

# Future Flow Intention



This document is confidential

Adviser Ratings Pty Ltd ACN 154 273 640

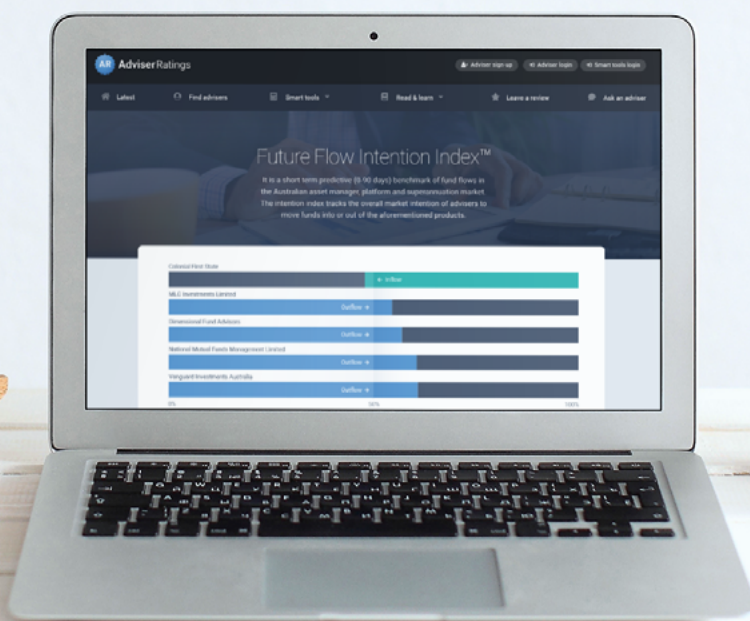


**Adviser  
Ratings**

## 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<sup>1</sup> 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<sup>2</sup>. 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

## November Flow Intent Data

The November 2022 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

- ▶ There is a strong correlation between a positive NPS score and the adviser's intent to invest (refer to special feature)
- ▶ Managed funds overall intent is to divest. However that is not the full story with products below seeing intention to invest:
  - CFS Colonial First State Wholesale Index Global Share – moderate to strong intent to invest
  - CFS Colonial First State Wholesale Index Australian Share – moderate to strong intent to invest
  - Vanguard Balanced Index – moderate intent to invest
- ▶ Australian ETFs remain neutral with some ETFs proving popular, the top 5 ETFs;
  - Vanguard Diversified Growth Index ETF
  - iShares Core MSCI World ex Australia ESG Leaders ETF
  - Vanguard Diversified High Growth Index ETF
  - Vanguard All-World ex US Shares Index ETF
  - VanEck Vectors FTSE Global Infrastructure (Hedged) ETF

Scenarios modelled over the last 90 days



3,734  
Scenarios



\$1,777  
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."*



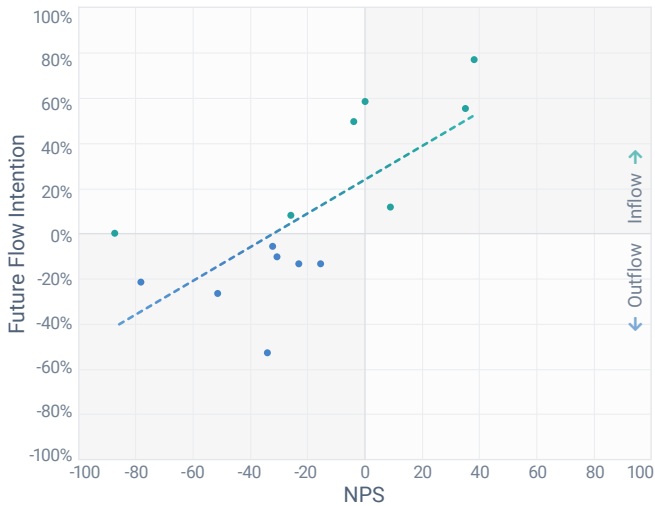
**Nicholas McGarrigle,**  
Founding Principal, Co-Head  
of Emerging Companies  
Research, Barrenjoey

## Special Feature: AR insights + Fund Flow Intention

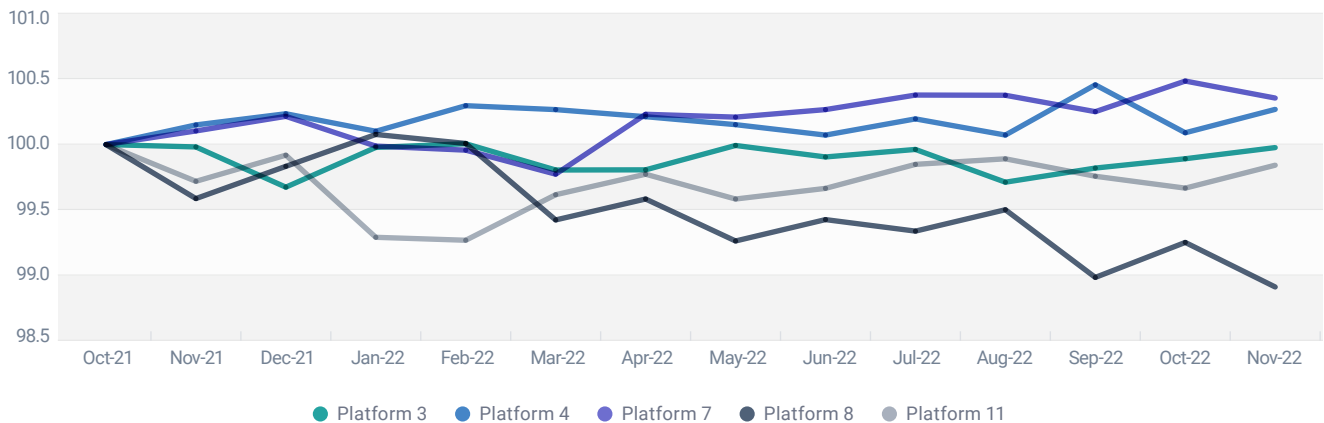
- Overall satisfaction with a platform strongly correlates with an adviser’s decision to move investments in and out of the respective platform.
- Client experience and ease of onboarding are the biggest drivers of a negative NPS score.
- Adviser experience and adviser support are key drivers of a positive NPS score.

Platform	Penetration	NPS	Future Flow Intention
1	19%	-16	-13%
2	12%	-78	-22%
3	35%	-26	8%
4	36%	9	12%
5	8%	-31	-10%
6	2%	0	58%
7	30%	38	77%
8	25%	-23	-13%
9	5%	-34	-53%
10	10%	-32	-6%
11	25%	35	55%
12	5%	-52	-27%
13	1%	-88	0%
14	7%	-4	49%

Relationship between NPS and platform netflows



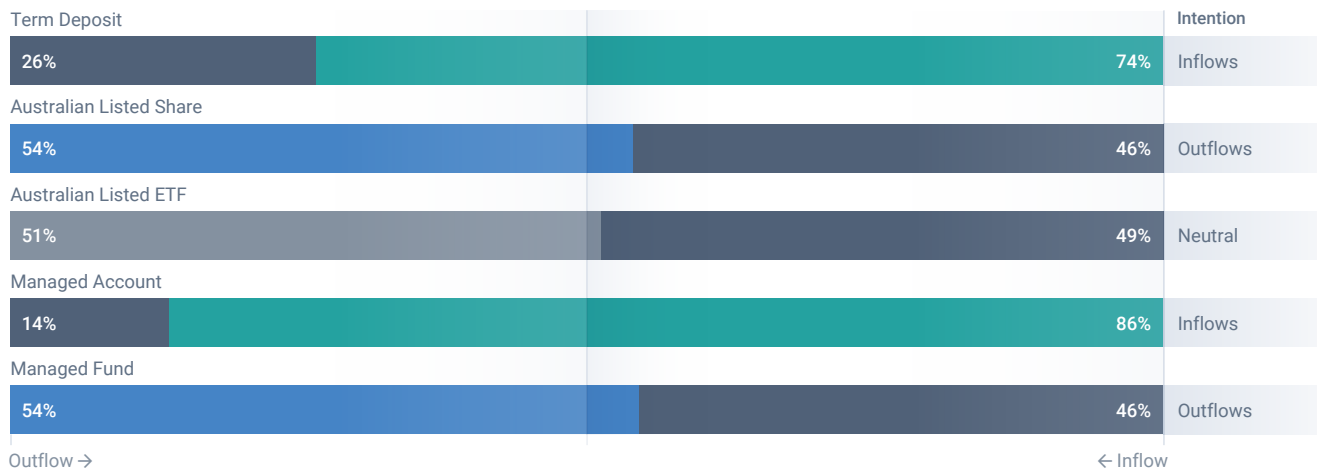
Future Flow Intention - Platforms (Indexed to Oct-21)



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

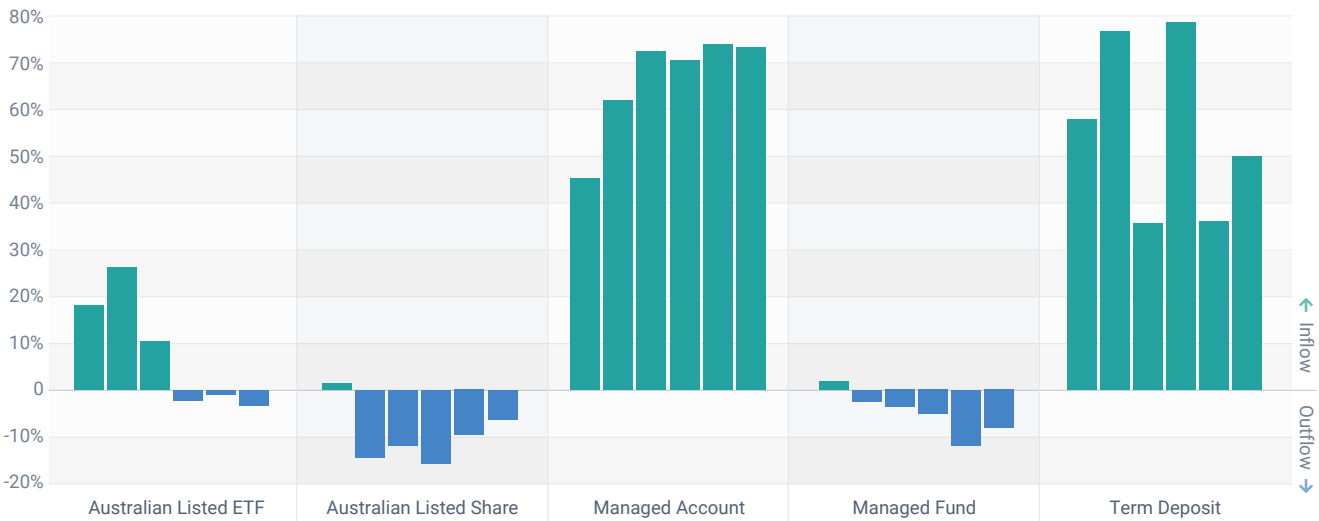
### 5 selected investment vehicles

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.



### Modelled scenarios 6-month historical trend

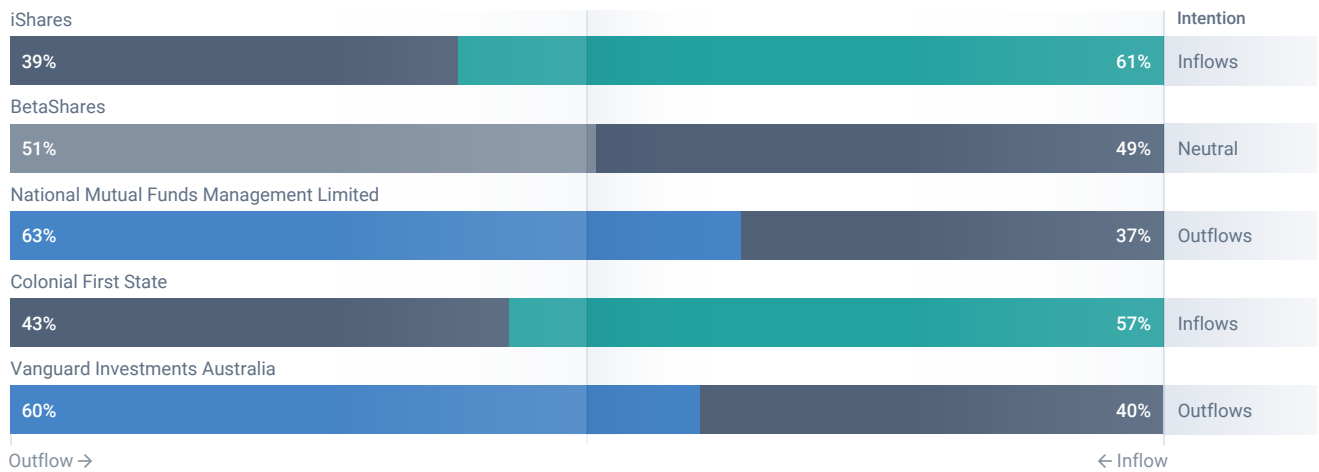
Supplementary to the Future Flow Intention which looks at the aggregate last 90 days. The following chart represents the modelled scenarios each month by the advisers on the platform for the respective investment vehicle. A positive percentage shows greater inflows, and a negative percentage shows greater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



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

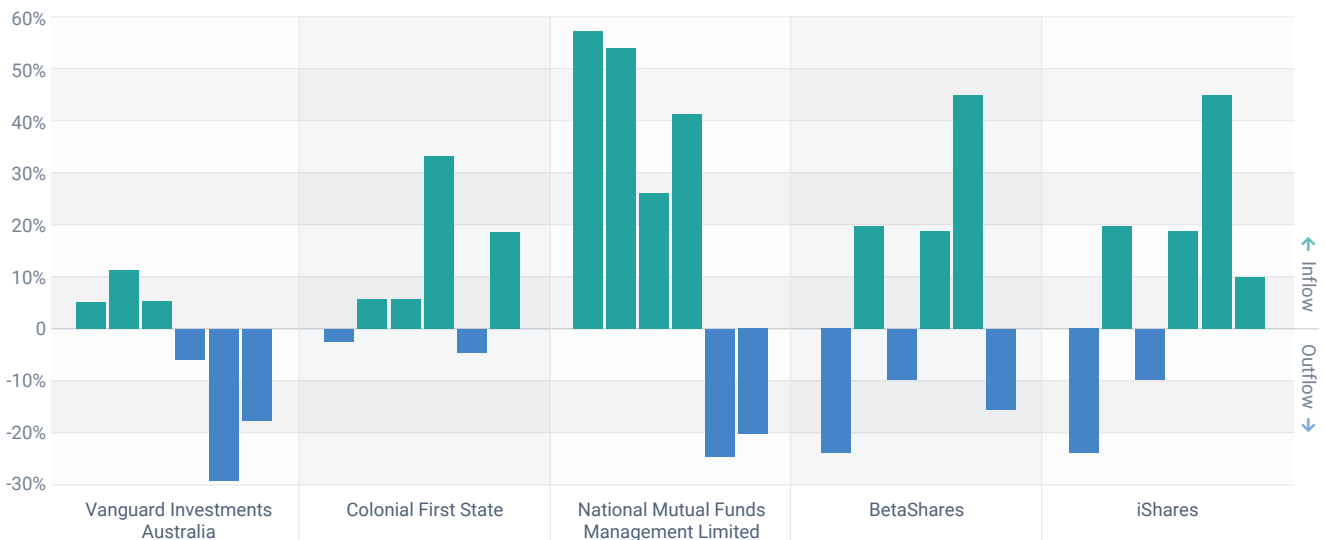
### 5 selected asset managers

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 and National Mutual (AMP) will have greater outflows in the next 60 days, while CFS and BetaShares are expected to see greater inflows.



### Modelled scenarios 6-month historical trend

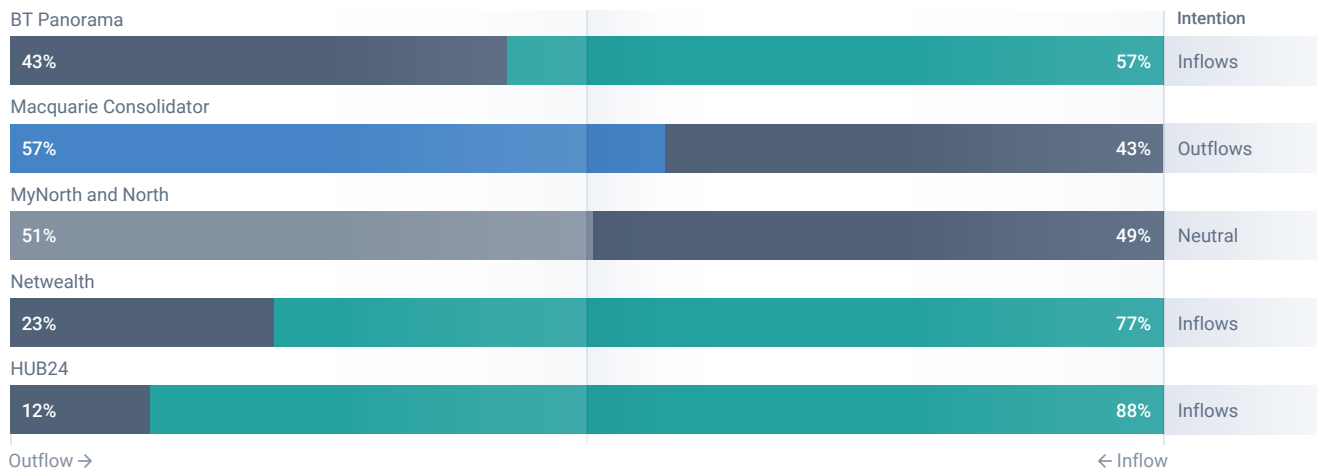
Supplementary to the Future Flow Intention which looks at the aggregate last 90 days. The following chart represents the modelled scenarios each month by the advisers on the platform for the respective asset manager. A positive percentage shows greater inflows, and a negative percentage shows greater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



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

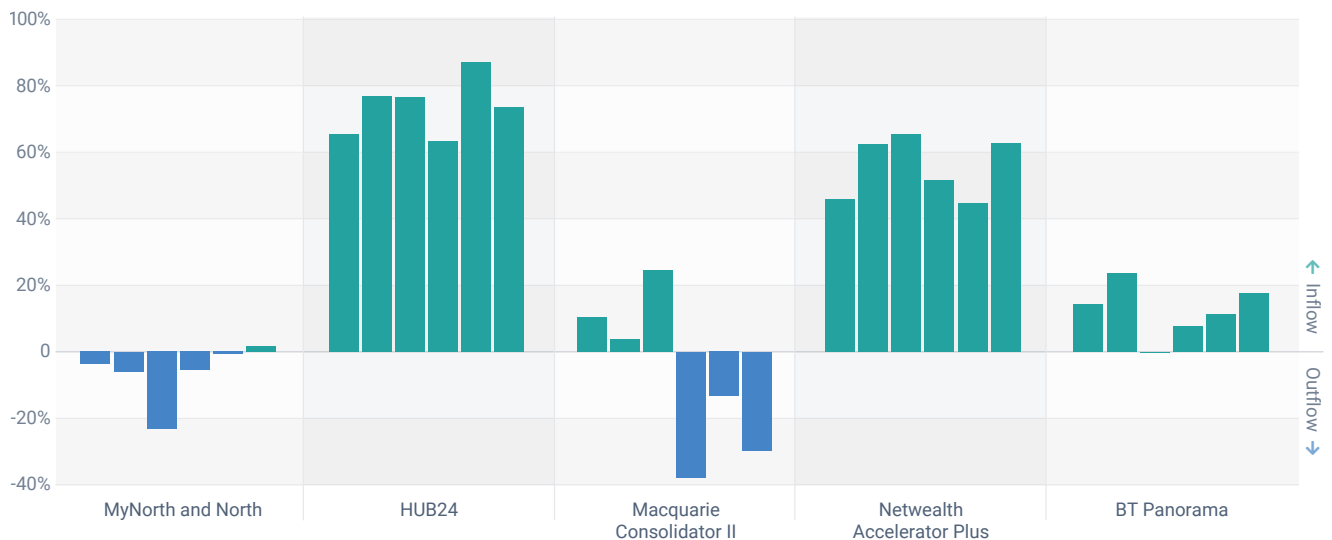
### 5 selected investment platforms

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, while Macquarie is likely to see an outflow of investments in the next 60 days.



### Modelled scenarios 6-month historical trend

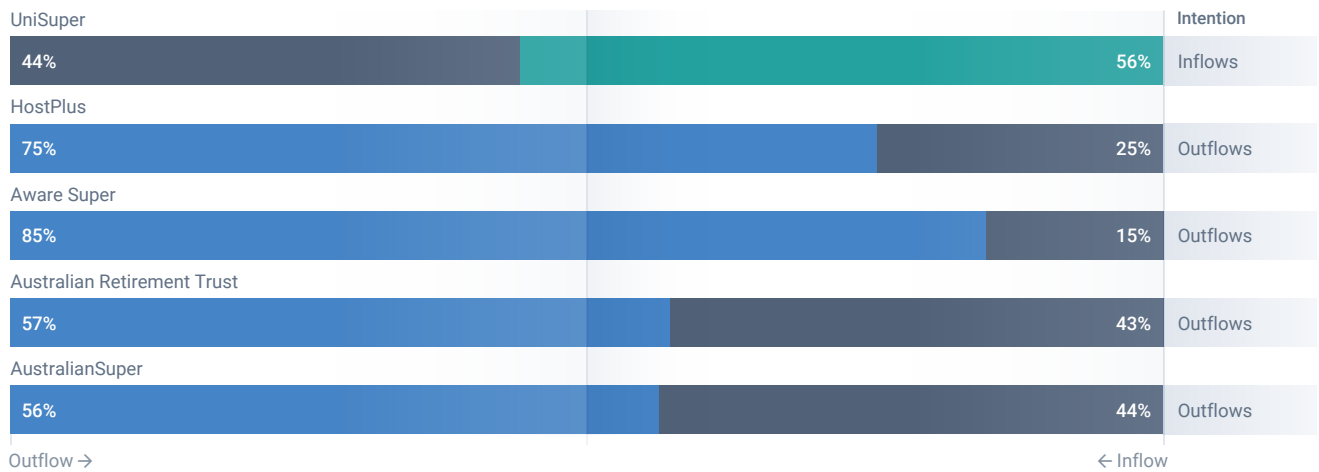
Supplementary to the Future Flow Intention which looks at the aggregate last 90 days. The following chart represents the modelled scenarios each month by the advisers on the platform for the respective platform. A positive percentage shows greater inflows, and a negative percentage shows greater outflows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



## Superannuation: Future Flow Intention over the next 60 days

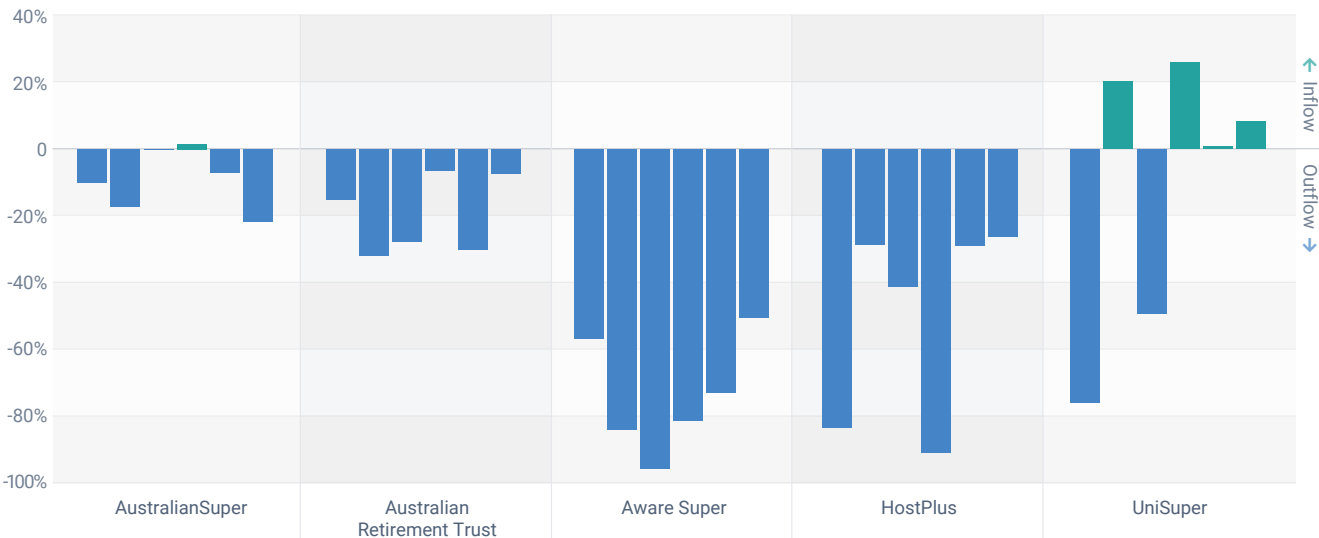
### 5 selected superannuation funds

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.



### 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 behaviours. Future flow outcomes are not guaranteed and may vary according to unpredictable market conditions.



ARdata provides insights to the financial services eco-system. We operate as a stand alone service to assist fund managers, superannuation funds, platforms, insurers, and other industry service providers to drive better outcomes by leveraging our deep knowledge and unique datasets.

The depth and breadth of our insights is what sets us apart and allow our clients to bring innovation to the market. We constantly add new data sources to experiment with and create new unique actionable insights. We love using data to solve problems.

[Learn about ARdata](#)

## Enquiries

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