



ASSOGESTIONI

associazione del risparmio gestito

The Italian Asset Management market key figures

Apr 2012

Alessandro Rota
Head of Research

1. The Italian Asset Management market

- ❑ 2011 summary statistics
- ❑ Focus on open-end funds
- ❑ A medium term perspective

2. The European Investment Fund Industry

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

3. Savings & Wealth

- ❑ Household saving rate: trend & int'l comparison
- ❑ Wealth: key statistics, distribution, financial portfolio, int'l comp.



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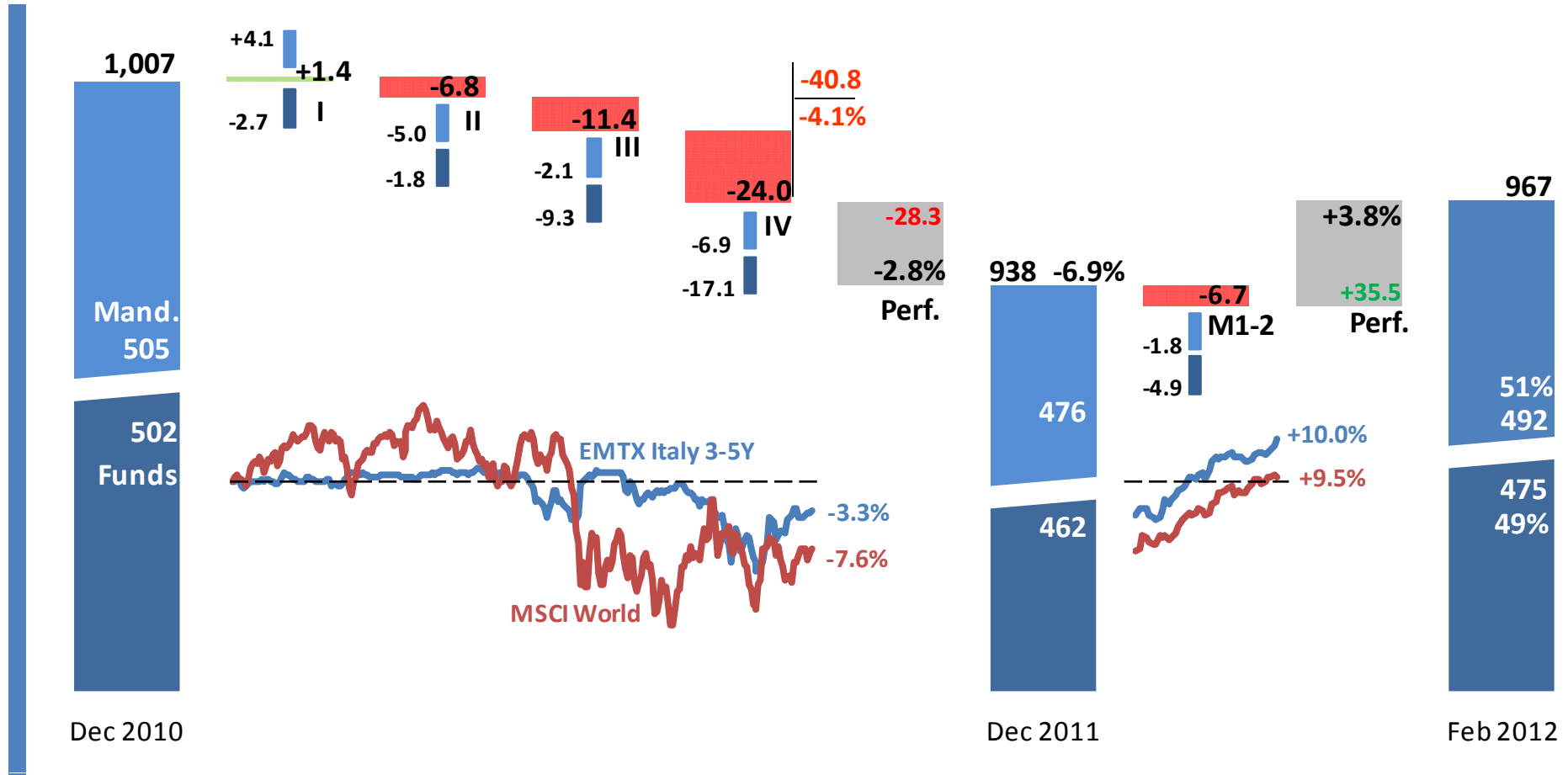
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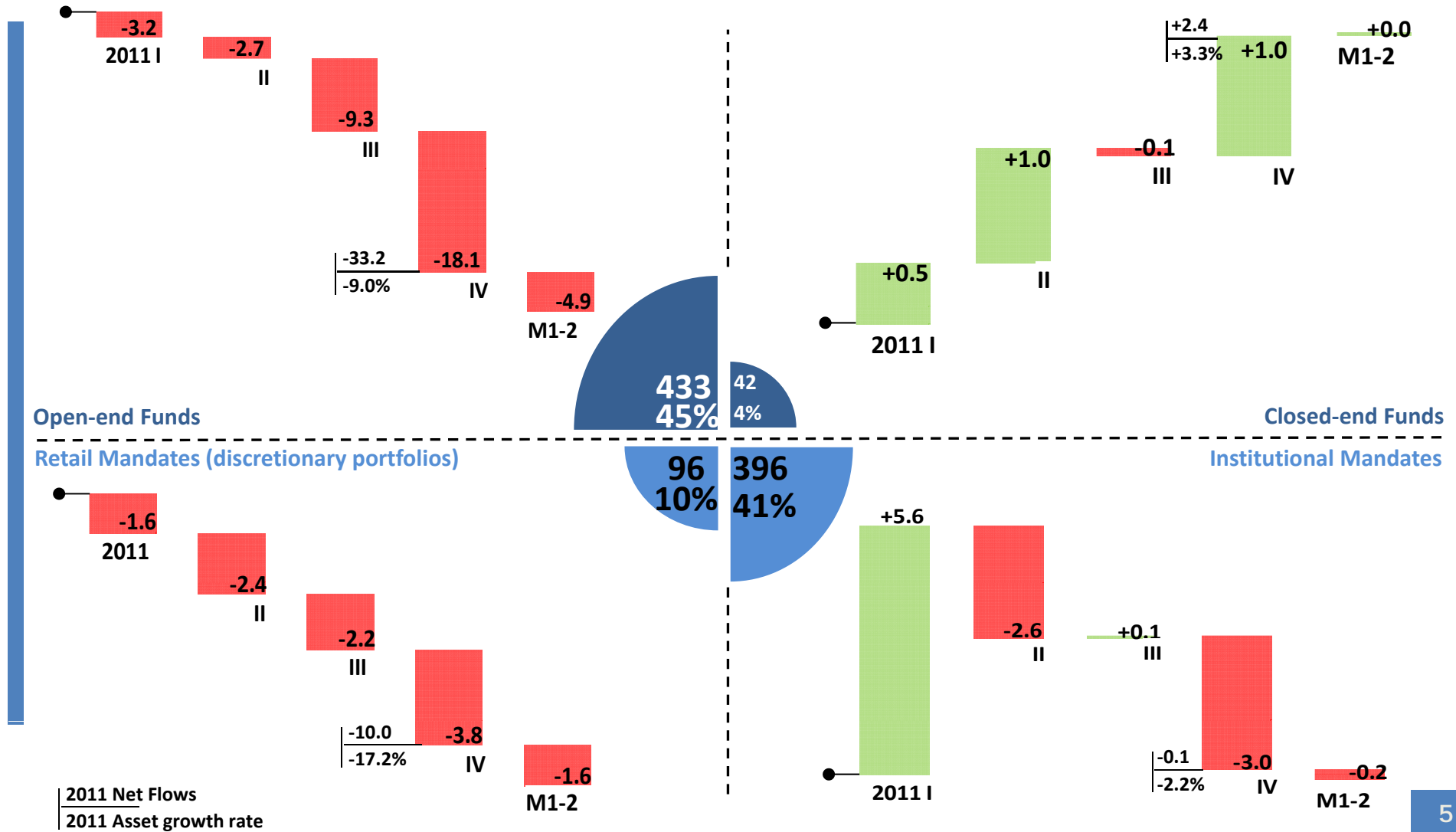
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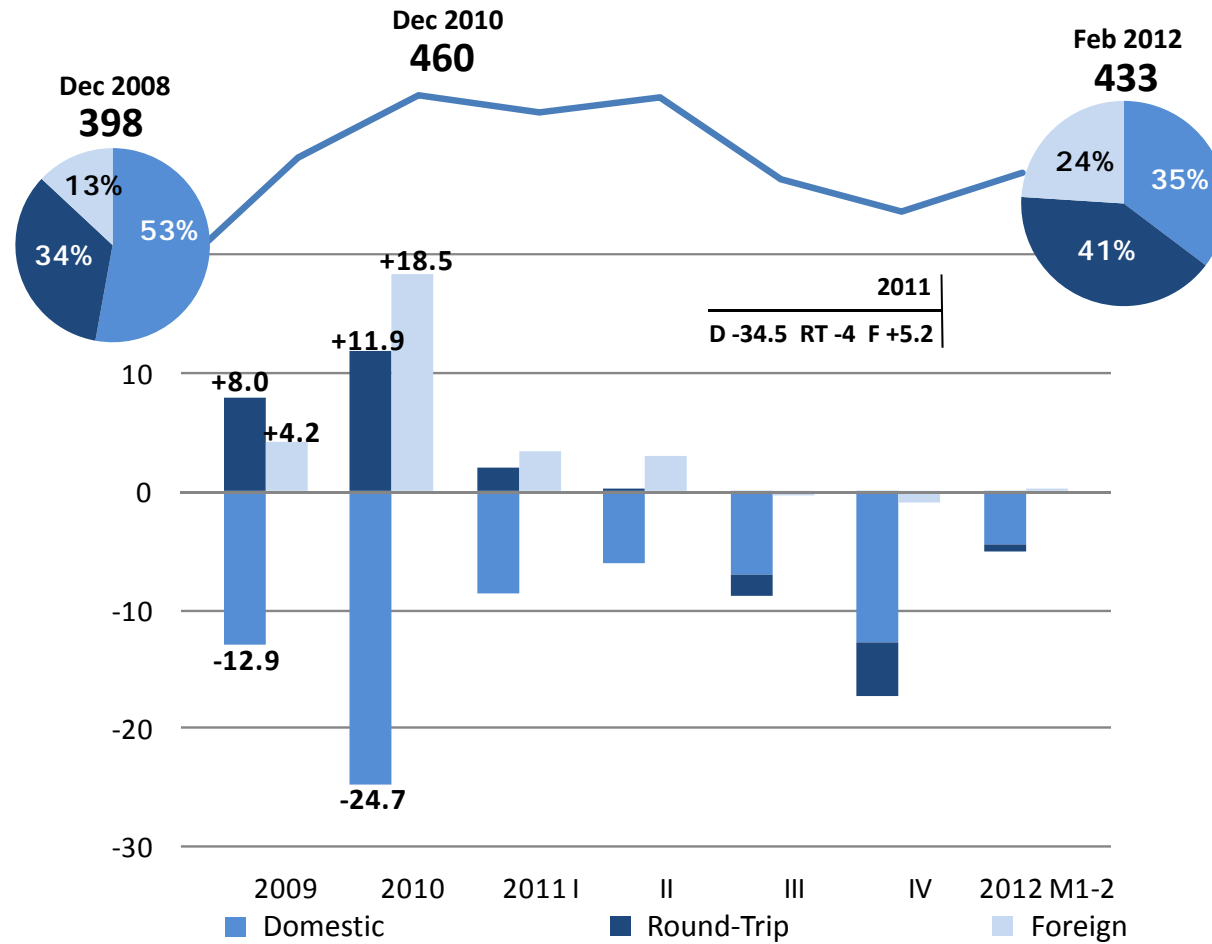
2011 & '12 at a glance



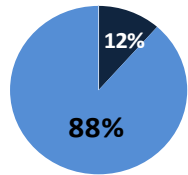
Product breakdown



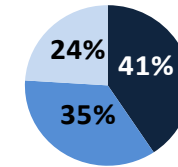
Open-end funds: domicile breakdown



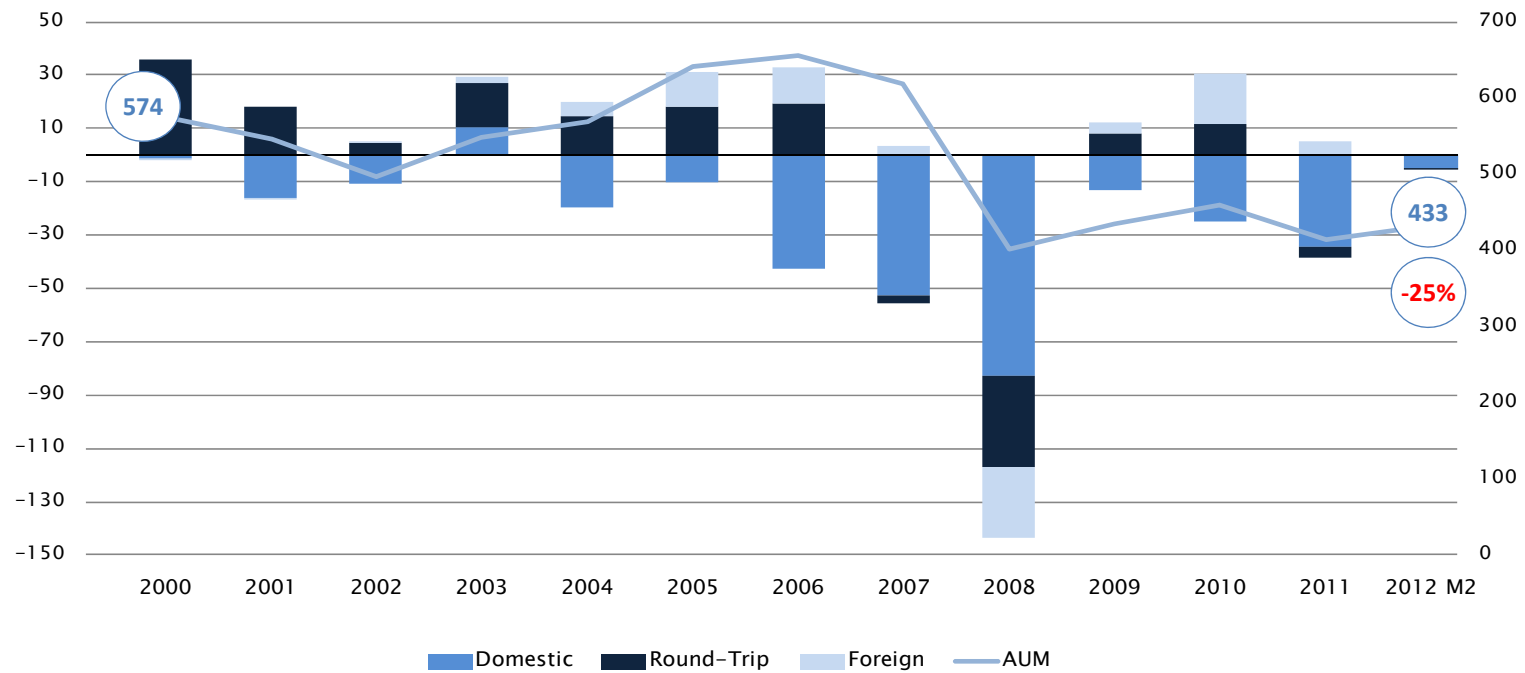
Long-term trend



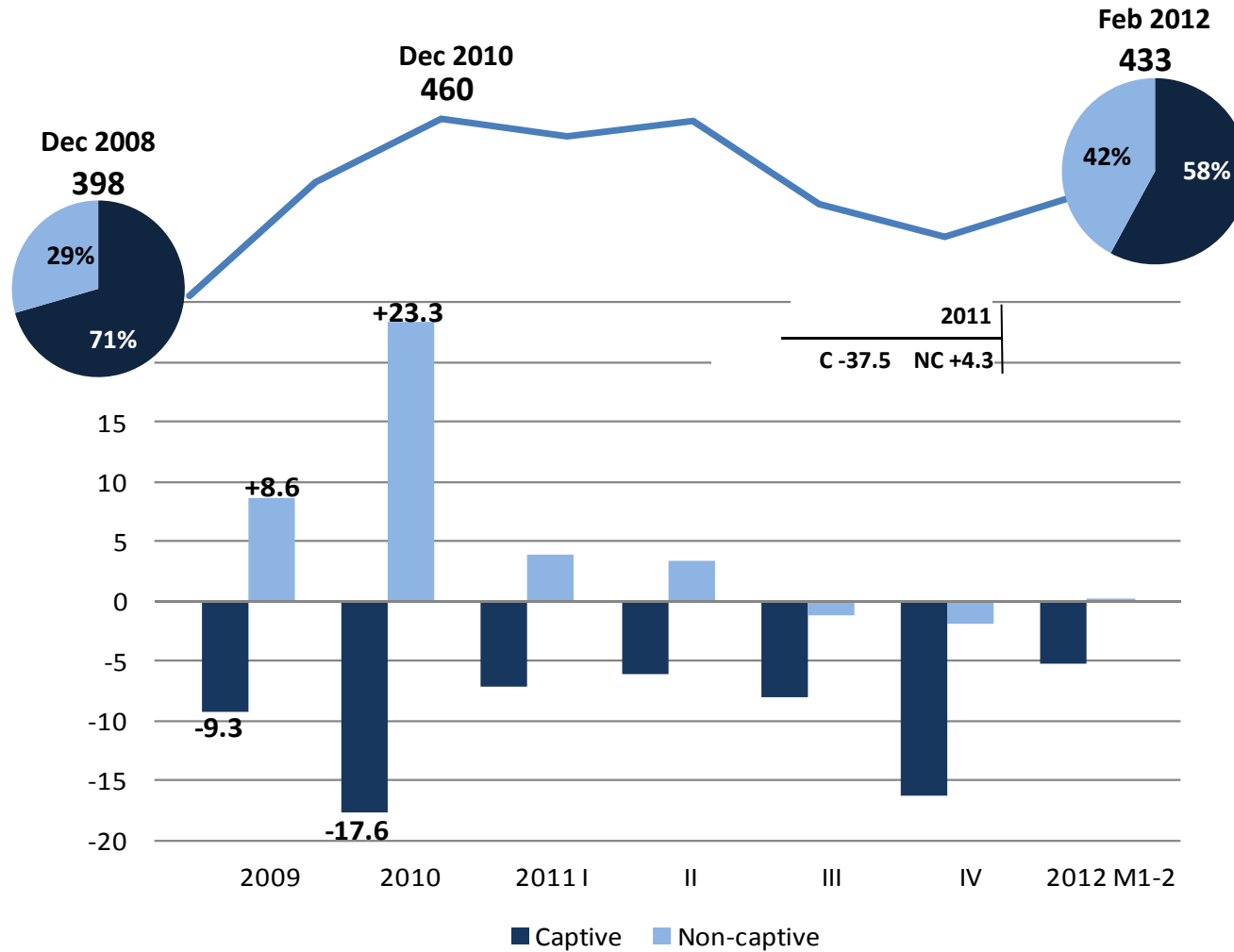
AUM end of
1999



AUM Feb
2012

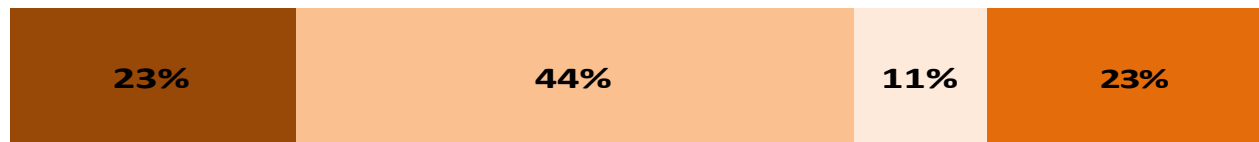


Captive vs. non-captive ManCo

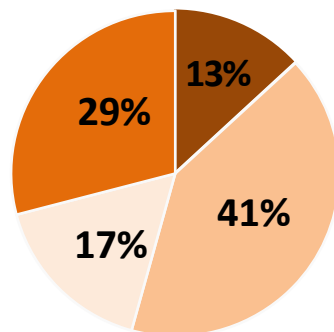


Asset Class breakdown

■ Equity ■ Bond ■ Money Market ■ Balanced & Other

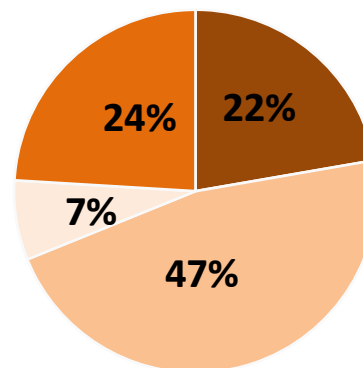


Domestic



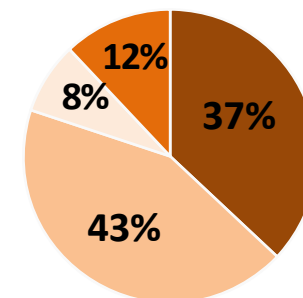
153 bn – 35%

Round-trip



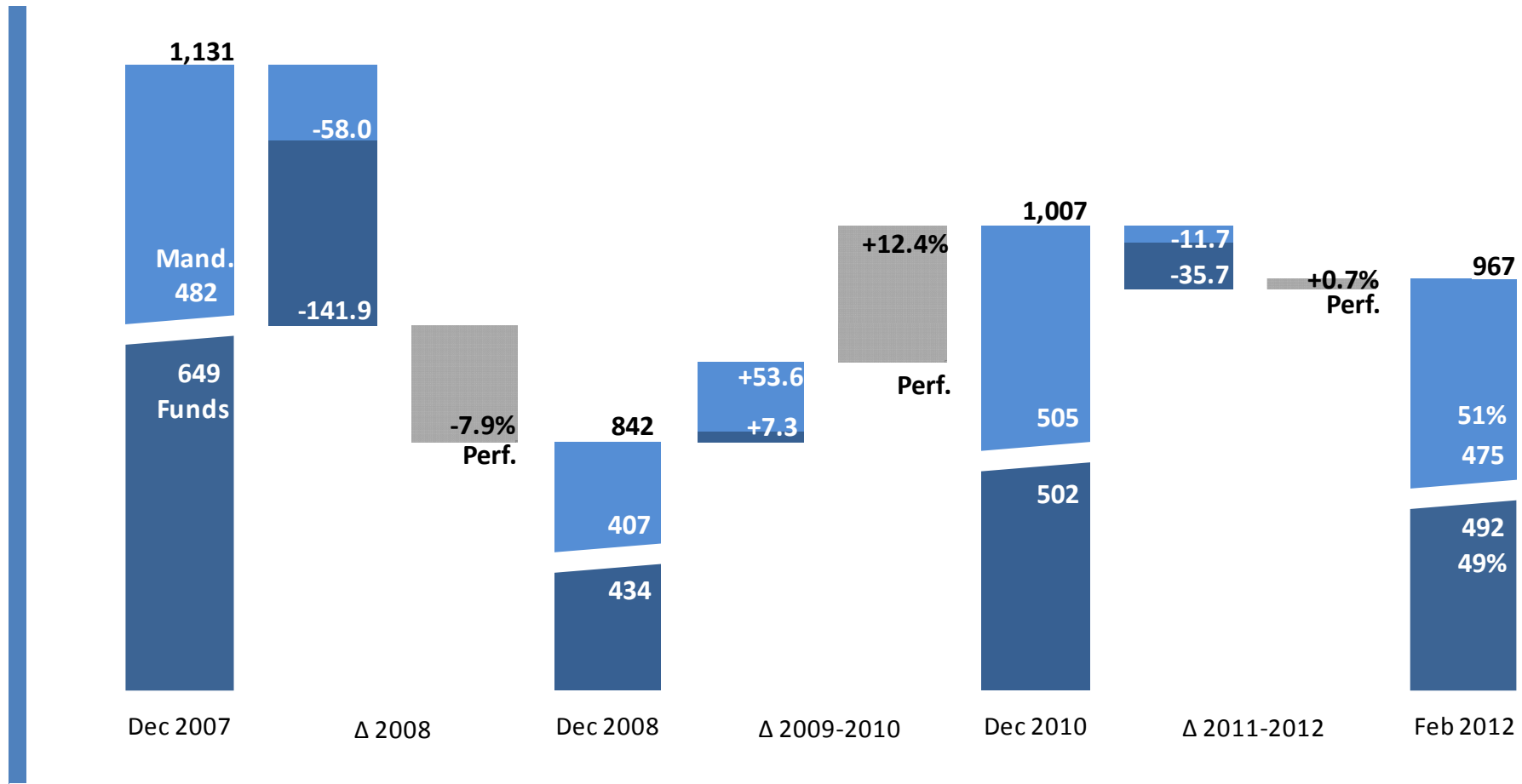
176 bn – 41%

Foreign

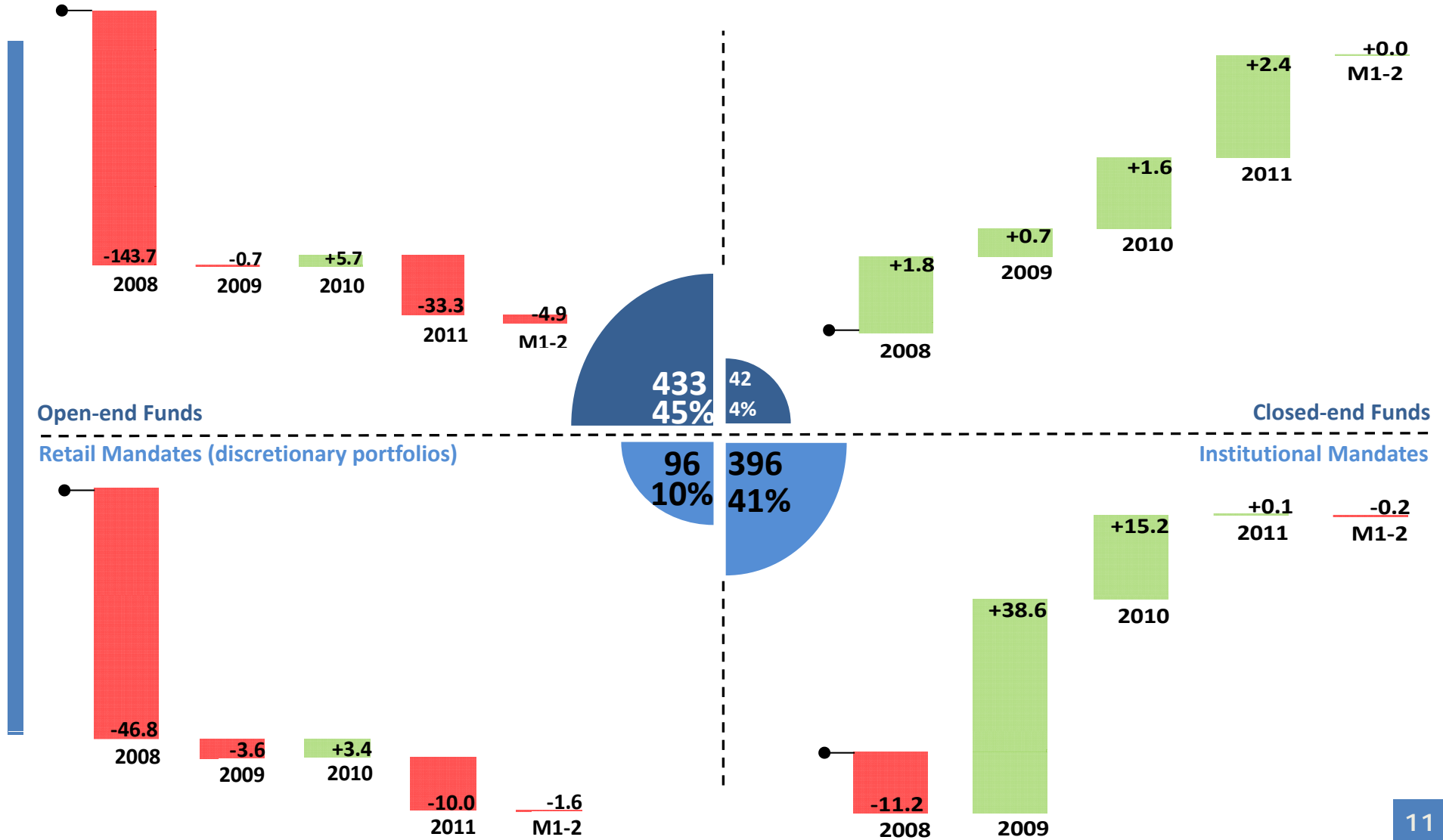


104 bn – 24%

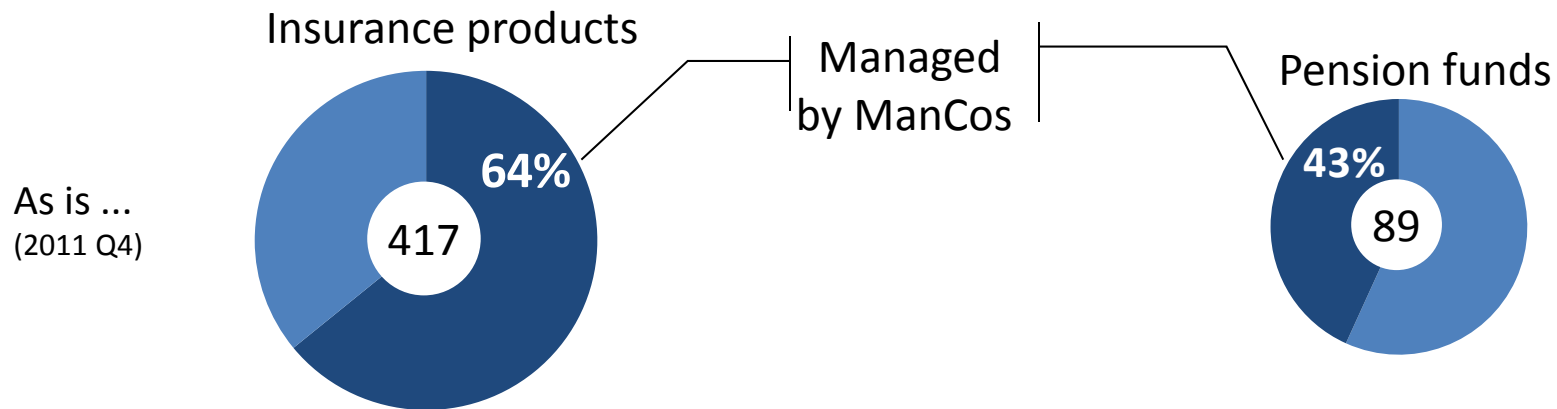
A medium term perspective



Product breakdown



The market for Institutional Mandates



... and as could become:

Household portfolio: share of insurance products & pension funds (2011Q3)

IT	FRA	GER	UK	USA
18.0%	34.6%	34.3%	51.2%	28.9%



AM industry & institutional investor

	AM industry (ManCo domicile)		Inst. Inv.share (%)	Household ptf: pension funds & insurance prod. share (%)
	AuM (€ bn)	AuM (% GDP)		
Italy	658	43	51	16
Germany	1,460	61	62	33
France	2,816	148	64	34
UK	3,783	241	77	52

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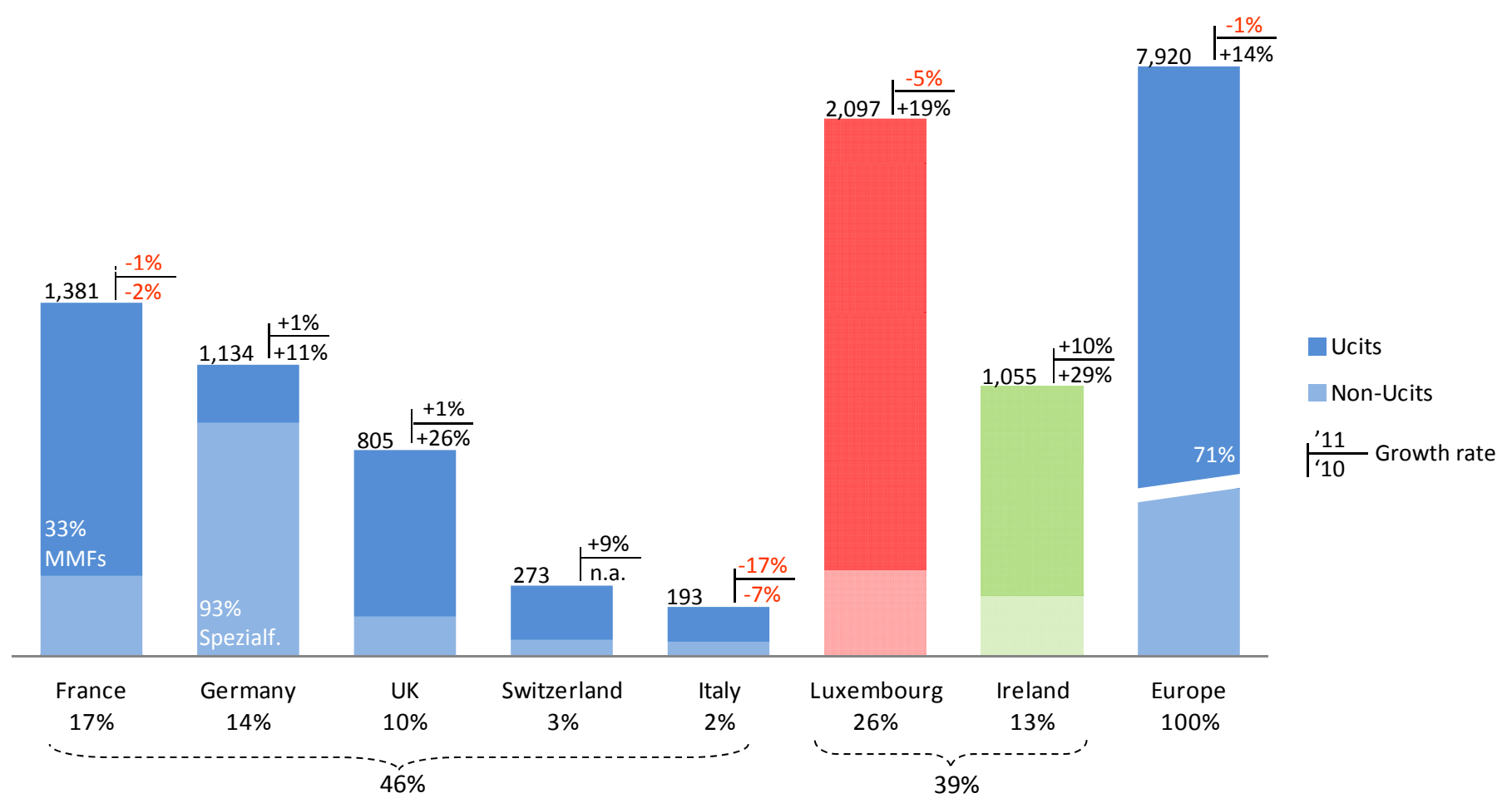
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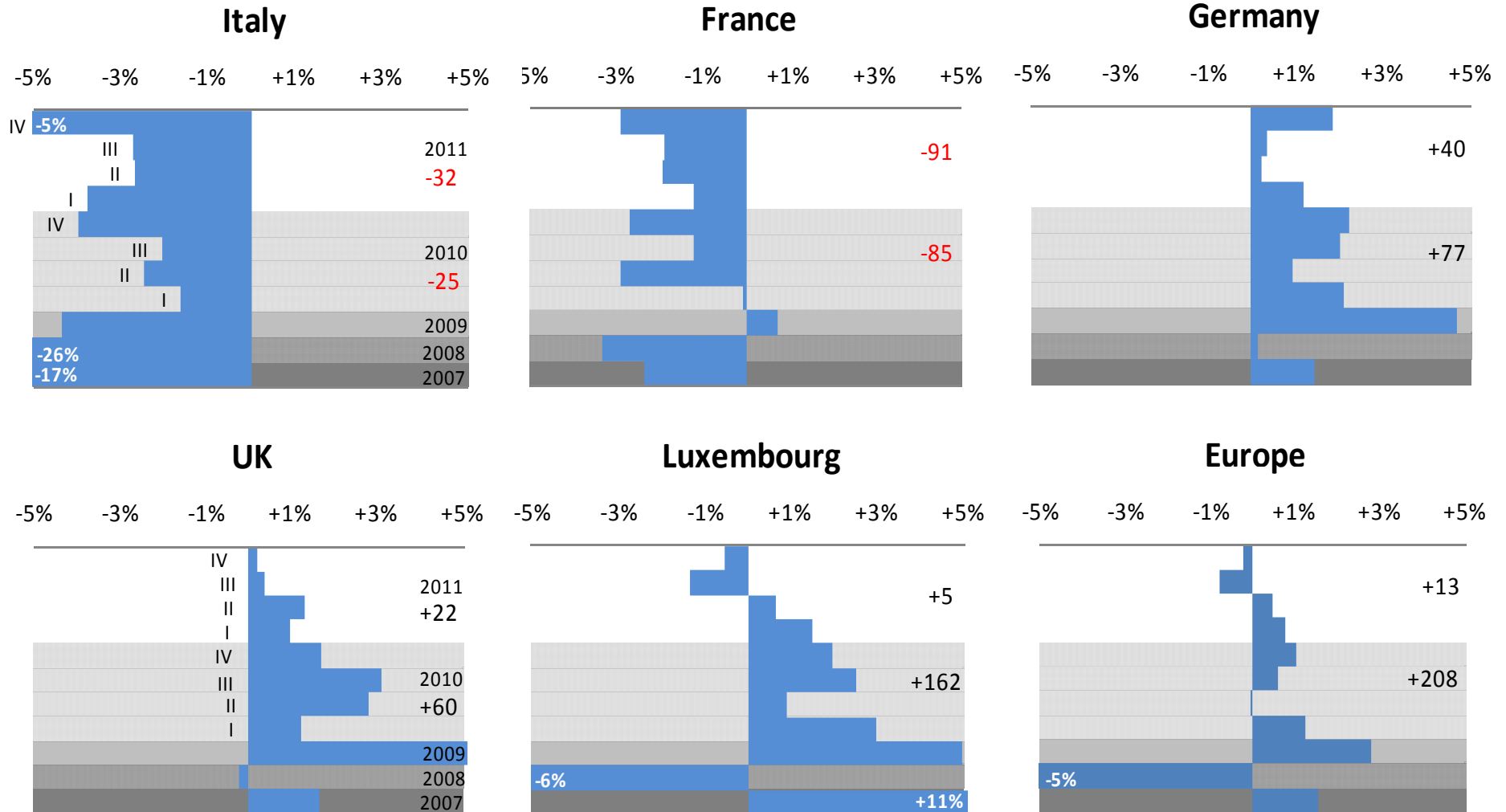
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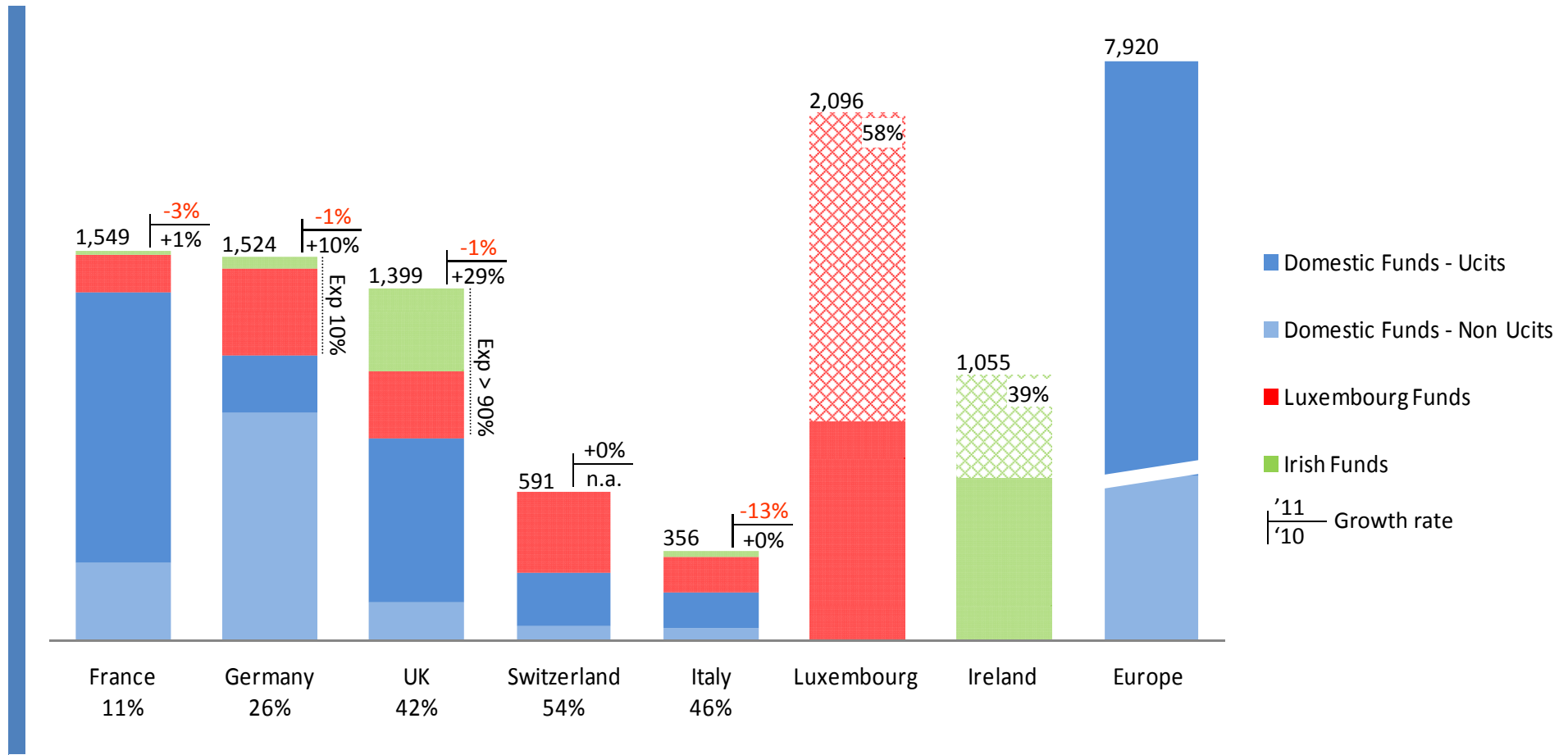
Net Assets by fund domicile



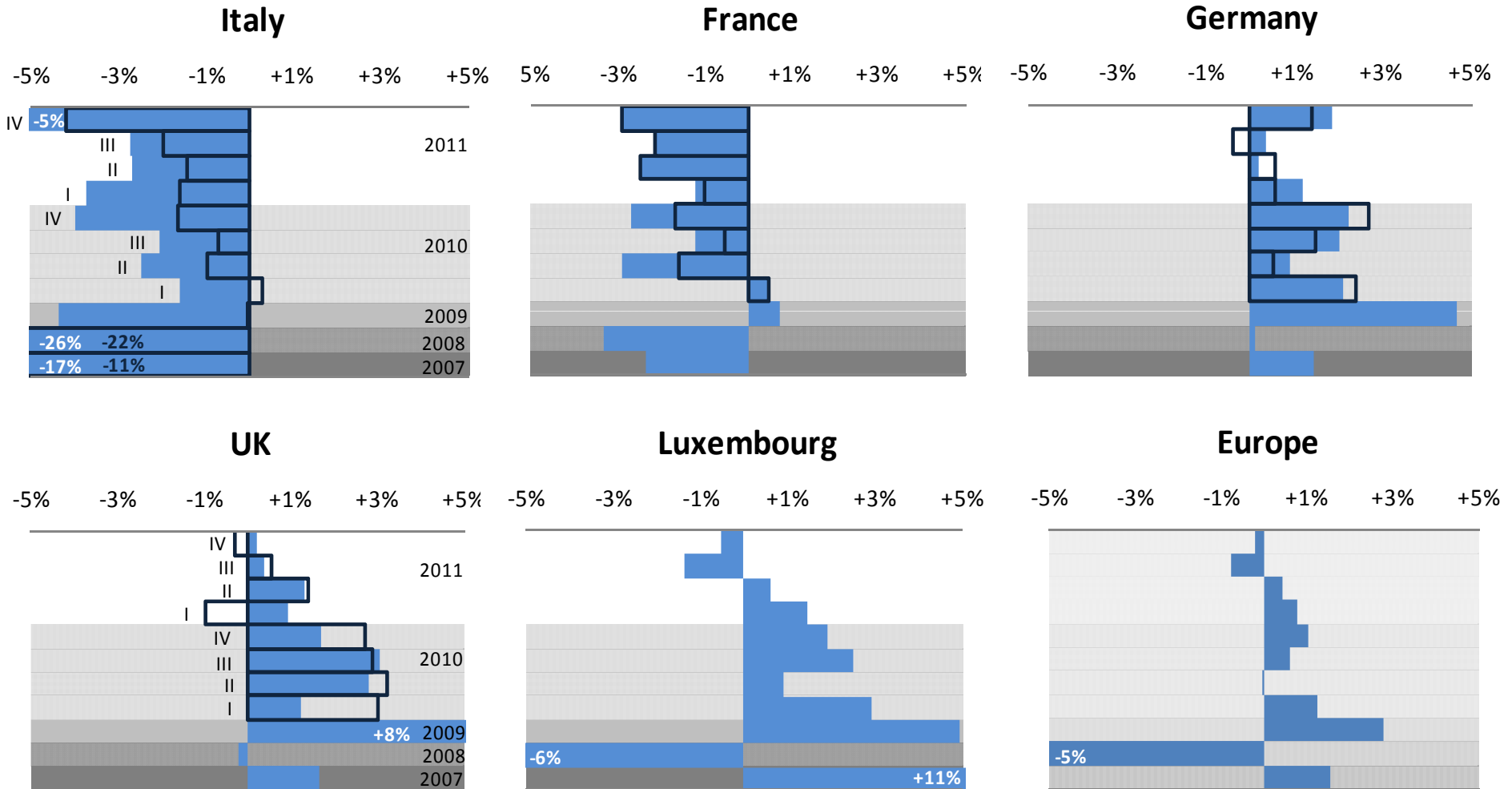
Net sales by fund domicile



Net Assets by fund group domicile



Net sales: fund domicile vs. fund group domicile



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

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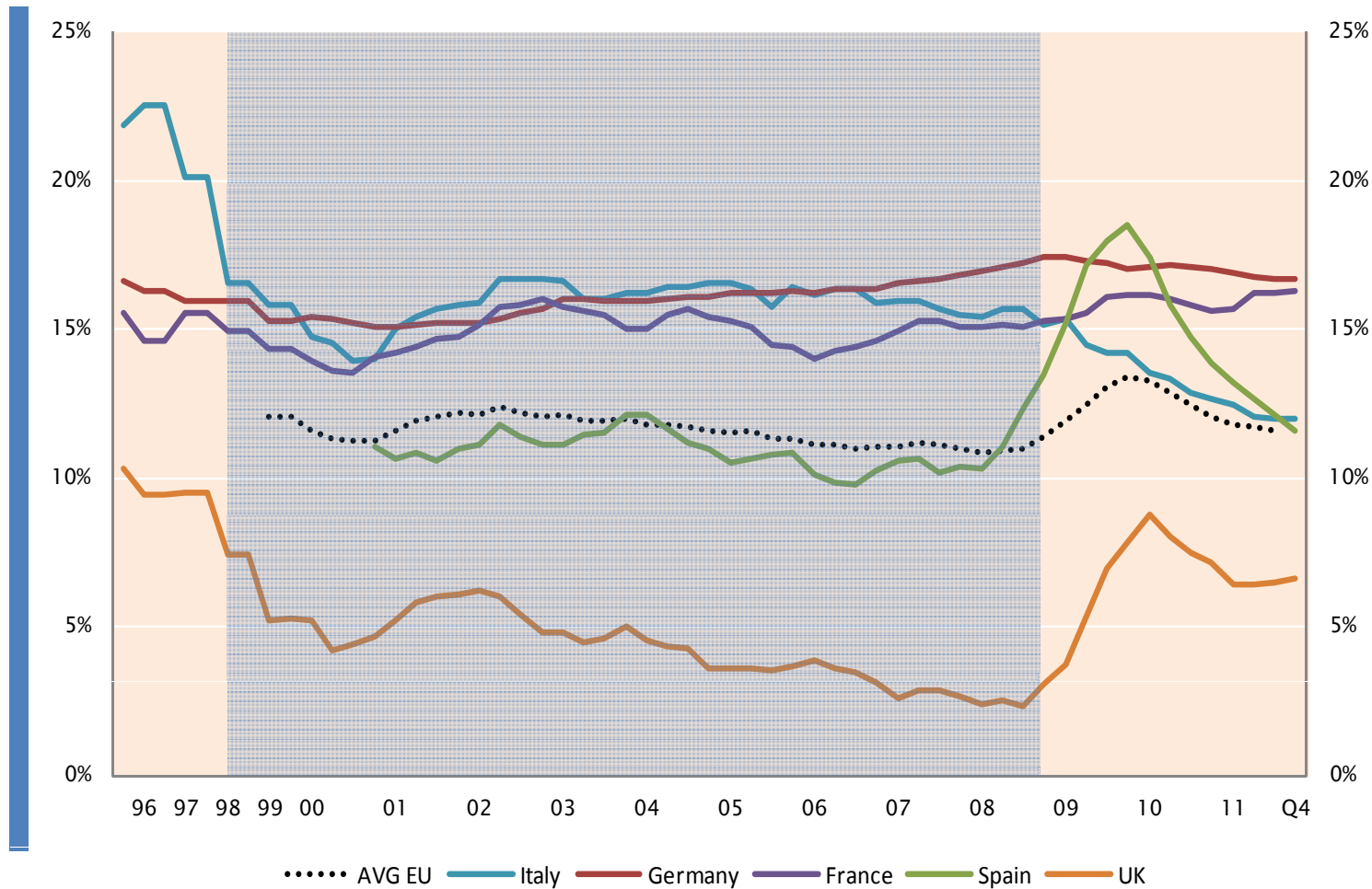
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Household saving rates in Europe

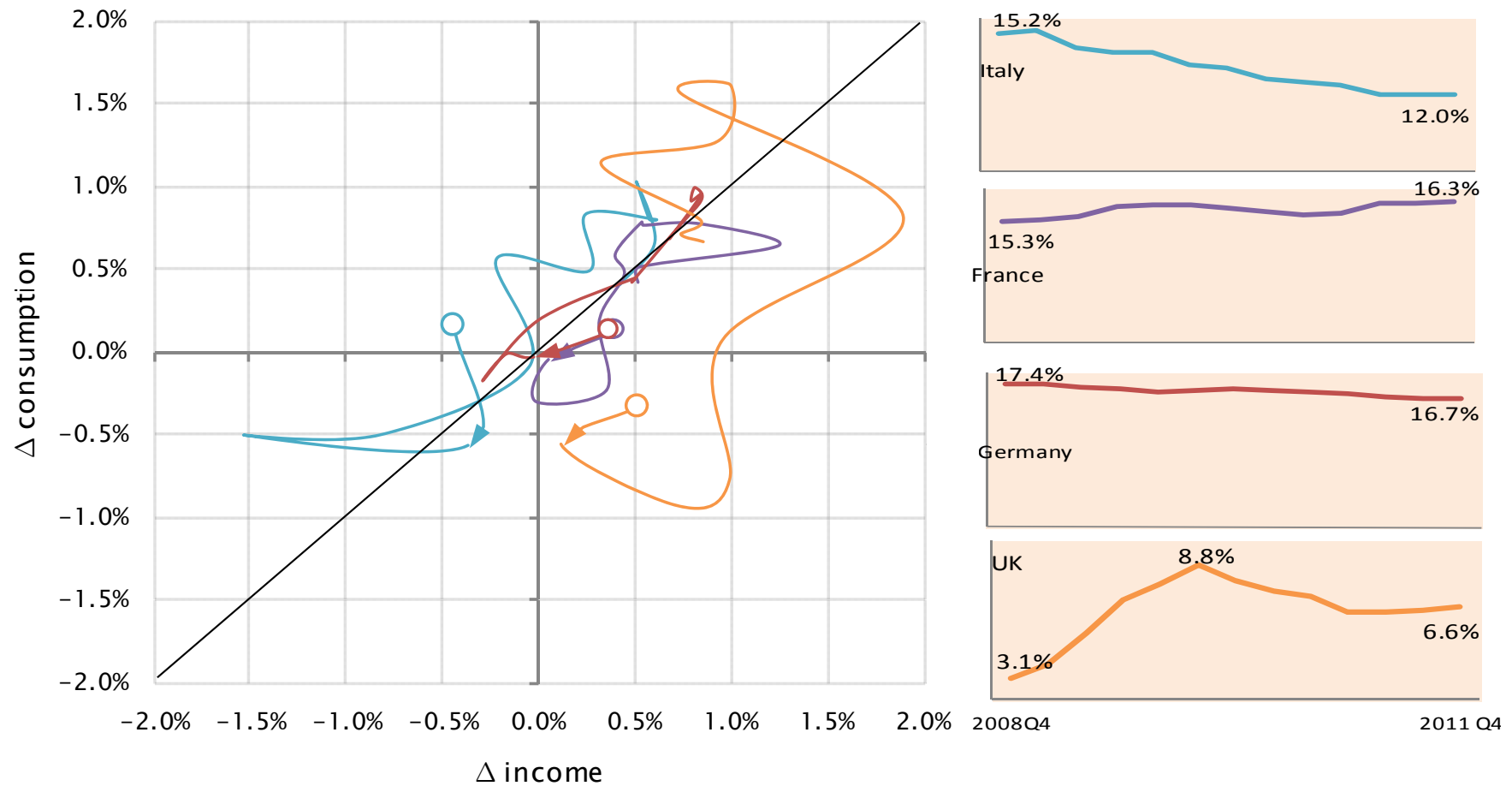


Falling since '90.

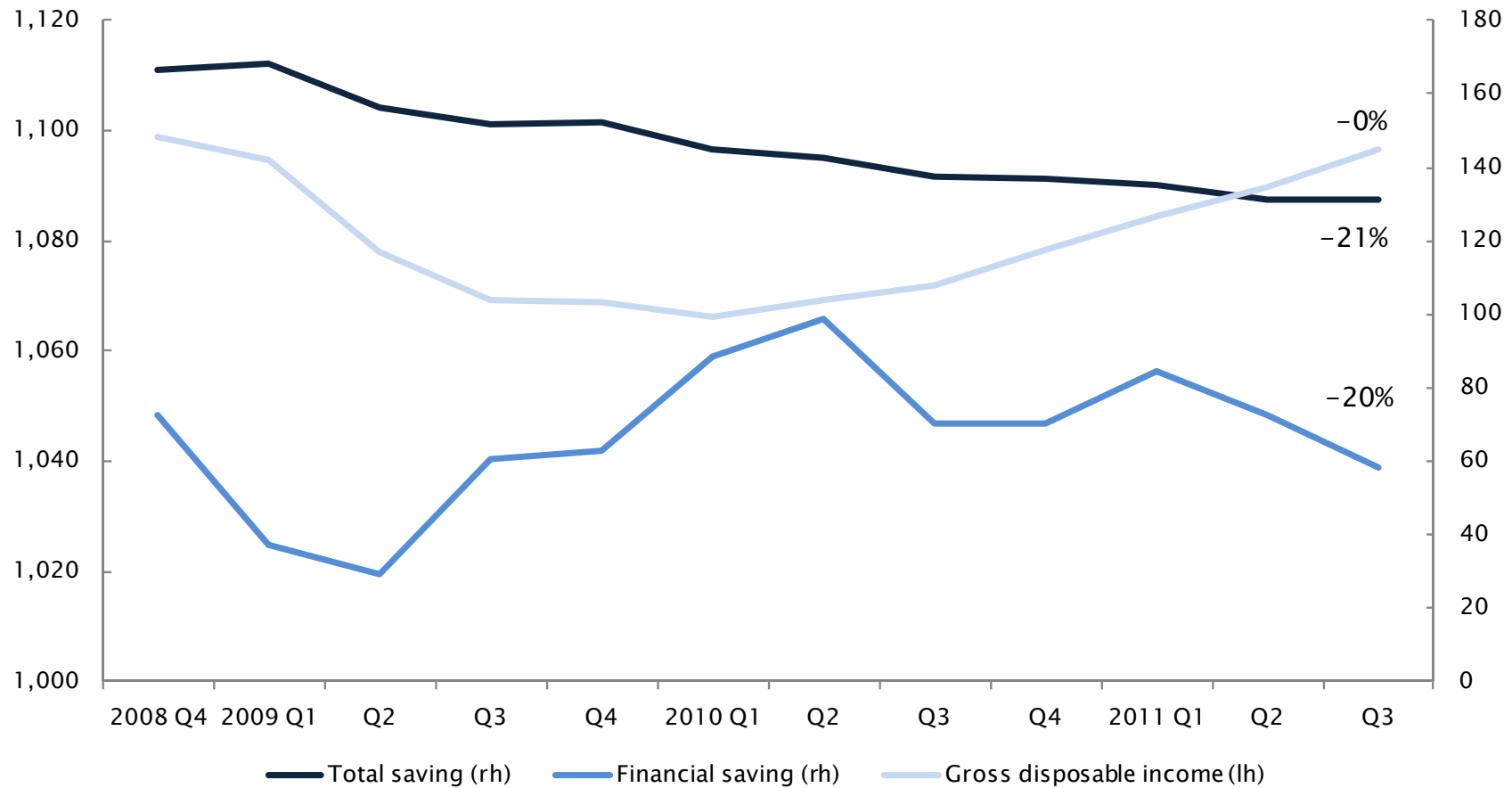
Now in line with European average, and *still declining*

Countries worst hit by the crisis (e.g. UK & E) showed an *increase in saving rates* from historically low levels, mainly as a result of **consumption fall.**

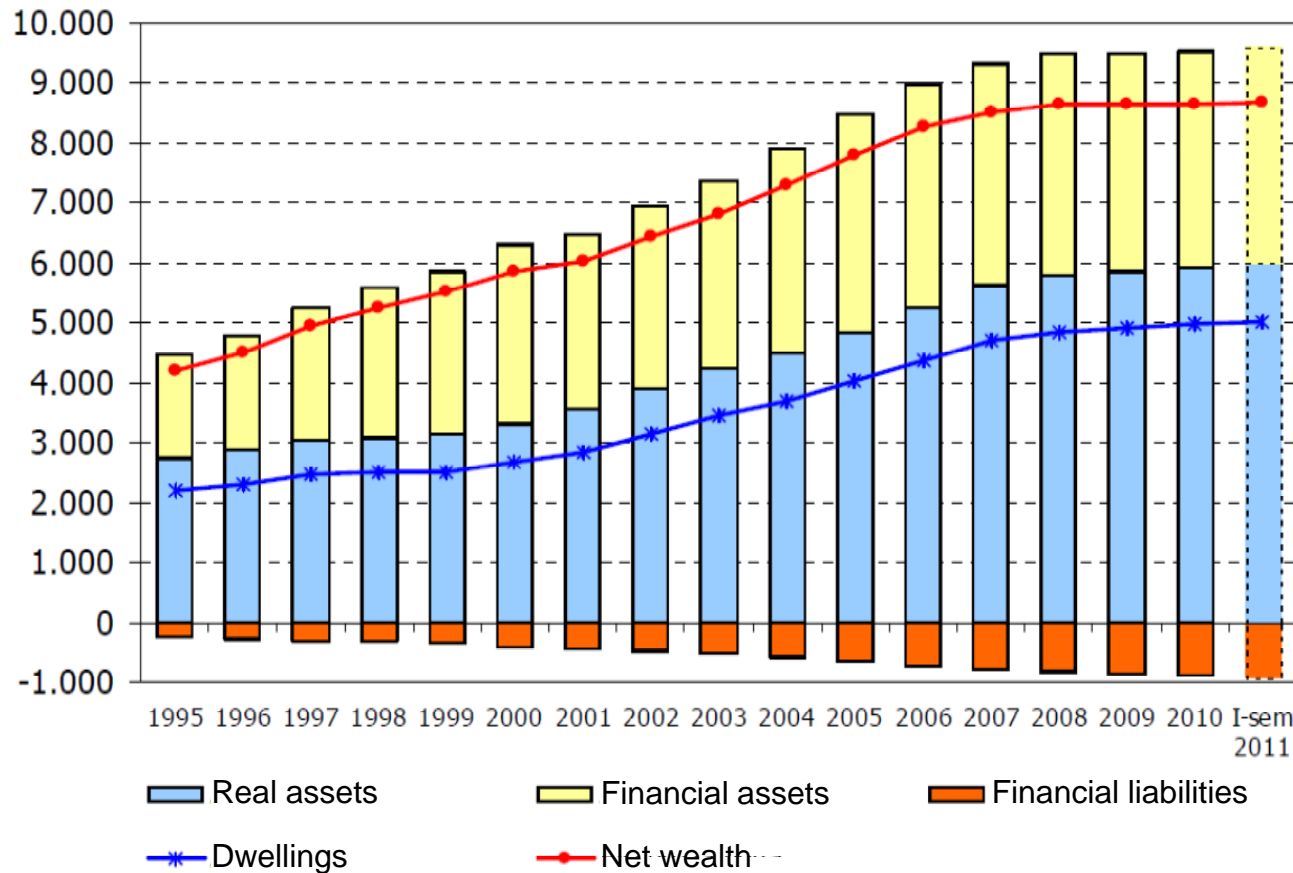
How income & consumption $\Delta\%$ affect saving rates



Household income & saving: absolute value trend



From flows to stock: Italian household wealth



Net wealth

€8,600bn

i.e.

8.3x disposable
income (1,050bn).
5.4x GDP (1,580bn)
or It. Gov. bonds

Real assets

(dwellings)

prevail (>60%).

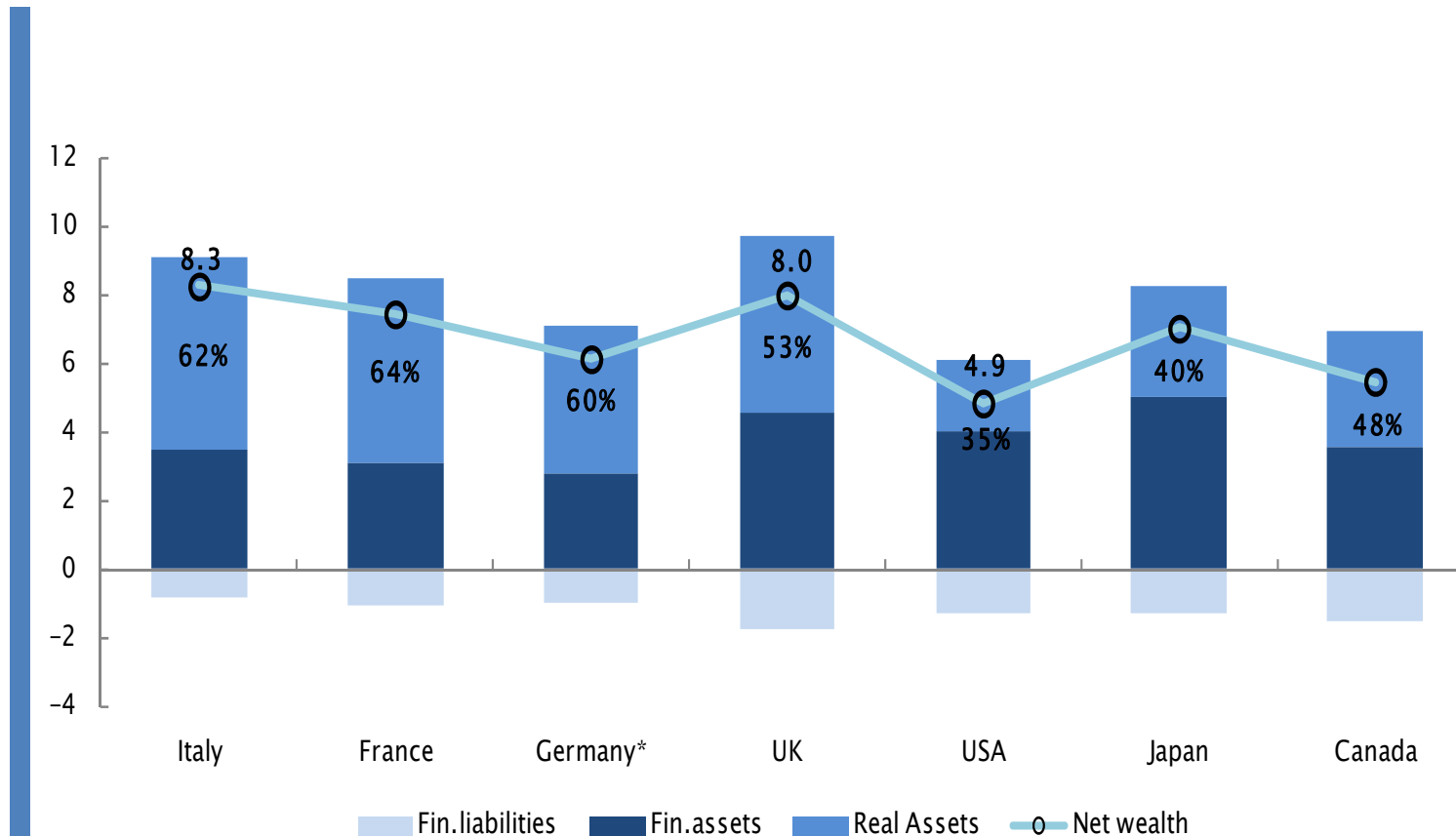
Financial assets

3,500bn.

Low level of debt

(0.8x disp. inc.).

Household wealth in G7 countries

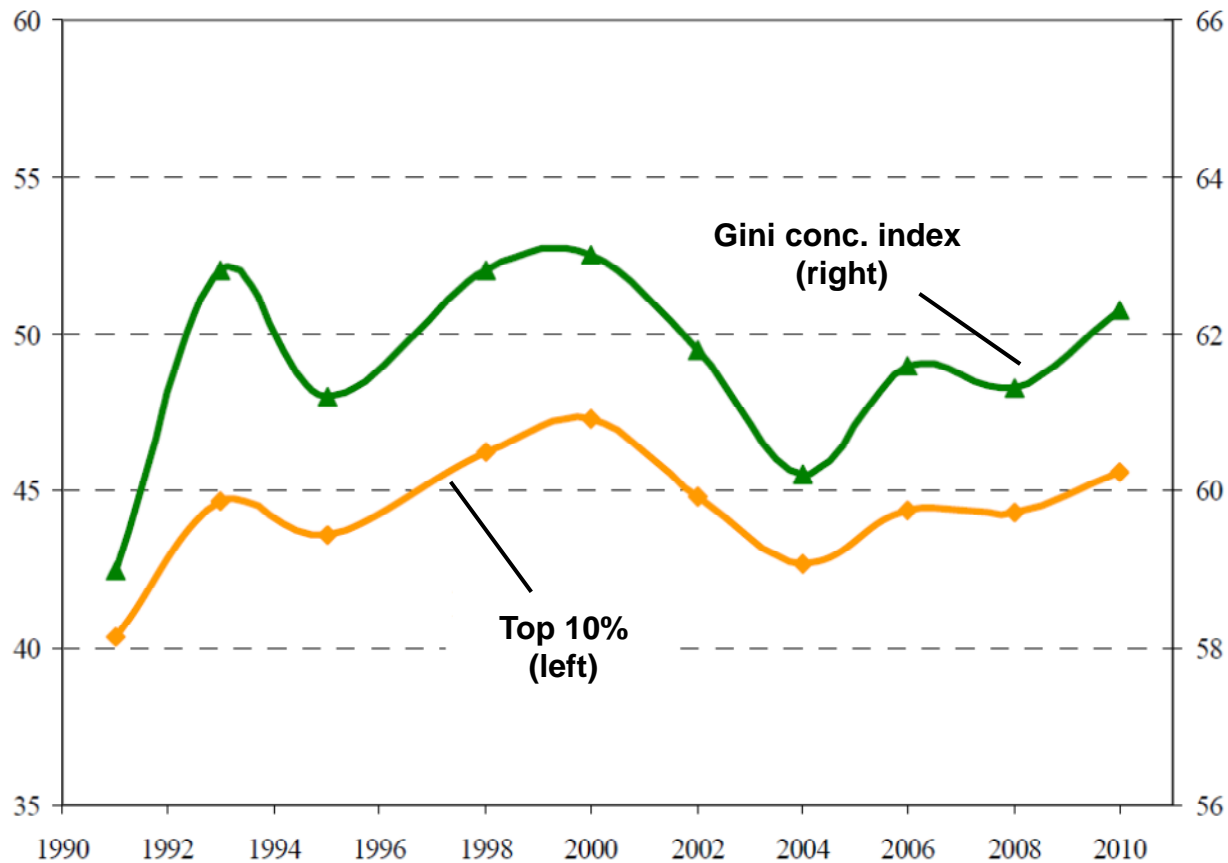


Highest level of the *ratio* of net wealth to disposable income.

Lowest level of debt (but see *public debt*)

Big share of *real assets* (>60%)

Wealth distribution – Italian household



Wealth is concentrated: top 10% of households have 45%

Gini conc. index:
100% = the top guy has all the wealth.

Real wealth is *less concentrated* (G=60%) than financial w. (70%)

Wealth *more concentrated* than income (G=35%)

Wealth distribution in G7 countries

	Median	% > 100.000\$	Gini conc. Index
ITALY	155,953	61.6%	61.3%
FRANCE	90,271	48.8%	75.4%
GERMANY	57,283	41.1%	75.0%
UK	121,852	55.2%	67.0%
USA	52,752	36.3%	82.4%
JAPAN	128,688	59.3%	60.1%
CANADA	89,014	48.0%	72.3%

Compared to G7 countries, Italian household wealth is less concentrated in the hands of few people.

Italy is top-ranked based on the share of population having >100k\$...

... and bottom-ranked based on Gini conc. index (61%).

Household financial portfolio breakdown

	Currency & deposits	Bonds		Stocks		Investment funds	Pension funds & life pr
		Total	<i>Issued by banks</i>	Total	<i>Listed</i>		
Italy							
1995	39.1	23.2	2.1	19.7	2.9	3.9	9.0
2000	23.2	16.8	6.6	29.8	5.5	16.0	10.1
2005	25.0	19.8	7.5	25.7	2.5	10.7	14.9
2010	30.6	19.9	10.1	21.2	2.0	6.6	17.4
2011Q3	31.5	21.0	10.7	19.0	1.7	6.3	18.0
France	30.3	1.6		15.9		6.9	34.6
Germany	41.1	5.3		8.4		8.3	34.3
UK	29.7	0.8		10.0		3.5	51.2
USA	14.5	10.2		30.9		11.7	28.9

High level of *direct investment* (~ 40%)

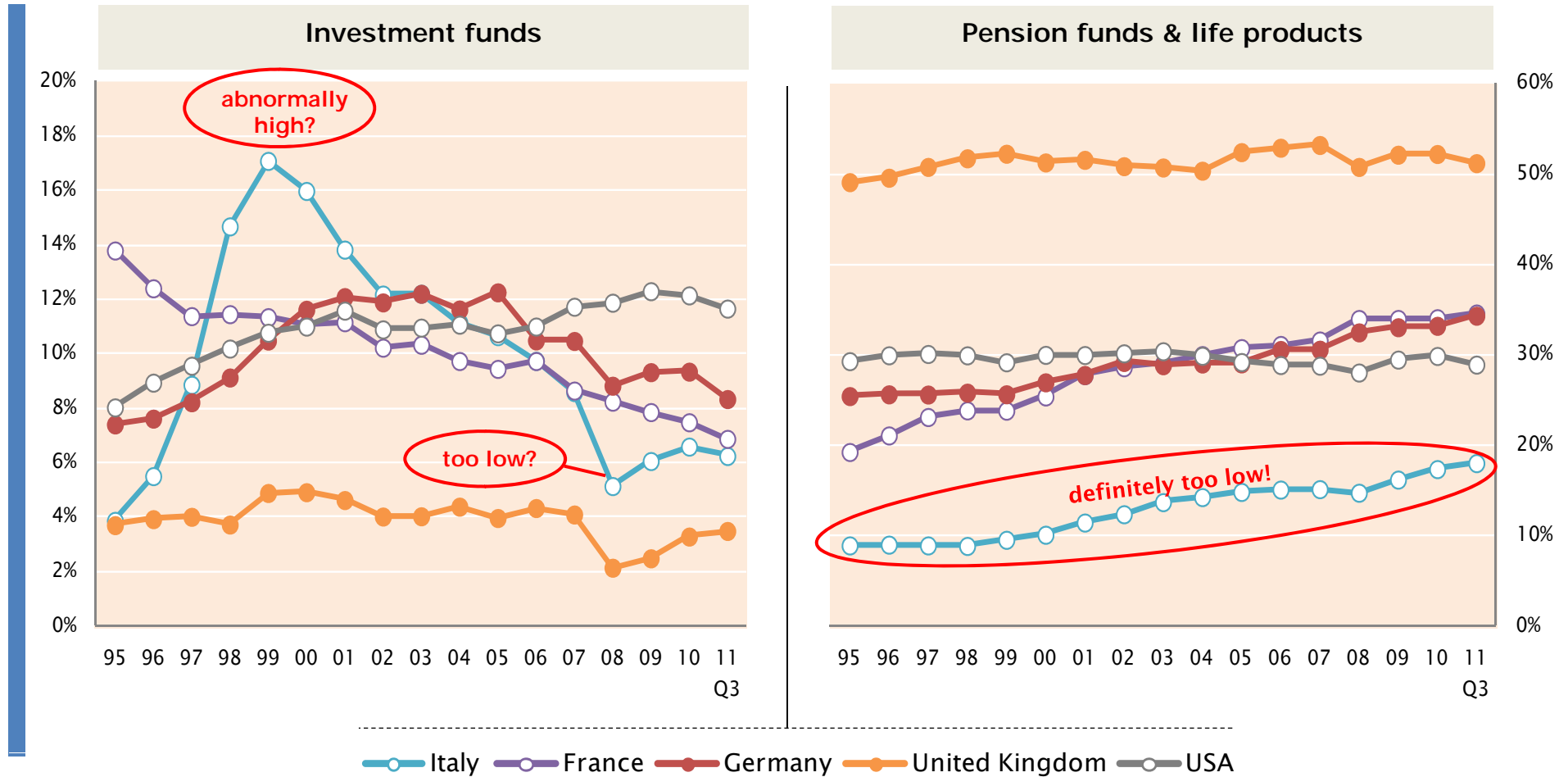
Significant amounts of *bank issued bonds* (10%)

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

Funds: rise until 1999 (17.2%) then fall (hump shaped)

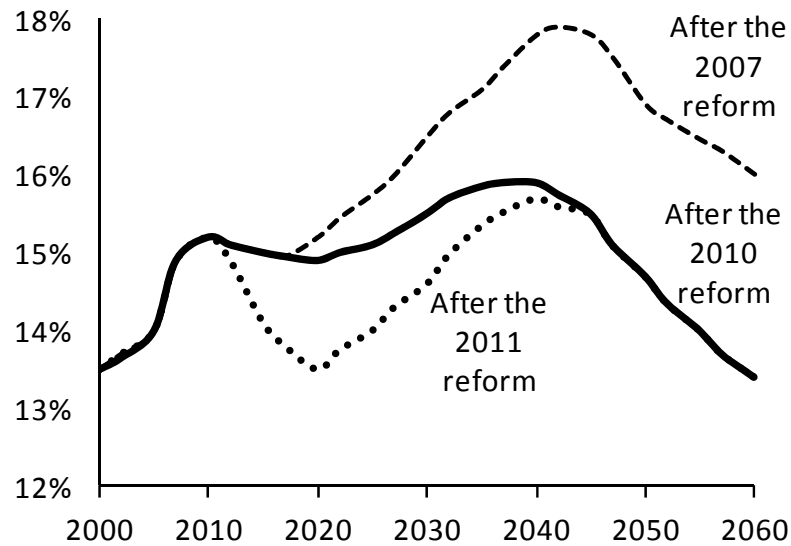
Pensions/life product: up but still too modest.

Managed products in household portfolios

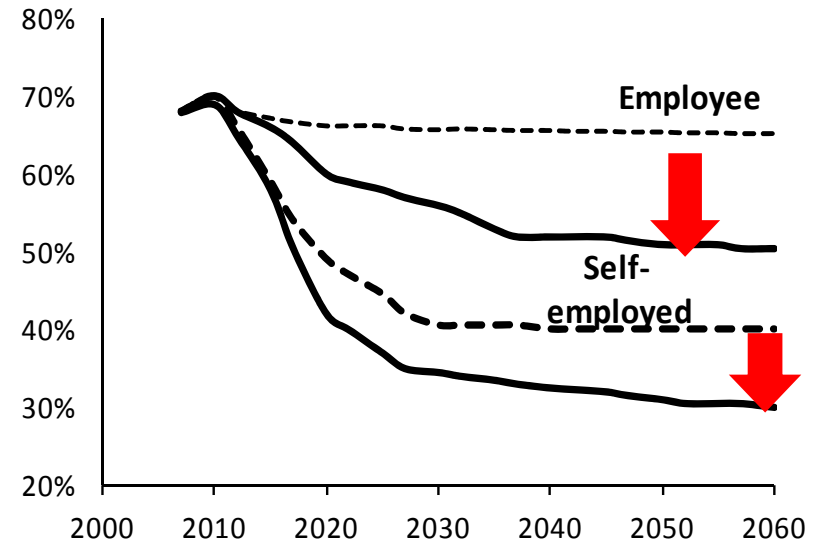


Public Pensions (1st pillar)

Cost (% GDP)



Future substitution rates
(63y-old with 35y of contrib.)

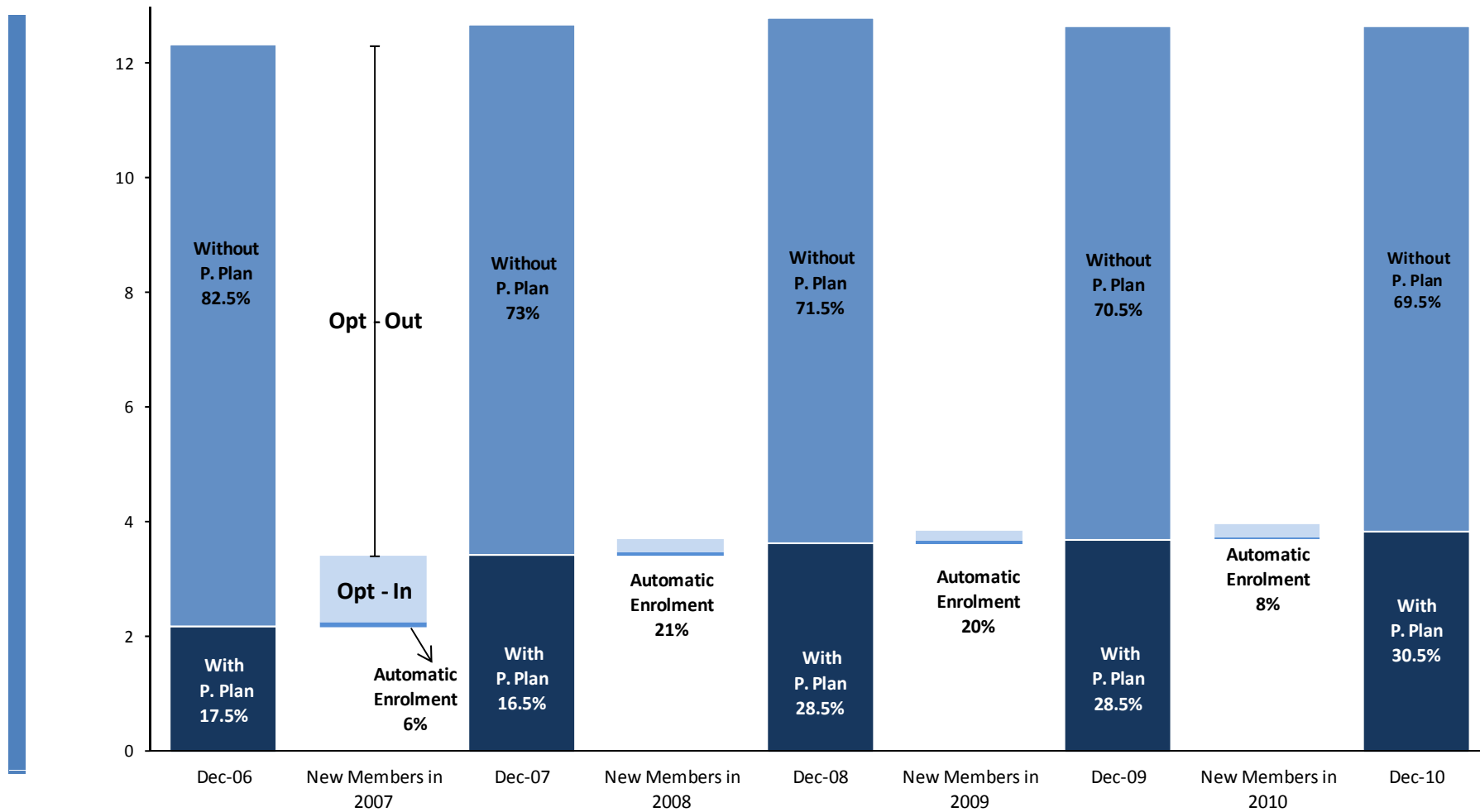




Private pension plans at a glance (2nd & 3rd pillar)

	2011		2008	2003
	Members	Working population (est.)	Membership rate	Membership rate
Total (,000)	5,573	22,953	24%	12%
Private sector employees	3,996	13,958	29%	26%
Public sector employees	140	3,427	4%	4%
Self-employed	1,437	5,568	26%	19%
Assets (€ m)	88,639			
<i>as a % of GDP</i>	<i>5.6%</i>			

Private sect. employees: failure of automatic enrolment





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