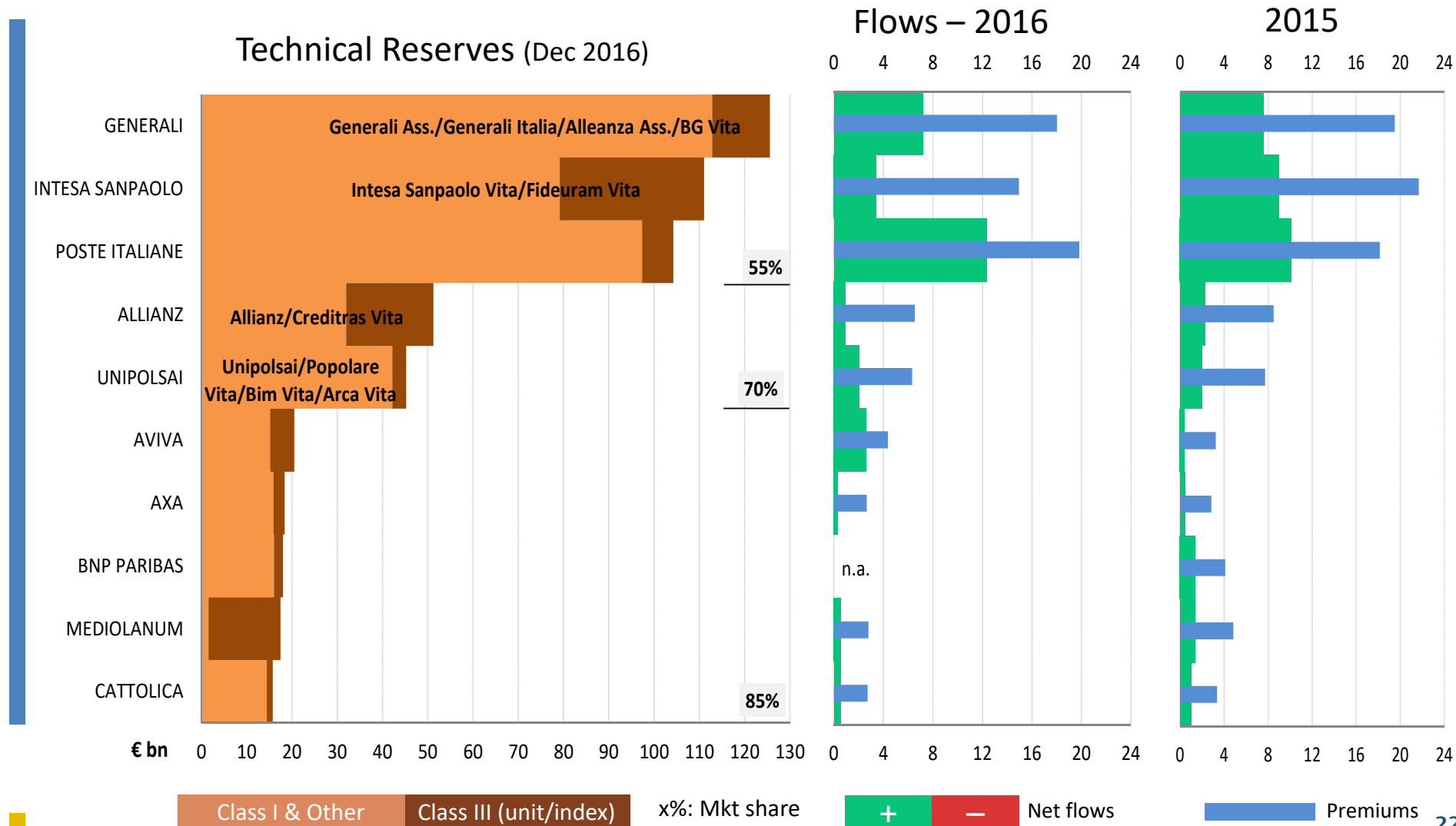


Life Insurance Market: long-term trend



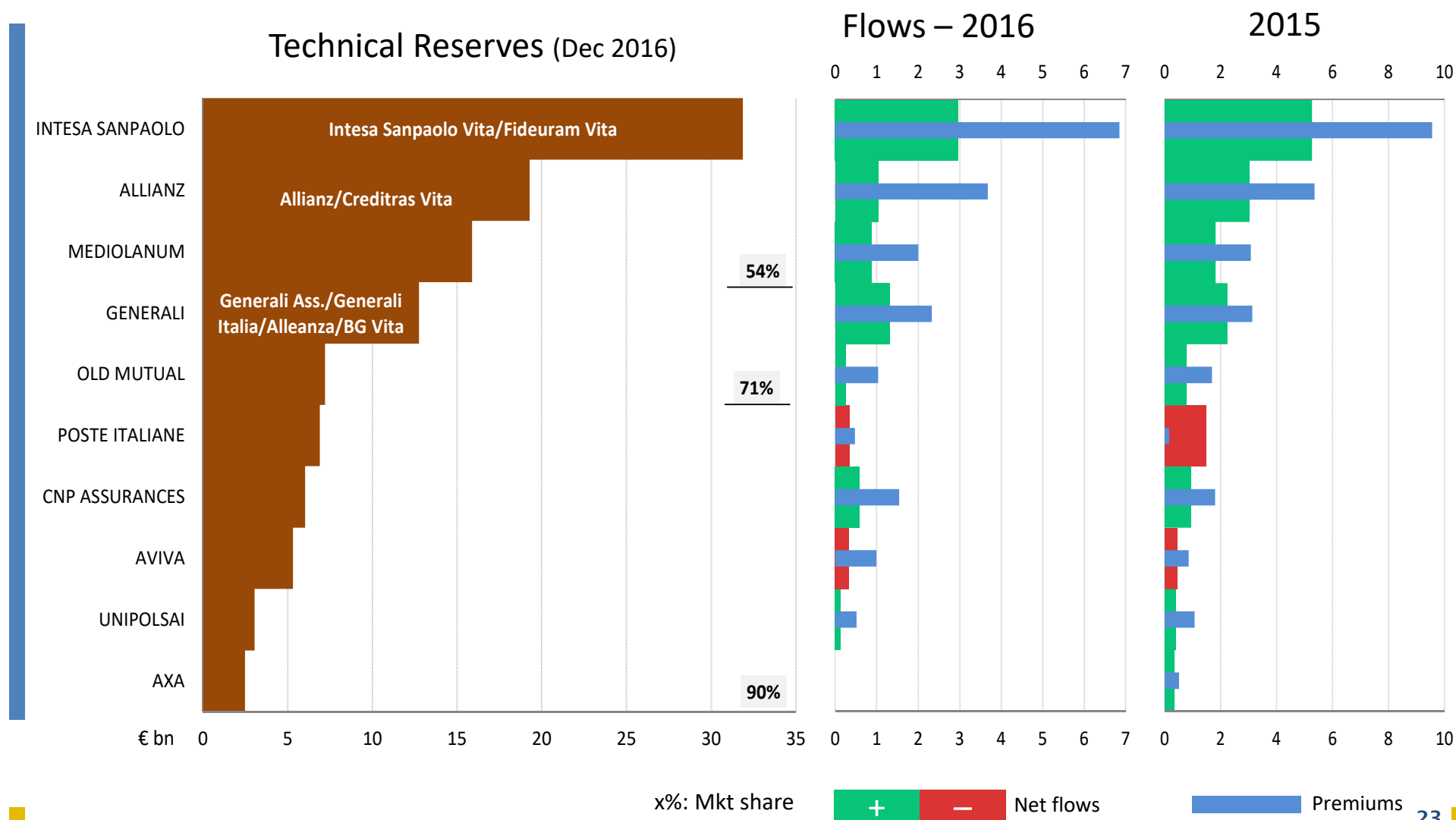


Top 10 Life Insurance Groups





Top 10 Unit&Index Linked Groups





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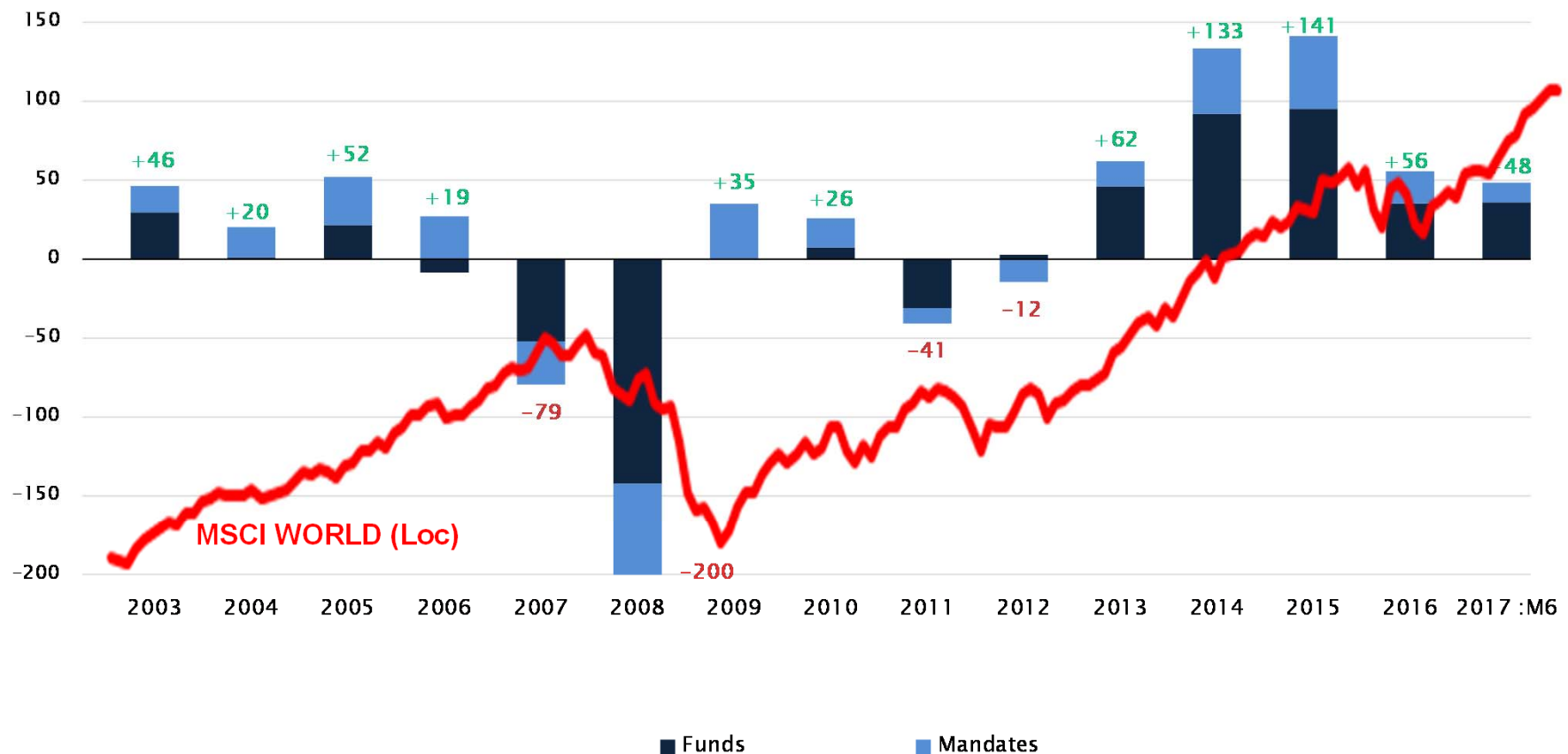
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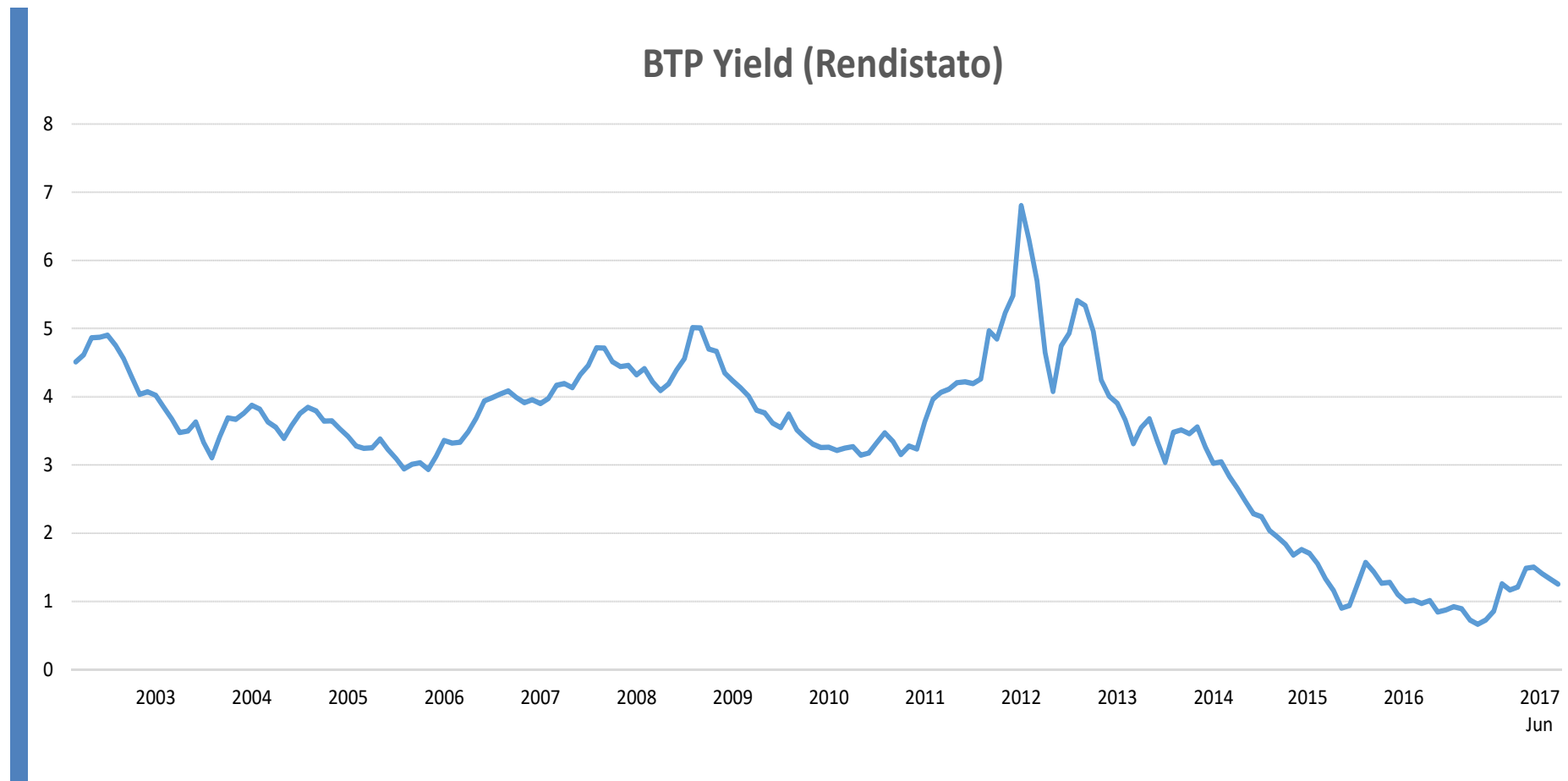
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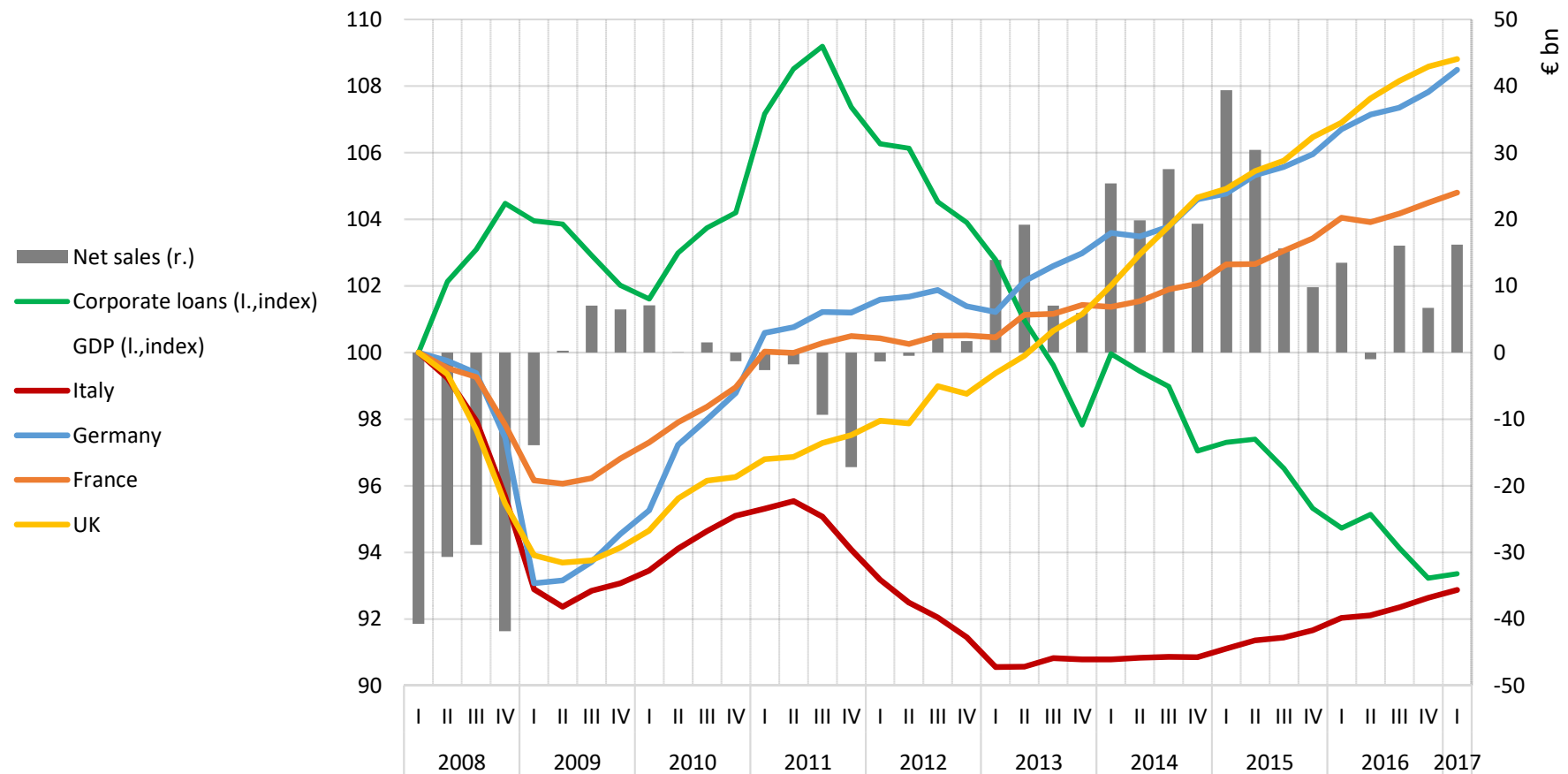
A pro-cyclical market



... in search for yield

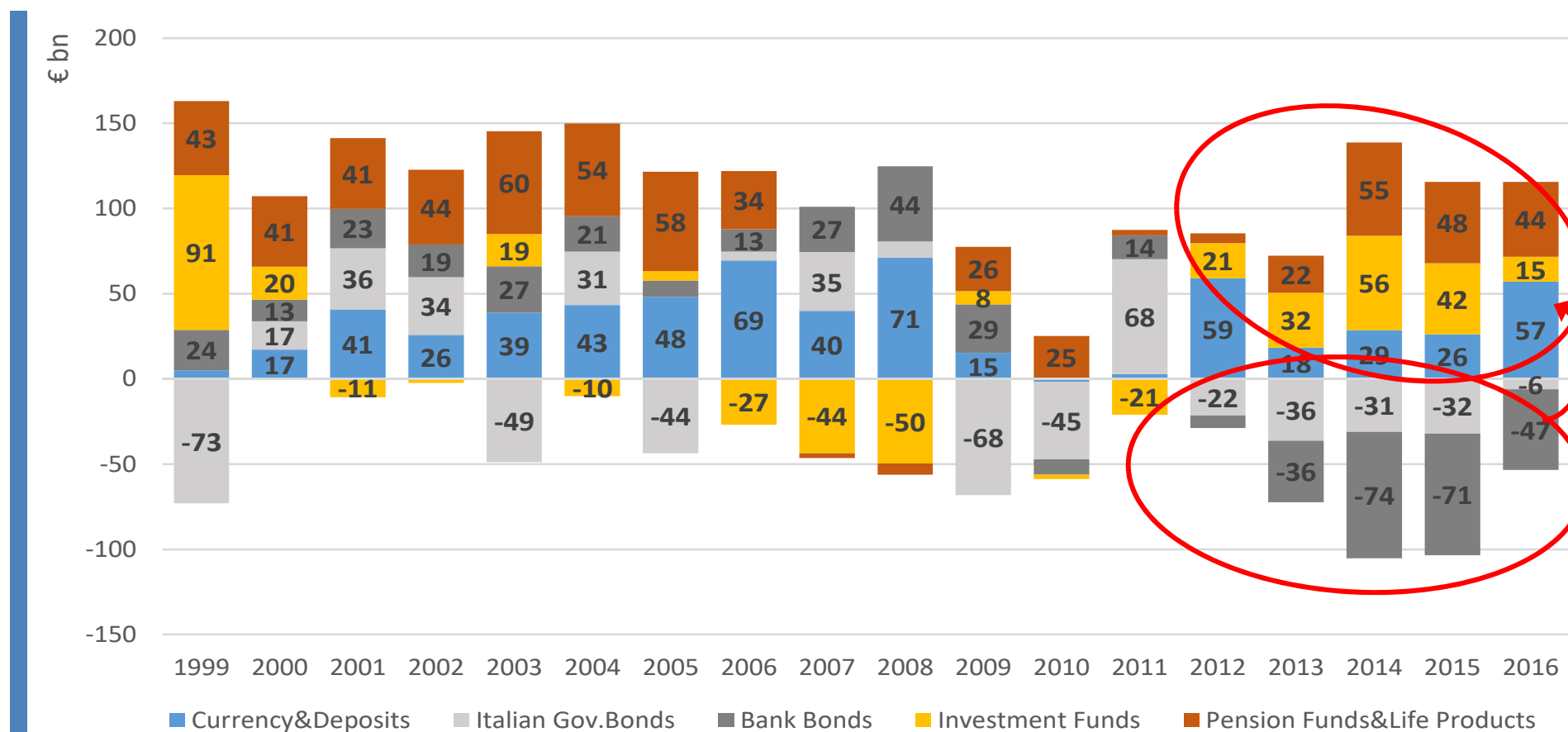


AM Market, GDP & Bank credit





Households: less bonds, more funds (flow view)

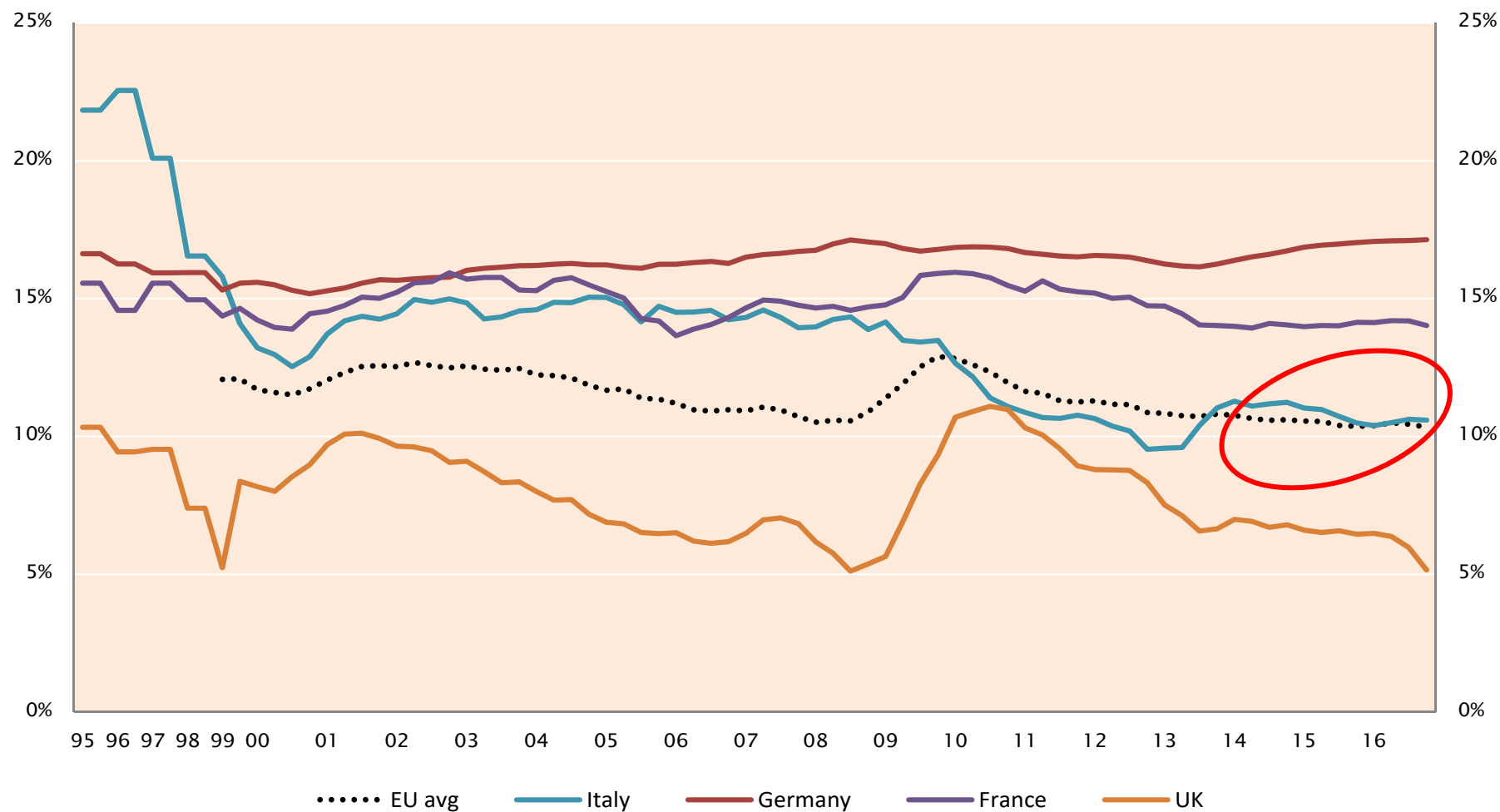




Households: less bonds, more funds (stock view)

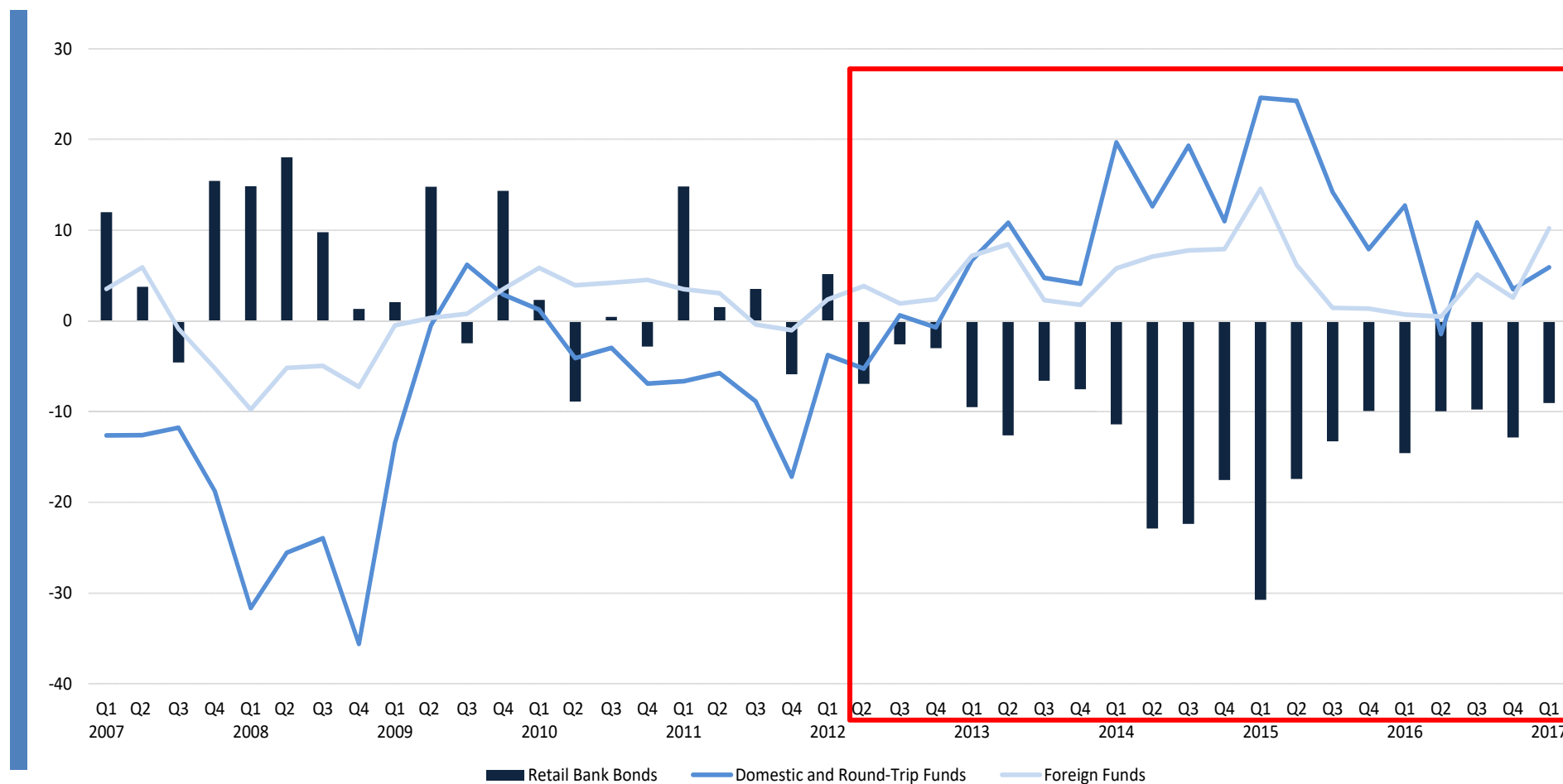
	Total Asset	Currency & deposits	Bonds		Stocks		Investment funds	Pension funds & life pr
			Total	<i>Issued by banks</i>	Total	<i>Listed</i>		
Italy	€ bn	%	%	%	%	%	%	%
1995	1,809	38.0%	22.5%	1.9%	19.2%	2.8%	5.8%	9.3%
2000	3,058	22.8%	16.5%	6.3%	29.3%	5.4%	16.9%	10.5%
2005	3,865	23.6%	19.0%	7.1%	28.2%	2.4%	11.0%	14.2%
2010	3,695	30.4%	19.6%	10.0%	19.7%	1.9%	7.8%	18.2%
2012	3,800	31.2%	19.2%	9.8%	19.4%	1.5%	7.7%	18.3%
2015	4,155	30.6%	9.9%	4.5%	23.8%	1.6%	11.0%	20.7%
2016	4,168	31.9%	8.7%	3.3%	22.0%	1.3%	11.5%	21.9%
2016								
France	5,102	28.1%	1.3%	n.a.	20.7%	4.7%	5.7%	37.6%
Germany	5,757	39.3%	2.8%	n.a.	10.5%	5.2%	10.1%	30.8%
UK	7,646	24.0%	1.7%	n.a.	8.3%	2.5%	2.2%	60.0%
USA	71,604	13.7%	5.6%	n.a.	35.9%	n.a.	10.4%	32.1%

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



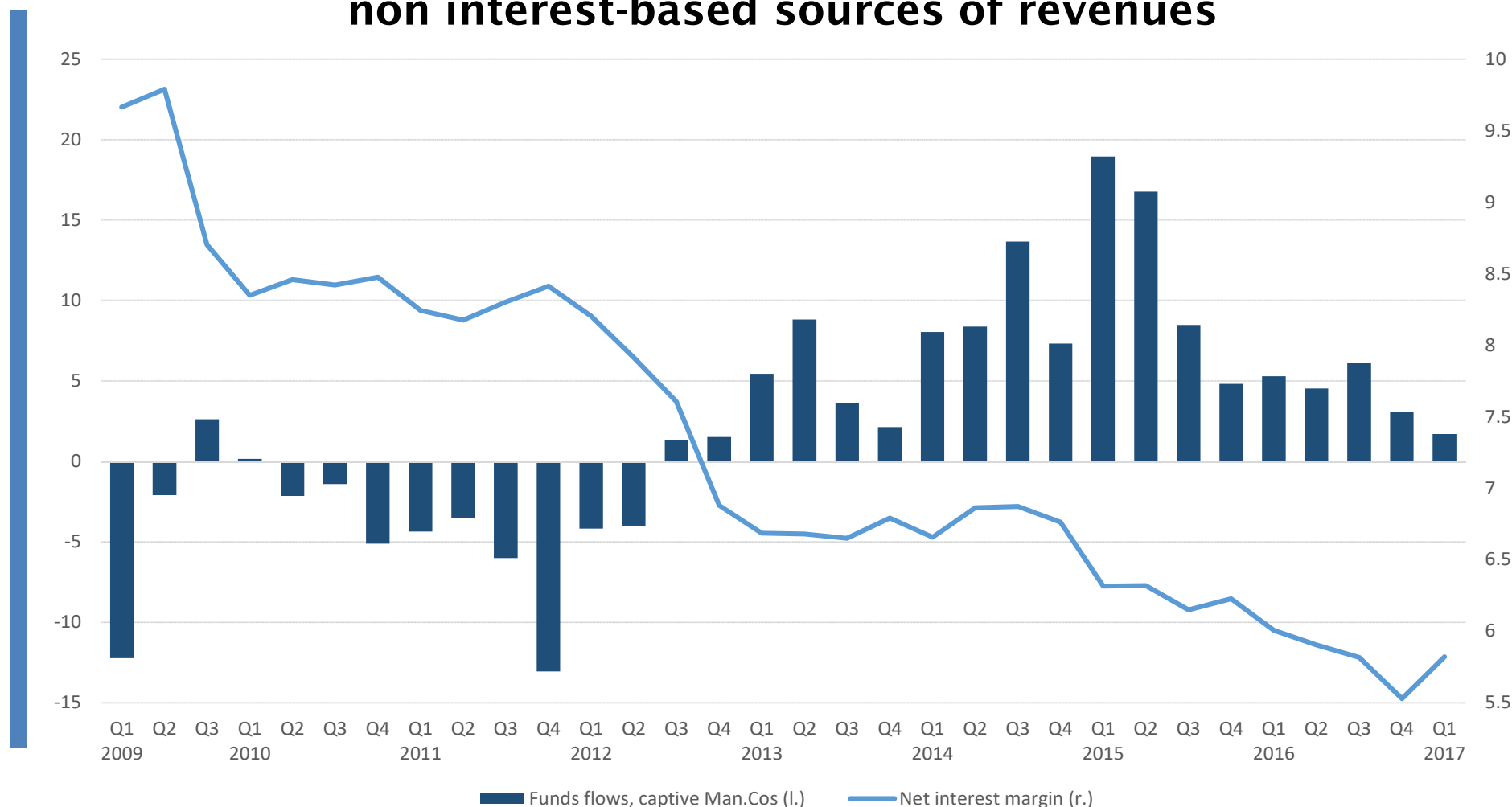


Banks: no more dependent on funding from retail investors...



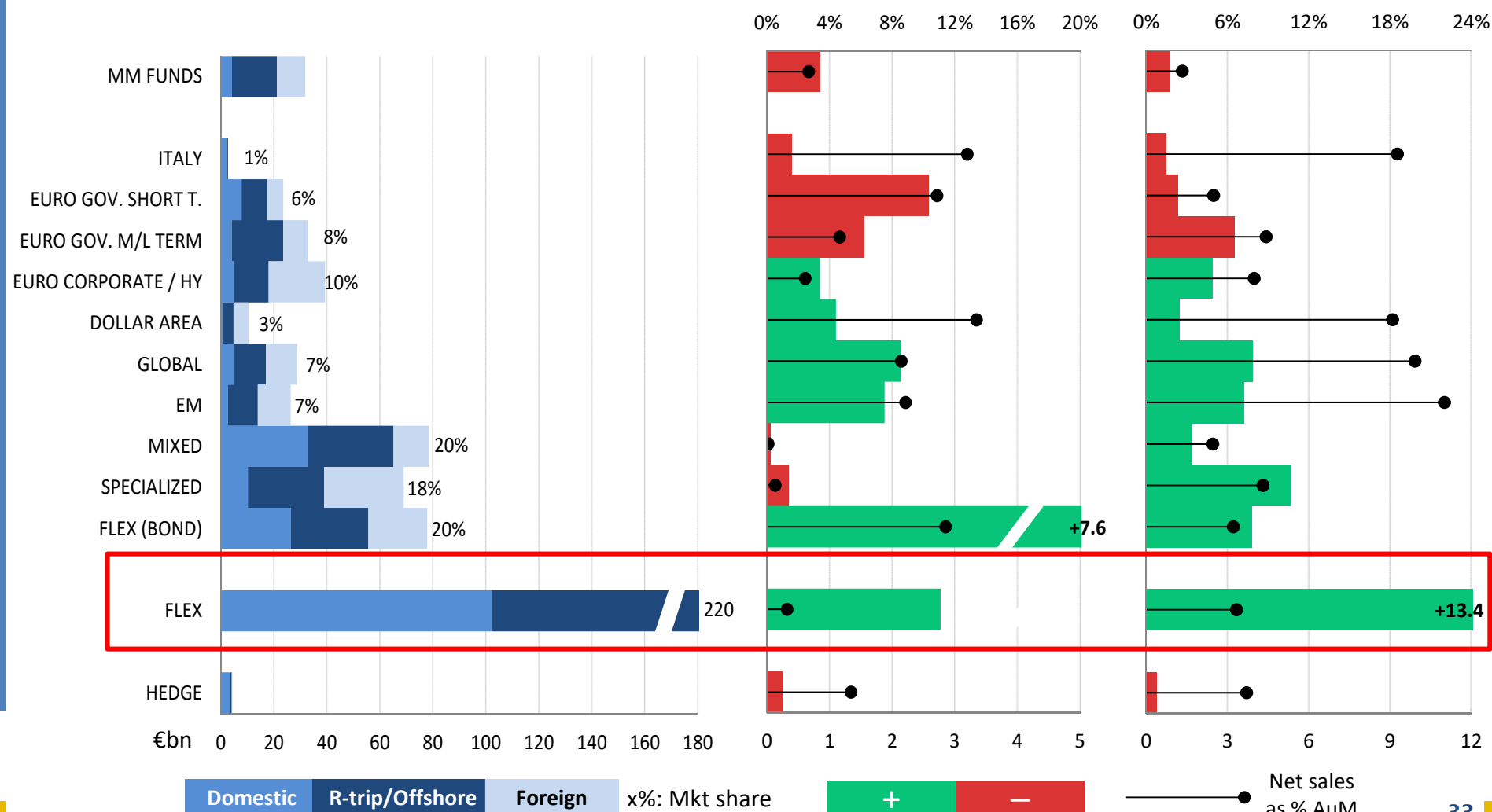


... and urged to sustain profitability through non interest-based sources of revenues





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





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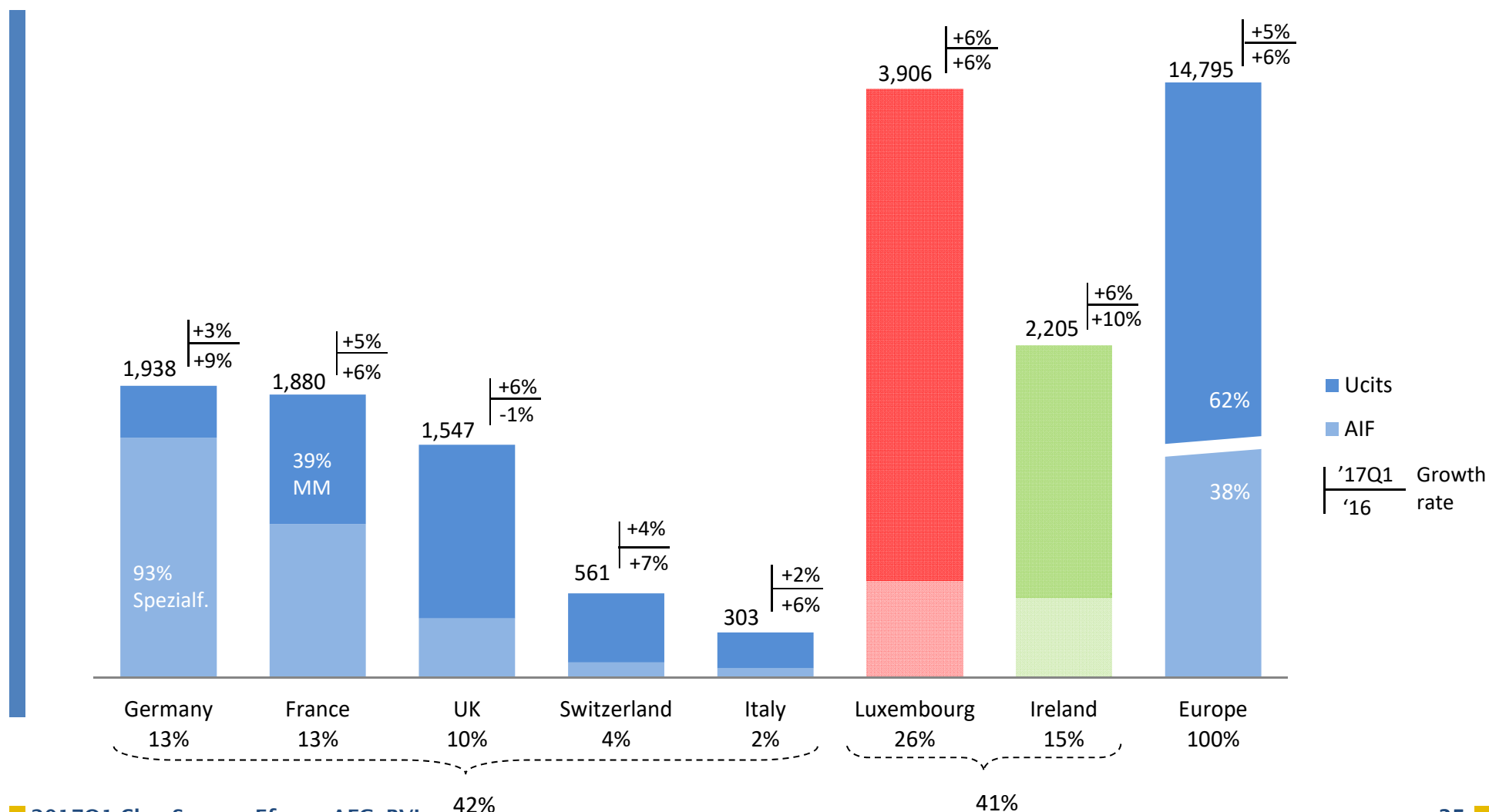
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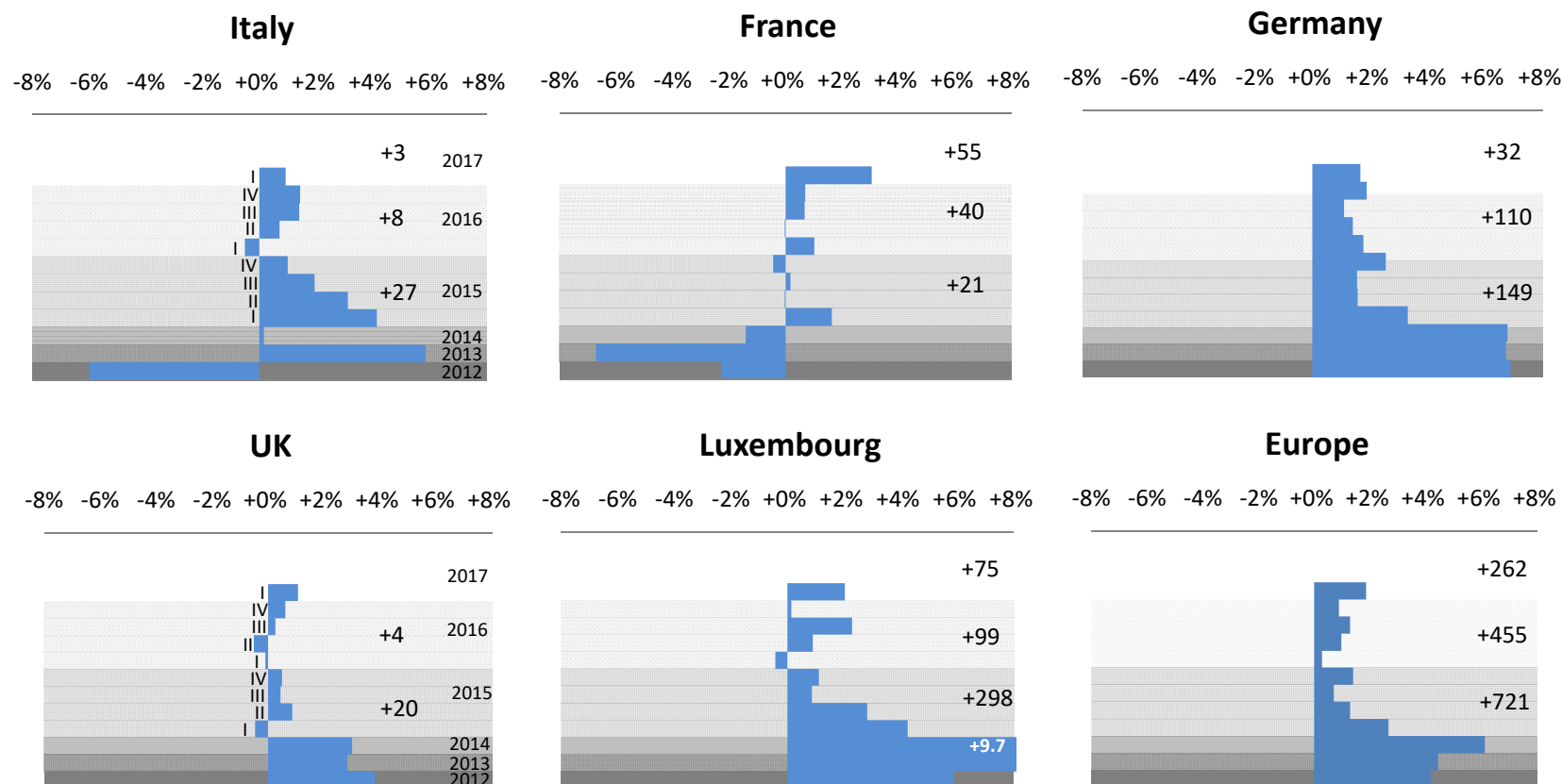


Net Assets by fund domicile



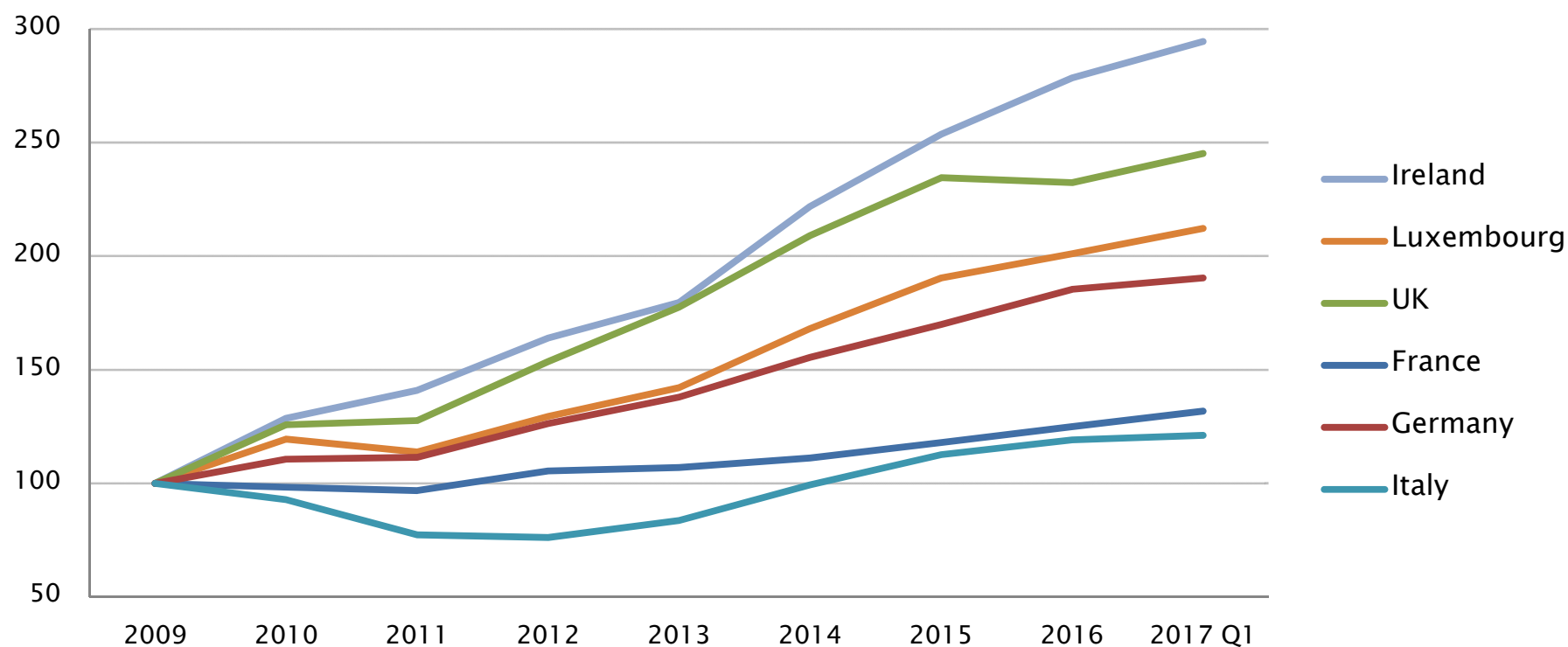


Net sales by fund domicile



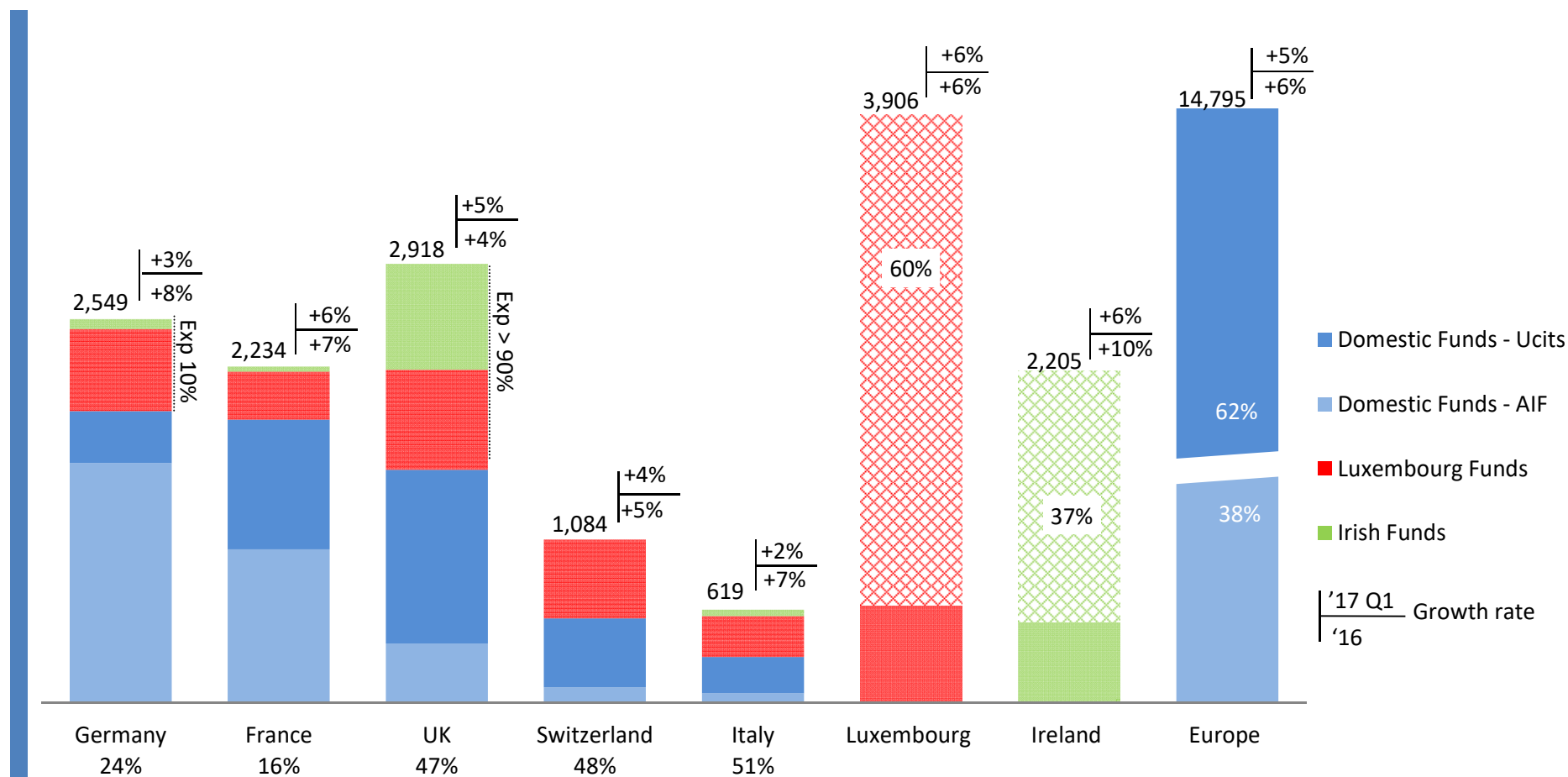


Net Assets by fund domicile – Long-term growth



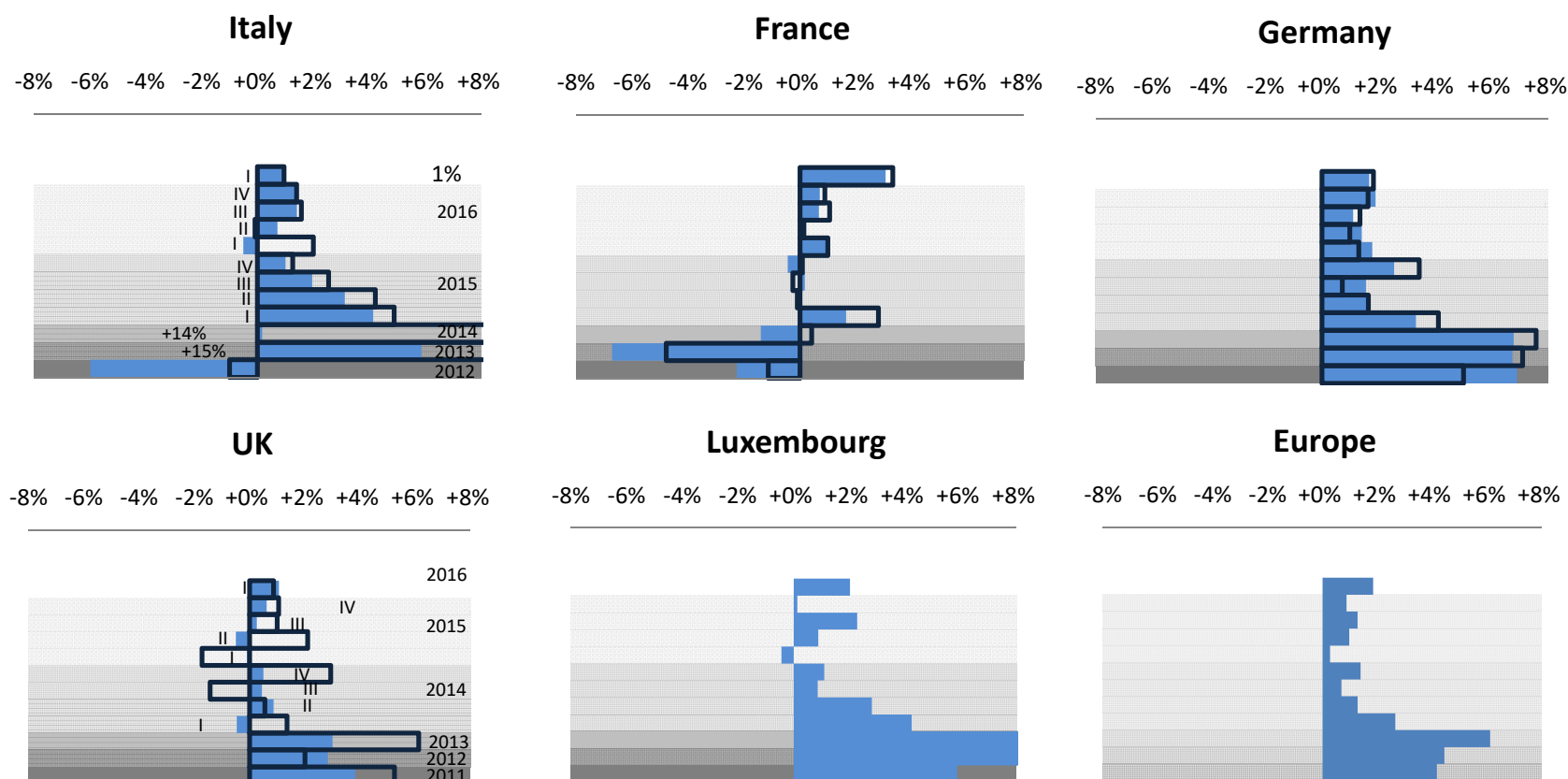


Net Assets by fund group domicile





Net sales: fund domicile vs. fund group domicile





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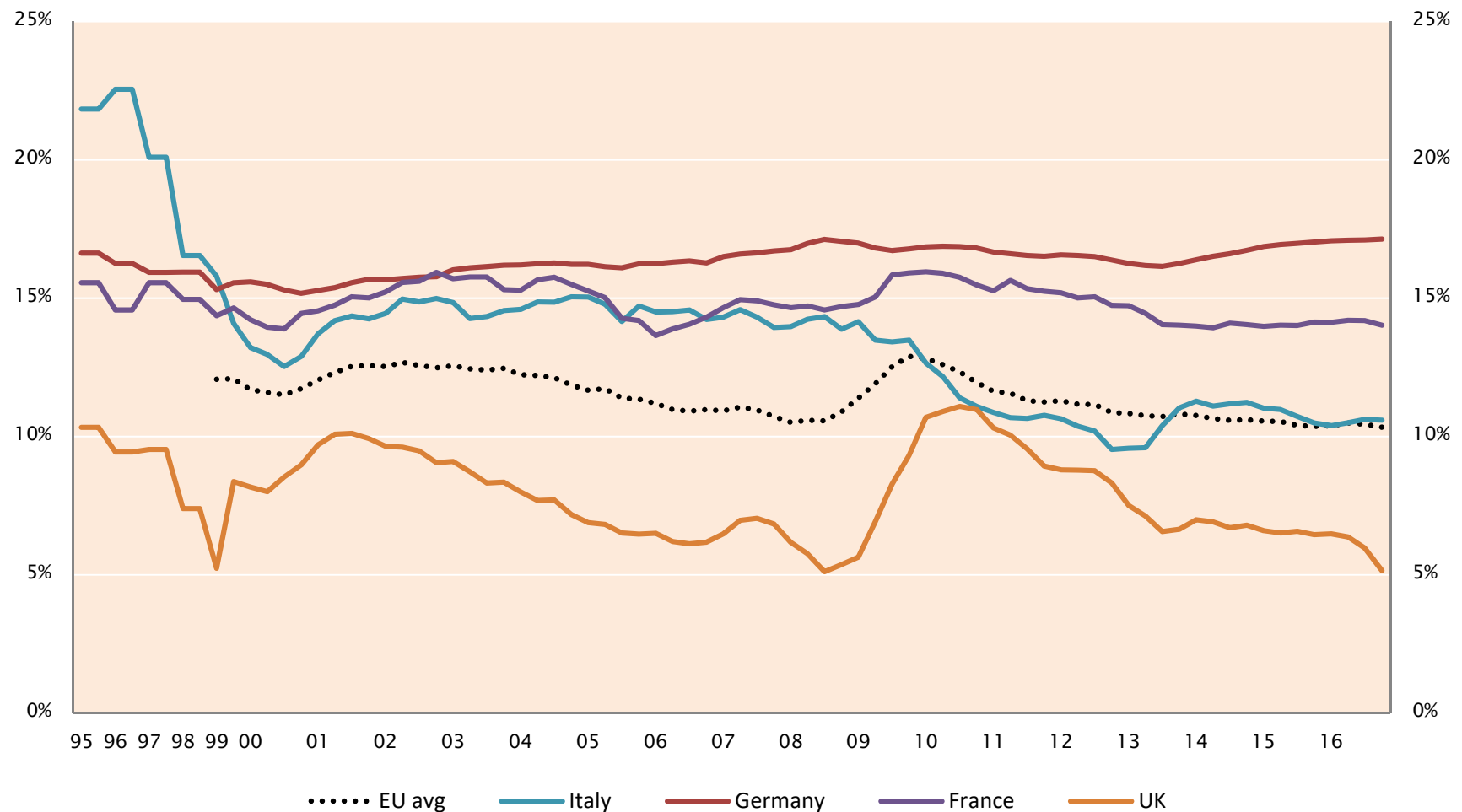
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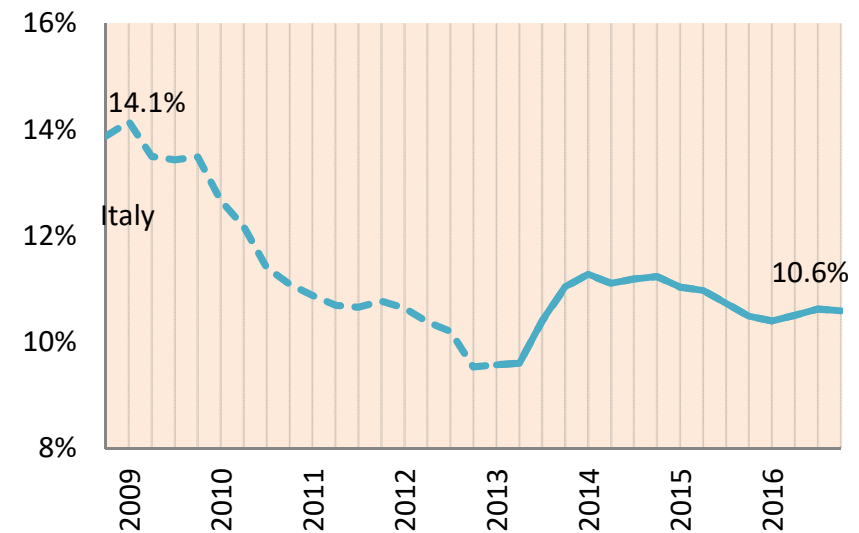
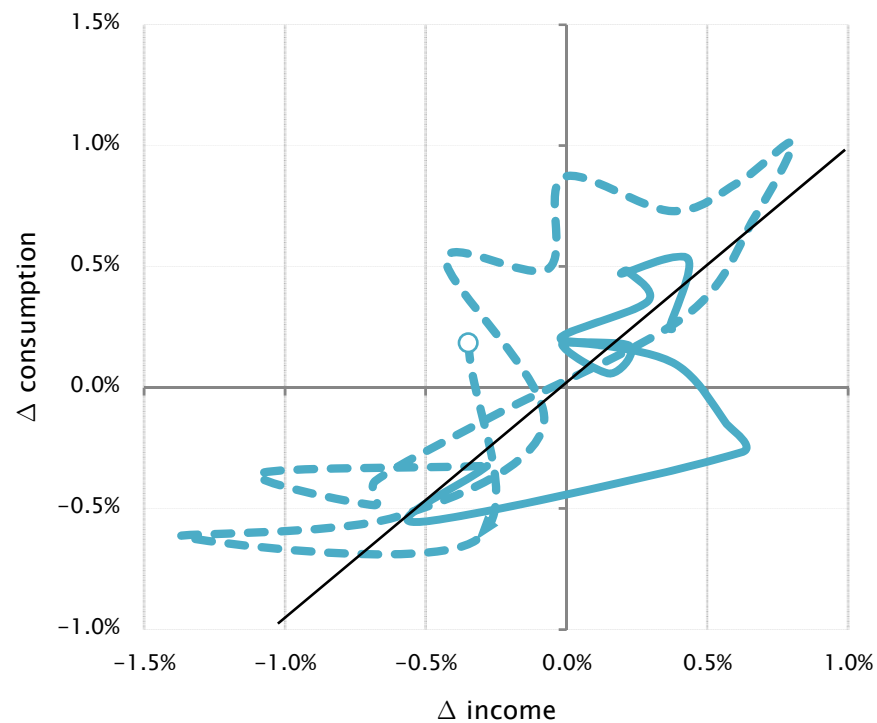


Household saving rates in Europe



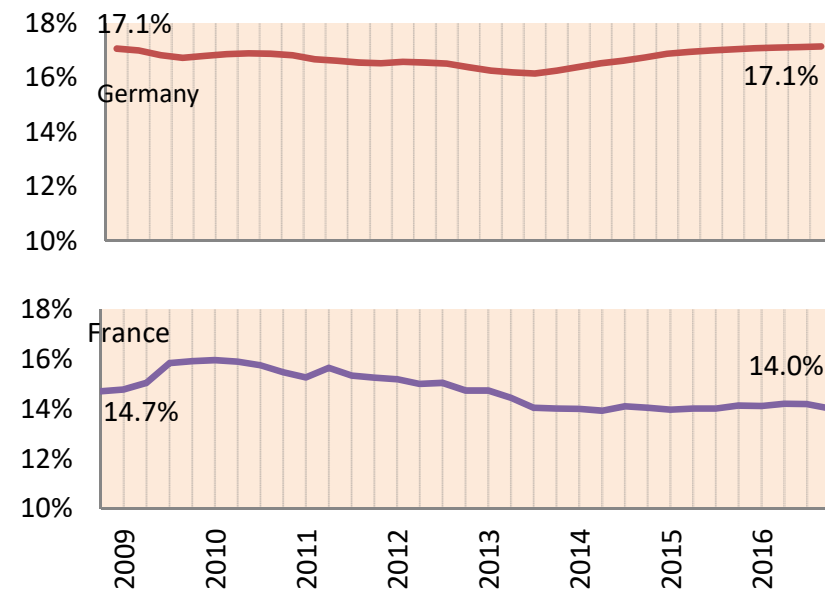
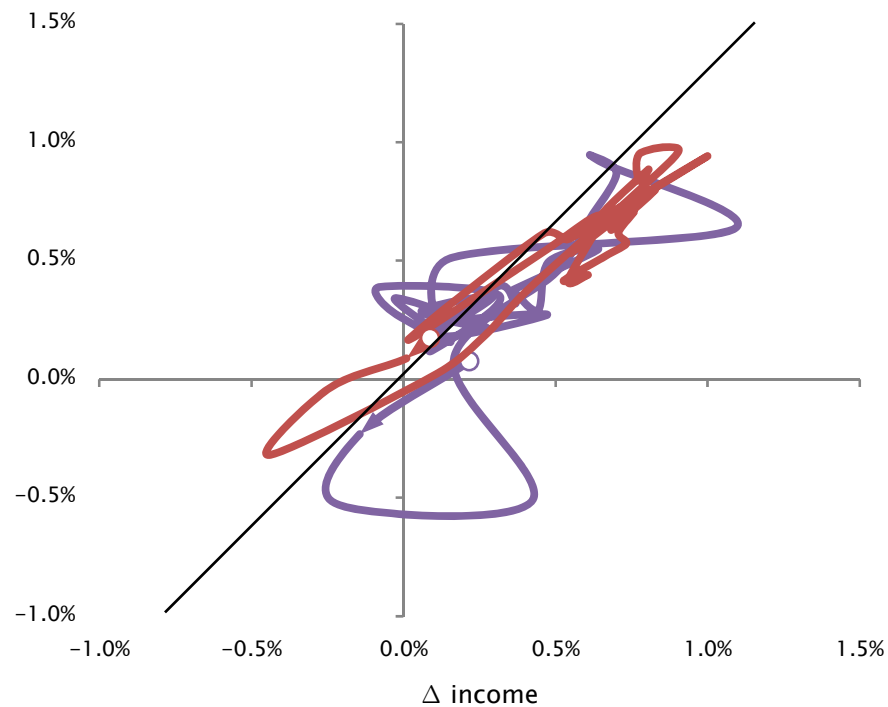


How income & consumption $\Delta\%$ affect saving rates



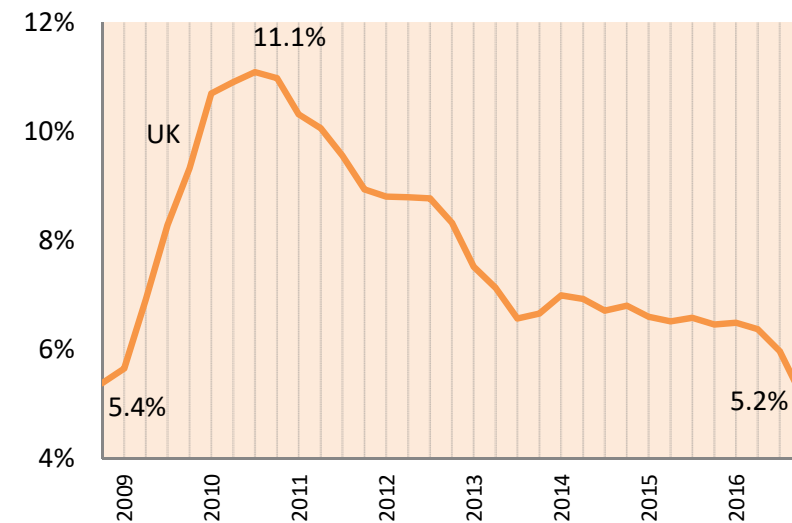
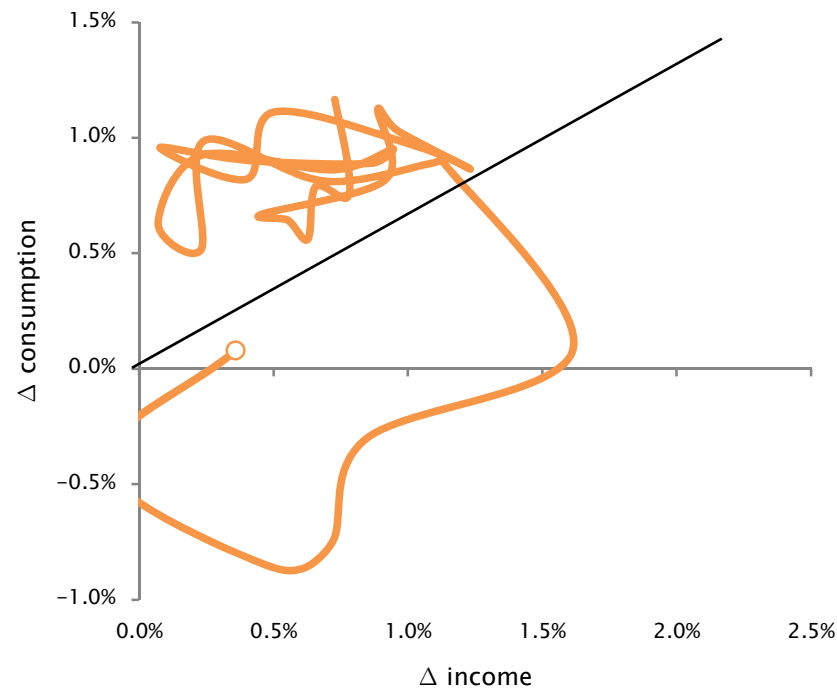


How income & consumption $\Delta\%$ affect saving rates





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





Household financial portfolio breakdown

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			Total	Issued by banks	Total	Listed		
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USA	71,604	13.7%	5.6%	n.a.	35.9%	n.a.	10.4%	32.1%

High level of direct investment (~ 30%)

Decreasing amounts of bank issued bonds (3.3%)

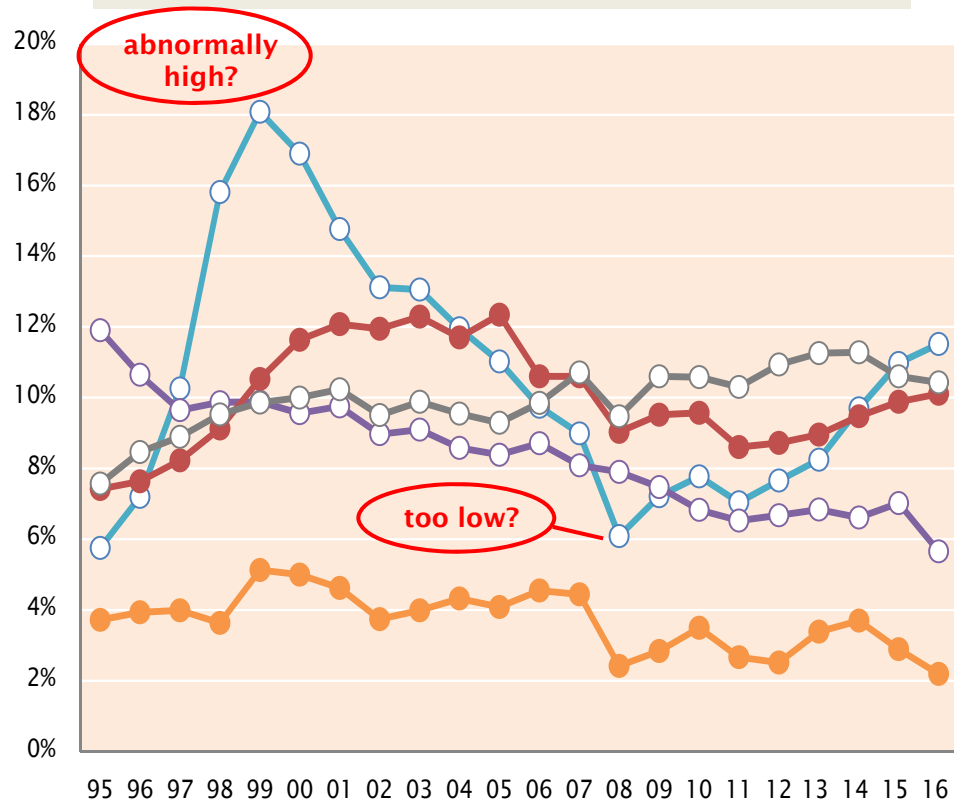
Negligible level of listed shares. High level of unlisted ones.

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

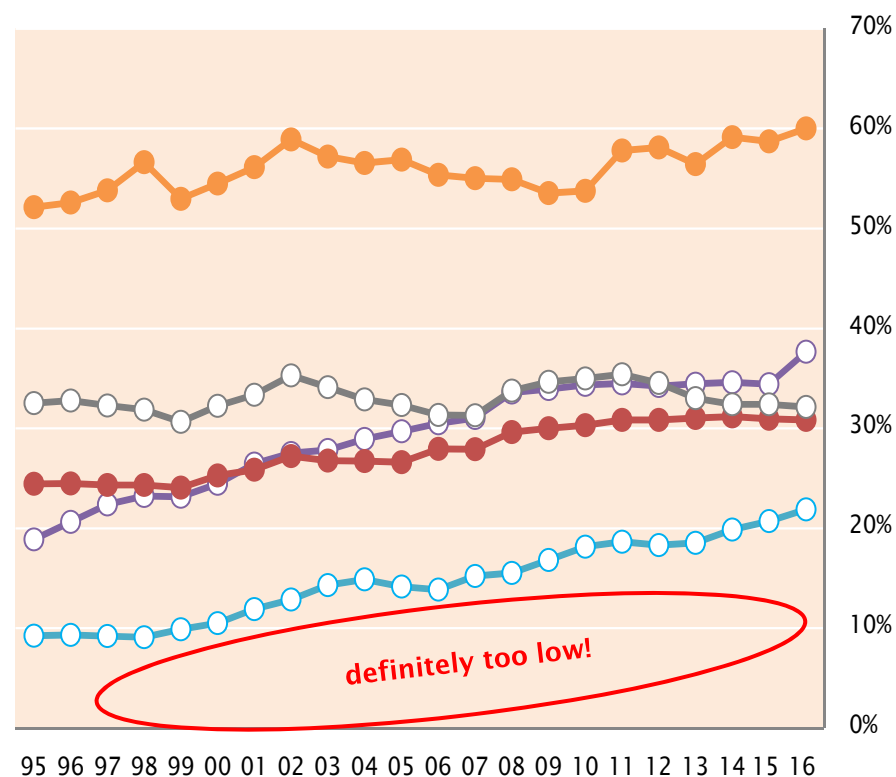
Pensions/life product: up but still too modest.

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)

	2016			2008	
	(,000)	Working pop. (est.)	Membership rate	Membership rate	
Member breakdown	7,787	22,757	34.2%	21.0%	
Employees	5,788	17,310	33.4%	21.7%	
Self-employed	1,999	5,447	36.7%	19.0%	
	2016 Members				Assets
	(,000)	%	'16 Δ %	'08 Δ %	(€ m) % GDP
Vehicle breakdown	7,787	100%	+8%	+60%	151,278 9.0%
Contractual p.f.	2,597	33%	+7%	+27%	45,931
Open p.f.	1,259	16%	+19%	+58%	17,092
Ind. Insurance Plans (PIP)	3,281	42%	+8%	+138%	30,642
Ante 1993 p.f. ('pre-existing')	654	8%	+1%	-5%	57,538

The Italian Asset Management market key figures

27 July 2017

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