

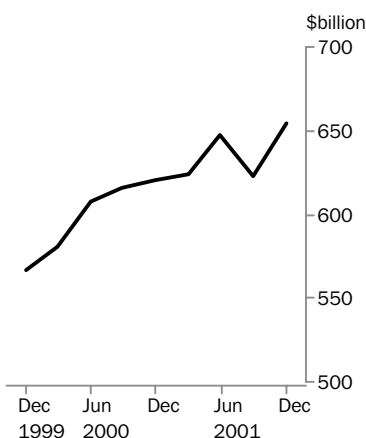


MANAGED FUNDS

AUSTRALIA

EMBARGO: 11:30AM (CANBERRA TIME) THURS 28 FEB 2002

Total consolidated assets



DECEMBER QTR KEY FIGURES

CONSOLIDATED ASSETS (a)	Dec Qtr 2000	Sep Qtr 2001	Dec Qtr 2001
	\$m	\$m	\$m
Superannuation funds	294 186	292 739	303 353
Life insurance offices(b)	170 873	168 763	176 579
Other managed funds	155 045	161 451	174 487
Total	620 104	622 952	654 420

(a) See note on consolidation on page 2.

(b) Investments by superannuation funds which are held and administered by life insurance offices are included under life insurance offices.

DECEMBER QTR KEY POINTS

CONSOLIDATED ASSETS

- Total consolidated assets of managed funds institutions was \$654.4 billion at 31 December 2001, an increase of \$31.5 billion (5%) from the revised September 2001 quarter. This increase follows a recovery of asset values during the quarter. During the December 2001 quarter the ASX All Ordinaries Index increased 12% and the price of foreign shares (represented by the Dow Jones Industrial Average) increased by 13%, following decreases of 13% and 16% respectively during the September 2001 quarter following the terrorist attacks in the USA on September 11, 2001. These increases were offset somewhat by an appreciation of the \$A against the \$US of 4% during the quarter.
- Five out of six types of managed funds experienced increases in consolidated assets during the December 2001 quarter. The largest increases were for public unit trusts, up \$12.2 billion (10%), life insurance offices, up \$7.8 billion (5%), superannuation funds, up \$10.6 billion (4%) and cash management trusts, up \$1.0 billion (3%).
- The major asset class movement during the quarter was in domestic equities and units in trusts, up \$22.9 billion (11%). Other major movements were short term securities, up \$4.0 billion (7%), assets overseas, up \$4.2 billion (4%) and land and buildings, up \$2.2 billion (3%).
- Investment managers had \$642.2 billion funds under management, up \$32.7 billion (5%) from September 2001 quarter. They managed \$478.9 billion (73%) of consolidated managed funds' assets.

- For further information about these and related statistics, contact Judy Sykes on Canberra 02 6252 5222, or the National Information and Referral Service on 1300 135 070.

NOTES

FORTHCOMING ISSUES

ISSUE (Quarter)

RELEASE DATE

March 2002

31 May 2002

June 2002

30 August 2002



CHANGES IN THIS ISSUE

There are no changes in format in this issue.



REVISIONS THIS QUARTER

There have been a number of revisions in many series as a result of quality assurance work undertaken with data providers, in particular with the superannuation industry. In consultation with APRA and the Australian Taxation Office, the total assets and asset profiles of small and medium superannuation funds have been adjusted and revised back to December 2000.



METHOD OF CONSOLIDATION

Estimates of the consolidated assets of managed funds are derived by eliminating any cross-investments that take place between the various types of funds. For example, investments by superannuation funds in public unit trusts are excluded from assets of superannuation funds in a consolidated presentation. It is not possible, however, to apportion cross-investment at the level of detail presented in unconsolidated tables.

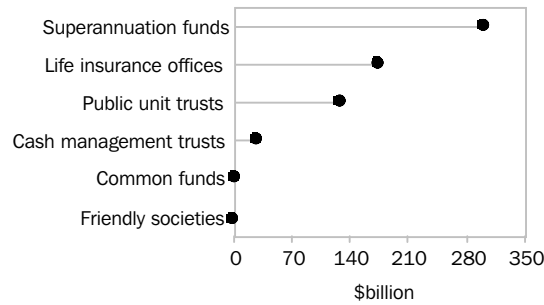


Dennis Trewin
Australian Statistician

MANAGED FUNDS : Consolidated Assets

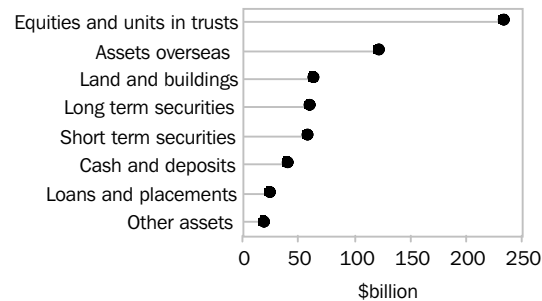
BY TYPE OF INSTITUTION

At the end of the December 2001 quarter, consolidated assets of superannuation funds stood at \$303.4 billion, up \$10.6 billion since 30 September 2001. Life insurance offices had consolidated assets of \$176.6 billion (up \$7.8 billion), public unit trusts \$130.9 billion (up \$12.2 billion) and cash management trusts \$30.1 billion (up \$1.0 billion). The assets of friendly societies and common funds have remained virtually unchanged since September 2001.



BY TYPE OF ASSET

Asset classes which increased this quarter were: domestic equities and units in trusts, up \$22.9 billion (11%); assets overseas, up \$4.2 billion (3%); short term securities, up \$4.0 billion (7%); and land and buildings, up \$2.2 billion (3%). Asset classes which decreased during the quarter were: long term securities held decreased \$1.1 billion (2%) and other assets decreased \$0.9 billion (4%).



CROSS INVESTMENT

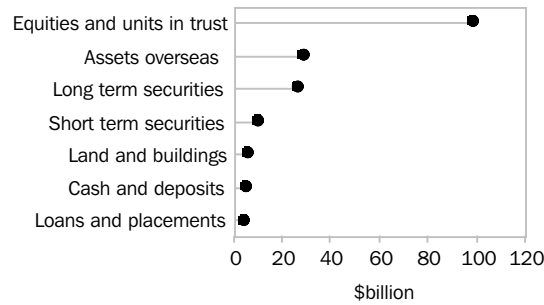
The table below presents the unconsolidated, cross-invested and consolidated assets of managed funds by type of fund as at 31 December 2001.

Type of fund	Unconsolidated assets \$m	Cross-invested assets \$m	Consolidated assets \$m
Life insurance offices	200 584	24 004	176 579
Superannuation funds	365 107	61 754	303 353
Public unit trusts	151 681	20 742	130 939
Friendly societies	5 995	485	5 510
Common funds	8 055	158	7 897
Cash management trusts	30 141	—	30 141
Total	761 563	107 143	654 420

MANAGED FUNDS: Unconsolidated Assets

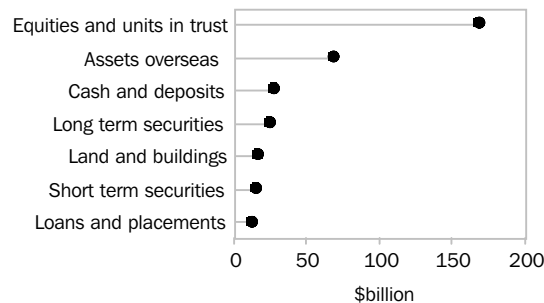
LIFE INSURANCE OFFICES

The total assets of life offices was \$200.6 billion at 31 December 2001, an increase of \$11.2 billion (6%) compared to 30 September 2001. Equities and units in trusts increased by \$12.0 billion (14%), assets held overseas increased by \$2.2 billion (8%), short term securities increased by \$1.1 billion (10%), while long term securities decreased by \$1.6 billion (5%). Cash and deposits and loans and placements decreased by \$1.3 billion (15%) and \$1.1 billion (14.5%) respectively.



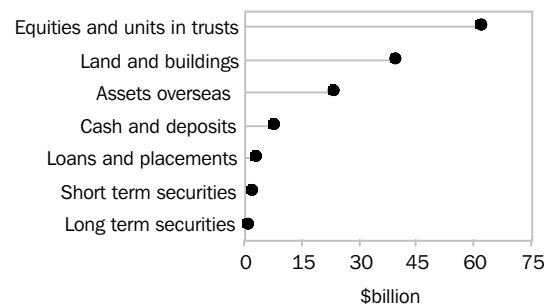
SUPERANNUATION FUNDS

The total assets of superannuation funds was \$365.1 billion at 31 December 2001, an increase of \$15.1 billion (4%) compared with the 30 September 2001. The holdings of equities and unit trusts recovered \$12.1 billion (8%) with an increase of \$5.4 billion (8%) in the holdings of shares in private trading corporations and an increase in holdings of units in trusts of \$4.2 billion (8%). Assets overseas decreased by \$2.3 billion (3%) to end the quarter at \$71.5 billion.



PUBLIC UNIT TRUSTS

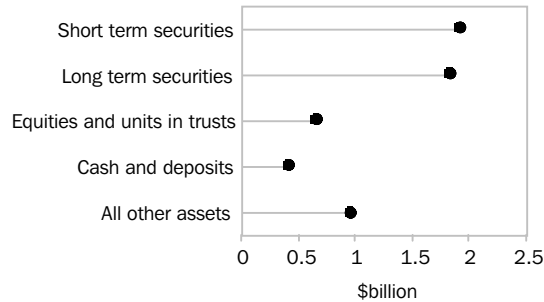
The total assets of public unit trusts was \$151.7 billion at 31 December 2001, an increase of \$14.9 billion (11%) on 30 September 2001. The major increase in assets during the quarter was in equities, up \$5.2 billion (18%), and assets overseas, up \$4.3 billion (22%) on September 2001. As a proportion of Australian assets held, equities and units in trusts account for 50%, whilst land and buildings account for 32%.



MANAGED FUNDS: Unconsolidated Assets *continued*

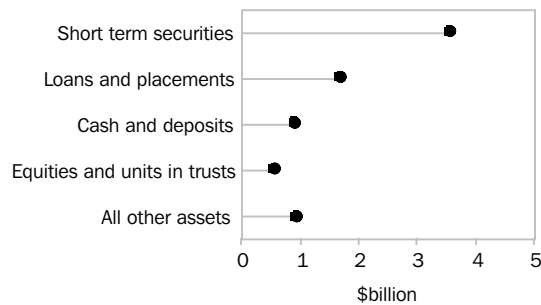
FRIENDLY SOCIETIES

The total assets of friendly societies was \$6.0 billion at 31 December 2001, virtually unchanged from 30 September 2001. Short term securities decreased \$0.2 billion (9%) while long term securities increased by the same amount and percentage during the quarter. Short and long term securities accounted for 64% of total assets.



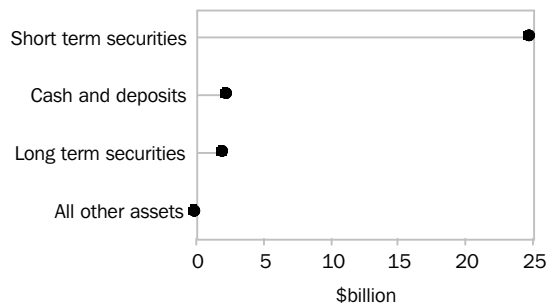
COMMON FUNDS

Total assets of common funds was \$8.1 billion at 31 December 2001, a decrease of \$0.2 billion (3%) on 30 September 2001. Short term securities accounted for 45% of total assets.



CASH MANAGEMENT TRUSTS

The total assets of cash management trusts was \$30.1 billion at 31 December 2001, an increase of \$1 billion (3%) on 30 September 2001. Bank certificates of deposit increased \$1.6 billion (14%) during the quarter and accounted for 52% of the total short term securities.

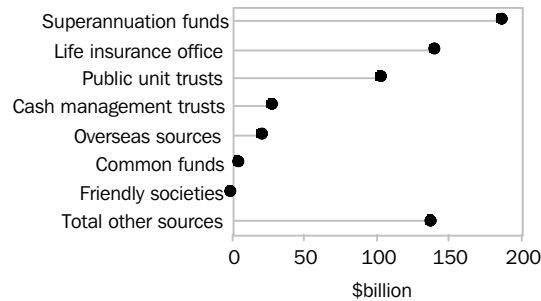


MANAGED FUNDS — INVESTMENT MANAGERS

SOURCE OF FUNDS UNDER MANAGEMENT

During December quarter 2001 there was an increase in total funds under management by investment managers of \$32.7 billion (5%), bringing the total sources of funds under management to \$642.1 billion. The value of funds under management on behalf of public unit trusts increased by \$8.2 billion (8%), life insurance offices increased by \$6.0 billion (4%), trusts other than public unit trusts increased by \$4.9 billion (8%) and funds from other sources increased by \$5.3 billion (16.3%). Funds under management on behalf of superannuation funds showed the smallest increase, \$3.4 billion (2%) which was lower than expectations. ABS is consulting with data providers regarding this result.

The value of managed funds assets invested through investment managers was \$478.9 billion at 31 December 2001, representing 73% of the consolidated assets of managed funds.



MANAGED FUNDS, Consolidated Assets

<i>Institution/asset</i>	<i>Jun Qtr 1998</i>	<i>Jun Qtr 1999</i>	<i>Mar Qtr 2000</i>	<i>Jun Qtr 2000</i>	<i>Sep Qtr 2000</i>	<i>Dec Qtr 2000</i>	<i>Mar Qtr 2001</i>	<i>Jun Qtr 2001</i>	<i>Sep Qtr 2001</i>	<i>Dec Qtr 2001</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Type of institution										
Life insurance offices(a)	148 170	163 384	170 152	173 522	171 755	170 873	171 495	175 789	168 763	176 579
Superannuation funds	199 969	231 205	268 450	286 673	293 344	294 186	294 355	306 957	292 739	303 353
Public unit trusts	73 435	93 968	106 018	108 750	112 360	115 432	117 564	121 953	118 698	130 939
Friendly societies	6 769	6 415	5 910	5 895	5 697	5 543	5 555	5 523	5 477	5 510
Common funds	6 845	7 568	7 940	7 434	7 058	7 242	7 734	8 126	8 138	7 897
Cash management trusts	18 676	21 531	22 794	24 776	26 102	26 828	27 490	28 693	29 138	30 141
Total	453 865	524 070	581 264	607 050	616 315	620 104	624 193	647 041	622 952	654 420
Type of asset										
Cash and deposits(b)	32 681	35 192	36 833	39 721	40 449	39 766	42 168	46 234	44 789	44 779
Loans and placements	24 025	27 714	31 661	32 390	31 902	28 883	28 968	30 484	28 229	28 387
Short term securities(b)	54 498	67 627	59 461	63 752	62 564	63 311	61 525	62 775	58 541	62 502
Long term securities	66 059	70 319	72 643	72 729	69 394	69 768	68 521	66 313	64 246	63 192
Equities and units in trusts	133 703	154 798	181 508	197 712	208 217	216 284	216 177	232 313	214 761	237 668
Land and buildings	47 867	56 708	62 875	64 258	64 527	64 336	65 970	67 053	65 843	68 018
Assets overseas	77 785	90 876	117 202	115 267	120 476	116 776	120 112	119 513	122 419	126 668
Other assets	17 248	20 837	19 081	21 221	18 787	20 980	20 752	22 356	24 124	23 207
Total	453 865	524 070	581 264	607 050	616 315	620 104	624 193	647 041	622 952	654 420

(a) Figures include superannuation funds held in the statutory funds of life insurance offices.

(b) Bank certificates of deposit held by public unit trusts are included in 'Cash and deposits' at banks.

LIFE INSURANCE OFFICES(a), Unconsolidated Assets

	Jun Qtr 1998	Jun Qtr 1999	Mar Qtr 2000	Jun Qtr 2000	Sep Qtr 2000	Dec Qtr 2000	Mar Qtr 2001	Jun Qtr 2001	Sep Qtr 2001	Dec Qtr 2001
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	159 550	176 378	186 898	191 599	193 723	194 322	194 326	198 068	189 389	200 584
Assets in Australia	132 534	147 893	152 974	158 773	161 094	164 828	163 759	168 096	160 852	169 830
<i>Cash and deposits</i>	9 850	10 315	9 504	9 854	9 775	8 866	9 253	9 391	9 003	7 680
Banks	3 127	4 216	4 553	4 881	4 832	4 392	4 836	5 151	5 151	4 822
Other deposit taking institutions	6 722	6 099	4 951	4 973	4 944	4 474	4 417	4 240	3 852	2 858
<i>Loans and placements</i>	8 171	7 673	8 995	8 847	9 596	8 493	7 915	7 706	7 709	6 591
<i>Short term securities</i>	14 935	18 724	12 982	14 085	11 117	11 082	9 696	11 471	10 780	11 855
Bills of exchange	4 819	4 473	2 661	2 307	2 357	2 897	3 698	3 593	3 791	4 089
Bank certificates of deposit	4 425	7 537	4 889	5 409	3 971	3 249	2 712	2 612	2 211	2 958
Other short term securities	5 691	6 714	5 432	6 368	4 788	4 936	3 286	5 266	4 779	4 808
<i>Long term securities</i>	33 039	35 990	36 814	35 600	31 402	30 740	30 874	30 410	29 302	27 695
Commonwealth government bonds	12 131	11 781	9 522	8 953	7 928	8 722	8 148	7 205	5 817	6 086
State and local government securities	10 898	11 705	12 354	12 583	10 594	9 915	9 753	10 193	9 370	8 380
Other long term securities	10 011	12 504	14 938	14 064	12 880	12 103	12 973	13 011	14 115	13 229
<i>Equities and units in trusts</i>	54 005	61 684	72 573	76 845	86 597	92 953	91 854	95 179	88 457	100 485
Trading corporations shares	25 169	26 408	30 130	29 289	28 720	29 633	30 108	30 348	26 687	30 446
Financial sector shares	10 402	11 467	11 538	13 594	12 449	13 052	12 737	14 380	12 028	13 413
Units in trusts	18 434	23 809	30 905	33 962	45 427	50 267	49 008	50 450	49 742	56 625
<i>Other financial assets</i>	4 298	4 466	3 433	4 203	3 208	3 155	4 162	3 833	6 232	6 281
<i>Land and buildings</i>	7 520	8 159	7 966	8 637	8 803	8 829	9 284	9 364	8 508	8 338
<i>Other non-financial assets</i>	716	882	707	703	596	711	721	742	861	905
Assets overseas	27 016	28 485	33 924	32 825	32 629	29 494	30 567	29 972	28 538	30 754

(a) Includes superannuation funds that are invested and administered by life insurance offices, and shareholders' funds.

SUPERANNUATION FUNDS(a), Unconsolidated Assets

	Jun Qtr 1998	Jun Qtr 1999	Mar Qtr 2000	Jun Qtr 2000	Sep Qtr 2000	Dec Qtr 2000	Mar Qtr 2001	Jun Qtr 2001	Sep Qtr 2001	Dec Qtr 2001
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	236 341	269 077	317 635	338 017	347 755	348 584	350 229	365 112	350 038	365 107
Assets in Australia	196 155	220 056	251 383	272 804	279 626	280 788	280 734	297 116	276 209	293 581
<i>Cash and deposits</i>	<i>19 546</i>	<i>21 760</i>	<i>24 465</i>	<i>25 612</i>	<i>27 324</i>	<i>27 601</i>	<i>29 153</i>	<i>32 628</i>	<i>29 507</i>	<i>30 677</i>
Banks	13 747	16 965	20 603	22 193	23 165	23 708	25 021	27 112	25 313	26 212
Other deposit taking institutions	5 799	4 795	3 862	3 419	4 158	3 893	4 132	5 516	4 194	4 465
<i>Loans and placements</i>	<i>10 399</i>	<i>13 123</i>	<i>15 589</i>	<i>16 538</i>	<i>16 358</i>	<i>15 091</i>	<i>15 385</i>	<i>16 909</i>	<i>14 474</i>	<i>15 685</i>
<i>Short term securities</i>	<i>13 501</i>	<i>20 202</i>	<i>17 155</i>	<i>19 602</i>	<i>19 960</i>	<i>19 837</i>	<i>18 927</i>	<i>18 130</i>	<i>14 930</i>	<i>17 163</i>
Bills of exchange	5 127	6 820	5 414	6 193	6 178	6 839	6 667	6 400	5 395	6 247
Bank certificates of deposit	6 639	9 029	8 147	9 089	9 268	9 005	8 786	9 099	8 073	8 428
Other short term securities	1 735	4 354	3 594	4 320	4 514	3 993	3 474	2 632	1 462	2 489
<i>Long term securities</i>	<i>27 259</i>	<i>27 019</i>	<i>27 981</i>	<i>29 504</i>	<i>30 409</i>	<i>31 032</i>	<i>29 551</i>	<i>27 826</i>	<i>27 796</i>	<i>27 931</i>
Commonwealth government bonds	15 063	13 795	13 843	14 557	14 307	14 722	14 027	12 607	12 256	12 268
State and local government securities	7 987	5 144	4 962	5 428	6 136	6 128	5 740	5 715	6 181	5 359
Other long term securities	4 209	8 080	9 176	9 520	9 966	10 182	9 785	9 505	9 358	10 303
<i>Equities and units in trusts</i>	<i>102 203</i>	<i>112 853</i>	<i>137 642</i>	<i>150 755</i>	<i>156 078</i>	<i>157 872</i>	<i>157 599</i>	<i>169 761</i>	<i>159 419</i>	<i>171 540</i>
Trading corporations shares	51 367	55 397	65 118	73 139	73 792	73 628	72 321	78 248	72 010	77 401
Financial sector shares	16 589	21 590	25 361	28 219	30 121	32 194	31 792	35 340	32 157	34 698
Units in trusts	34 248	35 866	47 164	49 397	52 165	52 049	53 486	56 172	55 253	59 441
<i>Other financial assets</i>	<i>8 452</i>	<i>10 377</i>	<i>10 783</i>	<i>11 945</i>	<i>10 778</i>	<i>10 488</i>	<i>10 278</i>	<i>11 380</i>	<i>10 868</i>	<i>10 689</i>
<i>Land and buildings</i>	<i>14 041</i>	<i>14 118</i>	<i>16 967</i>	<i>17 891</i>	<i>17 931</i>	<i>18 058</i>	<i>19 028</i>	<i>19 581</i>	<i>18 376</i>	<i>18 996</i>
<i>Other non-financial assets</i>	<i>754</i>	<i>604</i>	<i>801</i>	<i>956</i>	<i>789</i>	<i>809</i>	<i>813</i>	<i>902</i>	<i>840</i>	<i>901</i>
Assets overseas	40 186	49 022	66 252	65 214	68 129	67 797	69 495	67 996	73 829	71 526

(a) Excludes superannuation funds that are invested and administered by life insurance offices. For other caveats see paragraph 9 of the explanatory notes.

PUBLIC UNIT TRUSTS, Unconsolidated Assets

	Jun Qtr 1998	Jun Qtr 1999	Mar Qtr 2000	Jun Qtr 2000	Sep Qtr 2000	Dec Qtr 2000	Mar Qtr 2001	Jun Qtr 2001	Sep Qtr 2001	Dec Qtr 2001
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	83 064	107 114	119 908	122 723	128 787	133 379	135 112	140 270	136 806	151 681
Assets in Australia	72 580	93 847	103 002	105 598	109 151	113 987	115 162	118 824	116 882	127 455
<i>Cash and deposits</i>	4 463	5 094	4 927	6 048	5 302	5 446	6 071	6 586	7 485	8 615
Banks(a)	2 380	2 809	2 746	3 767	2 991	2 980	3 567	3 157	4 002	4 896
Other deposit taking institutions	2 083	2 285	2 181	2 281	2 311	2 466	2 504	3 429	3 483	3 719
<i>Loans and placements</i>	3 696	4 743	5 005	4 888	4 264	3 593	3 736	4 001	4 009	4 052
<i>Short term securities</i>	3 590	4 120	4 134	3 410	4 033	4 384	3 871	3 332	3 039	2 891
Bills of exchange	2 956	3 264	3 196	2 492	3 087	3 505	3 070	2 589	2 278	2 392
Bank certificates of deposit(a)	—	—	—	—	—	—	—	—	—	—
Other short term securities	635	857	939	918	946	880	802	744	762	499
<i>Long term securities</i>	2 639	3 137	3 062	3 141	2 944	3 210	3 064	2 843	2 599	2 625
<i>Equities and units in trusts</i>	28 638	37 481	44 016	46 400	50 570	53 101	55 128	57 750	54 670	63 182
Equities	17 420	22 337	26 083	27 828	29 180	29 258	30 669	32 239	29 280	34 512
Units in trusts	11 218	15 144	17 933	18 572	21 390	23 843	24 459	25 511	25 390	28 670
<i>Other financial assets</i>	2 046	2 901	1 813	1 820	1 728	1 942	2 296	2 546	2 375	1 644
<i>Land and buildings</i>	25 980	34 079	37 617	37 438	37 506	37 164	37 384	37 844	38 716	40 429
<i>Other non-financial assets</i>	1 528	2 292	2 428	2 453	2 804	5 147	3 612	3 923	3 989	4 018
Assets overseas	10 484	13 267	16 906	17 125	19 636	19 392	19 950	21 446	19 924	24 226

(a) Bank certificates of deposit are included with 'Cash and deposits' at banks.

FRIENDLY SOCIETIES, Unconsolidated Assets

	Jun Qtr 1998	Jun Qtr 1999	Mar Qtr 2000	Jun Qtr 2000	Sep Qtr 2000	Dec Qtr 2000	Mar Qtr 2001	Jun Qtr 2001	Sep Qtr 2001	Dec Qtr 2001
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	6 807	6 500	6 222	6 163	6 028	5 945	5 953	5 970	5 961	5 995
Assets in Australia	6 752	6 433	6 143	6 083	5 947	5 854	5 855	5 873	5 854	5 884
<i>Cash and deposits</i>	1 463	858	449	523	393	348	302	503	442	450
Banks	1 234	657	311	387	295	242	192	408	210	200
Other deposit taking institutions	229	201	138	136	98	106	110	95	232	250
<i>Loans and placements</i>	343	366	370	409	345	355	345	363	354	328
<i>Short term securities</i>	2 680	2 698	2 517	2 525	2 479	2 216	2 420	2 040	2 153	1 955
Bills of exchange	1 211	908	804	1 020	760	632	718	526	754	663
Bank certificates of deposit	1 082	1 442	1 423	1 218	1 396	1 244	1 355	1 101	1 033	929
Other short term securities	387	348	290	287	323	340	347	413	366	363
<i>Long term securities</i>	1 522	1 631	1 721	1 618	1 607	1 755	1 586	1 633	1 722	1 879
Commonwealth government bonds	308	280	259	254	233	238	172	203	190	250
State and local government securities	443	377	313	276	321	382	380	363	448	420
Other long term securities	771	974	1 149	1 088	1 053	1 135	1 034	1 067	1 084	1 209
<i>Equities and units in trusts</i>	212	336	545	511	607	658	676	732	689	709
Trading corporations shares	138	200	175	177	213	210	235	257	189	203
Financial sector shares	36	51	58	66	63	46	43	46	19	23
Units in trusts	38	85	312	268	331	402	398	429	481	483
<i>Other financial assets</i>	129	152	155	175	181	194	212	222	223	255
<i>Land and buildings</i>	292	286	279	251	245	244	232	223	201	213
<i>Other non-financial assets</i>	111	106	107	71	90	84	82	157	70	95
Assets overseas	55	67	79	80	81	91	98	97	107	111

COMMON FUNDS, Unconsolidated Assets

	Jun Qtr 1998	Jun Qtr 1999	Mar Qtr 2000	Jun Qtr 2000	Sep Qtr 2000	Dec Qtr 2000	Mar Qtr 2001	Jun Qtr 2001	Sep Qtr 2001	Dec Qtr 2001
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	7 018	7 726	8 122	7 622	7 221	7 363	7 829	8 203	8 280	8 055
Assets in Australia	6 974	7 690	8 081	7 599	7 221	7 361	7 827	8 201	8 258	8 004
<i>Cash and deposits</i>	885	849	719	852	594	555	733	809	952	985
Banks	594	543	421	564	389	384	591	605	755	805
Other deposit taking institutions	291	306	298	288	205	171	142	204	197	180
<i>Loans and placements</i>	1 406	1 803	1 992	2 018	1 742	1 849	1 690	1 594	1 698	1 762
<i>Short term securities</i>	3 238	3 328	3 600	3 003	3 237	3 365	3 700	4 113	3 877	3 639
Bills of exchange	2 321	2 105	2 073	1 465	1 978	1 744	1 772	2 104	1 451	1 337
Bank certificates of deposit	567	1 022	1 330	1 353	1 062	1 401	1 753	1 994	2 408	2 293
Other short term securities	350	201	197	185	197	220	175	15	18	9
<i>Long term securities</i>	789	924	903	865	873	845	844	728	750	694
Commonwealth government bonds	66	58	49	42	16	15	16	15	16	54
State and local government securities	344	363	371	377	334	332	315	266	222	216
Other long term securities	379	503	483	446	523	498	513	447	512	424
<i>Equities and units in trusts</i>	623	631	722	716	667	650	658	669	708	652
Trading corporations shares	204	214	239	213	214	228	170	283	285	203
Financial sector shares	319	335	375	387	341	344	428	360	330	336
Units in trusts	100	82	108	116	112	78	60	26	93	113
<i>Other financial assets</i>	—	60	60	71	66	55	160	246	230	230
<i>Land and buildings</i>	33	66	46	41	42	42	42	42	42	42
<i>Other non-financial assets</i>	—	29	39	33	—	—	—	—	1	—
Assets overseas	44	36	41	23	—	2	2	2	22	51

CASH MANAGEMENT TRUSTS, Unconsolidated Assets

	Jun Qtr 1998	Jun Qtr 1999	Mar Qtr 2000	Jun Qtr 2000	Sep Qtr 2000	Dec Qtr 2000	Mar Qtr 2001	Jun Qtr 2001	Sep Qtr 2001	Dec Qtr 2001
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	18 676	21 531	22 794	24 776	26 102	26 828	27 490	28 693	29 138	30 141
Assets in Australia	18 676	21 531	22 794	24 776	26 102	26 828	27 490	28 693	29 138	30 141
<i>Cash and deposits</i>	1 230	1 190	1 506	1 564	2 075	2 131	1 911	2 080	3 185	2 673
Banks	1 166	1 115	1 450	1 452	1 965	2 044	1 810	2 012	3 085	2 632
Other deposit taking institutions	64	75	56	112	110	87	101	68	100	41
<i>Loans and placements</i>	24	16	8	1	42	—	1	1	58	56
<i>Short term securities</i>	16 554	18 555	19 073	21 127	21 738	22 427	22 911	23 689	23 762	24 999
Bills of exchange	6 133	5 491	5 490	7 053	7 078	9 170	7 963	7 840	6 901	5 866
Bank certificates of deposit	7 872	9 404	7 950	9 087	9 686	7 212	9 235	10 450	11 399	13 041
Other short term securities	2 549	3 660	5 634	4 987	4 973	6 044	5 713	5 399	5 462	6 092
<i>Long term securities</i>	811	1 618	2 162	2 000	2 158	2 186	2 602	2 873	2 077	2 368
Commonwealth government bonds	—	—	—	—	—	—	—	—	—	—
State and local government securities	49	—	—	—	—	—	—	—	—	—
Other long term securities	762	1 618	2 162	2 000	2 158	2 186	2 602	2 873	2 077	2 368
<i>Equities and units in trusts</i>	—	—	—	—	—	—	—	—	—	—
<i>Other financial assets</i>	57	151	45	84	89	84	66	50	56	45
<i>Land and buildings</i>	—	—	—	—	—	—	—	—	—	—
<i>Other non-financial assets</i>	—	—	—	—	—	—	—	—	—	—
Assets overseas	—	—	—	—	—	—	—	—	—	—

INVESTMENT MANAGERS, Source of Funds

	<i>Jun Qtr</i> 1998	<i>Jun Qtr</i> 1999	<i>Mar Qtr</i> 2000	<i>Jun Qtr</i> 2000	<i>Sep Qtr</i> 2000	<i>Dec Qtr</i> 2000	<i>Mar Qtr</i> 2001	<i>Jun Qtr</i> 2001	<i>Sep Qtr</i> 2001	<i>Dec Qtr</i> 2001
<i>Source of funds</i>	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL SOURCE OF FUNDS	420 787	474 350	527 909	555 647	575 779	586 980	600 282	632 308	609 492	642 144
<i>Funds from Australian sources</i>	402 871	456 190	510 003	535 760	556 923	569 419	580 768	611 585	588 187	619 247
<i>Managed funds</i>	350 461	388 661	422 661	444 760	458 892	461 345	465 990	484 026	459 100	478 876
Life insurance offices	128 312	130 706	136 615	142 226	143 402	141 197	142 954	146 599	137 111	143 112
Superannuation funds	140 612	155 248	172 599	186 566	189 438	193 151	191 758	197 909	186 171	189 607
Public unit trusts	57 066	72 266	82 224	84 142	92 301	93 163	95 765	102 097	97 503	105 683
Friendly societies	5 649	5 133	4 615	4 285	4 239	3 639	3 411	3 483	3 109	3 220
Common funds	3 632	5 167	4 274	4 257	4 222	4 006	4 682	5 463	6 230	7 618
Cash management trusts	15 190	20 141	22 334	23 284	25 290	26 189	27 420	28 475	28 976	29 636
<i>Total other sources</i>	52 410	67 529	87 342	91 000	98 031	108 074	114 778	127 559	129 087	140 371
Government	6 879	9 232	9 243	8 978	9 181	9 747	10 688	12 438	12 759	13 181
Charities	1 293	950	839	886	893	889	915	951	898	1 019
Other trusts	9 738	20 793	30 464	32 804	38 694	46 111	52 330	58 648	61 231	66 107
General insurance	16 425	15 449	18 526	19 189	17 431	20 584	20 768	23 307	21 859	22 456
Other sources	18 075	21 105	28 270	29 143	31 832	30 743	30 077	32 215	32 340	37 608
<i>Funds from overseas sources</i>	17 916	18 160	17 906	19 887	18 856	17 561	19 514	20 723	21 305	22 897

EXPLANATORY NOTES

INTRODUCTION

1 The statistics presented in this publication on managed funds institutions in Australia have been compiled from the Survey of Financial Information conducted by the Australian Bureau of Statistics (ABS) and from a quarterly Survey of Superannuation Funds processed by the ABS on behalf of the Australian Prudential Regulation Authority (APRA).

2 Movements in the levels of assets of managed funds institutions between periods reflect two components—transactions activity in particular assets and valuation changes arising from price changes in particular assets.

3 Managed funds institutions, in general, are those financial intermediaries which operate in the managed funds market by acquiring and incurring financial assets and liabilities respectively on their own account. Typically these institutions arrange for the ‘pooling’ of funds from a number of investors for the purpose of investing in a particular type or mix of assets, with a view to receiving an on-going return or capital gain. However, funds of a speculative nature that do not offer redemption facilities (e.g. agriculture and film trusts) and funds not established for investment purposes (e.g. health funds and general insurance funds) are excluded.

4 A further development within the managed funds market is the emergence of specialist investment managers who engage primarily in activities closely related to financial intermediation but are employed on a fee for service basis to manage and invest in approved assets on their clients’ behalf. They usually act as investment managers for the smaller institutions, including unit trusts and superannuation funds. While they accept individual portfolios to manage, for example from charities, they are generally not accessible to the small investor. They act in the main as the managers of pooled funds, but also manage clients’ investments on an individual portfolio basis.

SCOPE AND COVERAGE

5 The scope of the statistics presented in this publication relates to the assets of all registered managed funds institutions operating in Australia. The types of managed funds covered by the statistics in this publication are:

- Life Insurance Offices,
- Superannuation Funds (which includes Approved Deposit Funds),
- Public Unit Trusts,
- Friendly Societies,
- Common Funds, and
- Cash Management Trusts.

6 Statistics in this publication relating to the Life Insurance Offices are derived from returns from 25 of the 51 registered life insurance offices operating in Australia, representing approximately 98% of the total assets of statutory funds. Data have been extrapolated to provide 100% coverage.

7 For Superannuation Funds, the information in this publication is derived from:

- Superannuation funds and approved deposit funds (ADFs) that directly invest their assets on their own behalf, and
- Fund managers who invest in assets on behalf of superannuation funds and ADFs.

EXPLANATORY NOTES

SCOPE AND COVERAGE *continued*

8 Up to and including the March quarter 1995, data on superannuation funds and ADFs that directly invest their assets on their own behalf were collected by the ABS Survey of Financial Information. From the June quarter 1995 the information on these superannuation funds is from a survey of the largest funds, processed by the ABS on behalf of APRA.

9 The statistics for superannuation funds in Table 3 include estimates, provided by APRA, for superannuation funds not currently surveyed. Also, the treatment of accounts receivable from national government by a number of large public sector employee funds has been changed from the December 1998 quarter onwards to be consistent with the revised treatment of these claims in the ABS publication *Australian National Accounts: Financial Accounts* (Cat. no. 5232.0). This changed treatment is in accord with the recent adoption by national and state and local governments of accrual accounting principles and the implementation of System of National Accounts 1993 standards. These assets, valued at \$4,774 million for the December 1998 quarter, are included in the item 'Other financial assets' in Table 3. To ensure there is no break in statistical continuity, this data series, together with all data series to which it contributes, has been revised back to September 1990.

10 The statistics on Public Unit Trusts do not include trusts which are exempted under Section 1069(3) of the *Corporations Act 1974* from providing redemption facilities (e.g. film and agriculture trusts); trusts which do not seek funds from the general public and small trusts are also excluded.

11 The statistics on Friendly Societies are compiled from information obtained from the 34 largest friendly societies. This provides coverage of approximately 95% of the total assets of friendly societies. No estimate is included for the friendly societies not covered in the survey.

12 Common Funds are operated by Trustee Companies under relevant State Trustee Companies Acts. At the end of December 1999 there were 17 trustee companies managing 85 common funds throughout Australia.

13 All Cash Management Trusts operating in Australia are included in the statistics, however, the number of trusts may vary from month to month due to the establishment or closure of individual trusts. There are currently 29 cash management trusts included in the Survey of Financial Information.

METHOD OF CONSOLIDATION

14 Estimates of the consolidated assets of managed funds are derived by eliminating any cross-investment that takes place between the various types of funds. For example, investments by superannuation funds in public unit trusts are excluded from the assets of superannuation funds in a consolidated presentation. It is not possible, however, to apportion cross-investment at the level of detail presented in the unconsolidated tables.

BASIS OF VALUATION

15 Respondents to the ABS Survey of Financial Information are requested to report assets at their market value.

EXPLANATORY NOTES

ASSETS IN AUSTRALIA/OVERSEAS	<p>16 <i>Assets in Australia</i> include land and buildings located in Australia and financial claims on residents; <i>assets overseas</i> include land and buildings located overseas and financial claims on non-residents. A resident is any person, corporation or other entity ordinarily domiciled in Australia, except foreign embassies, consulates and foreign controlled military establishments located in Australia, which are classified as non-resident. Non-residents include any persons, corporations or other entities ordinarily domiciled overseas. Entities located in Australia which are owned by non-residents are classified as residents of Australia (e.g. a branch or subsidiary of an overseas company). Overseas branches or subsidiaries of Australian companies are classified as non-residents.</p>						
FINANCIAL INSTRUMENTS	<p>17 The classification of financial instruments in this publication follows that contained in the ABS publication <i>Australian National Accounts, Financial Accounts (5232.0)</i>. Definitions of the various types of instrument are given in the glossary.</p>						
REVISIONS AND CHANGES TO CONTENT	<p>18 Revisions to previously published statistics are included in this publication. A special note on Page 2 of each publication highlights any major revisions to the statistics in certain tables.</p>						
RELATED PUBLICATIONS	<p>19 Users may also wish to refer to the following ABS publication of related data which is available on request:</p> <p><i>Australian National Accounts, Financial Accounts (5232.0)</i>—issued quarterly</p>						
SYMBOLS AND OTHER USAGES	<p>20 Discrepancies may occur between sums of the component items and totals due to rounding.</p> <table><tr><td>—</td><td>nil or rounded to zero</td></tr><tr><td>billion</td><td>one thousand million</td></tr><tr><td>n.p.</td><td>not available for publication but included in totals where applicable, unless otherwise indicated.</td></tr></table>	—	nil or rounded to zero	billion	one thousand million	n.p.	not available for publication but included in totals where applicable, unless otherwise indicated.
—	nil or rounded to zero						
billion	one thousand million						
n.p.	not available for publication but included in totals where applicable, unless otherwise indicated.						

GLOSSARY

- Assets overseas** Assets overseas include physical assets located overseas and financial claims on non-residents. Respondents to the ABS Survey of Financial Information are requested to report assets at their market value.
- Bank certificates of deposit** A certificate of deposit is similar to a promissory note except that the drawer is a bank. Most bank-issued certificates of deposit with an original term to maturity of one year or less are negotiable certificates of deposit (NCD). Transferable certificates of deposit with an original term to maturity greater than one year are included in long term assets.
- Bills of exchange** A bill of exchange is an unconditional order drawn (issued) by one party, sent to another party for acceptance and made out to, or to the order of, a third party, or to bearer. It is a negotiable instrument with an original term to maturity of 180 days or less. Although merchant banks were the promoters of the bill market in Australia, today almost all bills are bank accepted. Acceptance of a bill obliges the acceptor to pay the face value of the bill to the holder upon maturity.
- Cash and deposits** *Cash* covers notes and coin on hand. *Deposits* are credit account balances with deposit-taking institutions as defined by the Reserve Bank. These are banks and cash management trusts and all corporations registered under the *Financial Corporations Act 1974* except for intra-group financiers and retailers. Bonds, debentures, notes and transferable certificates of deposit issued by deposit-taking institutions are classified as *long term assets* and negotiable certificates of deposit issued by banks as *bank certificates of deposit*.
- Cash management trusts** A cash management trust is a unit trust which is governed by a trust deed, is open to the general public and which generally confines its investments (as authorised by the trust deed) to financial securities available through the short term money market. Cash management trusts issue units in the trust that are redeemable by the unit holder on demand.
- Common funds** Common funds are operated by Trustee Companies under relevant State Trustee Companies Acts. They permit trustee companies to combine depositors' funds and other funds held in trust in an investment pool, and invest the funds in specific types of securities and/or assets. Common funds have the same investment strategy and economic functions as cash management trusts and public unit trusts. However they do not operate in the same manner, in that they do not issue units, nor do they necessarily issue prospectuses.
- Equities and units in trusts** This category comprises shares traded on an organised stock exchange, shares in unlisted companies, convertible notes after conversion, preference shares and units issued by both listed and unlisted unit trusts. Trust units are included in this classification because they have important characteristics of equities, such as entitlement to a share of the profits and of (on liquidation) the residual assets of the trust.
- Friendly societies** Friendly societies are organisations registered as such under the appropriate State legislation.

GLOSSARY

- Investment managers** A considerable proportion of the assets of managed funds institutions in Australia (particularly the funds of life insurance offices and superannuation funds) is invested through *investment managers*.
- Investment managers invest and manage their clients' assets and often act as administrators for smaller funds, and as agents for other financial entities, on a fee for service basis. Whilst they accept individual portfolios for management they typically manage pooled funds, providing a sophisticated level of service, including matching return and risk, on behalf of their clients. Investment managers are generally life insurance offices, subsidiaries of banks, merchant banks, or organisations related to these types of institutions. They can be either separately constituted legal entities or form a segment of a particular financial institution.
- The funds which investment managers invest remain the asset of their clients and are not brought to account on the balance sheet of the investment manager. The ultimate responsibility for the investment remains with the client. For example, if a superannuation fund had all or part of its assets invested through investment managers, the trustees of the superannuation fund remain responsible for the investments, not the investment manager.
- Land and buildings** Land and buildings refers to land and buildings held and the value of units in unitised buildings. New acquisitions are reported at acquisition cost and existing assets are reported at the latest available market valuation.
- Life Insurance Offices** Most of the investment funds of life insurance offices are held in Statutory Funds. Statutory Funds of Life Insurance Offices have been set up under Commonwealth Government legislation and are analogous to trust funds. The legislation requires that the assets of any statutory fund must be kept separate and distinct from the assets of other statutory funds and any other assets of the company. All income received must be paid into and become an asset of the appropriate statutory fund and these assets are only available to meet the liabilities and expenses of that fund.
- Loans** Loans are intermediated borrowings which are not evidenced by the issue of debt securities. An example of this would be money borrowed from a life insurance office with a mortgage over property as collateral.
- Long term securities** A long term security is a document which represents the issuers pledge to pay the holder, on a date which, at the time of issue, is more than one year in the future, the sum of money shown on the face of the document. Until that future date the issuer usually promises to pay coupon interest to the holder quarterly or half-yearly at a rate which is fixed at the time the security is issued. These securities are therefore known as *fixed interest securities* in the professional market.

GLOSSARY

- Long term securities** *continued* *Long-term securities* in these statistics include the following types of securities.
- Treasury Bonds and Australian Savings Bonds. These are issued to corporations and the general public by the Commonwealth Government.
 - Various series of inscribed stock which are issued by state government owned borrowing authorities and enterprises. These are known as *semi-government securities* by professional traders.
 - Debentures, transferable certificates of deposit and unsecured notes, which are collectively called *corporate securities* or *medium term notes* by brokers.
 - Asset-backed bonds, such as mortgage-backed securities.
 - Convertible notes, prior to conversion.

The first two of these are published separately in this publication. The last three types are combined together as *other long term securities*.

- Managed funds** The term managed funds is used to describe the investments undertaken by those collective investment institutions and investment managers who engage in financial transactions in the managed funds market.

- Managed funds institutions** Managed funds institutions are those financial intermediaries which operate in the managed funds market by acquiring and incurring financial assets and liabilities respectively on their own account. Typically these institutions arrange for the ‘pooling’ of funds from a number of investors for the purpose of investing in a particular type or mix of assets, with a view to receiving an on-going return or capital gain. However, funds of a speculative nature that do not offer redemption facilities (e.g. agriculture and film trusts) and funds not established for investment purposes (e.g. health funds and general insurance funds) are excluded. It includes statutory funds of life offices, superannuation funds, public unit trusts, friendly societies, common funds and cash management trusts.

- Non-financial assets** Non-financial assets comprise all those assets which are not financial in nature: i.e. physical assets. For the purposes of these statistics they are broken down into only two categories—land and buildings, and other types of non-financial asset.

- Other financial assets** This covers any other financial claims on residents that do not fit into the foregoing categories, such as trade credit, interest accruals and other derivative (but not synthetic) financial products. Synthetic financial products combine a primary financial instrument with a derivative financial instrument and are classified to the category appropriate to the primary instrument used.

- Other non-financial assets** Other non-financial assets refers to all assets not classified elsewhere except for assets overseas.

- Placements** Placements are account balances with entities not regarded as deposit-taking institutions (see *cash and deposits*). Examples of these are account balances of funds with State governments central borrowing authorities.

- Promissory notes** A promissory note—also called *commercial paper* or *one-name paper* in the professional market—is a written promise to pay a specified sum of money to the bearer at an agreed date. It is usually issued for terms ranging from 30 to 180 days and is sold to an investor at a simple discount to the face value. A promissory note is different from a bill of exchange in that it is not ‘accepted’ by a bank and is not endorsed by the parties which sell it in the market place.

GLOSSARY

- Public unit trusts** A public unit trust is defined as an arrangement, governed by a trust deed between a management company and a trustee, which is open to the public for the purchase of units in the trust. Unit trusts invest the pooled funds of unit holders to yield returns in the form of income and/or capital gain. Unit holders can dispose of their units within a relatively short period of time.
- Short term securities** Debt securities are divided into short term and long term using original term to maturity as the classificatory criterion. *Short term securities* are those with an original term to maturity of one year or less. Issuers of promissory notes and bills of exchange do negotiate rollover facilities which allow them to use these instruments as sources of floating-rate long term funds. However, in these statistics the existence of rollover facilities does not convert what are legally short term instruments into long term ones.
- There are four types of short term securities shown in this publication: bills of exchange, promissory notes, Treasury notes and bank certificates of deposit. All of these are issued at a discount to face value and are traded on well-established secondary markets with bills of exchange and certificates of deposit being the most actively traded. Professional traders call these short term instruments *money market securities*. Treasury notes are inscribed stock in that ownership is recorded in a register maintained by the issuer and a non-transferable certificate of ownership is issued, but the owner does not physically hold the documents. The other short term securities are bearer securities, that is the owner is not registered with the issuer but physically holds the documents. Bearer securities are payable to the holder on maturity and transferable by delivery.
- Superannuation funds** Superannuation funds are indefinitely continuing funds maintained for the provision of benefits for either members of the fund, or the dependants of members in the event of retirement or death of the member.
- The statistics include both public and private sector superannuation funds that either directly invest on their own behalf, or use fund managers on a fee for service basis, and approved deposit funds.
- Treasury notes** Treasury notes are inscribed instruments issued by the Commonwealth Government with original maturity terms of five, thirteen or twenty-six weeks. Treasury notes are included in these statistics as *other short term assets*.

FOR MORE INFORMATION...

- INTERNET* **www.abs.gov.au** the ABS web site is the best place to start for access to summary data from our latest publications, information about the ABS, advice about upcoming releases, our catalogue, and Australia Now—a statistical profile.
- LIBRARY* A range of ABS publications is available from public and tertiary libraries Australia-wide. Contact your nearest library to determine whether it has the ABS statistics you require, or visit our web site for a list of libraries.
- CPI INFOLINE* For current and historical Consumer Price Index data, call 1902 981 074 (call cost 77c per minute).
- DIAL-A-STATISTIC* For the latest figures for National Accounts, Balance of Payments, Labour Force, Average Weekly Earnings, Estimated Resident Population and the Consumer Price Index call 1900 986 400 (call cost 77c per minute).

INFORMATION SERVICE

Data which have been published and can be provided within five minutes are free of charge. Our information consultants can also help you to access the full range of ABS information—ABS user-pays services can be tailored to your needs, time frame and budget. Publications may be purchased. Specialists are on hand to help you with analytical or methodological advice.

- PHONE* **1300 135 070**
- EMAIL* **client.services@abs.gov.au**
- FAX* 1300 135 211
- POST* Client Services, ABS, GPO Box 796, Sydney 1041

WHY NOT SUBSCRIBE?

ABS subscription services provide regular, convenient and prompt deliveries of ABS publications and products as they are released. Email delivery of monthly and quarterly publications is available.

- PHONE* 1300 366 323
- EMAIL* subscriptions@abs.gov.au
- FAX* 03 9615 7848
- POST* Subscription Services, ABS, GPO Box 2796Y, Melbourne 3001



2565500012017
ISSN 1037-7786

RRP \$19.50