

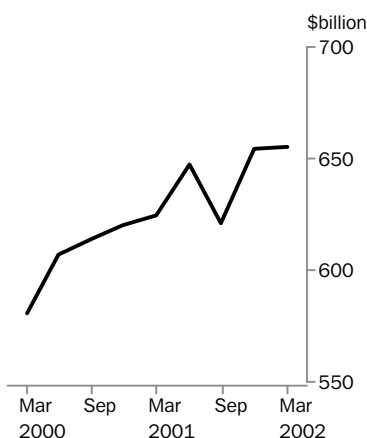


MANAGED FUNDS

AUSTRALIA

EMBARGO: 11:30AM (CANBERRA TIME) FRI 31 MAY 2002

Total consolidated assets



MARCH QTR KEY FIGURES

CONSOLIDATED ASSETS (a)	Mar Qtr 2001 \$m	Dec Qtr 2001 \$m	Mar Qtr 2002 \$m
Superannuation funds	294 361	302 779	303 915
Life insurance offices(b)	171 495	176 579	176 695
Other managed funds	158 343	175 196	174 992
Total	624 199	654 554	655 602

(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.

MARCH QTR KEY POINTS

CONSOLIDATED ASSETS

- The March quarter 2002 managed funds aggregates showed very little change from the December quarter 2001. Total consolidated assets of managed funds institutions was \$655.6 billion at 31 March 2002, an increase of \$1.0 billion from the revised December 2001 figure.
- By comparison with the asset price volatility of the September and December quarters 2001, the March quarter 2002 ASX All Ordinaries Index remained virtually static, the \$A appreciated against the \$US by 4% and the price of foreign shares (represented by the Dow Jones Industrial Index) decreased by 4%.
- The consolidated assets of five out of the six types of managed funds institutions remained virtually unchanged during the March quarter 2002. Only cash management trusts experienced a movement in consolidated assets, down \$0.9 billion (3%).
- The major asset class movements during the quarter were in loans and placements and short term securities, down \$0.9 billion (3%) and \$1.7 billion (3%) respectively. Other major movements were in assets overseas, up \$2.3 billion (2%) and cash and deposits, up \$0.5 billion (1%).
- Investment managers had \$649.1 billion funds under management, up \$11.2 billion (2%) from December 2001. They managed \$478.8 billion (73%) of consolidated managed funds institutions' 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

June 2002

30 August 2002

September 2002

29 November 2002



CHANGES IN THIS ISSUE

There are no changes in this issue.



REVISED THIS ISSUE

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 June 1995.



METHOD OF CONSOLIDATION

Estimates of the consolidated assets of managed funds are derived by eliminating any cross-investments that takes 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.

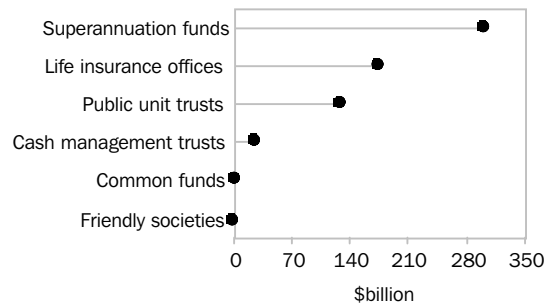


R.W. Edwards
Acting Australian Statistician

MANAGED FUNDS : Consolidated Assets

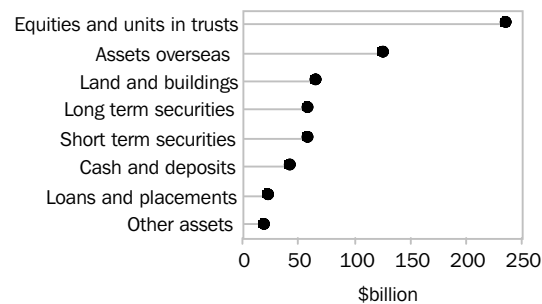
BY TYPE OF INSTITUTION

At 31 March 2002, consolidated assets of superannuation funds stood at \$303.9 billion, up \$1.1 billion since December 2001. Cash management trusts had consolidated assets of \$29.2 billion (down \$0.9 billion). The assets of life insurance offices, public unit trusts, friendly societies and common funds have remained virtually unchanged since December 2001.



BY TYPE OF ASSET

During the March 2002 quarter, assets overseas increased by \$2.3 billion (2%) and short term securities decreased by \$1.7 billion (3%). Equities and units in trusts increased marginally (by \$1 billion) and loans and placements decreased by \$0.9 billion (3%). Cash and deposits, long term securities, land and buildings and other assets showed little change since December 2001.



CROSS INVESTMENT

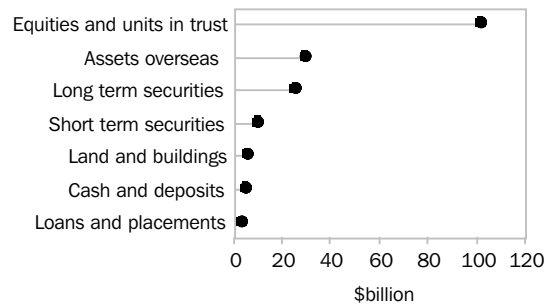
The table below presents the unconsolidated, cross-invested and consolidated assets of managed funds by type of fund at 31 March 2002.

Type of fund	Unconsolidated assets \$m	Cross-invested assets \$m	Consolidated assets \$m
Life insurance offices	202 607	25 912	176 695
Superannuation funds	369 215	65 301	303 915
Public unit trusts	154 302	22 011	132 291
Friendly societies	5 990	495	5 495
Common funds	8 181	169	8 012
Cash management trusts	29 194	—	29 194
Total	769 490	113 887	655 602

MANAGED FUNDS : Unconsolidated Assets

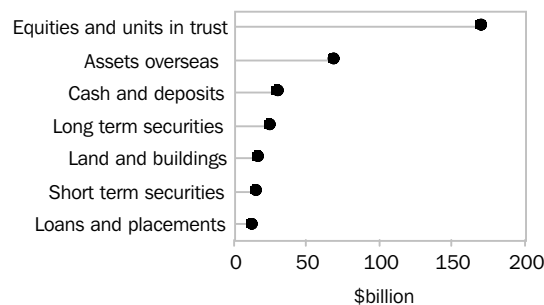
LIFE INSURANCE OFFICES

The total assets of life offices was \$202.6 billion at 31 March 2002, an increase of \$2.0 billion (1%) since December 2001. Equities and units in trusts increased by \$3.3 billion (3%), assets held overseas increased by \$0.8 billion (3%), while long term securities decreased by \$0.8 billion (3%). Cash and deposits and loans and placements both decreased by \$0.4 billion (5%) and \$0.9 billion (13%) respectively.



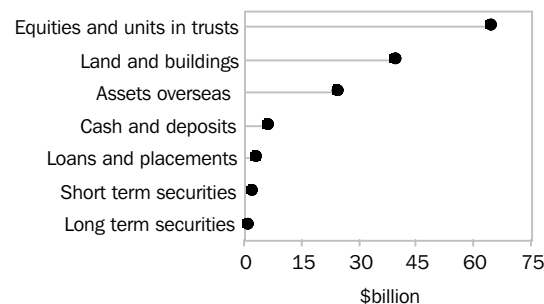
SUPERANNUATION FUNDS

The total assets of superannuation funds was \$369.2 billion at 31 March 2002, an increase of \$3.3 billion (1%) since December 2001. Holdings of cash and deposits increased \$1.6 billion (5%) to \$32.4 billion. Holdings of equities and units in trusts increased \$0.7 billion to \$173 billion. An increase in holdings of units in trusts of \$2.1 billion (3%) to \$62.9 billion was offset by a \$0.9 billion (3%) decrease in holdings of financial sector shares to \$33.6 billion. Assets overseas increased by \$0.4 billion (1%) to \$71.8 billion.



PUBLIC UNIT TRUSTS

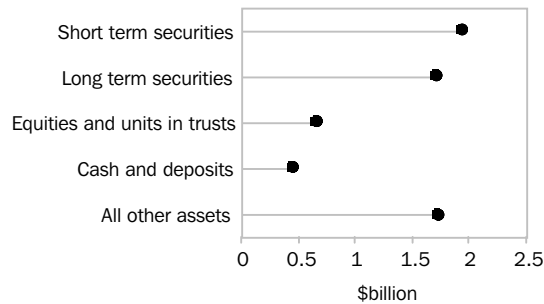
The total assets of public unit trusts was \$154.3 billion at 31 March 2002, an increase of \$1.9 billion (1%) since December 2001. The major increases in assets during the quarter were equities, up \$1.9 billion (3%), and assets overseas, up \$1.1 billion (5%). As a proportion of Australian assets held, equities and units in trusts accounted for 51%, whilst land and buildings accounted for 32%.



MANAGED FUNDS: Unconsolidated Assets *continued*

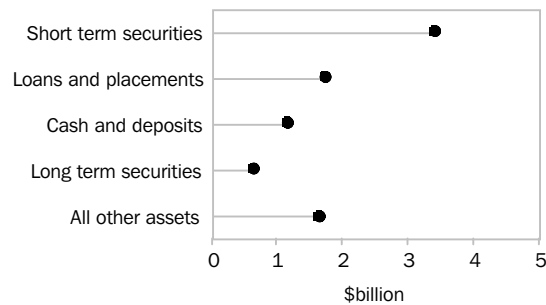
FRIENDLY SOCIETIES

The total assets of friendly societies was just under \$6 billion at 31 March 2002, virtually unchanged since December 2001. Long term securities decreased \$0.1 billion (7%) and short term securities remained virtually the same. Short and long term securities accounted for 62% of total assets.



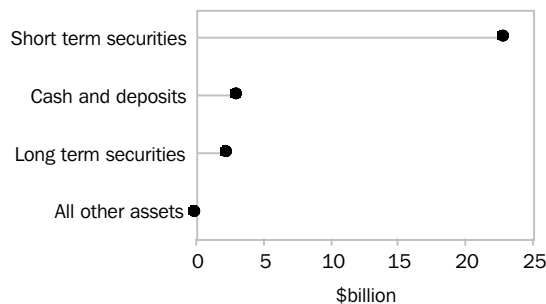
COMMON FUNDS

Total assets of common funds was \$8.2 billion at 31 March 2002, an increase of \$0.1 billion (2%) since December 2001. Short term securities accounted for 42% of total assets.



CASH MANAGEMENT TRUSTS

The total assets of cash management trusts was \$29.2 billion at 31 March 2002, a decrease of \$1 billion (3%) since December 2001. Bank certificates of deposit increased \$1.0 billion (8%) and accounted for 61% of the total short term securities.

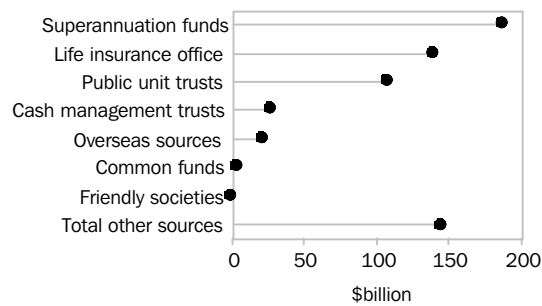


MANAGED FUNDS — INVESTMENT MANAGERS

SOURCE OF FUNDS UNDER MANAGEMENT

During March quarter 2002 there was an increase in total funds under management by investment managers of \$11.2 billion (2%), bringing the total sources of funds under management to \$649.1 billion. The value of funds under management on behalf of life insurance offices increased by \$2.1 billion (2%), general insurance companies increased by \$1.7 billion (8%), public unit trusts increased by \$1.8 billion (2%), trusts other than public unit trusts increased by \$3.9 billion (6%) and funds sourced from superannuation funds increased by \$1.4 billion (1%).

The value of managed funds assets invested through investment managers was \$478.8 billion at 31 March 2002, 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>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>	<i>Mar Qtr 2002</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Type of institution										
Life insurance offices(a)	148 170	163 384	173 522	171 755	170 873	171 495	175 789	168 763	176 579	176 695
Superannuation funds	202 012	235 922	286 529	291 080	294 190	294 361	306 949	290 779	302 779	303 915
Public unit trusts	73 435	93 968	108 750	112 360	115 432	117 564	121 940	118 685	131 648	132 291
Friendly societies	6 769	6 415	5 895	5 697	5 543	5 555	5 523	5 477	5 510	5 495
Common funds	6 845	7 568	7 434	7 058	7 242	7 734	8 126	8 138	7 897	8 012
Cash management trusts	18 676	21 531	24 776	26 102	26 828	27 490	28 693	29 138	30 141	29 194
Total	455 908	528 787	606 906	614 052	620 108	624 199	647 019	620 979	654 554	655 602
Type of asset										
Cash and deposits(b)	33 349	36 622	39 681	40 191	39 768	42 171	46 236	44 699	44 890	45 382
Loans and placements	24 040	27 762	32 390	31 302	28 884	28 969	30 480	28 244	28 374	27 410
Short term securities(b)	54 565	67 794	63 747	62 464	63 311	61 525	62 775	58 540	62 960	61 221
Long term securities	66 080	70 343	72 729	69 204	69 768	68 521	66 312	63 453	62 428	62 272
Equities and units in trusts	134 559	156 916	197 641	207 674	216 284	216 176	232 310	213 840	237 532	238 478
Land and buildings	48 170	57 387	64 237	64 386	64 336	65 970	67 051	65 843	68 614	68 307
Assets overseas	77 785	90 876	115 267	120 417	116 776	120 113	119 501	122 247	126 477	128 782
Other assets	17 361	21 087	21 214	18 414	20 981	20 753	22 355	24 114	23 279	23 752
Total	455 908	528 787	606 906	614 052	620 108	624 199	647 019	620 979	654 554	655 602

(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	Jun Qtr 2000	Sep Qtr 2000	Dec Qtr 2000	Mar Qtr 2001	Jun Qtr 2001	Sep Qtr 2001	Dec Qtr 2001	Mar Qtr 2002
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	159 550	176 378	191 599	193 723	194 322	194 326	198 068	189 389	200 584	202 607
Assets in Australia	132 534	147 893	158 773	161 094	164 828	163 759	168 096	160 852	169 830	171 067
<i>Cash and deposits</i>	9 850	10 315	9 854	9 775	8 866	9 253	9 391	9 003	7 680	7 327
Banks	3 127	4 216	4 881	4 832	4 392	4 836	5 151	5 151	4 822	4 226
Other deposit taking institutions	6 722	6 099	4 973	4 944	4 474	4 417	4 240	3 852	2 858	3 101
<i>Loans and placements</i>	8 171	7 673	8 847	9 596	8 493	7 915	7 706	7 709	6 591	5 703
<i>Short term securities</i>	14 935	18 724	14 085	11 117	11 082	9 696	11 471	10 780	11 855	11 506
Bills of exchange	4 819	4 473	2 307	2 357	2 897	3 698	3 593	3 791	4 089	3 844
Bank certificates of deposit	4 425	7 537	5 409	3 971	3 249	2 712	2 612	2 211	2 958	3 572
Other short term securities	5 691	6 714	6 368	4 788	4 936	3 286	5 266	4 779	4 808	4 090
<i>Long term securities</i>	33 039	35 990	35 600	31 402	30 740	30 874	30 410	29 302	27 695	26 894
Commonwealth government bonds	12 131	11 781	8 953	7 928	8 722	8 148	7 205	5 817	6 086	6 599
State and local government securities	10 898	11 705	12 583	10 594	9 915	9 753	10 193	9 370	8 380	7 834
Other long term securities	10 011	12 504	14 064	12 880	12 103	12 973	13 011	14 115	13 229	12 461
<i>Equities and units in trusts</i>	54 005	61 684	76 845	86 597	92 953	91 854	95 179	88 457	100 485	103 785
Trading corporations shares	25 169	26 408	29 289	28 720	29 633	30 108	30 348	26 687	30 446	33 026
Financial sector shares	10 402	11 467	13 594	12 449	13 052	12 737	14 380	12 028	13 413	13 313
Units in trusts	18 434	23 809	33 962	45 427	50 267	49 008	50 450	49 742	56 625	57 446
<i>Other financial assets</i>	4 298	4 466	4 203	3 208	3 155	4 162	3 833	6 232	6 281	6 430
<i>Land and buildings</i>	7 520	8 159	8 637	8 803	8 829	9 284	9 364	8 508	8 338	8 305
<i>Other non-financial assets</i>	716	882	703	596	711	721	742	861	905	1 117
Assets overseas	27 016	28 485	32 825	32 629	29 494	30 567	29 972	28 538	30 754	31 540

(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	Jun Qtr 2000	Sep Qtr 2000	Dec Qtr 2000	Mar Qtr 2001	Jun Qtr 2001	Sep Qtr 2001	Dec Qtr 2001	Mar Qtr 2002
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	238 909	275 038	338 235	344 873	349 000	350 639	365 518	348 910	365 879	369 215
Assets in Australia	198 723	226 017	273 022	276 802	281 203	281 142	297 521	275 241	294 532	297 444
<i>Cash and deposits</i>	<i>20 213</i>	<i>23 191</i>	<i>25 571</i>	<i>27 020</i>	<i>27 603</i>	<i>29 156</i>	<i>32 631</i>	<i>29 414</i>	<i>30 775</i>	<i>32 393</i>
Banks	14 260	18 157	22 156	22 968	23 711	25 023	27 115	24 985	26 105	27 538
Other deposit taking institutions	5 953	5 034	3 416	4 052	3 893	4 133	5 516	4 429	4 669	4 855
<i>Loans and placements</i>	<i>10 414</i>	<i>13 171</i>	<i>16 537</i>	<i>15 757</i>	<i>15 092</i>	<i>15 386</i>	<i>16 905</i>	<i>14 488</i>	<i>15 672</i>	<i>15 520</i>
<i>Short term securities</i>	<i>13 568</i>	<i>20 369</i>	<i>19 596</i>	<i>19 860</i>	<i>19 837</i>	<i>18 927</i>	<i>18 130</i>	<i>14 929</i>	<i>17 622</i>	<i>17 995</i>
Bills of exchange	5 137	6 832	6 193	6 127	6 839	6 667	6 399	5 394	6 522	6 236
Bank certificates of deposit	6 695	9 184	9 083	9 232	9 005	8 786	9 099	8 072	8 667	8 778
Other short term securities	1 735	4 354	4 320	4 501	3 993	3 475	2 631	1 462	2 433	2 981
<i>Long term securities</i>	<i>27 279</i>	<i>27 043</i>	<i>29 505</i>	<i>30 220</i>	<i>31 033</i>	<i>29 551</i>	<i>27 825</i>	<i>27 004</i>	<i>27 169</i>	<i>27 774</i>
Commonwealth government bonds	15 073	13 807	14 557	14 220	14 723	14 027	12 607	11 772	11 777	11 922
State and local government securities	7 997	5 156	5 428	6 117	6 128	5 740	5 715	5 981	5 189	5 379
Other long term securities	4 209	8 080	9 520	9 883	10 182	9 784	9 504	9 250	10 203	10 473
<i>Equities and units in trusts</i>	<i>103 585</i>	<i>116 215</i>	<i>151 048</i>	<i>154 961</i>	<i>158 283</i>	<i>158 001</i>	<i>170 171</i>	<i>159 333</i>	<i>172 451</i>	<i>173 138</i>
Trading corporations shares	51 960	56 817	73 089	73 437	73 629	72 335	78 261	71 807	77 183	76 640
Financial sector shares	16 852	22 288	28 199	29 933	32 193	31 777	35 324	31 439	34 476	33 612
Units in trusts	34 773	37 110	49 760	51 592	52 461	53 889	56 586	56 088	60 792	62 886
<i>Other financial assets</i>	<i>8 549</i>	<i>10 580</i>	<i>11 940</i>	<i>10 410</i>	<i>10 489</i>	<i>10 279</i>	<i>11 378</i>	<i>10 858</i>	<i>10 737</i>	<i>10 686</i>
<i>Land and buildings</i>	<i>14 344</i>	<i>14 798</i>	<i>17 871</i>	<i>17 789</i>	<i>18 057</i>	<i>19 028</i>	<i>19 578</i>	<i>18 376</i>	<i>19 185</i>	<i>18 999</i>
<i>Other non-financial assets</i>	<i>770</i>	<i>651</i>	<i>954</i>	<i>784</i>	<i>809</i>	<i>813</i>	<i>902</i>	<i>840</i>	<i>920</i>	<i>938</i>
Assets overseas	40 186	49 022	65 214	68 070	67 797	69 496	67 997	73 669	71 348	71 772

(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	Jun Qtr 2000	Sep Qtr 2000	Dec Qtr 2000	Mar Qtr 2001	Jun Qtr 2001	Sep Qtr 2001	Dec Qtr 2001	Mar Qtr 2002
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	83 064	107 114	122 723	128 787	133 379	135 112	140 270	136 806	152 386	154 302
Assets in Australia	72 580	93 847	105 598	109 151	113 987	115 162	118 837	116 895	128 173	128 993
<i>Cash and deposits</i>	4 463	5 094	6 048	5 302	5 446	6 071	6 586	7 485	8 624	7 209
Banks(a)	2 380	2 809	3 767	2 991	2 980	3 567	3 157	4 002	4 906	3 255
Other deposit taking institutions	2 083	2 285	2 281	2 311	2 466	2 504	3 429	3 483	3 718	3 954
<i>Loans and placements</i>	3 696	4 743	4 888	4 264	3 593	3 736	4 001	4 009	4 052	4 019
<i>Short term securities</i>	3 590	4 120	3 410	4 033	4 384	3 871	3 332	3 039	2 890	3 234
Bills of exchange	2 956	3 264	2 492	3 087	3 505	3 070	2 589	2 278	2 391	2 710
Bank certificates of deposit(a)	—	—	—	—	—	—	—	—	—	—
Other short term securities	635	857	918	946	880	802	744	762	499	524
<i>Long term securities</i>	2 639	3 137	3 141	2 944	3 210	3 064	2 843	2 599	2 623	2 516
<i>Equities and units in trusts</i>	28 638	37 481	46 400	50 570	53 101	55 128	57 761	54 682	63 483	65 382
Equities	17 420	22 337	27 828	29 180	29 258	30 669	32 239	29 280	34 816	35 116
Units in trusts	11 218	15 144	18 572	21 390	23 843	24 459	25 522	25 402	28 667	30 266
<i>Other financial assets</i>	2 046	2 901	1 820	1 728	1 942	2 296	2 546	2 375	1 647	2 017
<i>Land and buildings</i>	25 980	34 079	37 438	37 506	37 164	37 384	37 844	38 716	40 836	40 750
<i>Other non-financial assets</i>	1 528	2 292	2 453	2 804	5 147	3 612	3 924	3 990	4 018	3 866
Assets overseas	10 484	13 267	17 125	19 636	19 392	19 950	21 433	19 911	24 213	25 309

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

FRIENDLY SOCIETIES, Unconsolidated Assets

	Jun Qtr 1998	Jun Qtr 1999	Jun Qtr 2000	Sep Qtr 2000	Dec Qtr 2000	Mar Qtr 2001	Jun Qtr 2001	Sep Qtr 2001	Dec Qtr 2001	Mar Qtr 2002
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	6 807	6 500	6 163	6 028	5 945	5 953	5 970	5 961	5 995	5 990
Assets in Australia	6 752	6 433	6 083	5 947	5 854	5 855	5 873	5 854	5 884	5 877
<i>Cash and deposits</i>	1 463	858	523	393	348	302	503	442	450	481
Banks	1 234	657	387	295	242	192	408	210	200	231
Other deposit taking institutions	229	201	136	98	106	110	95	232	250	250
<i>Loans and placements</i>	343	366	409	345	355	345	363	354	328	354
<i>Short term securities</i>	2 680	2 698	2 525	2 479	2 216	2 420	2 040	2 153	1 955	1 983
Bills of exchange	1 211	908	1 020	760	632	718	526	754	663	517
Bank certificates of deposit	1 082	1 442	1 218	1 396	1 244	1 355	1 101	1 033	929	1 078
Other short term securities	387	348	287	323	340	347	413	366	363	388
<i>Long term securities</i>	1 522	1 631	1 618	1 607	1 755	1 586	1 633	1 722	1 879	1 756
Commonwealth government bonds	308	280	254	233	238	172	203	190	250	189
State and local government securities	443	377	276	321	382	380	363	448	420	387
Other long term securities	771	974	1 088	1 053	1 135	1 034	1 067	1 084	1 209	1 180
<i>Equities and units in trusts</i>	212	336	511	607	658	676	732	689	709	717
Trading corporations shares	138	200	177	213	210	235	257	189	203	199
Financial sector shares	36	51	66	63	46	43	46	19	23	25
Units in trusts	38	85	268	331	402	398	429	481	483	493
<i>Other financial assets</i>	129	152	175	181	194	212	222	223	255	274
<i>Land and buildings</i>	292	286	251	245	244	232	223	201	213	210
<i>Other non-financial assets</i>	111	106	71	90	84	82	157	70	95	102
Assets overseas	55	67	80	81	91	98	97	107	111	113

COMMON FUNDS, Unconsolidated Assets

	Jun Qtr 1998	Jun Qtr 1999	Jun Qtr 2000	Sep Qtr 2000	Dec Qtr 2000	Mar Qtr 2001	Jun Qtr 2001	Sep Qtr 2001	Dec Qtr 2001	Mar Qtr 2002
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	7 018	7 726	7 622	7 221	7 363	7 829	8 203	8 280	8 055	8 181
Assets in Australia	6 974	7 690	7 599	7 221	7 361	7 827	8 201	8 258	8 004	8 133
<i>Cash and deposits</i>	885	849	852	594	555	733	809	952	985	1 214
Banks	594	543	564	389	384	591	605	755	805	1 043
Other deposit taking institutions	291	306	288	205	171	142	204	197	180	171
<i>Loans and placements</i>	1 406	1 803	2 018	1 742	1 849	1 690	1 594	1 698	1 762	1 801
<i>Short term securities</i>	3 238	3 328	3 003	3 237	3 365	3 700	4 113	3 877	3 639	3 473
Bills of exchange	2 321	2 105	1 465	1 978	1 744	1 772	2 104	1 451	1 337	1 222
Bank certificates of deposit	567	1 022	1 353	1 062	1 401	1 753	1 994	2 408	2 293	2 243
Other short term securities	350	201	185	197	220	175	15	18	9	8
<i>Long term securities</i>	789	924	865	873	845	844	728	750	694	725
Commonwealth government bonds	66	58	42	16	15	16	15	16	54	53
State and local government securities	344	363	377	334	332	315	266	222	216	230
Other long term securities	379	503	446	523	498	513	447	512	424	442
<i>Equities and units in trusts</i>	623	631	716	667	650	658	669	708	652	662
Trading corporations shares	204	214	213	214	228	170	283	285	203	201
Financial sector shares	319	335	387	341	344	428	360	330	336	335
Units in trusts	100	82	116	112	78	60	26	93	113	126
<i>Other financial assets</i>	—	60	71	66	55	160	246	230	230	216
<i>Land and buildings</i>	33	66	41	42	42	42	42	42	42	42
<i>Other non-financial assets</i>	—	29	33	—	—	—	—	1	—	—
Assets overseas	44	36	23	—	2	2	2	22	51	48

CASH MANAGEMENT TRUSTS, Unconsolidated Assets

	Jun Qtr 1998	Jun Qtr 1999	Jun Qtr 2000	Sep Qtr 2000	Dec Qtr 2000	Mar Qtr 2001	Jun Qtr 2001	Sep Qtr 2001	Dec Qtr 2001	Mar Qtr 2002
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	18 676	21 531	24 776	26 102	26 828	27 490	28 693	29 138	30 141	29 194
Assets in Australia	18 676	21 531	24 776	26 102	26 828	27 490	28 693	29 138	30 141	29 194
<i>Cash and deposits</i>	1 230	1 190	1 564	2 075	2 131	1 911	2 080	3 185	2 673	3 408
Banks	1 166	1 115	1 452	1 965	2 044	1 810	2 012	3 085	2 632	3 283
Other deposit taking institutions	64	75	112	110	87	101	68	100	41	125
<i>Loans and placements</i>	24	16	1	42	—	1	1	58	56	83
<i>Short term securities</i>	16 554	18 555	21 127	21 738	22 427	22 911	23 689	23 762	24 999	23 030
Bills of exchange	6 133	5 491	7 053	7 078	9 170	7 963	7 840	6 901	5 866	4 858
Bank certificates of deposit	7 872	9 404	9 087	9 686	7 212	9 235	10 450	11 399	13 041	14 070
Other short term securities	2 549	3 660	4 987	4 973	6 044	5 713	5 399	5 462	6 092	4 102
<i>Long term securities</i>	811	1 618	2 000	2 158	2 186	2 602	2 873	2 077	2 368	2 606
Commonwealth government bonds	—	—	—	—	—	—	—	—	—	—
State and local government securities	49	—	—	—	—	—	—	—	—	—
Other long term securities	762	1 618	2 000	2 158	2 186	2 602	2 873	2 077	2 368	2 606
<i>Equities and units in trusts</i>	—	—	—	—	—	—	—	—	—	—
<i>Other financial assets</i>	57	151	84	89	84	66	50	56	45	68
<i>Land and buildings</i>	—	—	—	—	—	—	—	—	—	—
<i>Other non-financial assets</i>	—	—	—	—	—	—	—	—	—	—
Assets overseas	—	—	—	—	—	—	—	—	—	—

INVESTMENT MANAGERS, Source of Funds

<i>Source of funds</i>	<i>Jun Qtr 1998</i>	<i>Jun Qtr 1999</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>	<i>Mar Qtr 2002</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL SOURCE OF FUNDS	420 787	474 350	555 647	575 779	586 980	600 282	632 308	610 283	637 874	649 114
<i>Funds from Australian sources</i>	402 871	456 190	535 760	556 923	569 419	580 768	611 585	588 978	614 979	625 710
<i>Managed funds</i>	350 461	388 661	444 760	458 892	461 345	465 990	484 026	459 225	474 817	478 838
Life insurance offices	128 312	130 706	142 226	143 402	141 197	142 954	146 599	137 152	139 300	141 447
Superannuation funds (a)	140 612	155 248	186 969	189 846	193 560	192 158	198 329	185 057	188 229	189 599
Public unit trusts	57 066	72 266	83 739	91 893	92 754	95 365	101 677	98 702	107 099	108 941
Friendly societies	5 649	5 133	4 285	4 239	3 639	3 411	3 483	3 109	3 220	3 157
Common funds	3 632	5 167	4 257	4 222	4 006	4 682	5 463	6 230	7 338	7 190
Cash management trusts	15 190	20 141	23 284	25 290	26 189	27 420	28 475	28 975	29 631	28 504
<i>Total other sources</i>	52 410	67 529	91 000	98 031	108 074	114 778	127 559	129 753	140 162	146 872
Government	6 879	9 232	8 978	9 181	9 747	10 688	12 438	12 759	12 797	13 366
Charities	1 293	950	886	893	889	915	951	887	1 016	1 095
Other trusts	9 738	20 793	32 804	38 694	46 111	52 330	58 648	62 691	68 189	72 047
General insurance	16 425	15 449	19 189	17 431	20 584	20 768	23 307	21 876	21 894	23 593
Other sources	18 075	21 105	29 143	31 832	30 743	30 077	32 215	31 540	36 266	36 771
<i>Funds from overseas sources</i>	17 916	18 160	19 887	18 856	17 561	19 514	20 723	21 305	22 895	23 404

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 22 of the 41 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 25 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 13 trustee companies managing 52 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 32 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: <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...

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