ASSOGESTIONI
associazione del risparmio gestito

The Italian Asset Management market
key figures

23 November 2017

Research Department

1. The Italian Asset Management market

- Overview
- Open-end funds: AuM, flows & Asset classes
- Open-end funds: Distribution
- Mandates and the insurance market

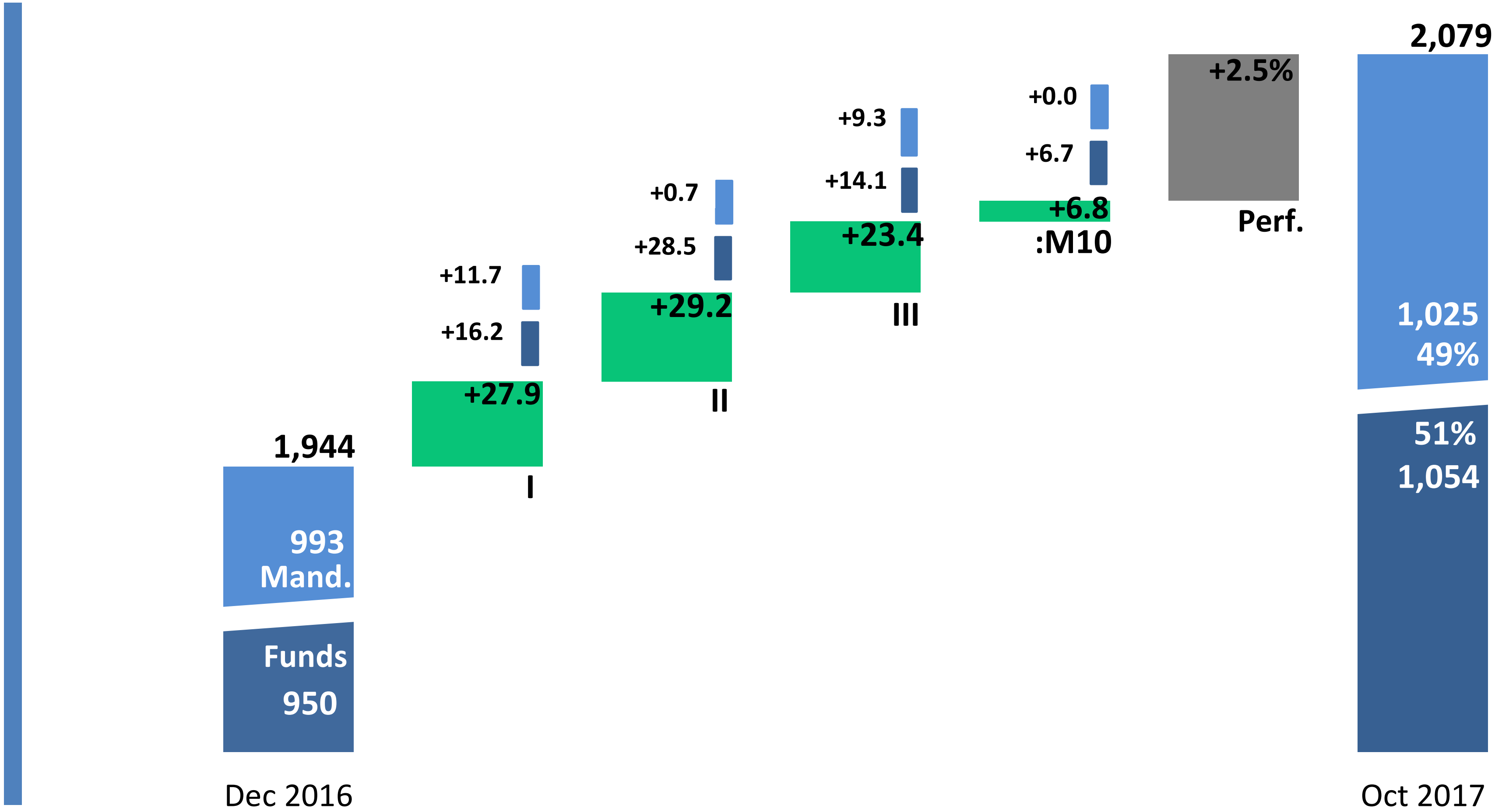
2. The European Investment Fund Industry

- Net assets & sales by fund / fund group domicile

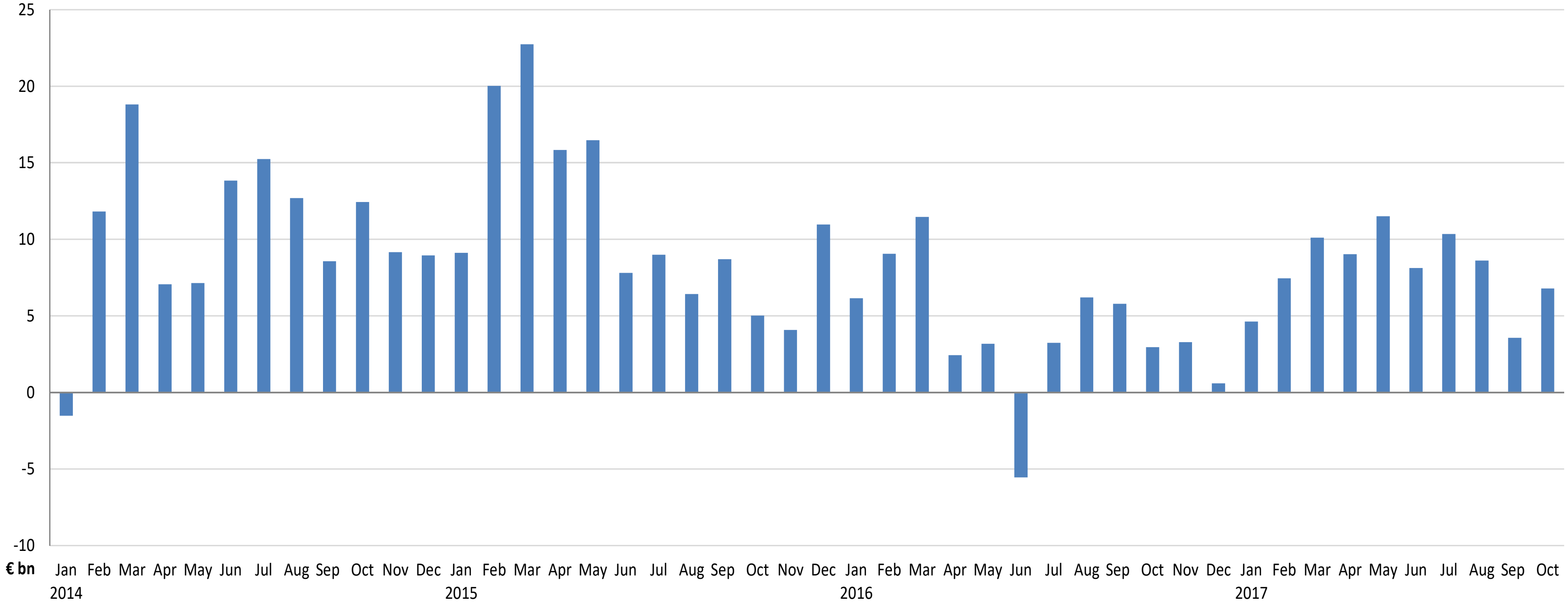
3. Savings & Wealth

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

The Italian AM market (Jan 2017: October 2017)

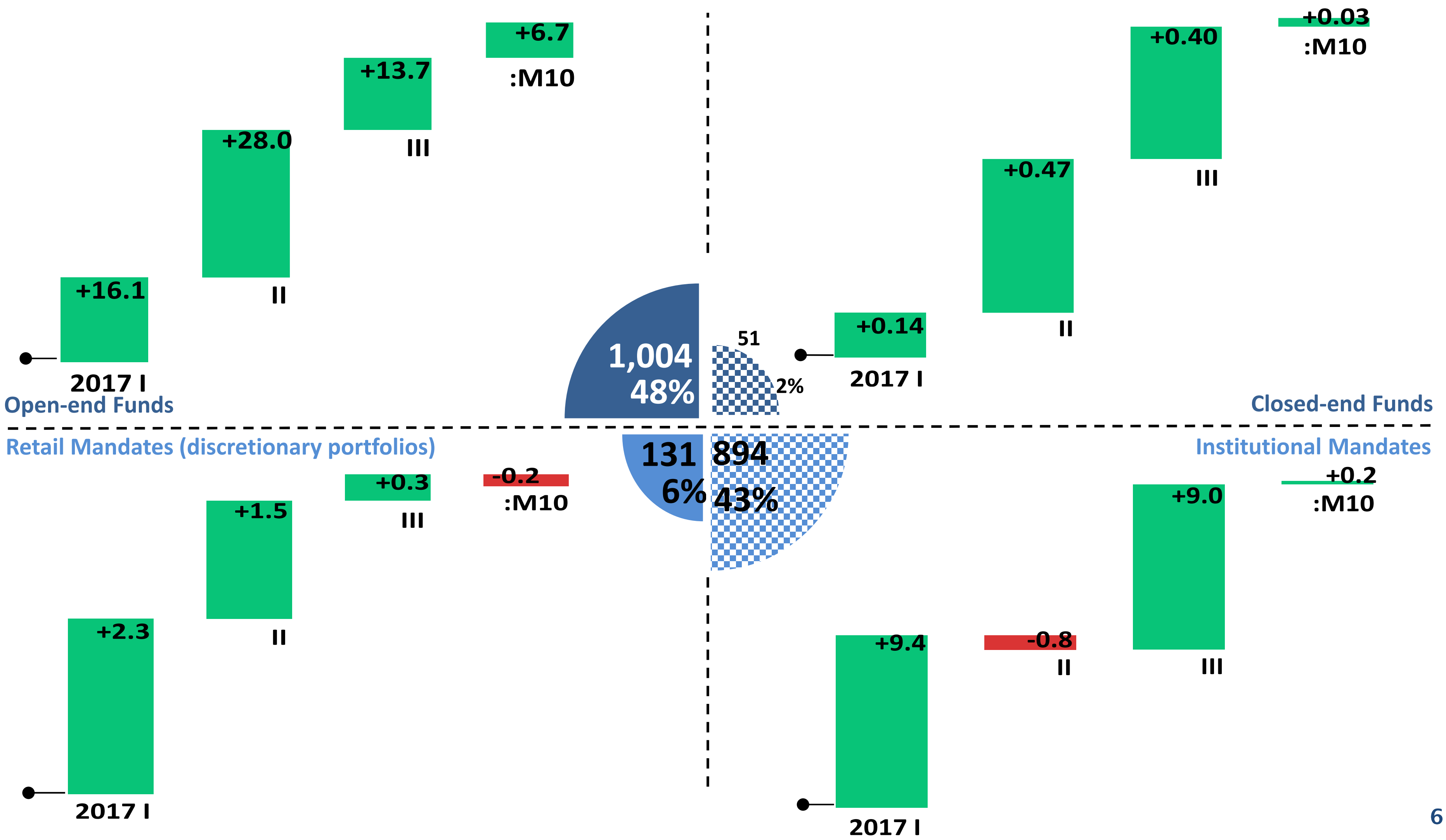


Net flows (monthly data)

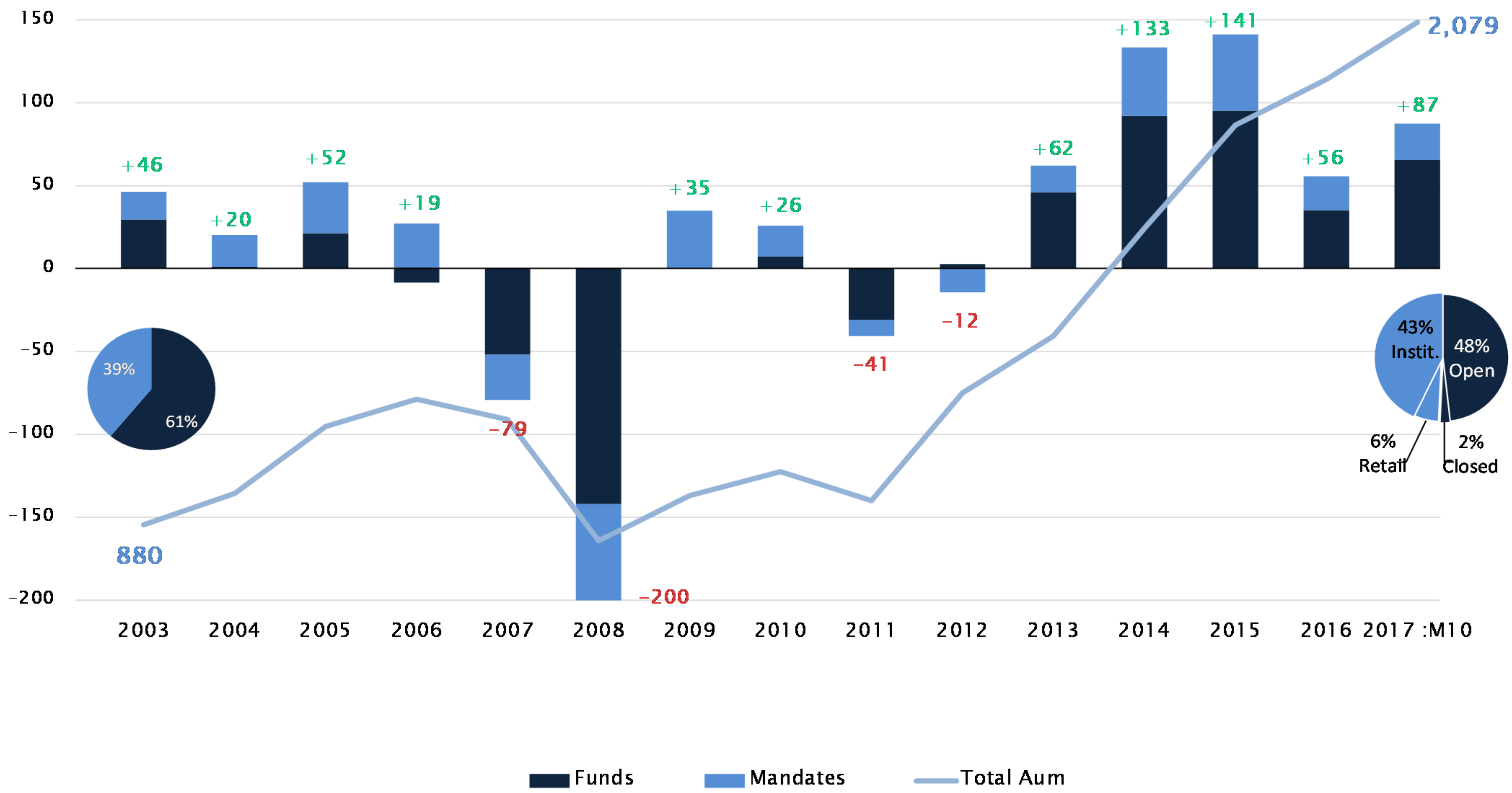


Monthly data. Source: Assogestioni.

Product breakdown

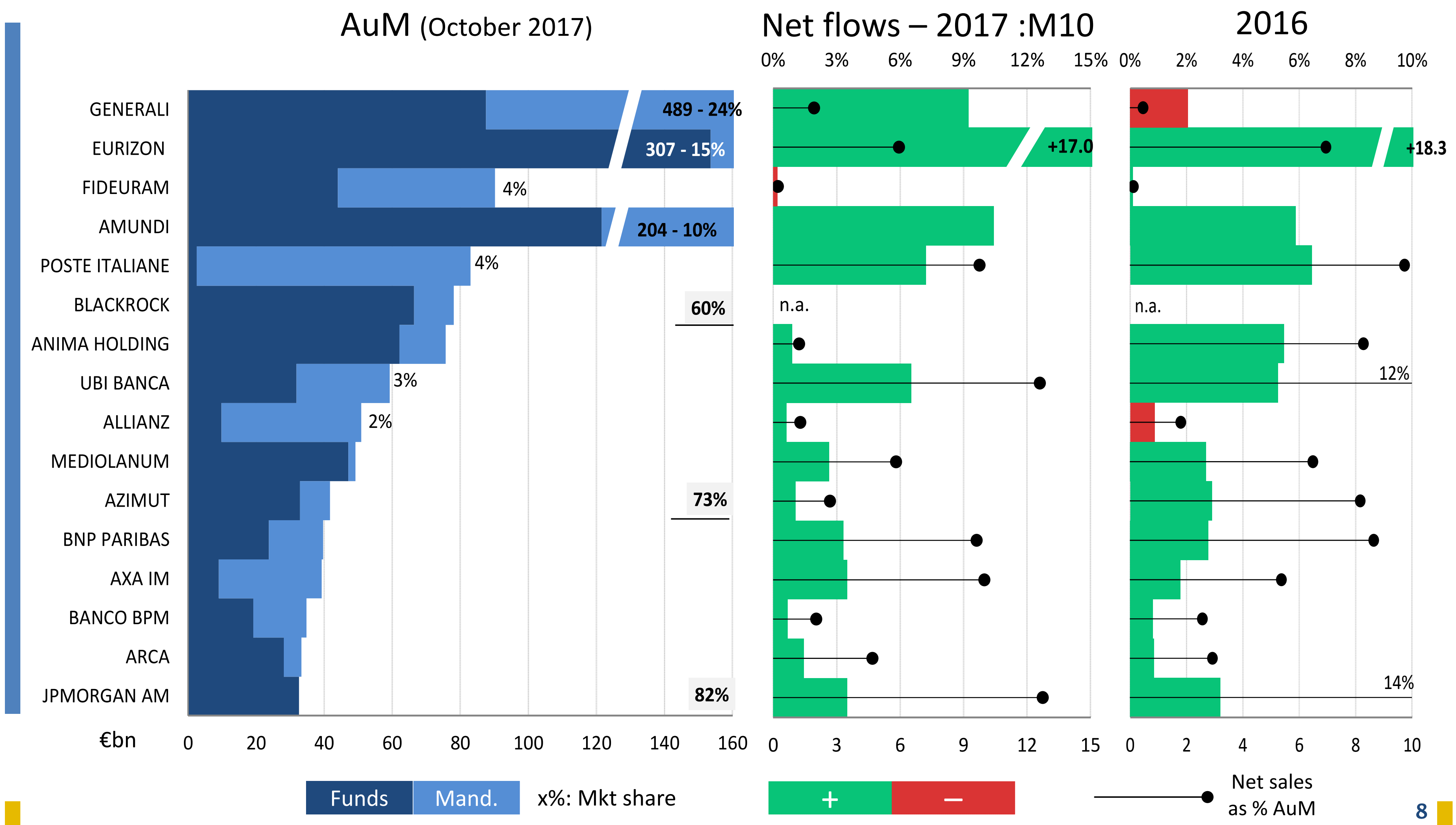


Long term trend

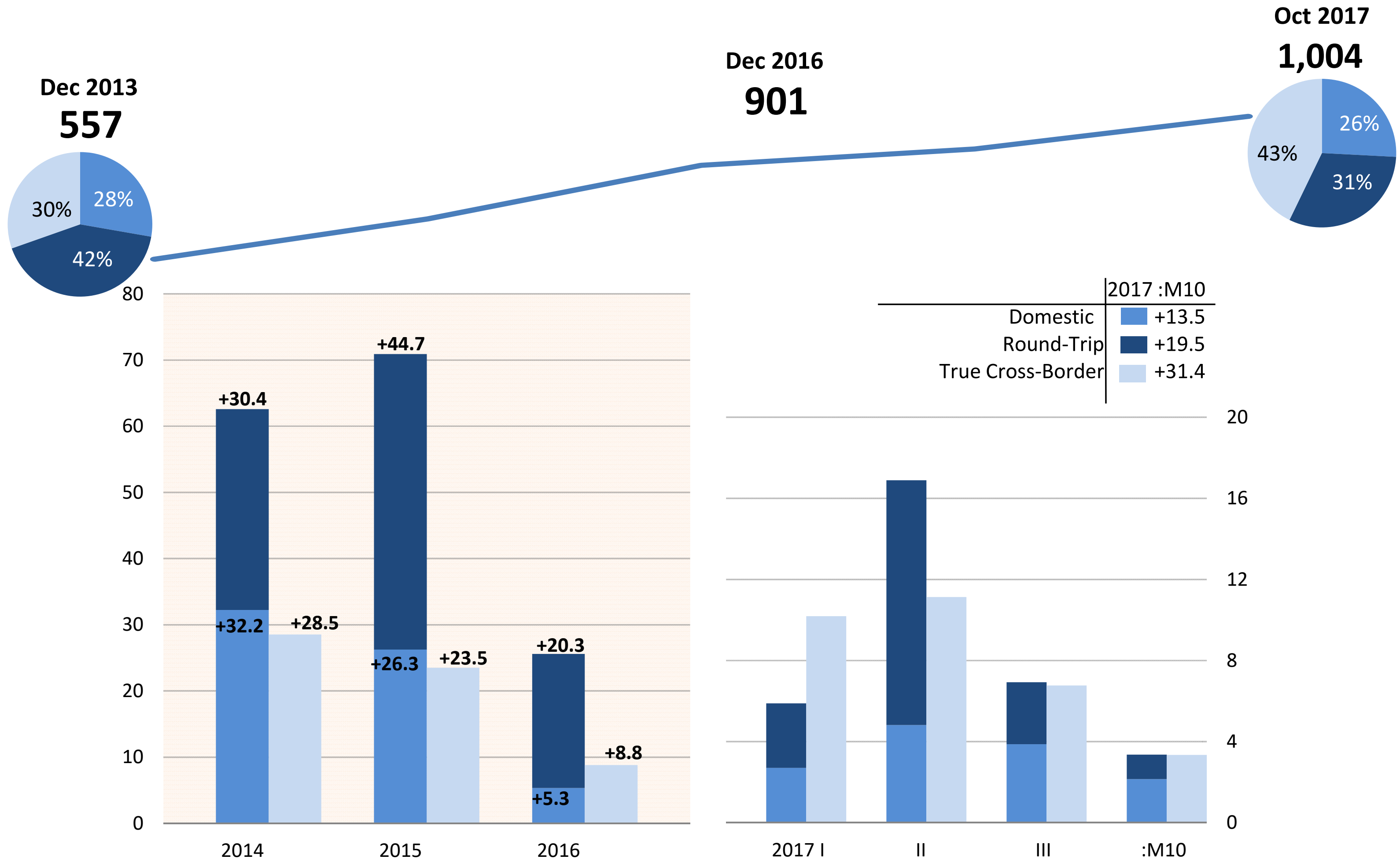


€bn, yearly data. Source: Assogestioni.

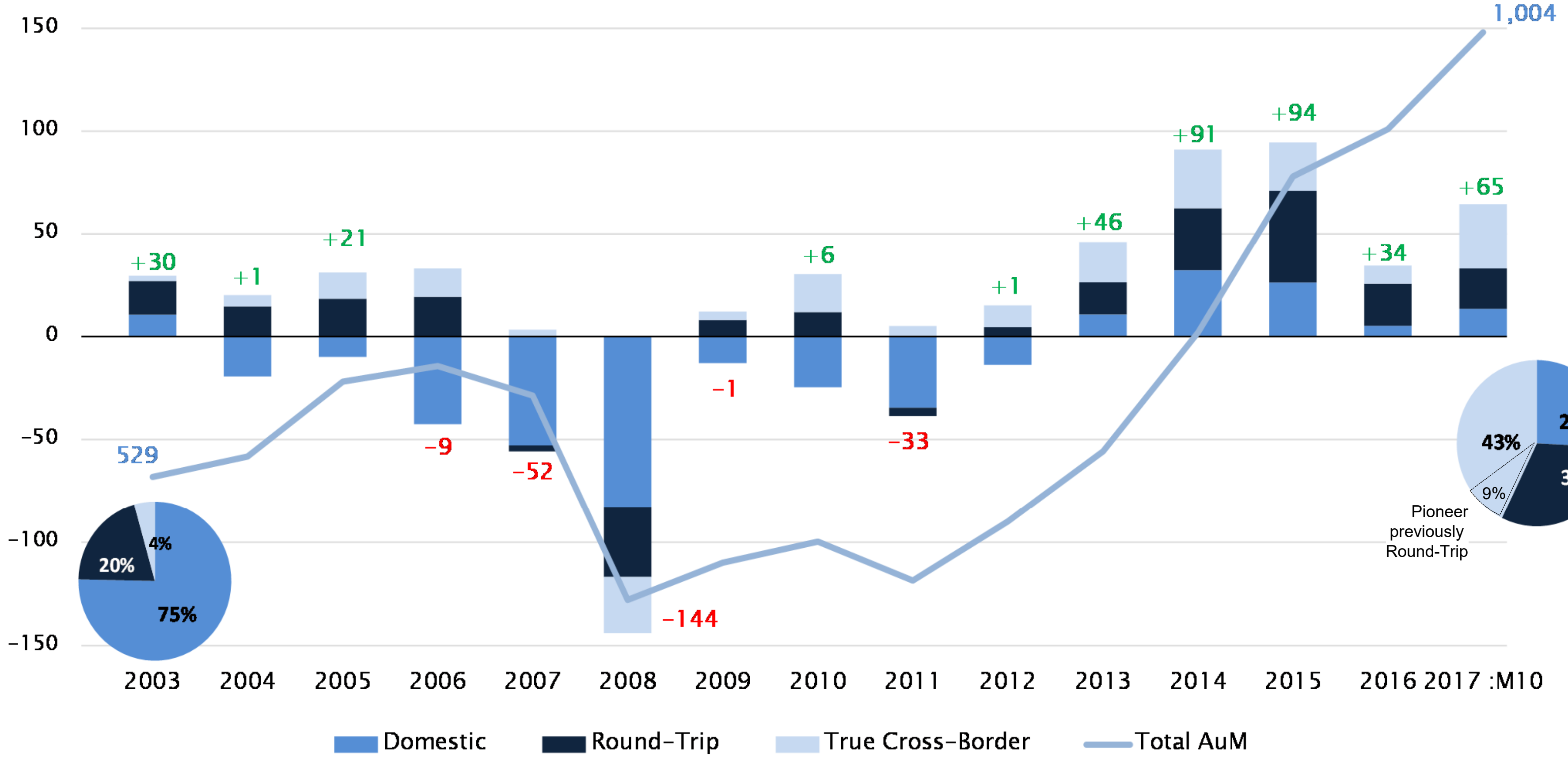
Top 15 Groups



Open-end funds: domicile breakdown

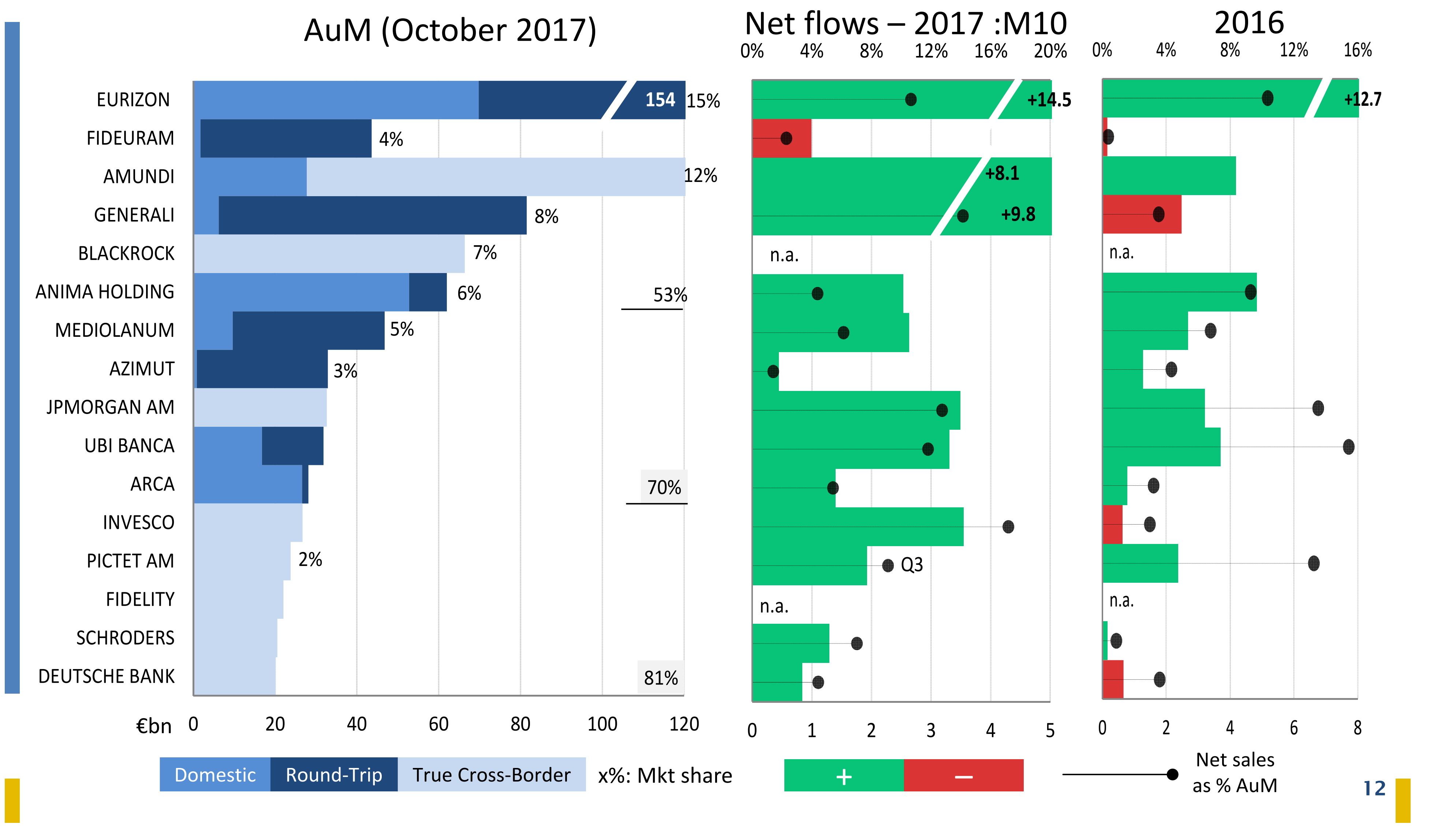


Long term trend: open-end funds

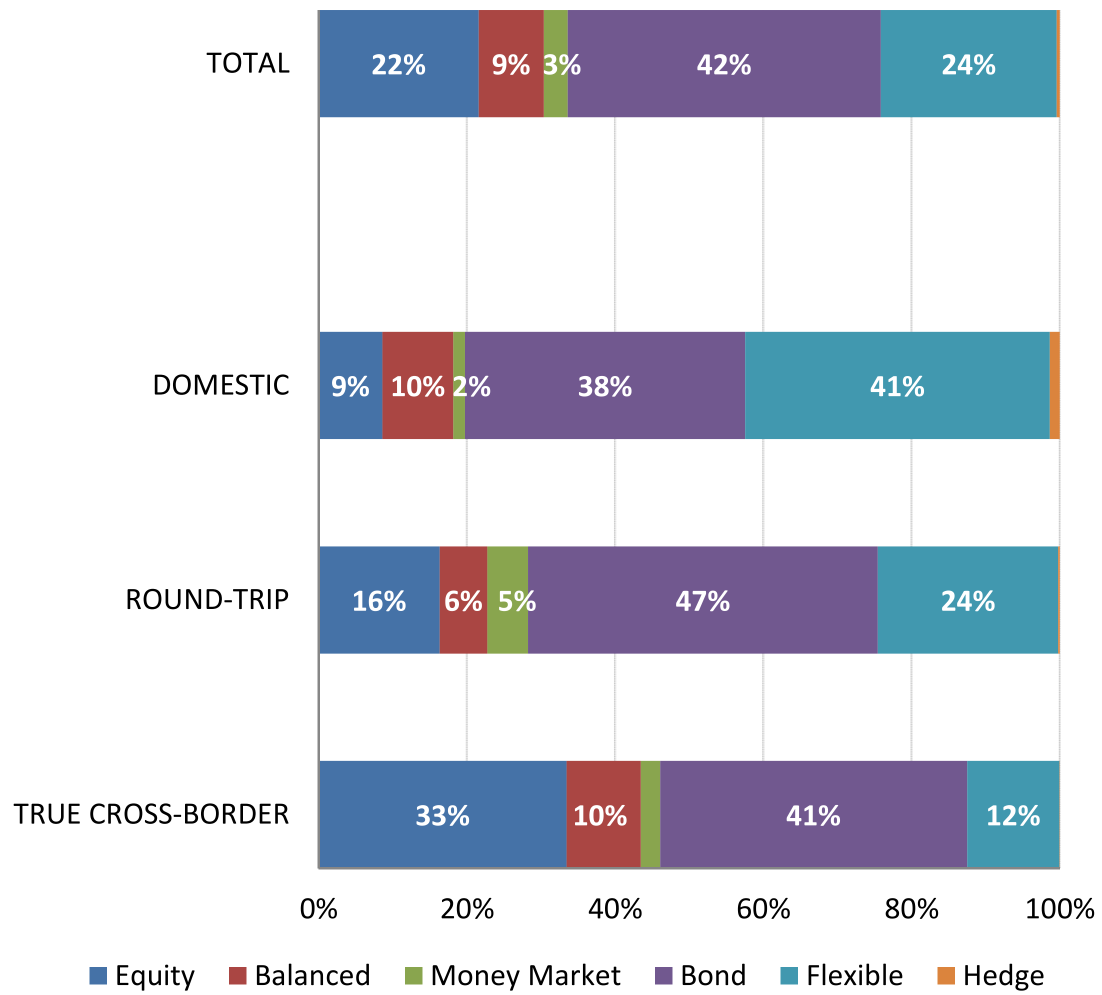


€bn, yearly data. Source: Assogestioni.

Top 15 Groups (open-end funds only)



Asset Class breakdown

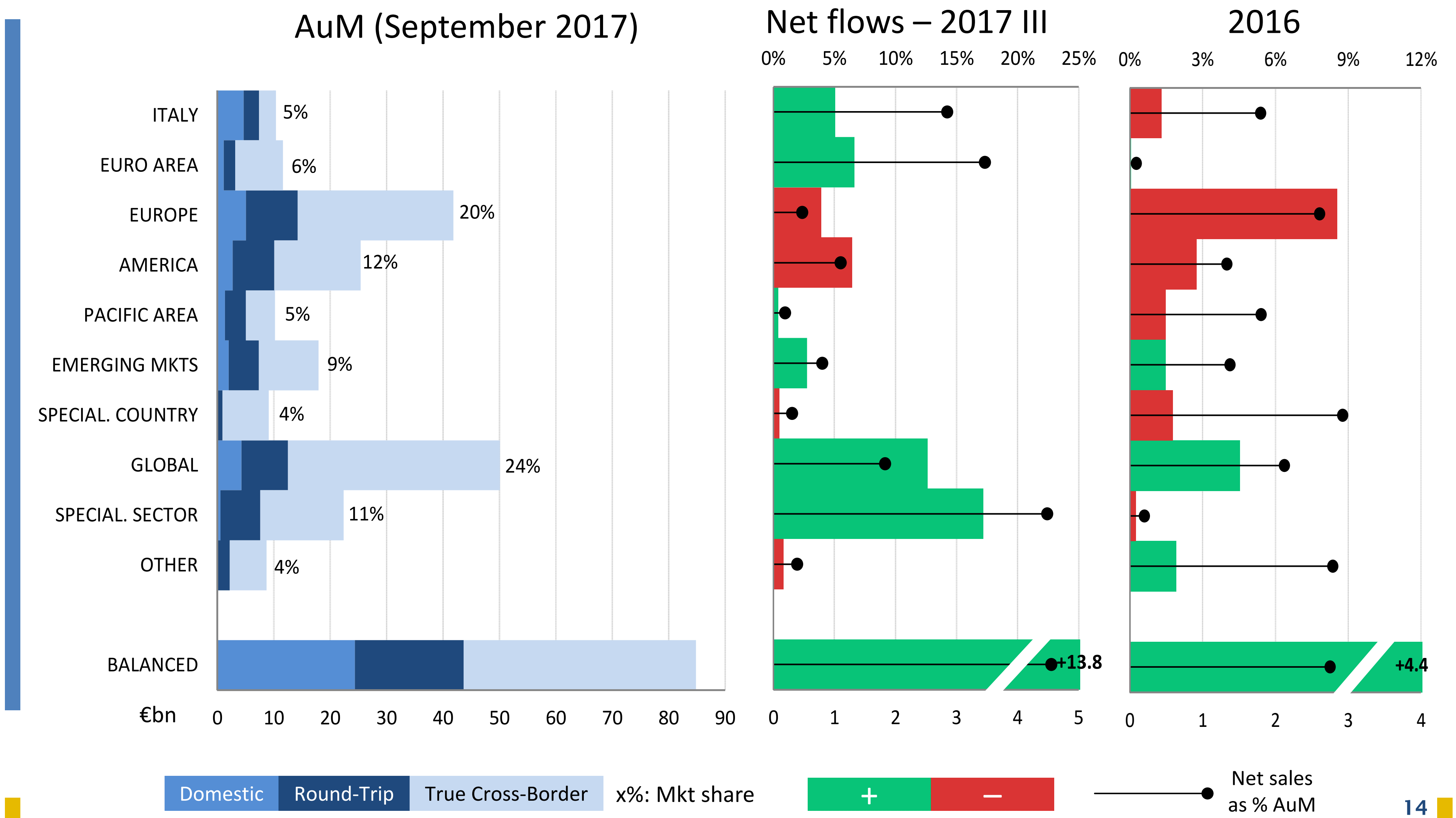


254 bn – 26%

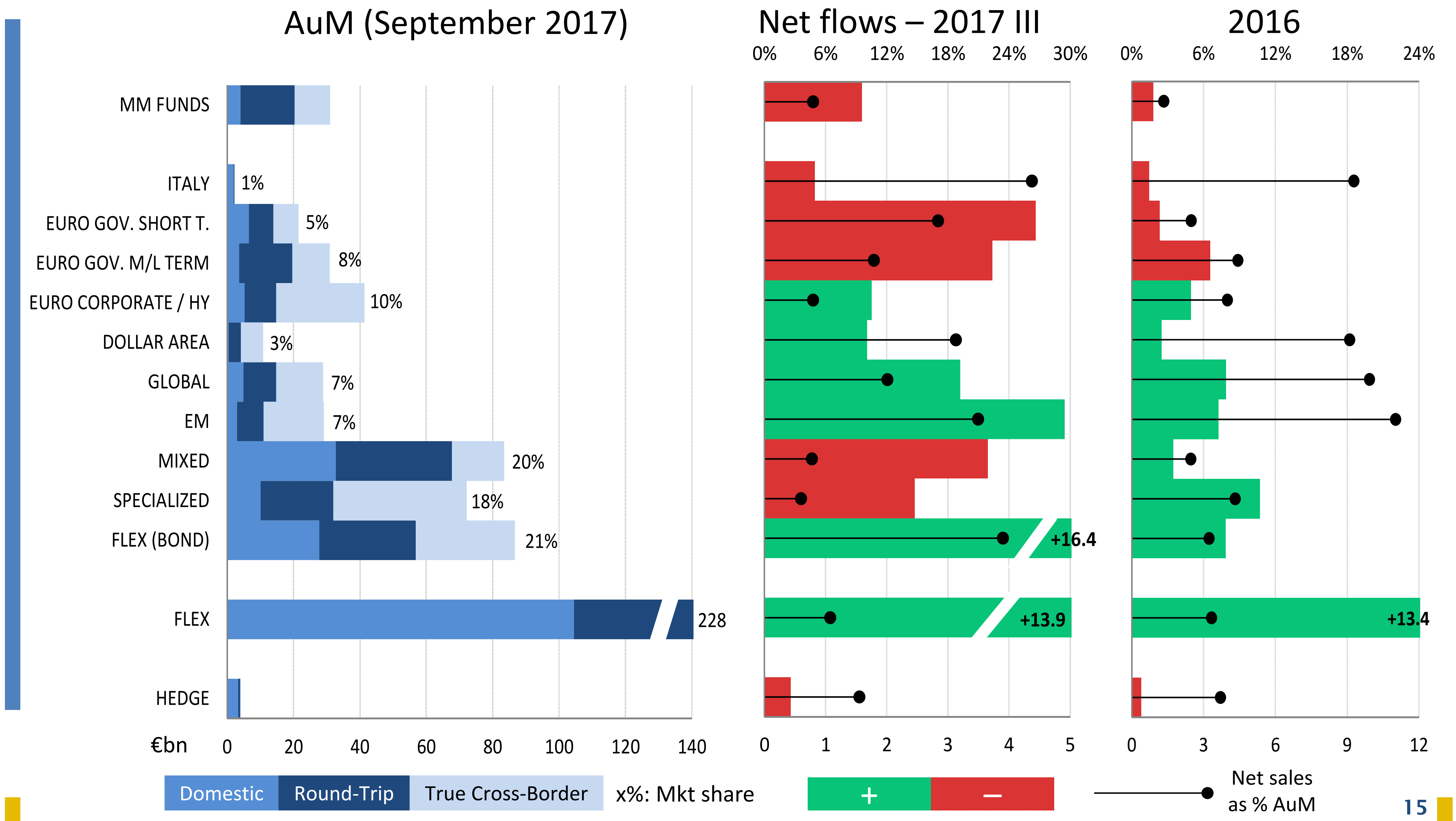
299 bn – 31%

410 bn – 43%

Equity & balanced funds



Money mkt, Bond, Flex & Hedge funds



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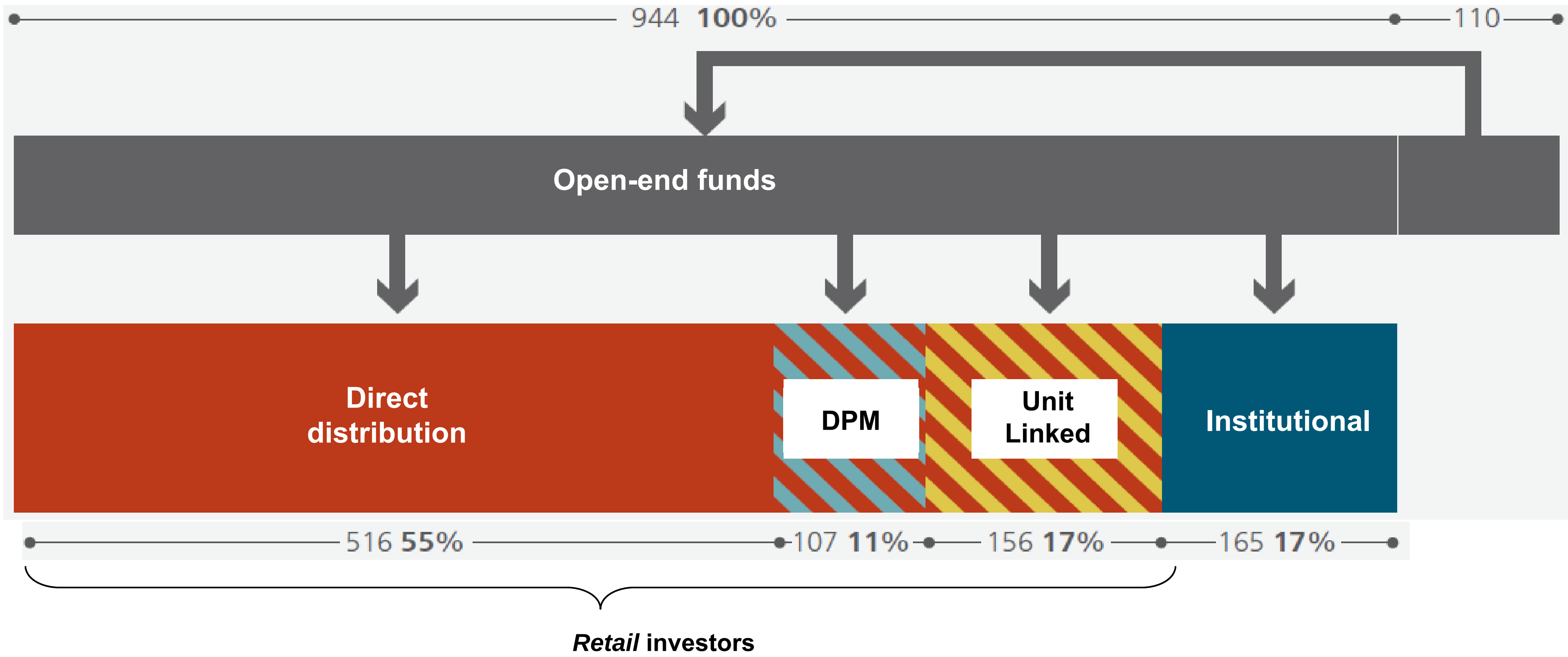
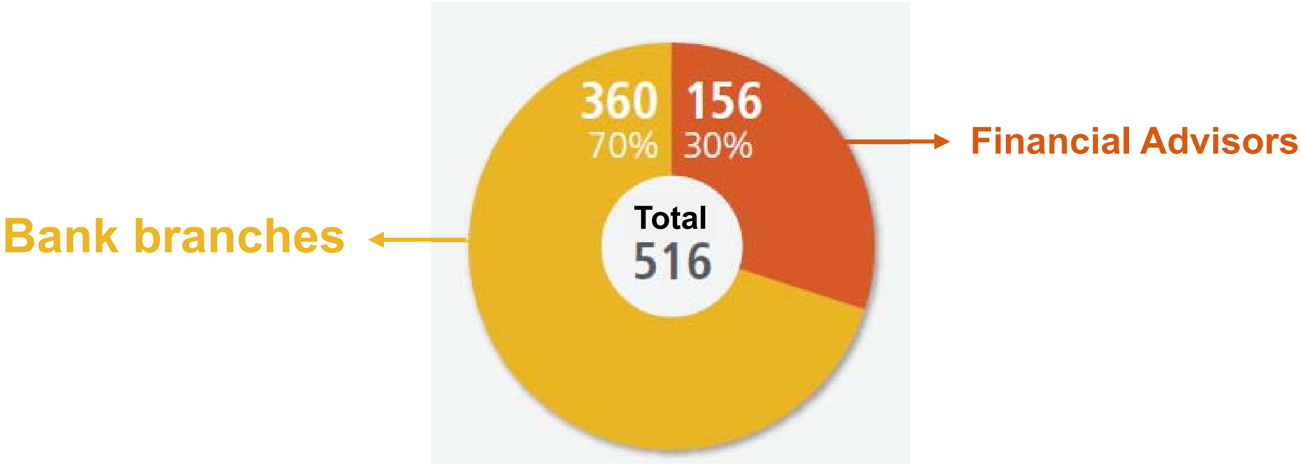
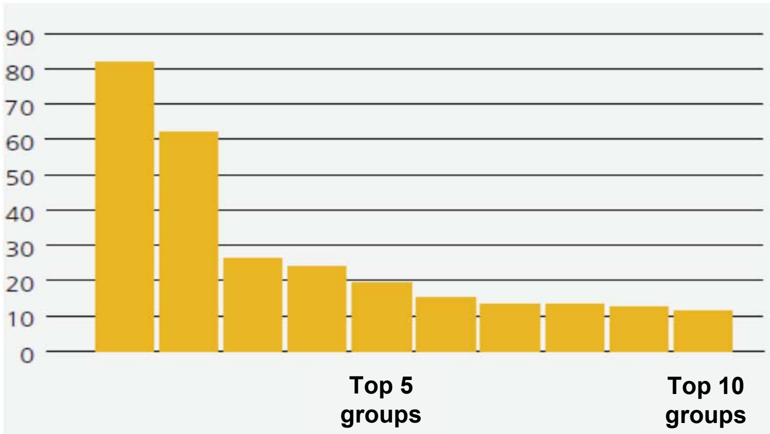
The *Italian* fund market is *retail-oriented*

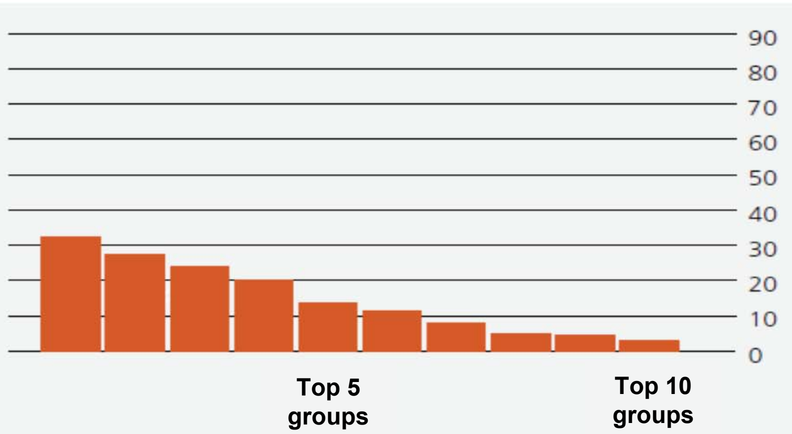


End of 2016 data.

Banks dominate the *retail* fund distribution landscape (1)

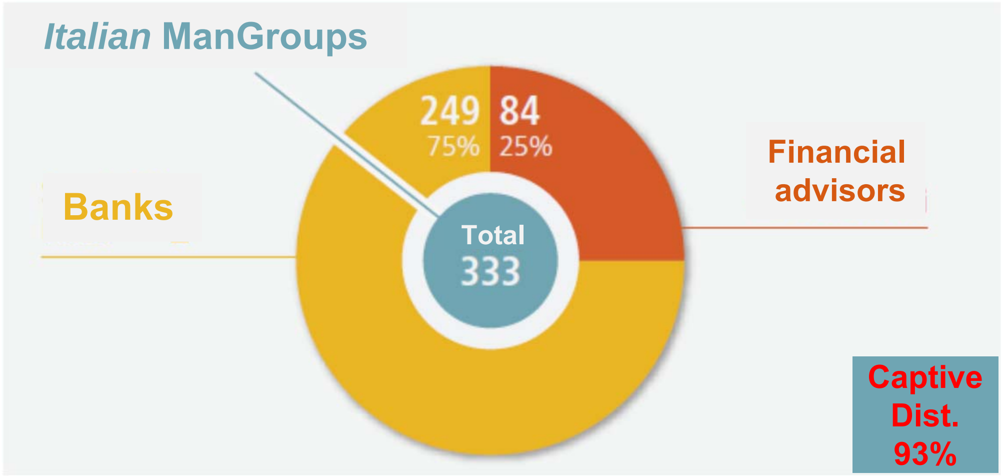


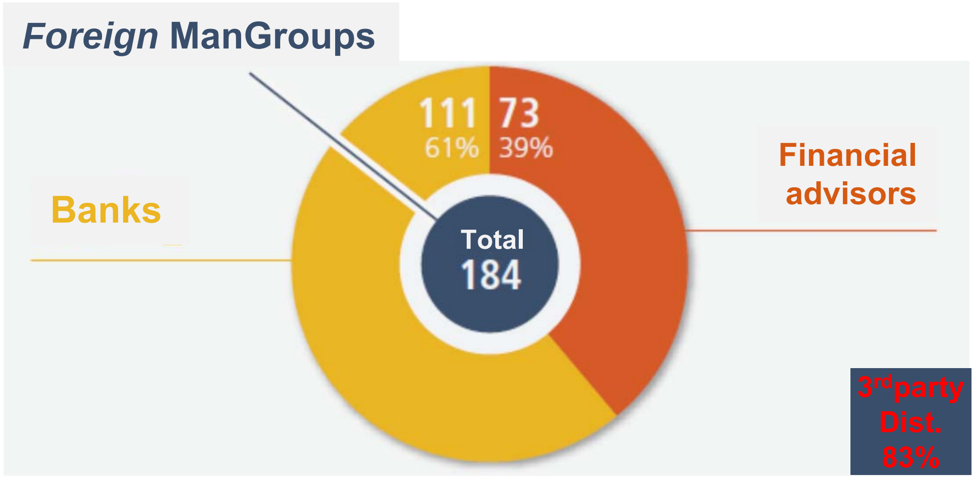




AuM of funds distributed to Italian retail clients (direct investment). End of 2016 data.

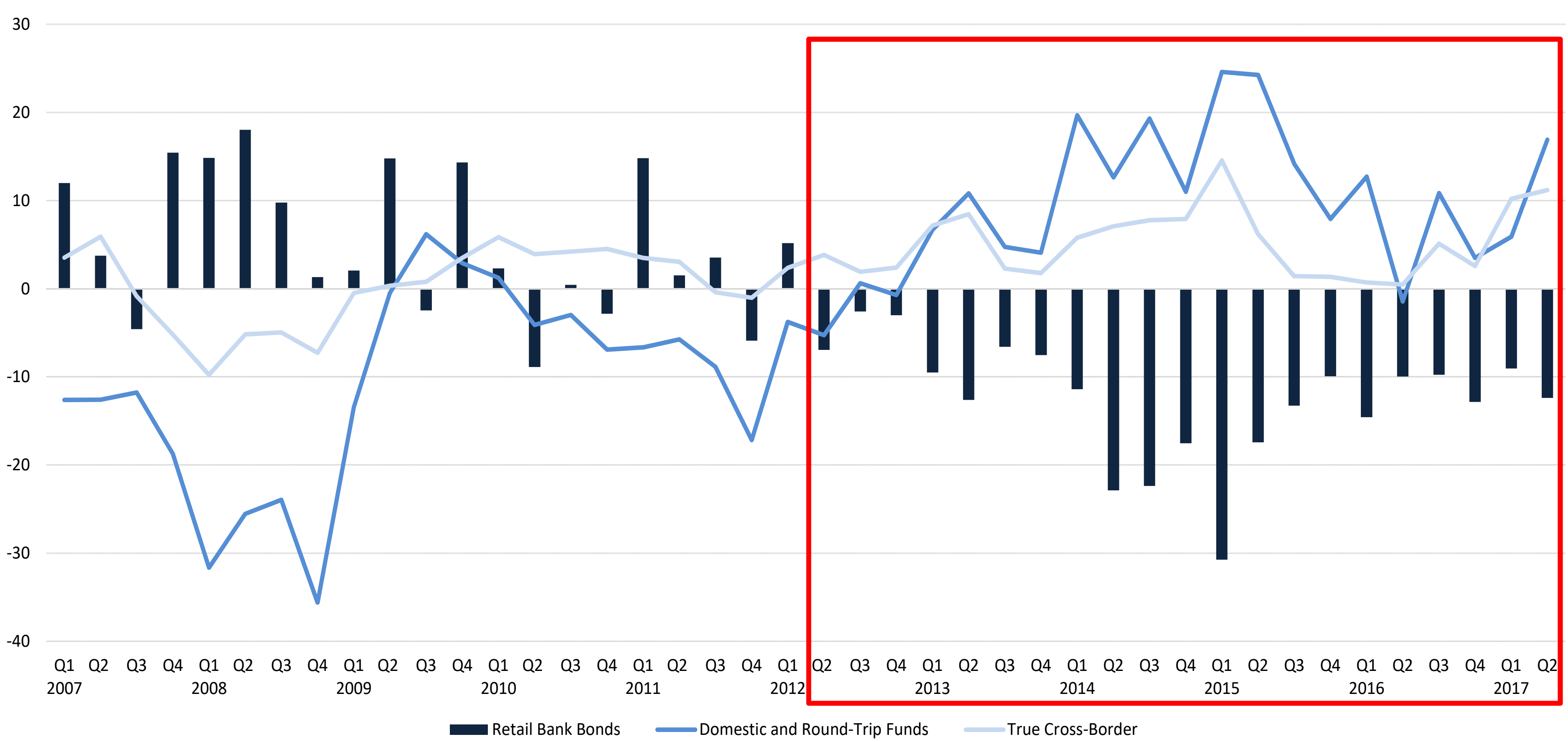
Banks dominate the *retail* fund distribution landscape (2)





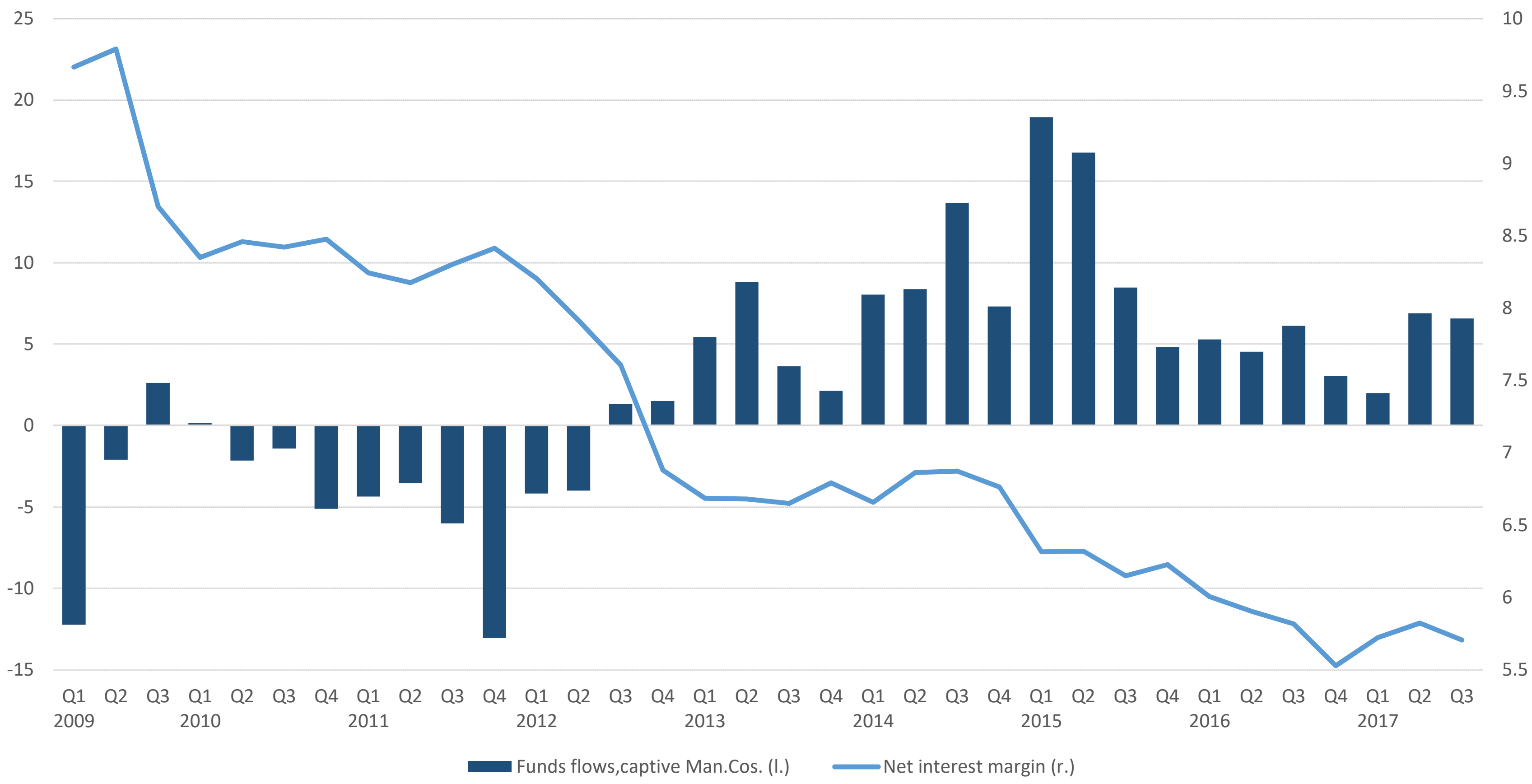
AuM of funds distributed to Italian retail clients (direct investment). End of 2016 data.

Banks: no more dependent on funding from retail investors…



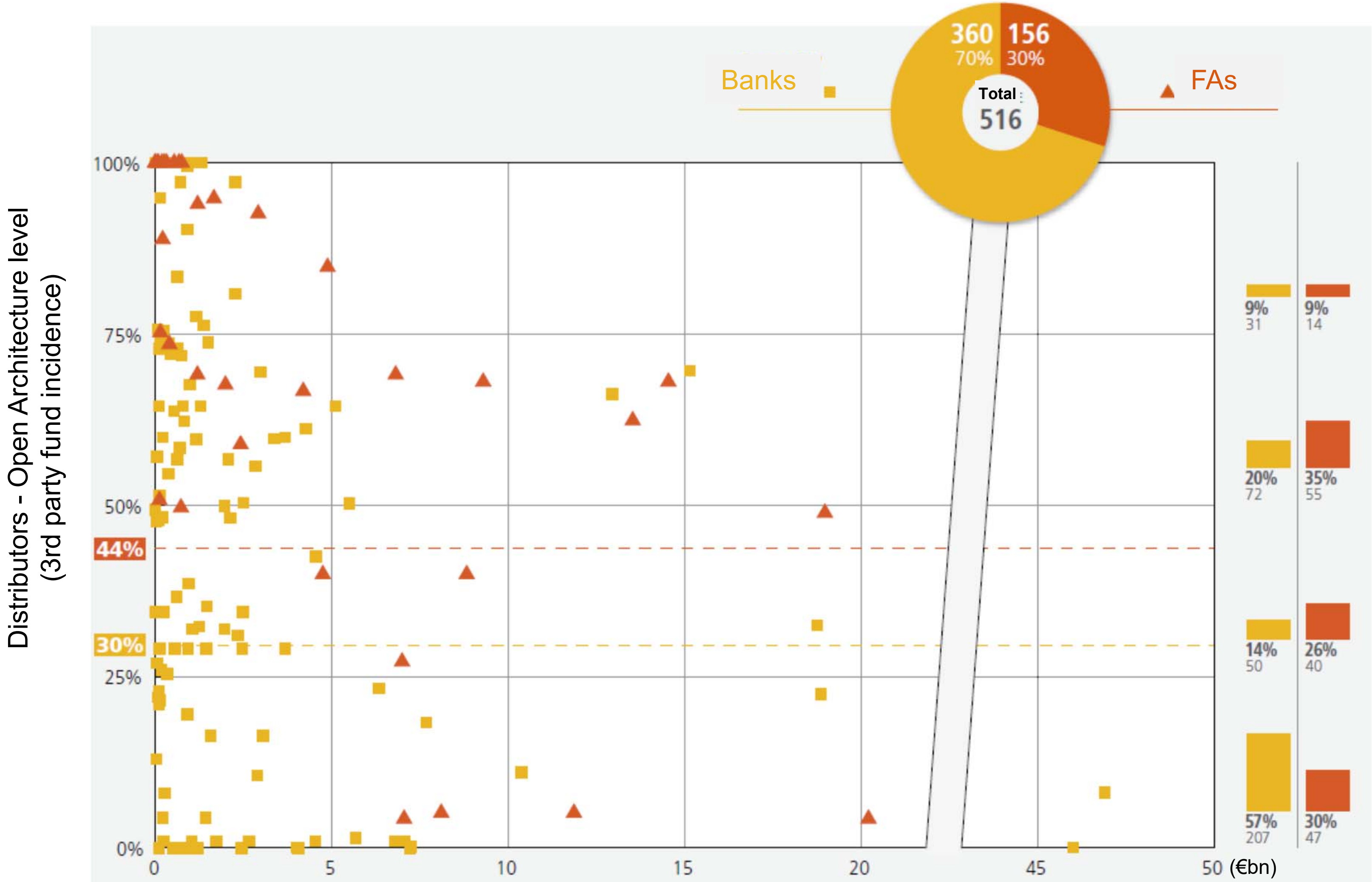
Quarterly flows, €bn. Source: Assogestioni, Bank of Italy.

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



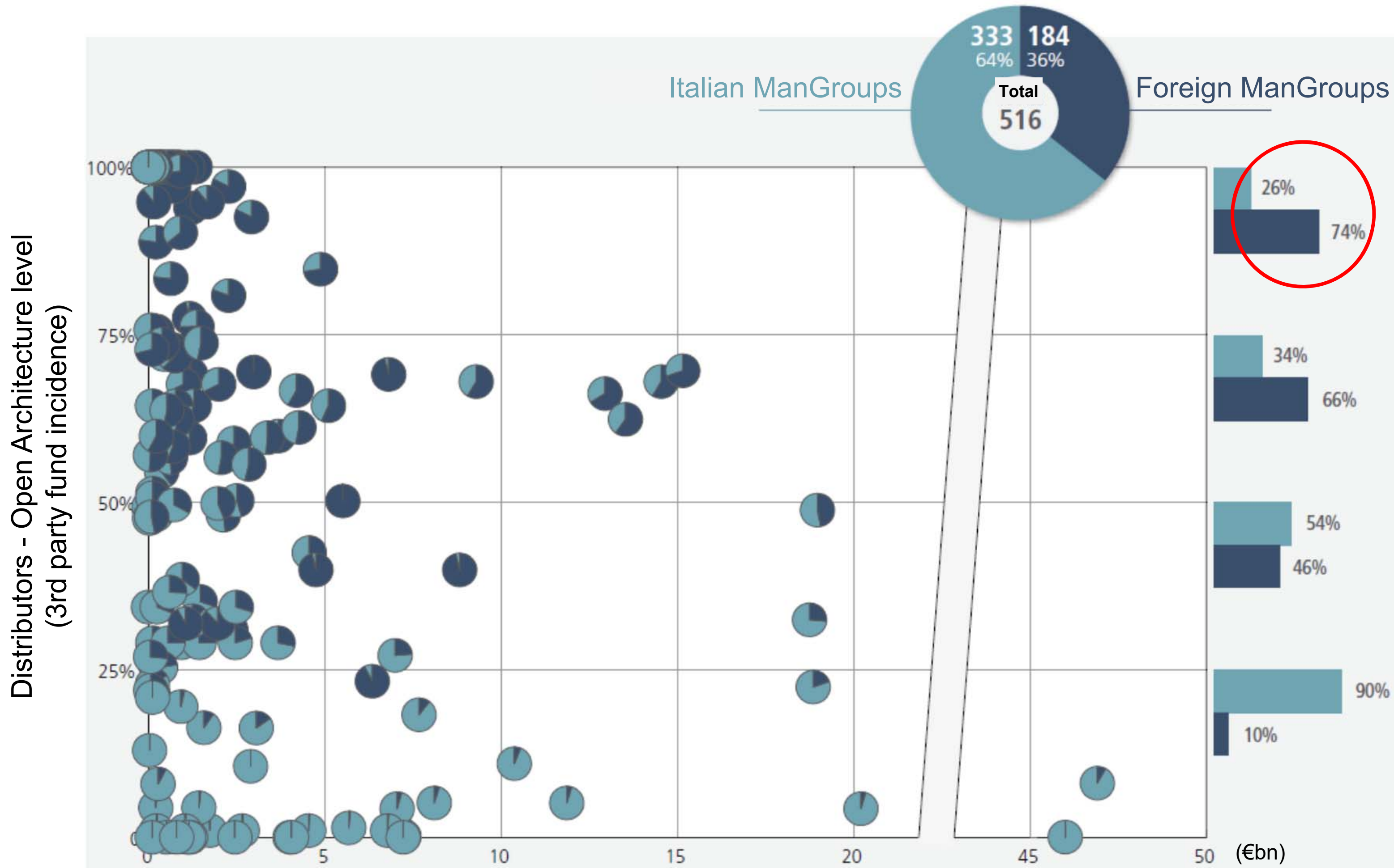
€bn. Source: Assogestioni, bank balance sheets (Top 5 groups).

Distribution of 3rd party funds: *FAs* more open than *Banks*...

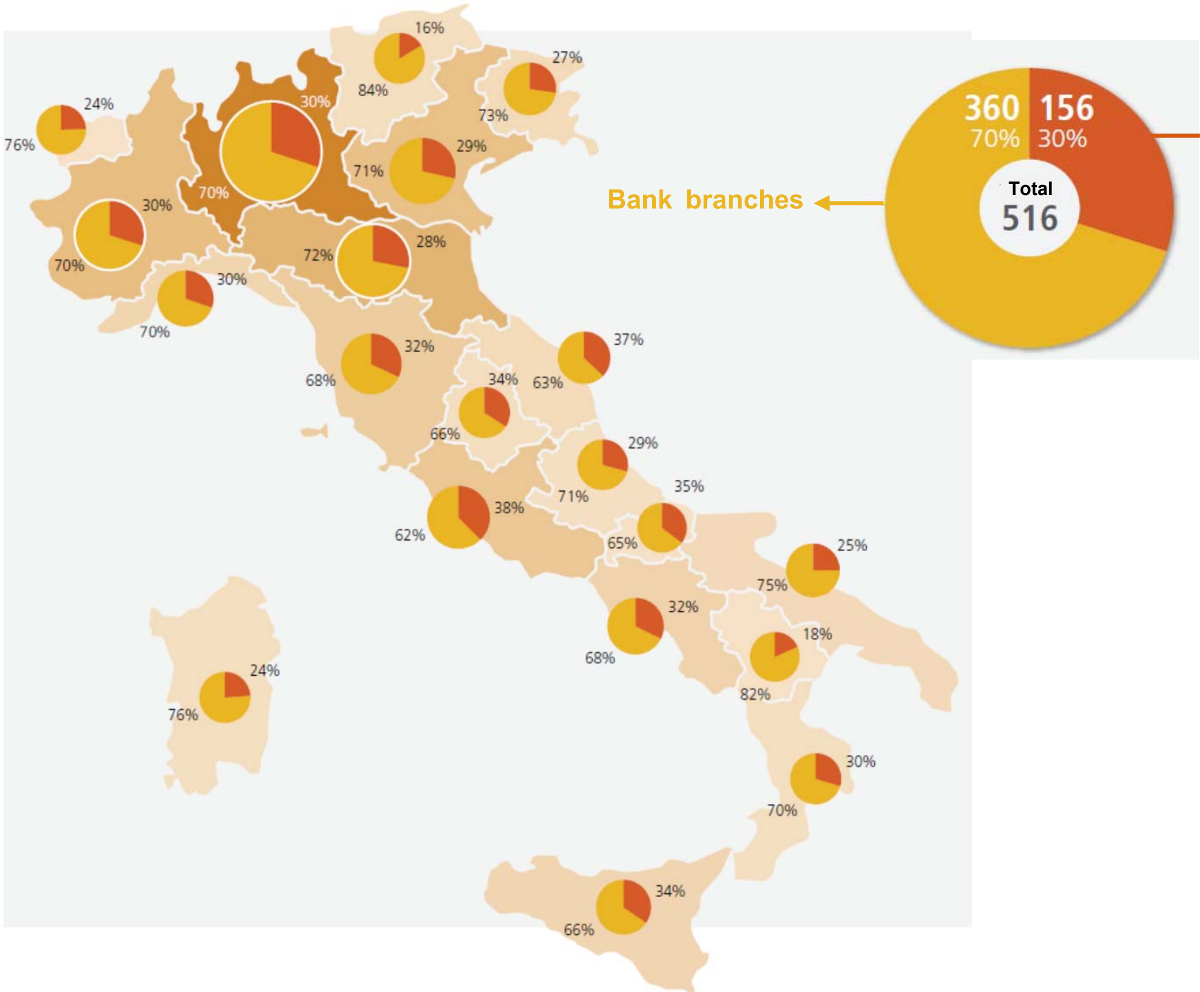


End of 2016 data.

The more open the distributor...
... the higher the proportion of foreign ManGroups funds

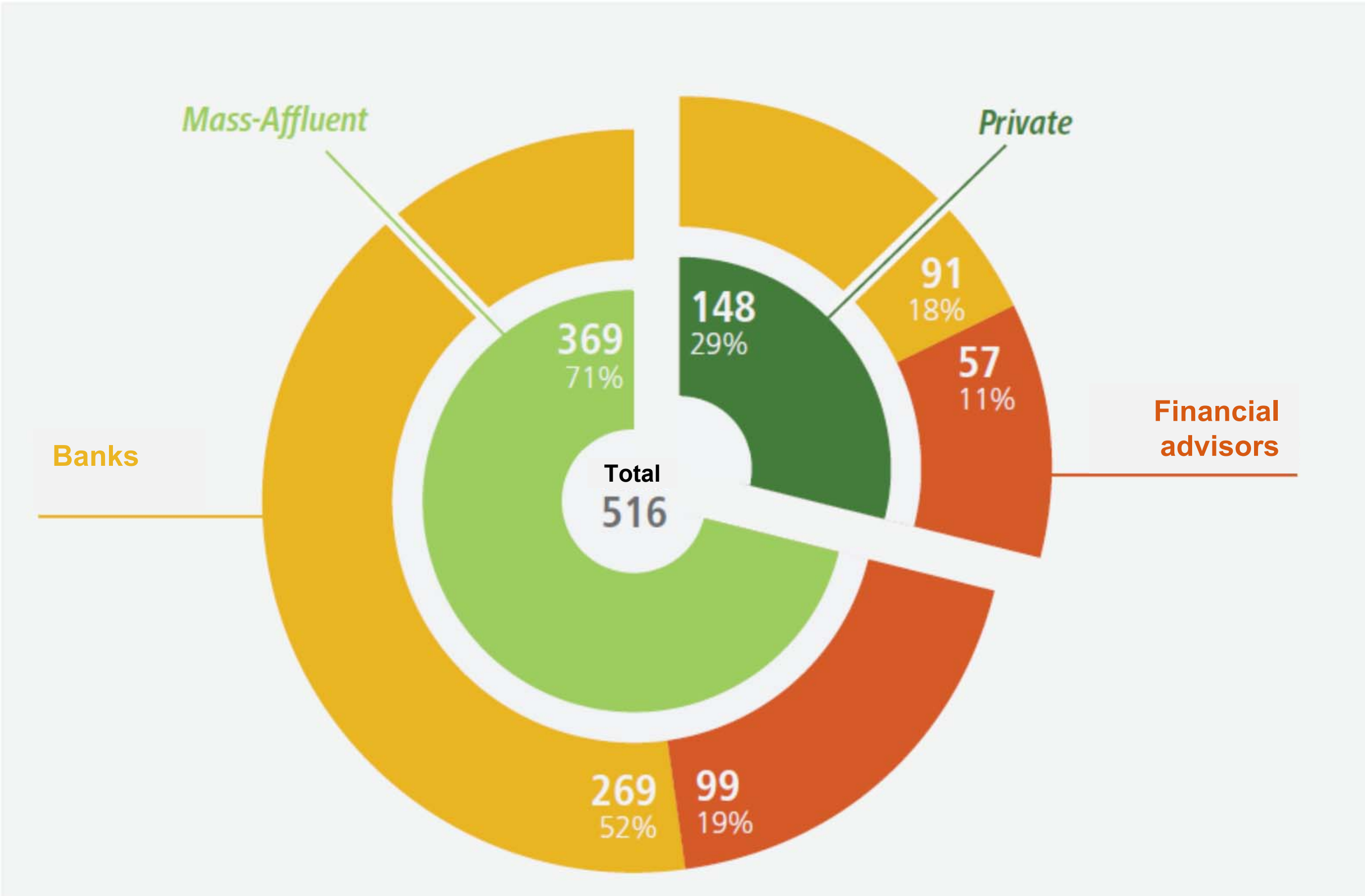


Regional breakdown (channels)



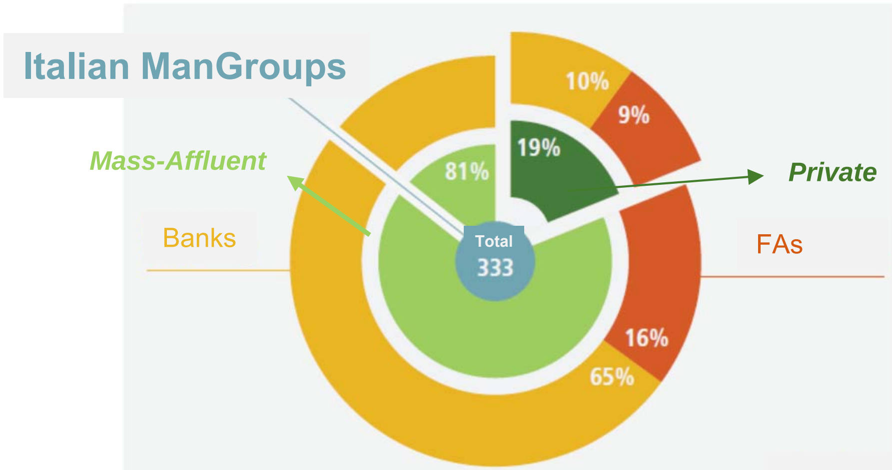
End of 2016 data.

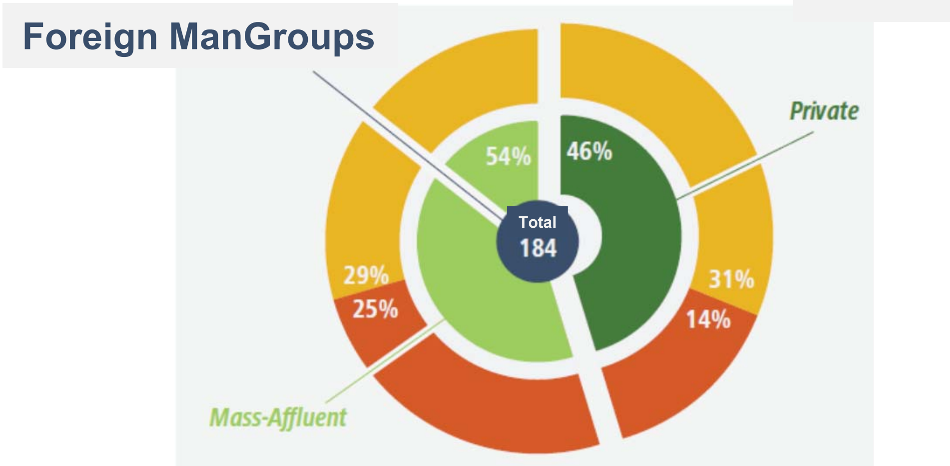
Distinction by type of *retail* investors (1)



AuM of funds distributed to Italian retail clients (direct investment). End of 2016 data.

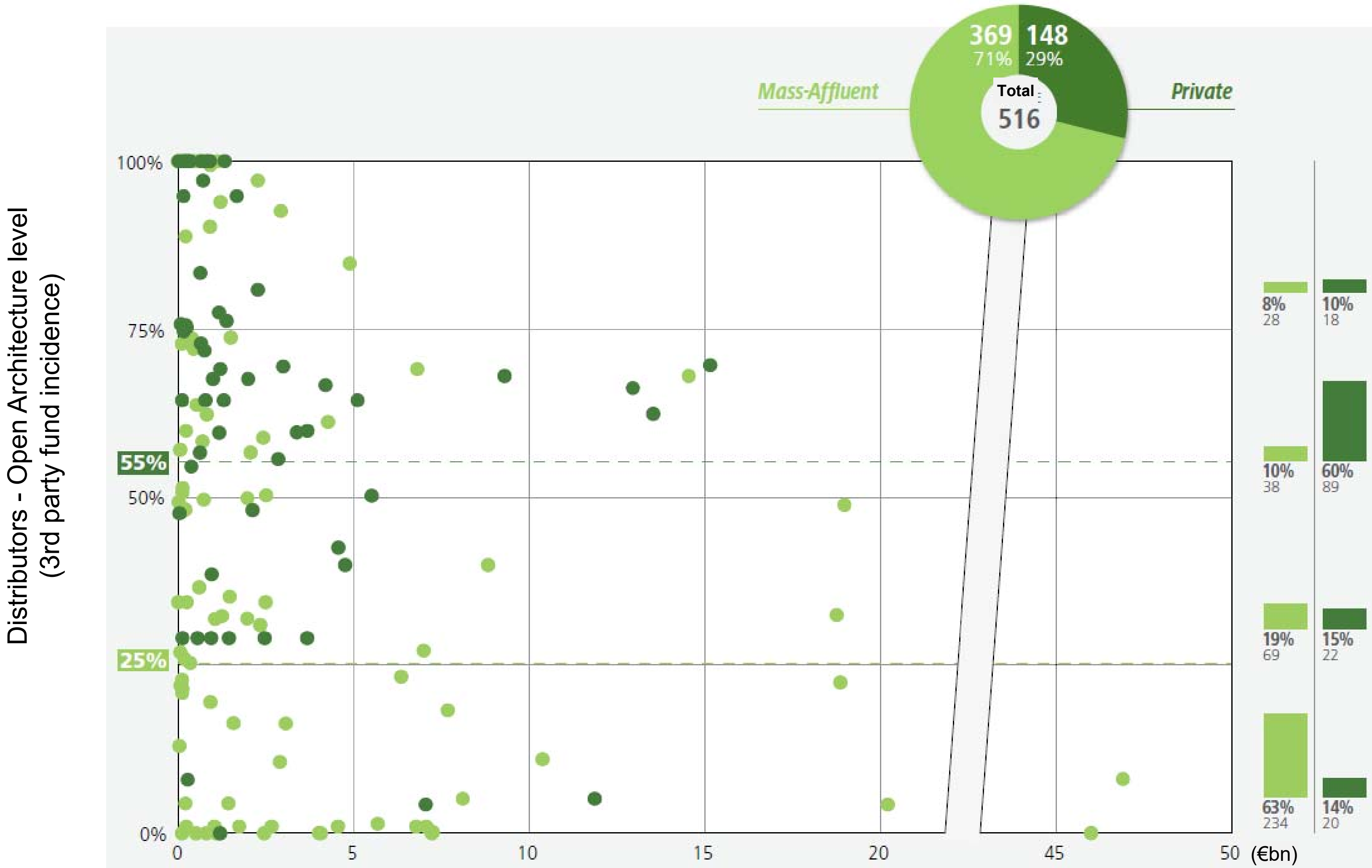
Distinction by type of *retail* investor (2)





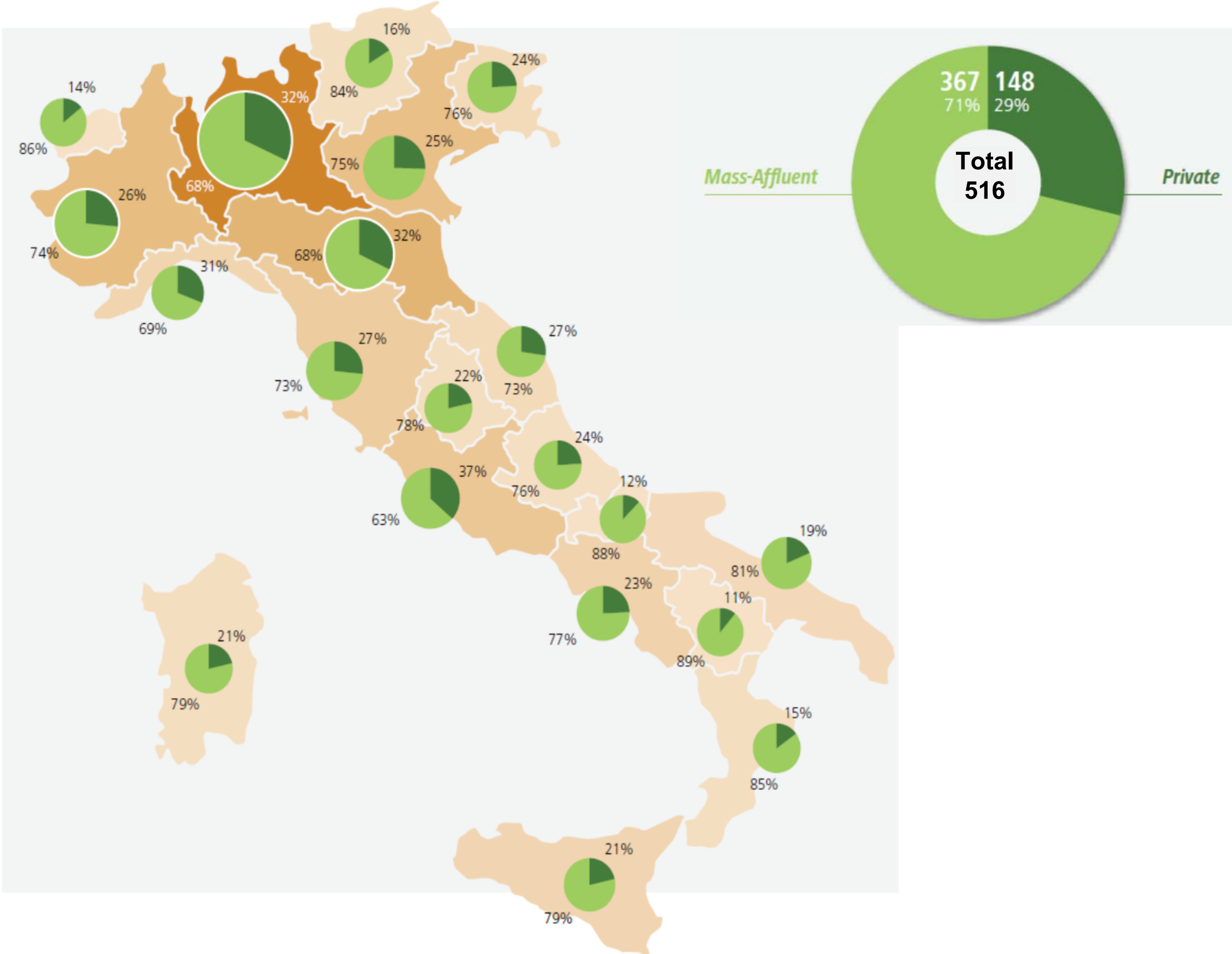
AuM of funds distributed to italian retail clients (direct investment). End of 2016 data.

3rd party funds: *private* segment more open than *Mass Affluent*

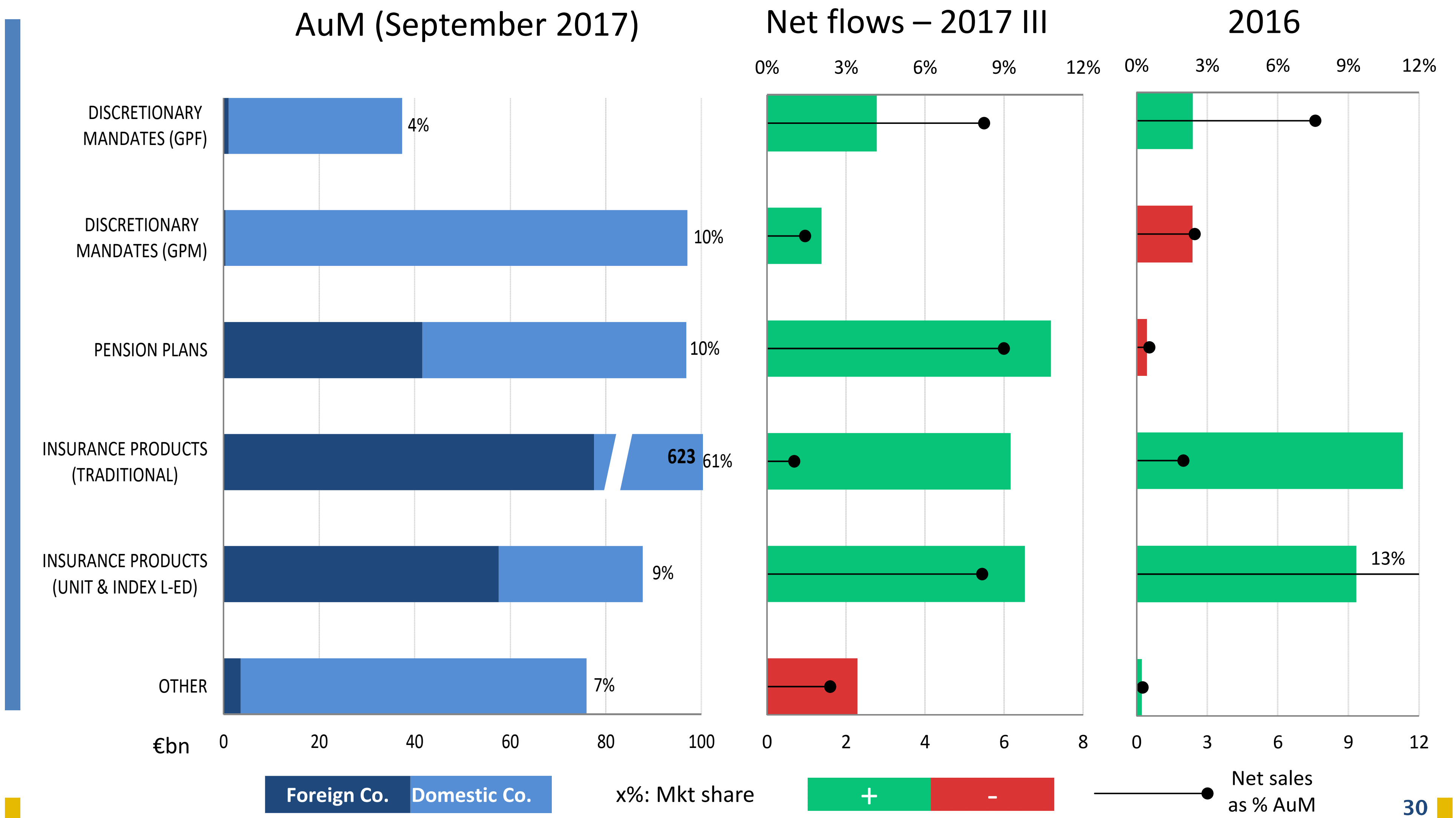


End of 2016 data.

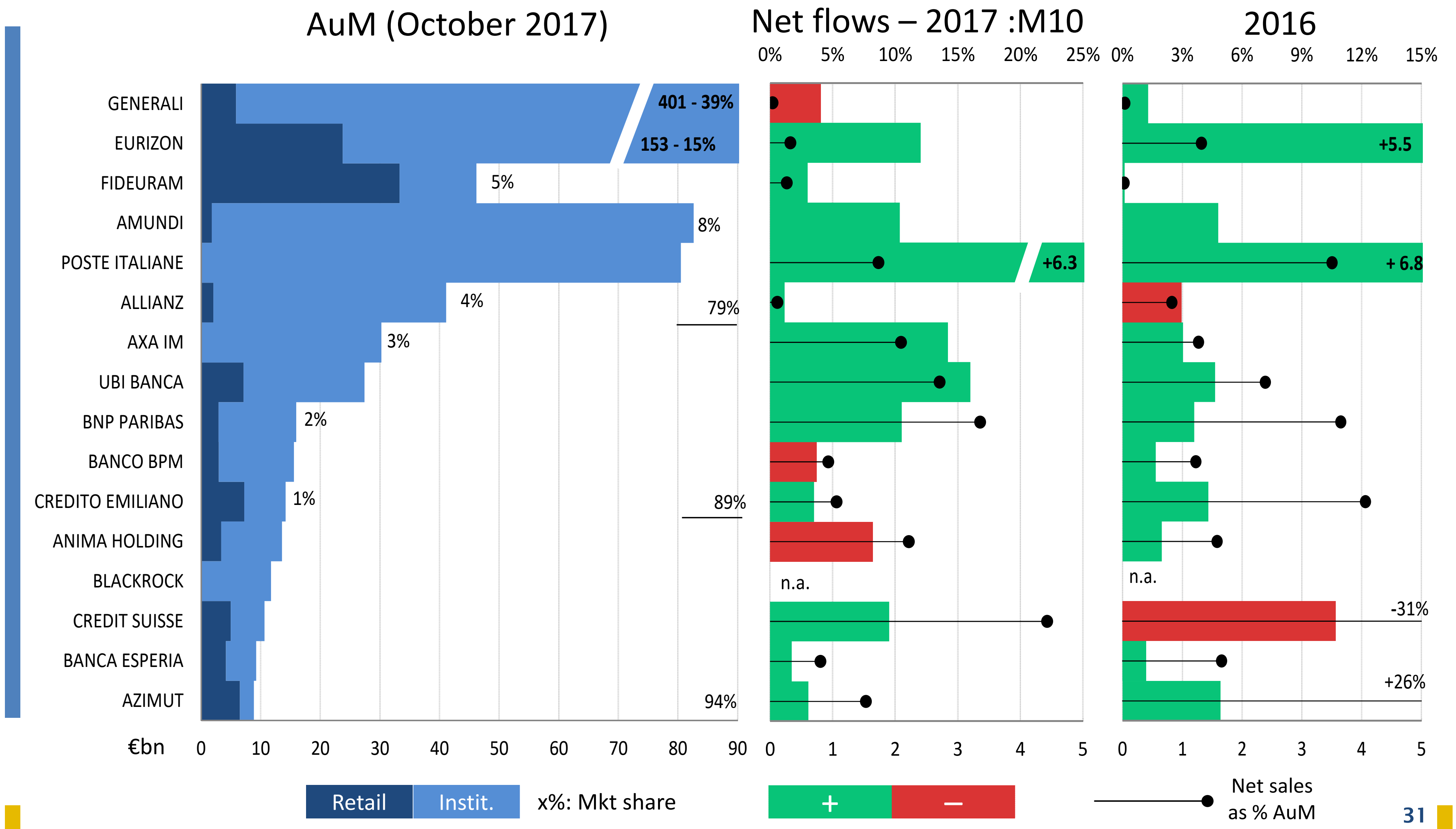
Regional breakdown (clients)



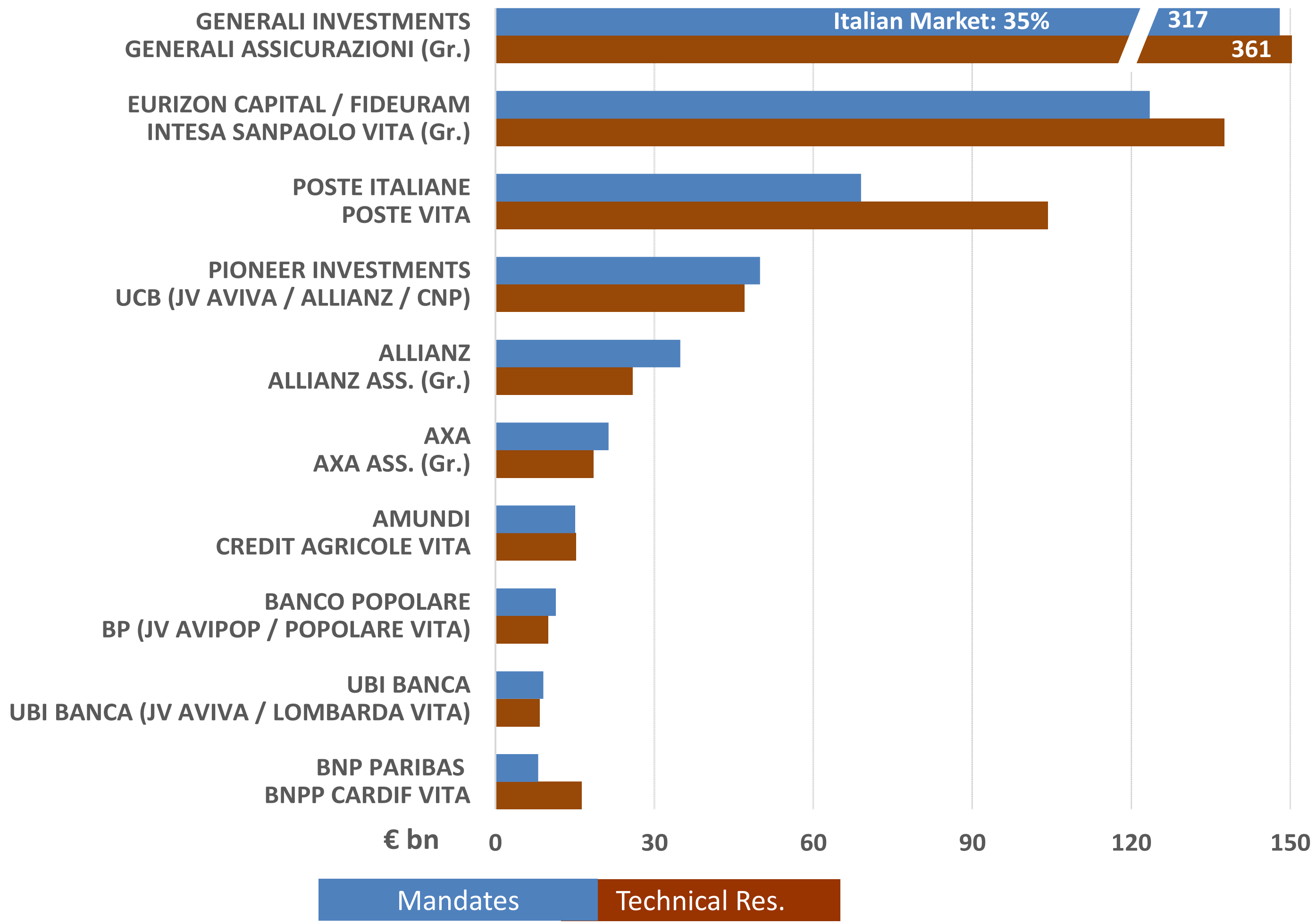
Mandates: AuM & Net Sales trends

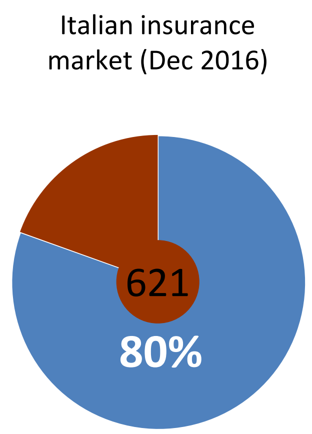


Top 15 Groups (mandates only)



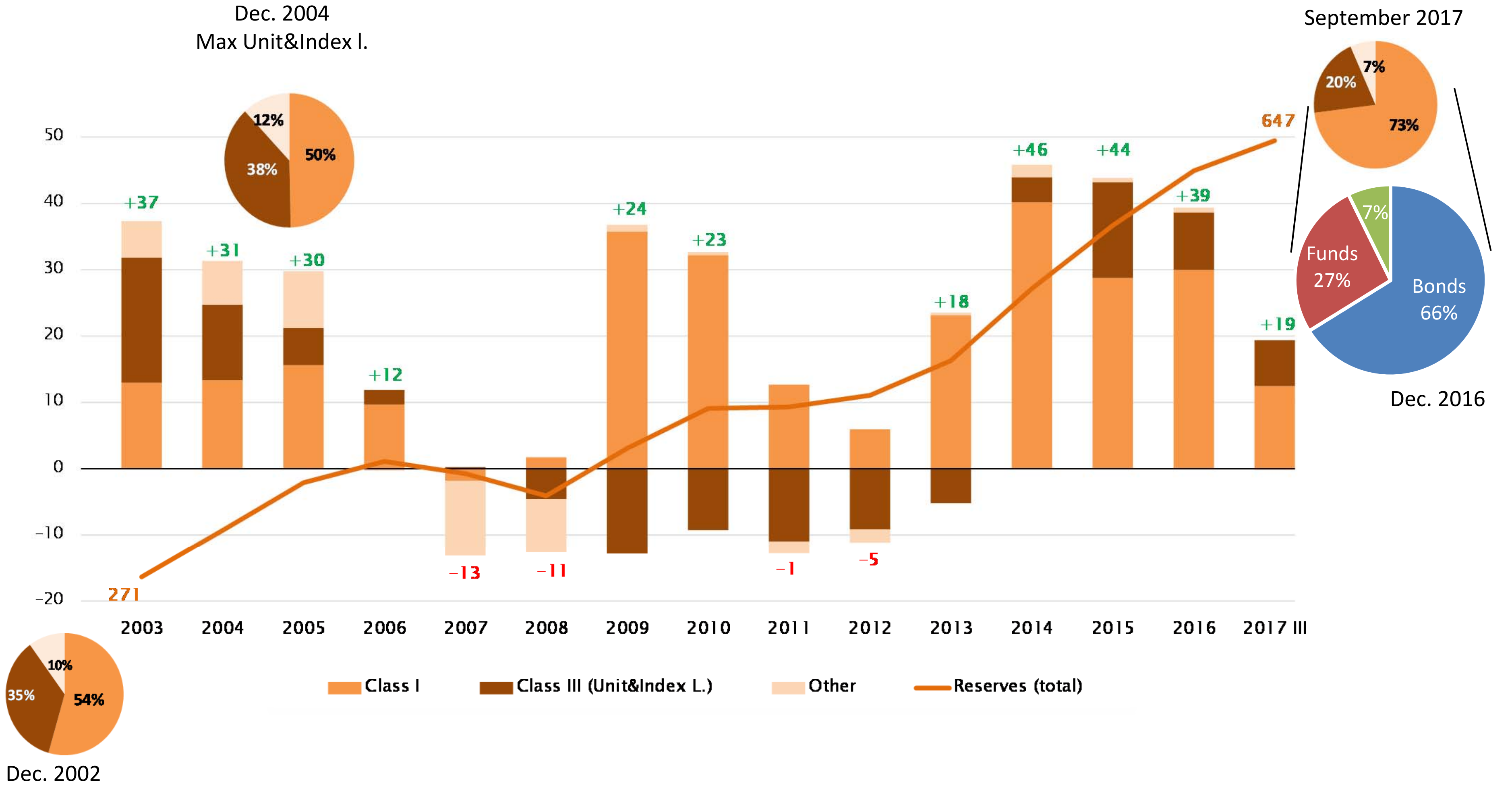
Insurance Mandates & Captive/Affiliated Insurers





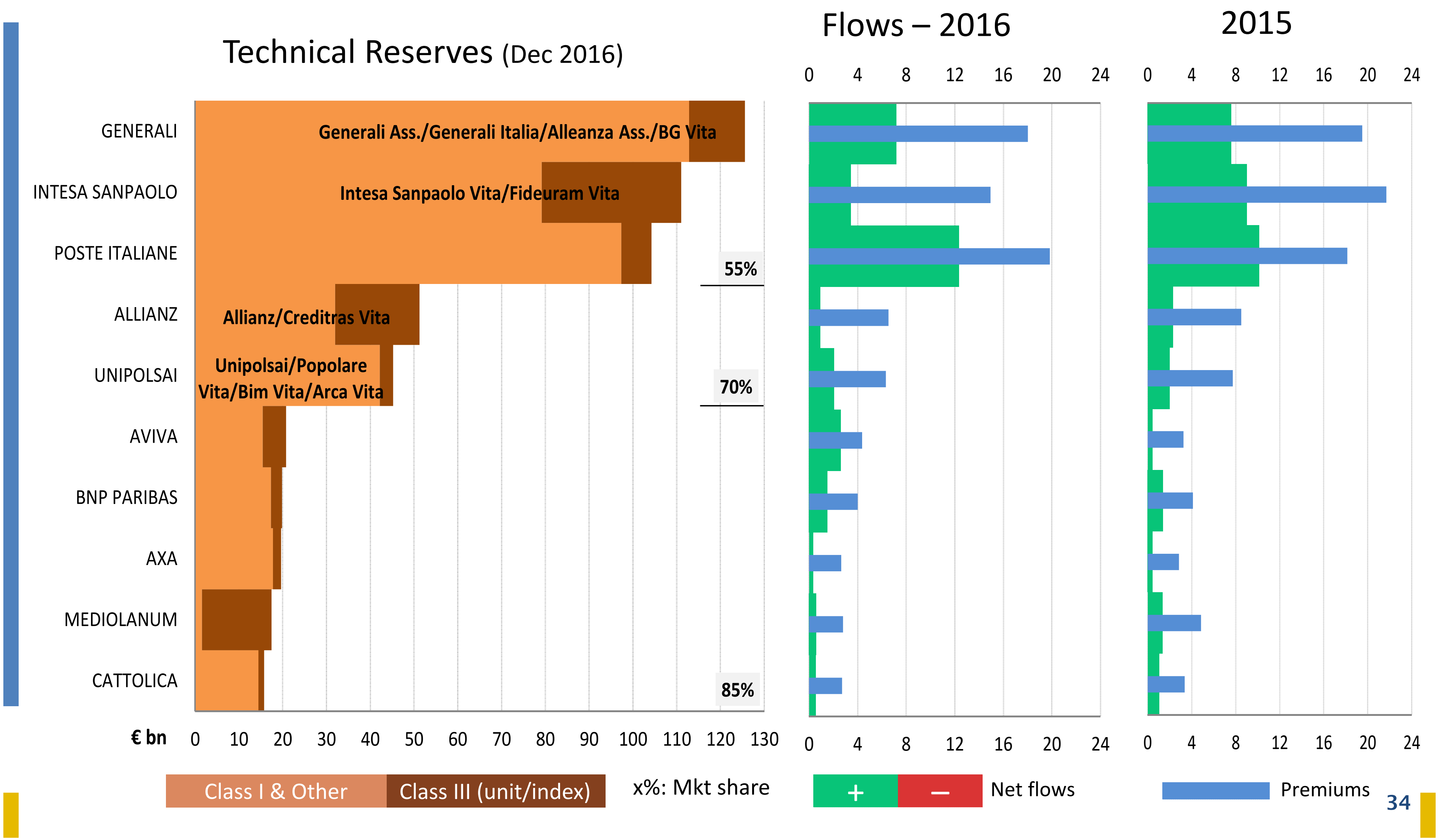
€bn, December 2016. Source: Assogestioni, balance sheets.

Life Insurance Market: long-term trend

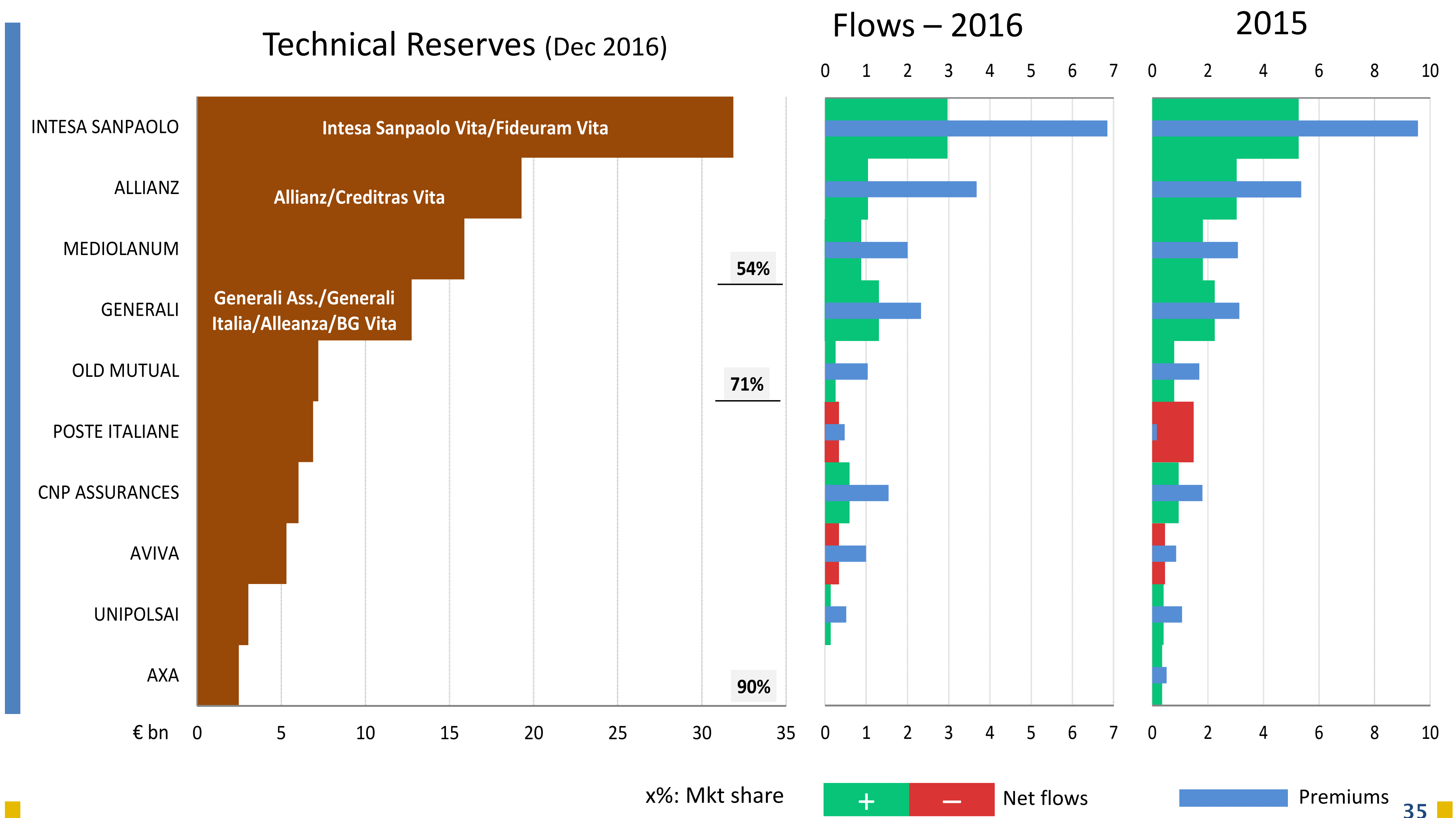


€bn, yearly data. Source: Ania, Ivass.

Top 10 Life Insurance Groups



Top 10 Unit&Index Linked Groups



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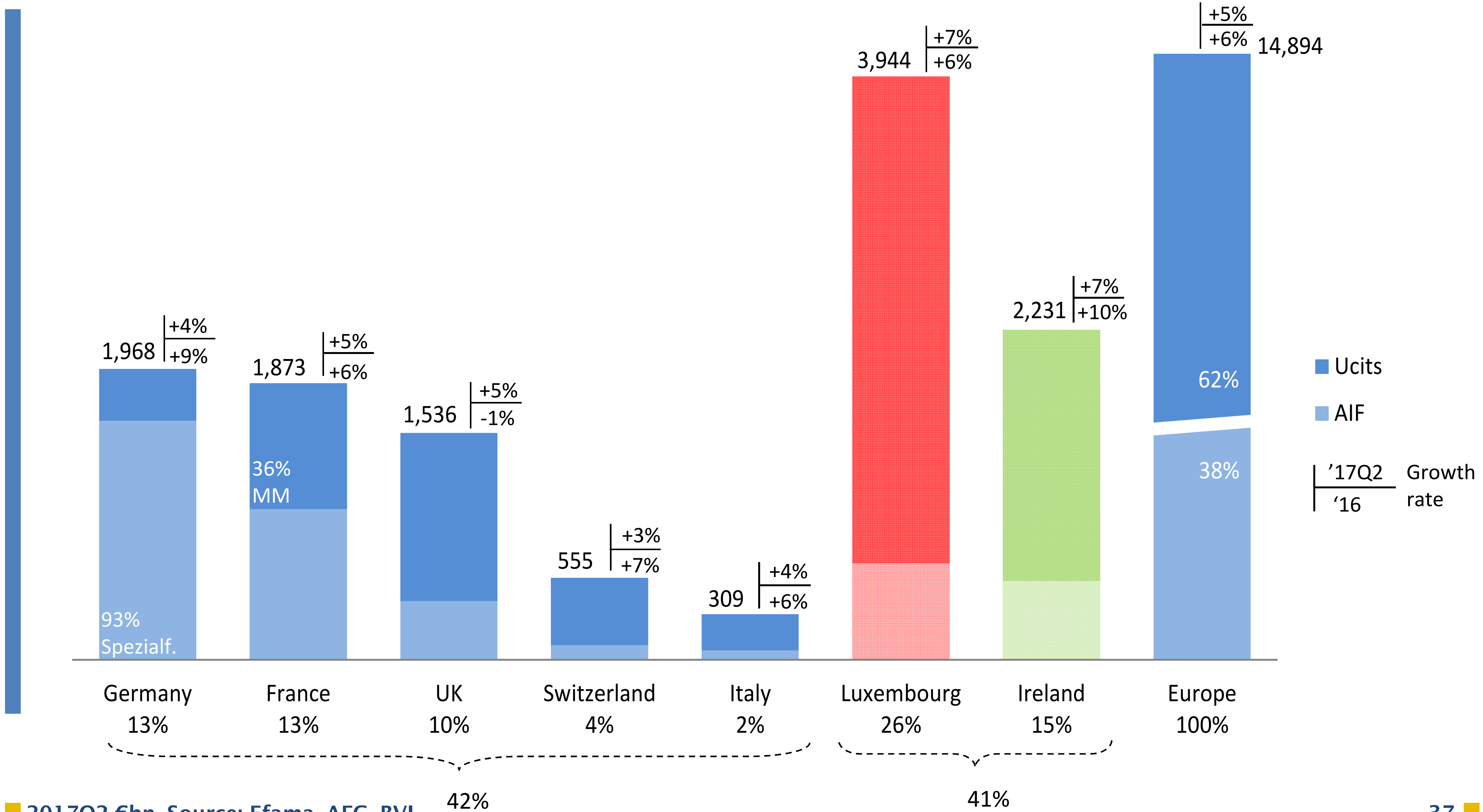
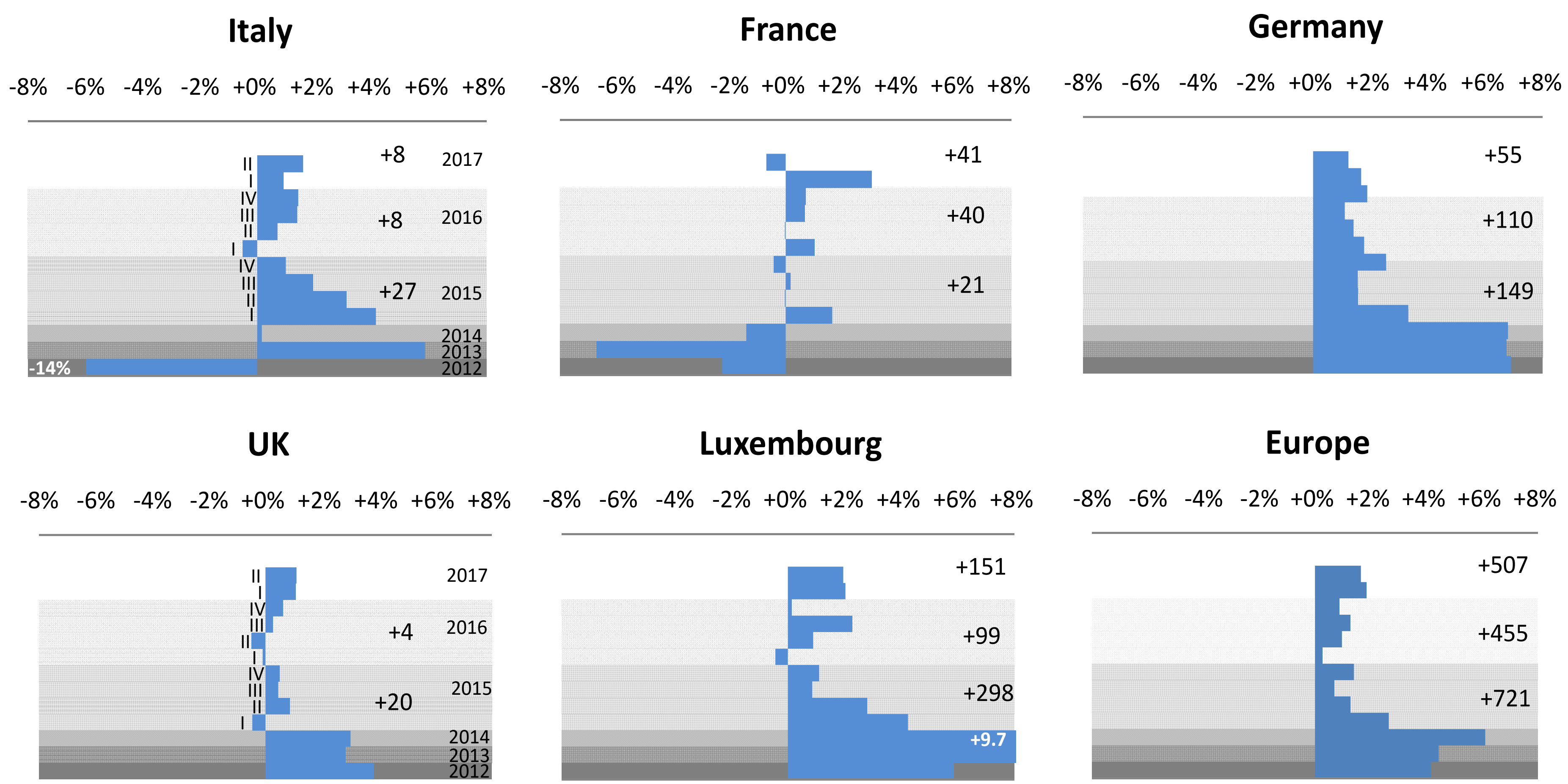
Net Assets by fund domicile

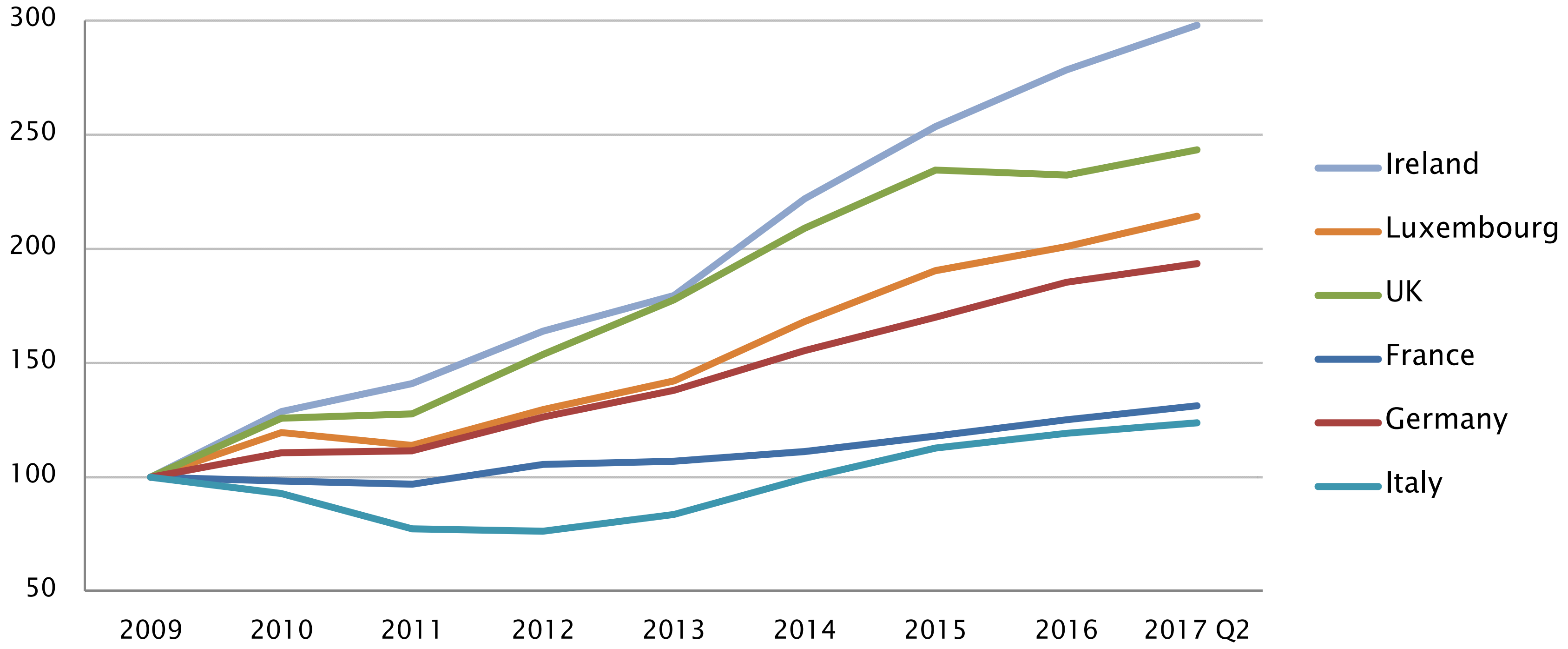


2017Q2 €bn. Source: Efama, AFG, BVI.

Net sales by fund domicile

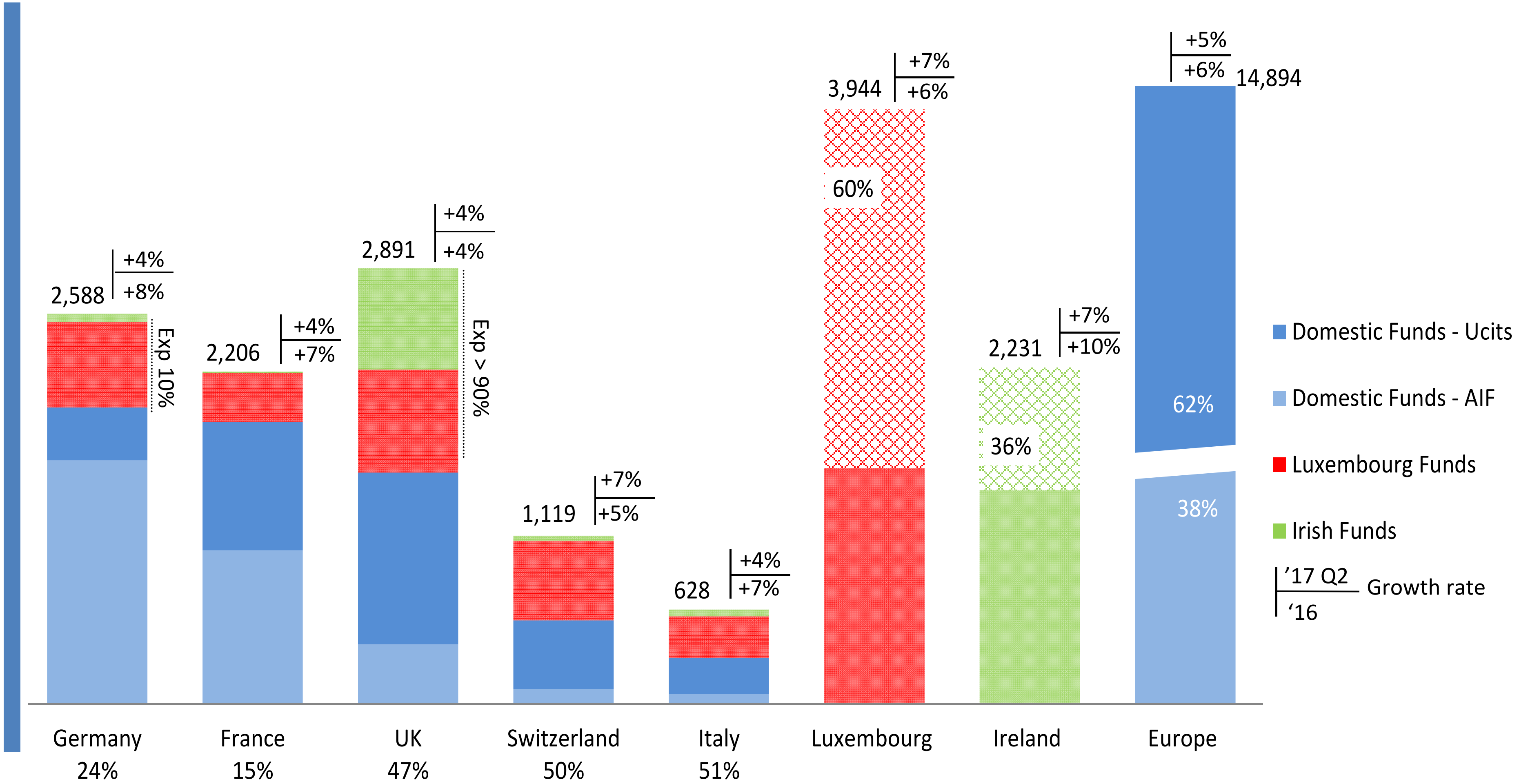


Net Assets by fund domicile – Long-term growth



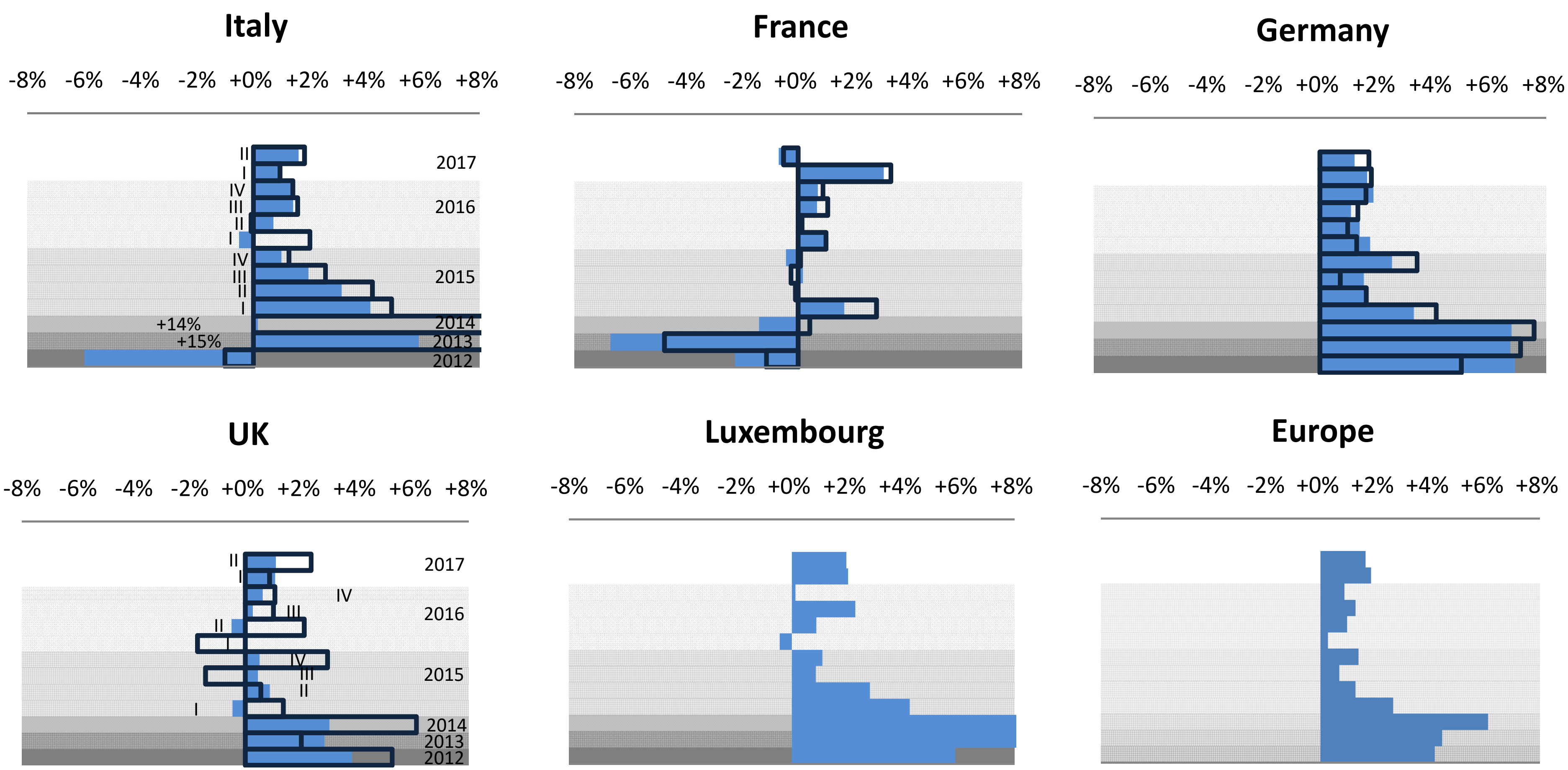
Index values. Source: Efama.

Net Assets by fund group domicile



2017Q2. €bn. Foreign (Round-trip) share in %. Est. on Efama, Assogestioni, ALFI & IFIA data.

Net sales: fund domicile vs. fund group domicile



Net sales as a % of AuM. Fund domicile (blue), fund group domicile (black). Est. on Efama, Assogestioni, ALFI, IFIA & BVI data.

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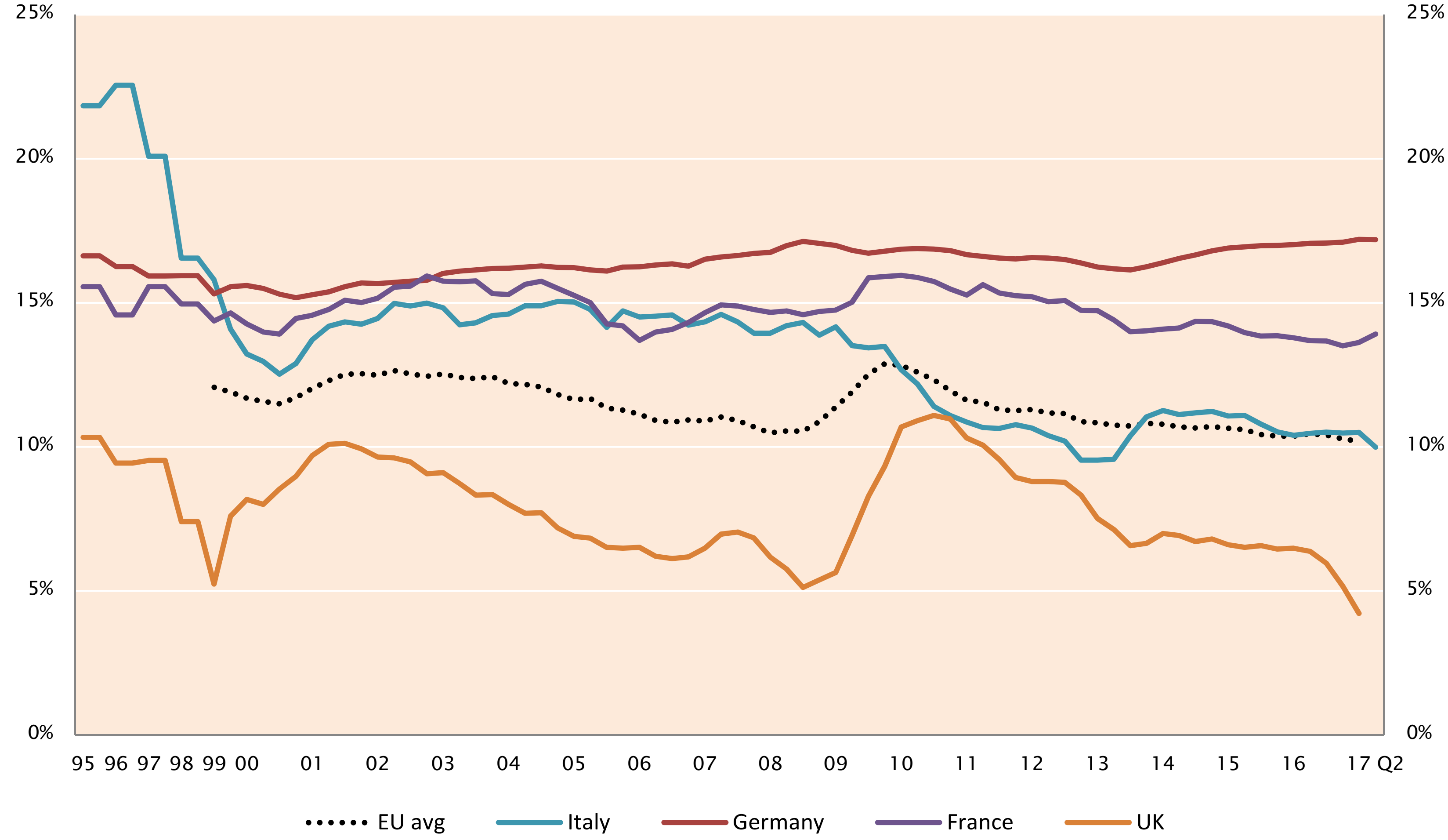
Household saving rates in Europe



Gross household saving rates. Source: Eurostat.

Household financial portfolio breakdown

	Total Asset	Currency & deposits	Bonds		Stocks		Investment funds	Pension funds & life pr
			Total	*Issued by banks*	Total	*Listed*		
Italy	€ bn	%	%	%	%	%	%	%
1995	1,809	38.0%	22.5%	1.9%	19.2%	2.8%	5.8%	9.3%
2000	3,057	22.8%	16.5%	6.3%	29.3%	5.4%	16.9%	10.5%
2005	3,896	23.4%	18.9%	7.0%	28.0%	2.4%	10.9%	14.9%
2010	3,694	30.4%	19.6%	10.0%	19.8%	1.9%	7.8%	18.1%
2014	4,049	30.8%	12.7%	6.1%	23.2%	1.6%	9.7%	19.8%
2016	4,193	31.7%	8.6%	3.3%	22.5%	1.3%	11.4%	21.8%
2017 Q2	4,229	31.4%	8.0%	2.6%	22.8%	1.3%	11.7%	22.6%
2017 Q2								
France	5,272	28.0%	1.2%	n.a.	21.3%	4.9%	5.8%	36.5%
Germany	5,901	39.1%	2.7%	n.a.	10.6%	5.4%	10.5%	30.7%
UK	7,436	24.2%	0.4%	n.a.	11.2%	4.2%	4.8%	55.2%
USA	68,595	13.2%	5.0%	n.a.	36.8%	n.a.	11.4%	31.4%

High level of *direct investment* (~ 30%)

Decreasing amounts of *bank issued bonds* (2.6%)

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

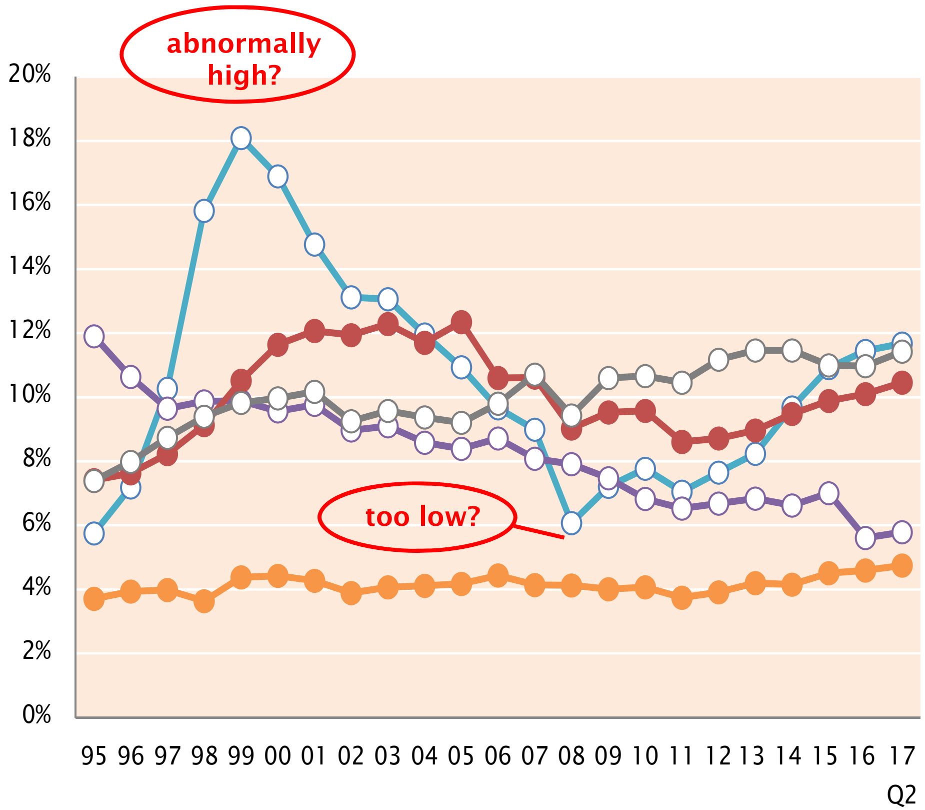
Funds: rise until 1999 (18%) then down, then again up.

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

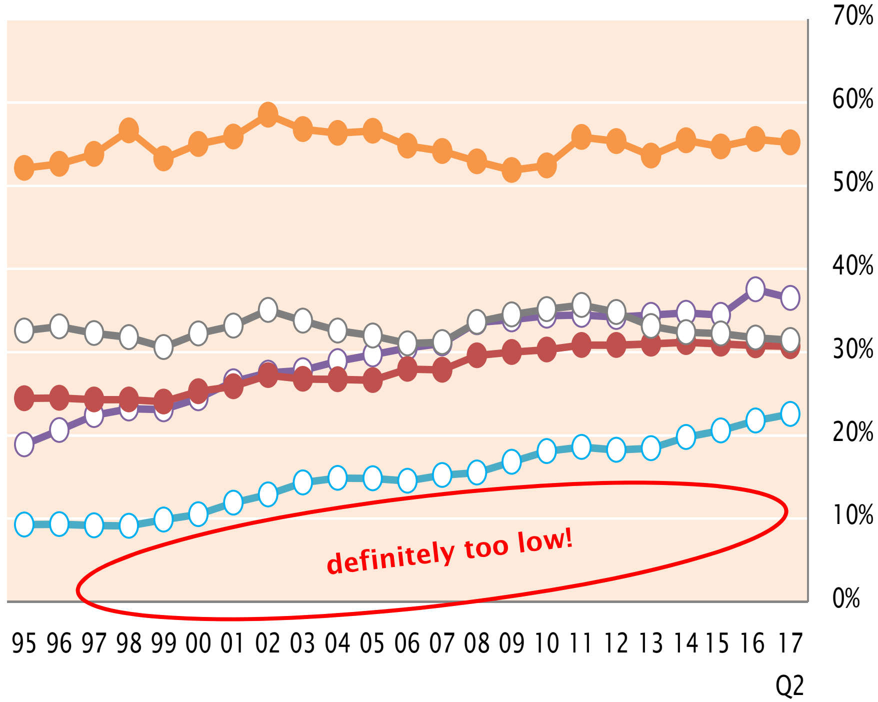
%. Source: Eurostat, OECD, BCE, Deutsche Bundesbank.

Managed products in household portfolios

Investment funds



Pension funds & life products



Italy France Germany United Kingdom USA

Source: Eurostat, OECD, BCE, Deutsche Bundesbank.

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	

Source: Covip, Istat, RGS.

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