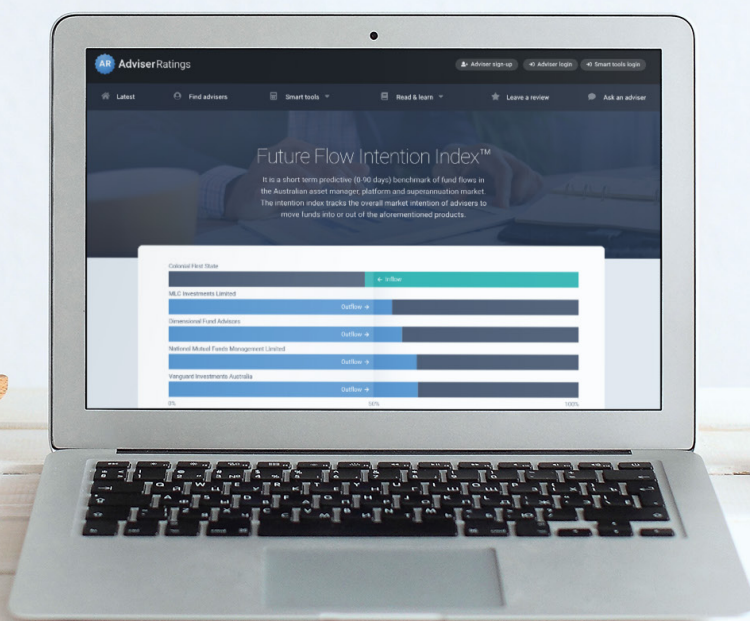# Future Flow Intention

January 2023

AR

Adviser Ratings

What is the Future Flow Intention?

The Future Flow Intention is a short-term predictive (0-60 days) benchmark of fund flows for investments managed by retail and wholesale financial advisers in the Australian asset manager, platform and superannuation market. The model tracks the market intention of retail advisers using the modelling platform[1] to move funds into or out of the aforementioned products.

Advisers manage $1.31 trillion of Australia's superannuation wealth and $1.71 trillion of their non-superannuation wealth (excluding their own homes), close to a staggering 46% of the invested wealth in Australia[2]. Accordingly, advisers hold tremendous influence over the flow of investment funds in Australia. The future flow intention measures the short-term flow impacts across every asset class down to the individual adviser, practice and licensee on the modelling platform.

1. The platform covers approximately 20% of AFSLs in the retail advice market

2.. 2022 Financial Landscape Report – Adviser Ratings

Janaury Flow Intent Data

The January 2023 Future Flow Intention represents the modelled outflow and inflow events expressed as a percentage of the total investments modelled in the last 90 days. The data should be viewed in conjunction with the disclaimer at the end of the document.

Key Highlights

▶ Managed account popularity continues with growth of over 700% in the last 60 days compared to the prior comparitive period.

▶ Platform switching;

- 70% of advisers who have modelled scenarios in the last 60 days are looking to switch platforms.

▶ Australian ETFs remain neutral with some ETFs proving popular, the top ETFs;

- BetaShares Australian High Interest Cash ETF

- VanEck Vectors MSCI World ex-Australia Quality ETF

- iShares Core MSCI World ex Australia ESG Leaders ETF

- Vanguard Diversified High Growth Index ETF

- Betashares NASDAQ 100 ETF

Scenarios modelled over the last 90 days

3,322
Scenarios

$1,636
Million in FUA modelled

"This solution is a game changer for the wealth market, using data to drive better decision making for product providers, advice practices and distributors alike. A real-life crystal ball."
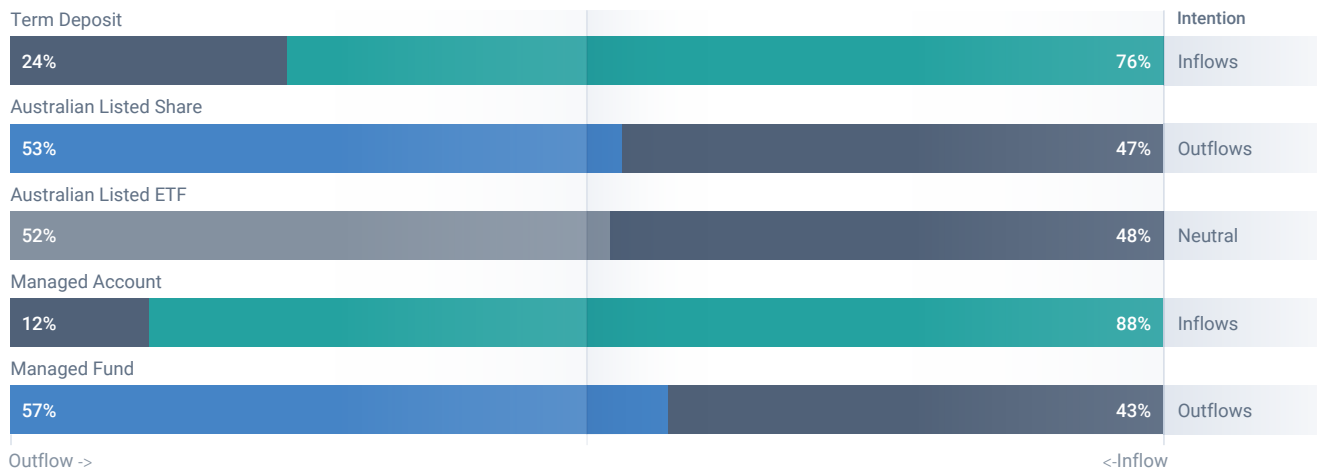
Nicholas McGarrigle,
Founding Principal, Co-Head of Emerging Companies Research, Barrenjoey

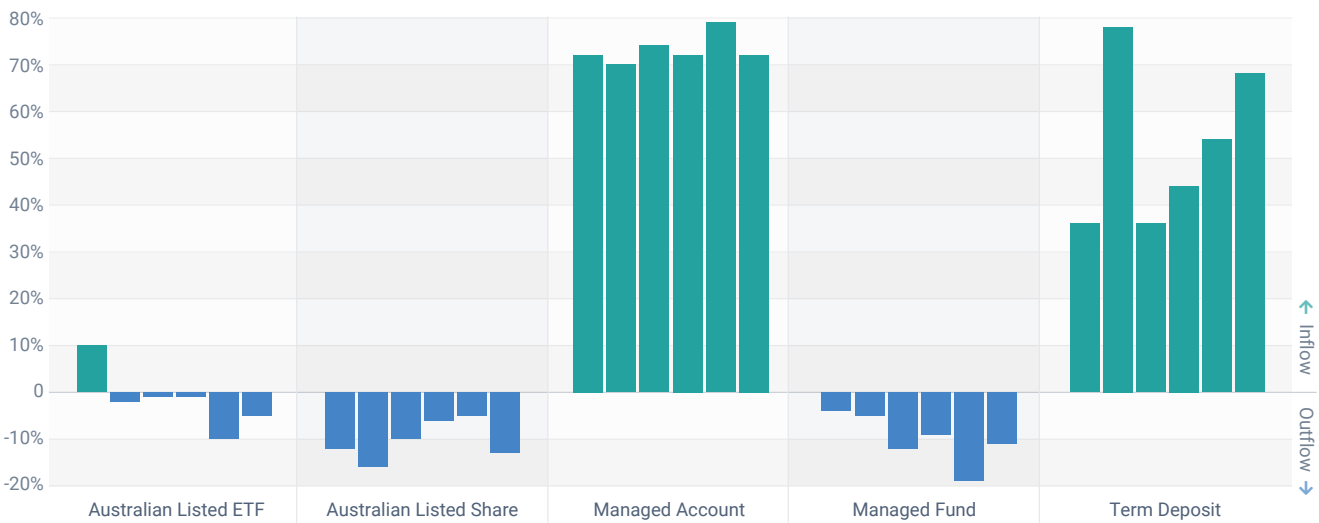# Investment vehicle: Future Flow Intention over the next 60 days

5 selected investment vehicles

The following chart represents the intent of advisers who have modelled scenarios in the last 90 days for the respective investment vehicle. There is a strong possibility that Managed accounts and term deposits will see greater inflows from these advisers in the next 60 days. ETFs remain neutral. Managed funds and Australian-listed shares will likely see an outflow of investments.

Vehicle			Intention
Term Deposit	24%	76%	Inflows
Australian Listed Share	53%	47%	Outflows
Australian Listed ETF	52%	48%	Neutral
Managed Account	12%	88%	Inflows
Managed Fund	57%	43%	Outflows

Outflow ->   <-Inflow

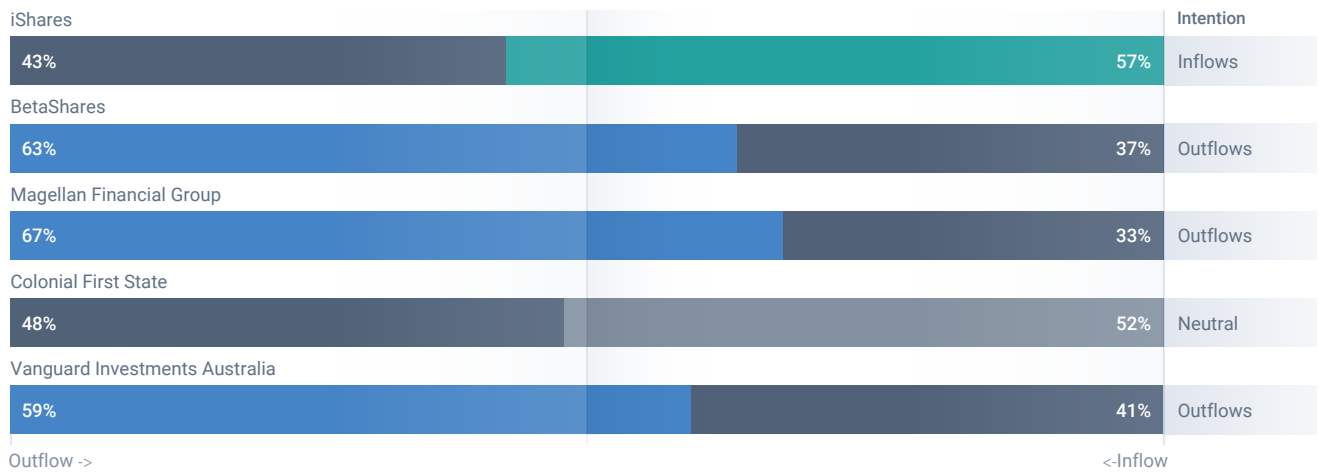## Modelled scenarios 6-month historical trend

Supplementary to the Future Flow Intention which looks at the aggregate last 90 days.
The following chart represents the modelled scenarios each month by the advisers on the platform for the respective investment vehicle. A positive percentage shows greater inflows, and a negative percentage shows greater outflows being modelled

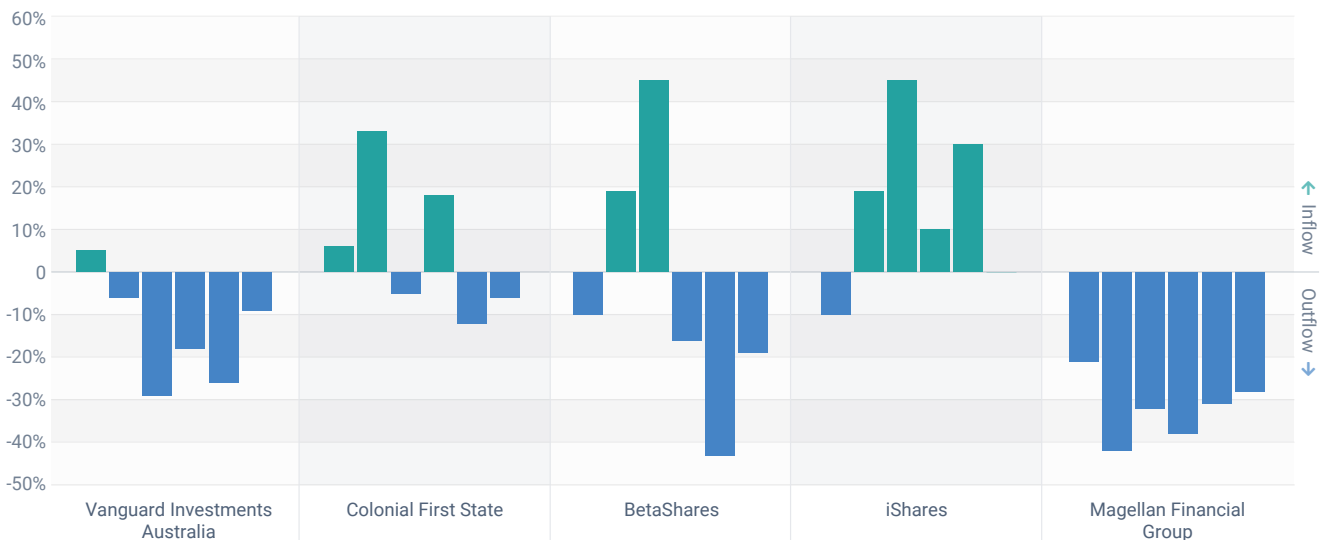# Asset Managers: Future Flow Intention over the next 60 days

5 selected asset managers

The following chart represents the intent of advisers who have modelled scenarios in the last 90 days for the respective asset managers. It is likely that the advisers who have modelled scenarios for Vanguard, Magellan and BetaShares will have greater outflows in the next 60 days, while iShares are expected to see greater inflows.

		Intention
iShares		
43%	57%	Inflows
BetaShares		
63%	37%	Outflows
Magellan Financial Group		
67%	33%	Outflows
Colonial First State		
48%	52%	Neutral
Vanguard Investments Australia		
59%	41%	Outflows

Outflow ->   <-Inflow

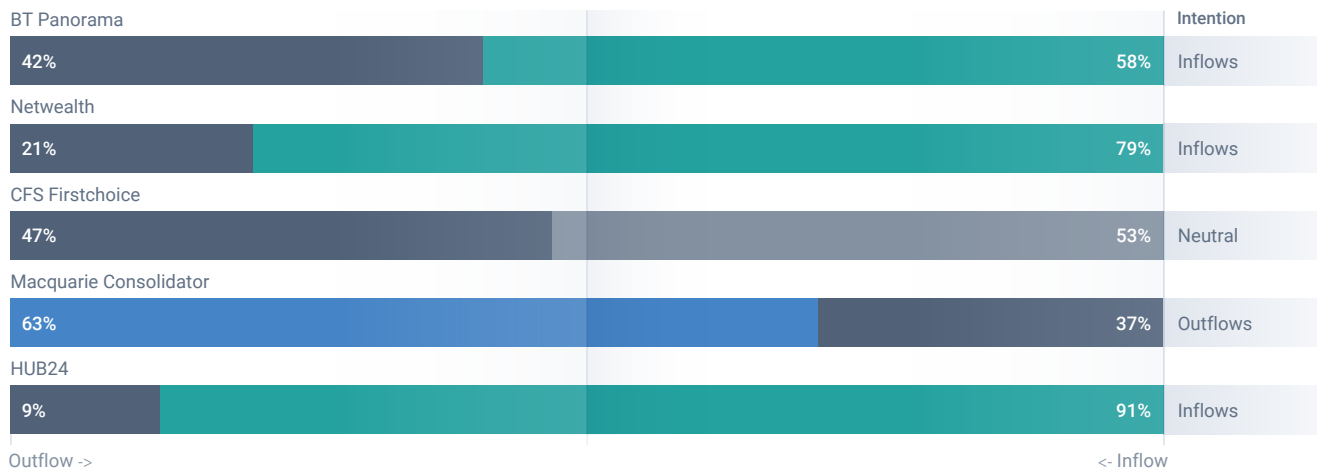## Modelled scenarios 6-month historical trend

Supplementary to the Future Flow Intention which looks at the aggregate last 90 days.
The following chart represents the modelled scenarios each month by the advisers on the platform for the respective asset manager. A positive percentage shows greater inflows, and a negative percentage shows greater outflows being modelled.

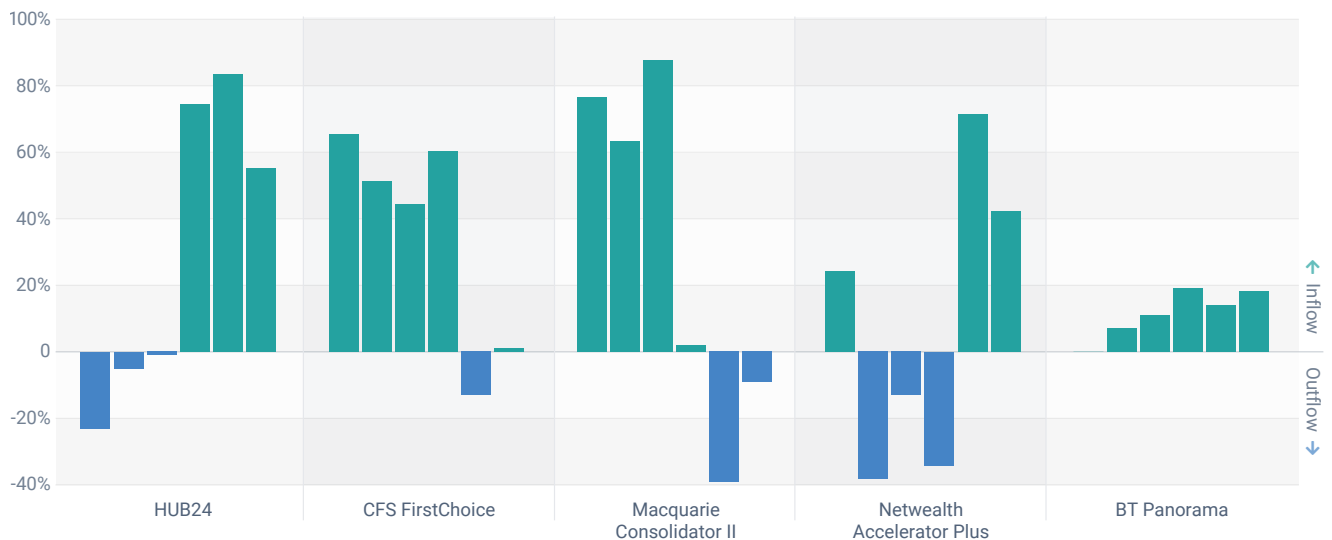# Investment Platforms: Future Flow Intention over the next 60 days

5 selected investment platforms

The following chart represents the intent of advisers who have modelled scenarios in the last 90 days for the respective platforms. There is a strong possibility that Hub24 and Netwealth, along with BT Panorama will see a greater inflow of investments on their platforms from these advisers. CFS FirstChoice is neutral trending towards inflows.

Platform	Outflow	Inflow	Intention
BT Panorama	42%	58%	Inflows
Netwealth	21%	79%	Inflows
CFS Firstchoice	47%	53%	Neutral
Macquarie Consolidator	63%	37%	Outflows
HUB24	9%	91%	Inflows

Outflow ->   <- Inflow

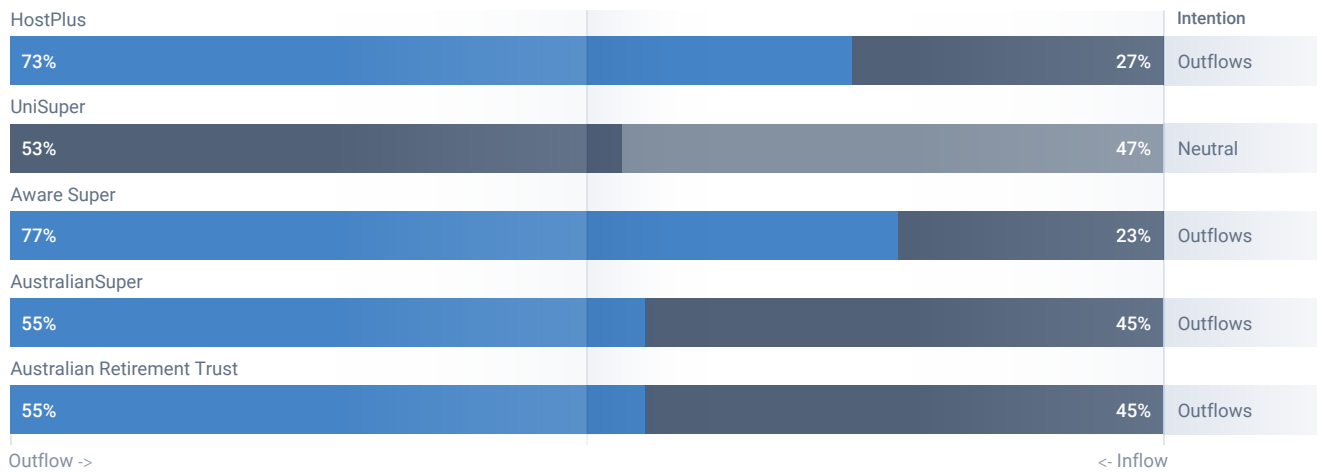### Modelled scenarios 6-month historical trend

Supplementary to the Future Flow Intention which looks at the aggregate last 90 days. The following chart represents the modelled scenarios each month by the advisers on the platform for the respective platform. A positive percentage shows greater inflows, and a negative percentage shows greater outflows being modelled.

# Superannuation: Future Flow Intention over the next 60 days

5 selected superannuation funds

The following chart represents the intent of advisers who have modelled scenarios in the last 90 days for the respective Superannuation funds. There is a strong possibility that HostPlus, Aware Super, AustralianSuper and Australian Retirement Trust are likely to see an outflow of investments in the next 60 days.

Fund	Outflow %	Inflow %	Intention
HostPlus	73%	27%	Outflows
UniSuper	53%	47%	Neutral
Aware Super	77%	23%	Outflows
AustralianSuper	55%	45%	Outflows
Australian Retirement Trust	55%	45%	Outflows

Outflow ->   <- Inflow

Modelled scenarios 6-month historical trend

Supplementary to the Future Flow Intention which looks at the aggregate last 90 days.
The following chart represents the modelled scenarios each month by the advisers on the platform for the respective superannuation fund. A positive percentage shows greater inflows, and a negative percentage shows greater outflows being modelled.
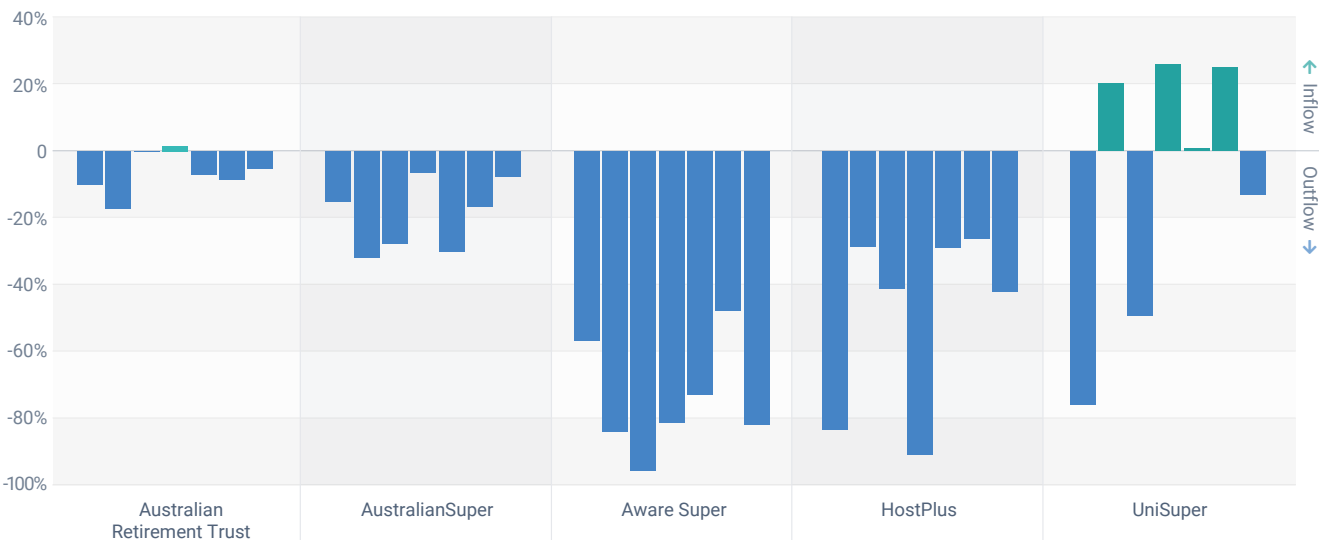
Disclaimer

The Future Flow Intention is a computer-generated analysis from several predictive models using available modelled scenario data. Whilst the Future Flow Intention is strongly correlated with users on the platform and forward-looking, our model does not predict potential external market influences over adviser's short term beahviours. Future flow outcomes are not guaranteed and may vary according to unpredictable market conditions.

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