

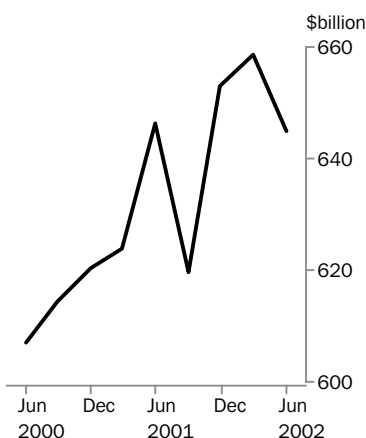


MANAGED FUNDS

AUSTRALIA

EMBARGO: 11:30AM (CANBERRA TIME) FRI 30 AUG 2002

Total consolidated assets



JUNE QTR KEY FIGURES

CONSOLIDATED ASSETS (a)	Jun Qtr 2001 \$m	Mar Qtr 2002 \$m	Jun Qtr 2002 \$m
Superannuation funds	307 541	307 820	296 951
Life insurance offices(b)	175 789	176 695	173 494
Other managed funds	162 814	174 186	174 591
Total	646 143	658 701	645 036

(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.

JUNE QTR KEY POINTS

CONSOLIDATED ASSETS

- Total consolidated assets of managed funds institutions was \$645.0 billion at 30 June 2002, a marked decrease of \$13.7 billion (2%) from the revised March quarter 2002. This decrease reflected decreases in asset values during the quarter. During the June quarter 2002 the ASX All Ordinaries Index decreased by 6%, the price of foreign shares (represented by the Dow Jones Industrial Average) decreased by 11% and the \$A appreciated against the \$US by 6%.
- Four out of six types of managed funds experienced decreases in consolidated assets during the June quarter 2002. The largest decreases were for superannuation funds, down \$10.9 billion (4%), and life insurance offices, down \$3.2 billion (2%). Public unit trusts, common funds, friendly societies and cash management trusts remained virtually the same.
- The major asset movements during the quarter were in domestic equities (including units in trusts) and assets overseas, down \$11.9 billion (5%) and \$3.7 billion (3%) respectively. Other decreases were loans and placements, down \$0.7 billion (2%), short term securities, down \$1.1 billion (2%) which were offset by long term securities, up \$1.2 billion (2%), land and buildings, up \$1.4 billion (2%) and other assets, up \$0.9 billion (4%).
- Investment managers had \$628.1 billion funds under management, down \$27.6 billion (4%) from March quarter 2002. They managed \$459.3 billion (71%) 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

September 2002

29 November 2002

December 2002

28 February 2003



CHANGES IN THIS ISSUE

There are no changes in this issue.



REVISED THIS ISSUE

There have been a small number of revisions in some series as a result of quality assurance work undertaken with data providers.



METHOD OF CONSOLIDATION

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

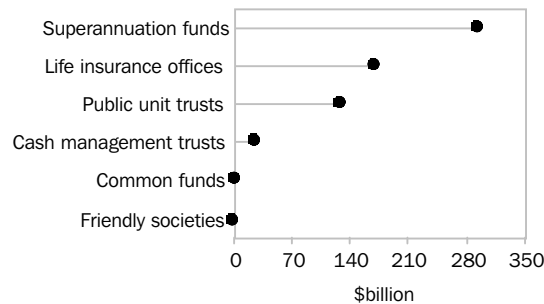


Susan Linacre
Acting Australian Statistician

MANAGED FUNDS : Consolidated Assets

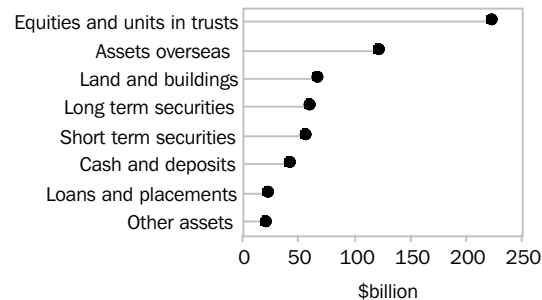
BY TYPE OF INSTITUTION

At 30 June 2002, consolidated assets of superannuation funds stood at \$297.0 billion, down \$10.9 billion since March 2002. Life insurance offices had consolidated assets of \$173.5 billion (down \$3.2 billion). The assets of public unit trusts, friendly societies, common funds and cash management trusts remained virtually unchanged since March 2002.



BY TYPE OF ASSET

During the quarter, assets overseas decreased by \$3.7 billion (3%) and equities and units in trusts decreased by \$11.9 billion (5%). Land and buildings increased by \$1.4 billion (2%). Cash and deposits, loans and placements, short term securities, long term securities and other assets showed little change since March 2002.



CROSS INVESTMENT

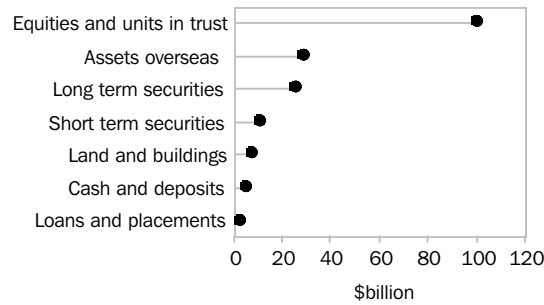
The table below presents the unconsolidated, cross-invested and consolidated assets of managed funds by type of fund as at 30 June 2002.

Type of fund	Unconsolidated assets	Cross-invested assets	Consolidated assets
	\$m	\$m	\$m
Life insurance offices	199 167	25 673	173 494
Superannuation funds	360 445	63 494	296 951
Public unit trusts	154 145	22 326	131 819
Friendly societies	6 035	487	5 548
Common funds	7 941	170	7 771
Cash management trusts	29 453	—	29 453
Total	757 186	112 150	645 036

MANAGED FUNDS: Unconsolidated Assets

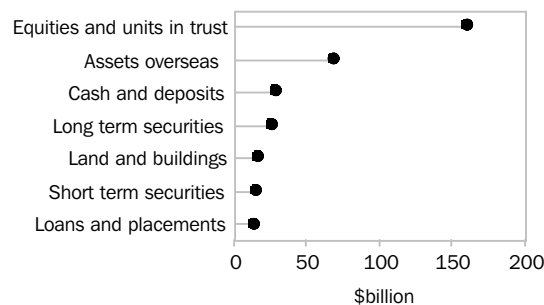
LIFE INSURANCE OFFICES

Total assets of life offices was \$199.2 billion at 30 June 2002, a decrease of \$3.4 billion (2%) since March 2002. Equities and units in trusts decreased by \$2.3 billion (2%), assets held overseas decreased by \$1.2 billion (4%), loans and placements decreased by \$0.8 billion (15%), while long term securities stayed virtually unchanged. There were increases in short term securities (\$1.2 billion), land and buildings (\$0.4 billion), and cash and deposits (\$0.3 billion).



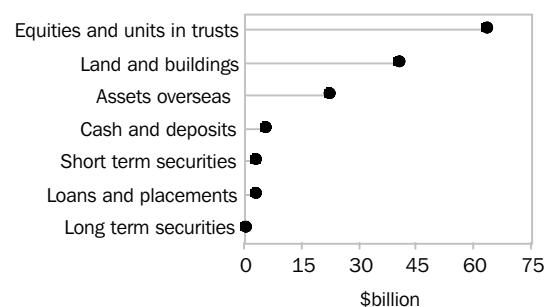
SUPERANNUATION FUNDS

Total assets of superannuation funds was \$360.4 billion at 30 June 2002, a decrease of \$13.1 billion (4%) since March 2002. Holdings of equities (including units in trusts) and assets overseas decreased by \$11.1 billion (6%) and \$2.7 billion (4%) respectively during the quarter. There were increases in holdings of long term securities, up \$1.5 billion (5%), and other financial assets, up \$1.0 billion, (9%). Direct holding of land and buildings was virtually unchanged.



PUBLIC UNIT TRUSTS

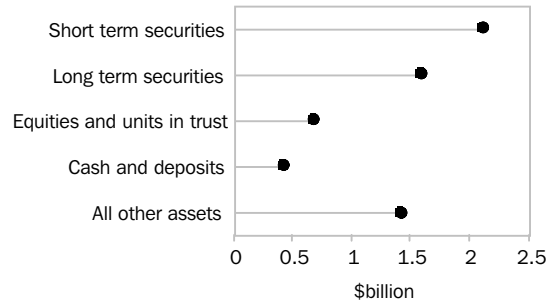
Total assets of public unit trusts was \$154.1 billion at 30 June 2002, an increase of \$0.9 billion (1%) since March 2002. The major increase in assets during the quarter were overseas assets, up \$0.2 billion (1%), and land and buildings, up \$1.1 billion (3%) on March 2002. These were offset by a decrease in equities and units in trusts, down \$0.8 billion (1%).



MANAGED FUNDS: Unconsolidated Assets *continued*

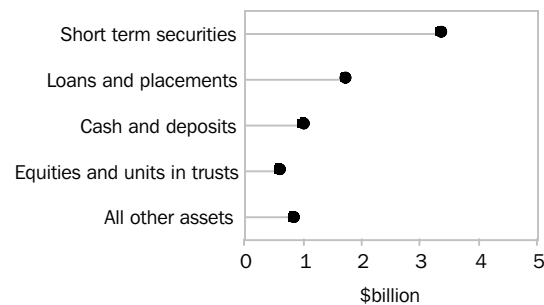
FRIENDLY SOCIETIES

Total assets of friendly societies was \$6.0 billion at 30 June 2002, an increase of 1% since March 2002. Short term securities increased \$0.2 billion (8%) during the quarter while long term securities decreased \$0.1 billion (8%). Short and long term securities accounted for 62% of total assets.



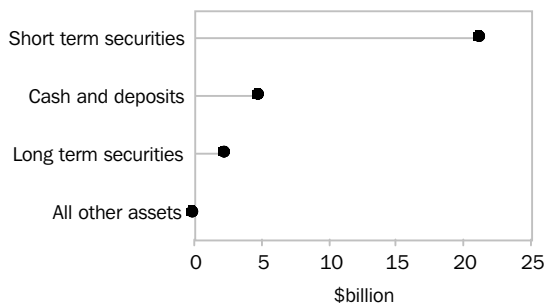
COMMON FUNDS

Total assets of common funds was \$7.9 billion at 30 June 2002, a decrease of \$0.2 billion (3%) since March 2002. Cash and deposits, loans and placements and short term securities accounted for 79% of total assets, with short term securities being the largest asset holdings of common funds.



CASH MANAGEMENT TRUSTS

Total assets of cash management trusts was \$29.5 billion at 30 June 2002, virtually unchanged since March 2002. Holdings of cash and deposits increased \$1.7 billion (48%) while short term securities decreased by virtually the same amount, \$1.8 billion (8%) during the quarter.



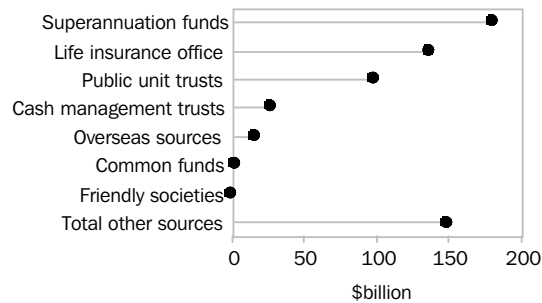
MANAGED FUNDS — INVESTMENT MANAGERS

SOURCE OF FUNDS UNDER MANAGEMENT

During June quarter 2002 there was a decrease in total funds under management by investment managers of \$27.6 billion (4%), bringing the total sources of funds under management to \$628.1 billion. The value of funds under management on behalf of superannuation funds decreased by \$9.6 billion (5%), public unit trusts decreased by \$8.4 billion (8%); life insurance offices decreased by \$2.4 billion (2%); and government decreased \$3.2 billion (25%). There were increases in value of funds under management on behalf of trusts other than public unit trusts, \$2.6 billion (4%) and general insurance, \$1.9 billion (8%).

Whilst a significant proportion of the decreases in funds under management was attributable to decreases in asset values, some of the decreases result from changed reporting following mergers of fund managers. The ABS is working with the relevant fund managers to clarify the changes in reporting.

The value of managed funds assets invested through investment managers was \$459.3 billion at 30 June 2002, representing 71% of the consolidated assets of managed funds.



MANAGED FUNDS, Consolidated Assets

<i>Institution/asset</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>	<i>Jun Qtr 2002</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Type of institution										
Life insurance offices(a)	163 384	173 522	171 755	170 873	171 495	175 789	168 763	176 579	176 695	173 494
Superannuation funds	235 922	286 629	291 330	294 740	294 168	307 541	291 835	304 380	307 820	296 951
Public unit trusts	93 968	108 750	112 360	115 432	117 660	120 472	116 698	128 346	131 223	131 819
Friendly societies	6 415	5 895	5 697	5 543	5 555	5 523	5 477	5 510	5 495	5 548
Common funds	7 568	7 434	7 058	7 083	7 594	8 126	7 861	7 897	8 012	7 771
Cash management trusts	21 531	24 776	26 102	26 828	27 490	28 693	29 138	30 141	29 456	29 453
Total	528 787	607 006	614 302	620 499	623 962	646 143	619 771	652 853	658 701	645 036
Type of asset										
Cash and deposits(b)	36 622	39 681	40 191	39 744	42 096	46 239	43 896	43 966	45 706	45 787
Loans and placements	27 762	32 390	31 302	28 830	28 909	30 480	28 244	28 286	27 542	26 883
Short term securities(b)	67 794	63 747	62 464	63 250	61 617	62 875	58 428	62 917	62 121	61 061
Long term securities	70 343	72 729	69 204	69 768	68 521	66 312	63 453	62 411	62 231	63 445
Equities and units in trusts	156 916	197 641	207 674	216 264	216 177	230 899	213 695	237 666	239 663	227 783
Land and buildings	57 387	64 237	64 386	64 336	65 971	67 051	65 843	68 566	68 632	70 041
Assets overseas	90 876	115 367	120 667	117 326	119 919	120 090	122 087	125 759	128 998	125 285
Other assets	21 087	21 214	18 414	20 981	20 754	22 198	24 124	23 282	23 807	24 750
Total	528 787	607 006	614 302	620 499	623 962	646 143	619 771	652 853	658 701	645 036

(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 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	Jun Qtr 2002
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	176 378	191 599	193 723	194 322	194 326	198 068	189 389	200 584	202 607	199 167
Assets in Australia	147 893	158 773	161 094	164 828	163 759	168 096	160 852	169 830	171 067	168 864
<i>Cash and deposits</i>	10 315	9 854	9 775	8 866	9 253	9 391	9 003	7 680	7 327	7 586
Banks	4 216	4 881	4 832	4 392	4 836	5 151	5 151	4 822	4 226	4 629
Other deposit taking institutions	6 099	4 973	4 944	4 474	4 417	4 240	3 852	2 858	3 101	2 957
<i>Loans and placements</i>	7 673	8 847	9 596	8 493	7 915	7 706	7 709	6 591	5 703	4 819
<i>Short term securities</i>	18 724	14 085	11 117	11 082	9 696	11 471	10 780	11 855	11 506	12 661
Bills of exchange	4 473	2 307	2 357	2 897	3 698	3 593	3 791	4 089	3 844	3 125
Bank certificates of deposit	7 537	5 409	3 971	3 249	2 712	2 612	2 211	2 958	3 572	4 423
Other short term securities	6 714	6 368	4 788	4 936	3 286	5 266	4 779	4 808	4 090	5 112
<i>Long term securities</i>	35 990	35 600	31 402	30 740	30 874	30 410	29 302	27 695	26 894	26 848
Commonwealth government bonds	11 781	8 953	7 928	8 722	8 148	7 205	5 817	6 086	6 599	5 355
State and local government securities	11 705	12 583	10 594	9 915	9 753	10 193	9 370	8 380	7 834	8 218
Other long term securities	12 504	14 064	12 880	12 103	12 973	13 011	14 115	13 229	12 461	13 275
<i>Equities and units in trusts</i>	61 684	76 845	86 597	92 953	91 854	95 179	88 457	100 485	103 785	101 514
Trading corporations shares	26 408	29 289	28 720	29 633	30 108	30 348	26 687	30 446	33 026	30 893
Financial sector shares	11 467	13 594	12 449	13 052	12 737	14 380	12 028	13 413	13 313	12 450
Units in trusts	23 809	33 962	45 427	50 267	49 008	50 450	49 742	56 625	57 446	58 170
<i>Other financial assets</i>	4 466	4 203	3 208	3 155	4 162	3 833	6 232	6 281	6 430	5 764
<i>Land and buildings</i>	8 159	8 637	8 803	8 829	9 284	9 364	8 508	8 338	8 305	8 736
<i>Other non-financial assets</i>	882	703	596	711	721	742	861	905	1 117	937
Assets overseas	28 485	32 825	32 629	29 494	30 567	29 972	28 538	30 754	31 540	30 303

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

SUPERANNUATION FUNDS(a), Unconsolidated Assets

	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	Jun Qtr 2002
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	275 038	338 335	345 123	349 550	350 447	366 110	349 967	367 474	373 588	360 445
Assets in Australia	226 017	273 022	276 802	281 203	281 145	297 524	275 210	294 523	299 620	289 192
<i>Cash and deposits</i>	<i>23 191</i>	<i>25 571</i>	<i>27 020</i>	<i>27 603</i>	<i>29 157</i>	<i>32 634</i>	<i>29 380</i>	<i>30 781</i>	<i>32 834</i>	<i>31 484</i>
Banks	18 157	22 156	22 968	23 711	25 023	27 118	24 982	26 114	28 010	26 650
Other deposit taking institutions	5 034	3 416	4 052	3 893	4 133	5 516	4 399	4 667	4 825	4 834
<i>Loans and placements</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>14 489</i>	<i>15 669</i>	<i>15 537</i>	<i>15 867</i>
<i>Short term securities</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>17 621</i>	<i>17 969</i>	<i>17 311</i>
Bills of exchange	6 832	6 193	6 127	6 839	6 667	6 399	5 395	6 522	6 168	6 003
Bank certificates of deposit	9 184	9 083	9 232	9 005	8 786	9 099	8 072	8 667	8 826	7 997
Other short term securities	4 354	4 320	4 501	3 993	3 475	2 631	1 462	2 433	2 976	3 312
<i>Long term securities</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>27 168</i>	<i>27 734</i>	<i>29 236</i>
Commonwealth government bonds	13 807	14 557	14 220	14 723	14 027	12 607	11 772	11 777	11 913	11 721
State and local government securities	5 156	5 428	6 117	6 128	5 740	5 715	5 981	5 189	5 379	5 192
Other long term securities	8 080	9 520	9 883	10 182	9 784	9 504	9 250	10 202	10 442	12 324
<i>Equities and units in trusts</i>	<i>116 215</i>	<i>151 048</i>	<i>154 961</i>	<i>158 283</i>	<i>158 003</i>	<i>170 171</i>	<i>159 335</i>	<i>172 443</i>	<i>174 629</i>	<i>163 493</i>
Trading corporations shares	56 817	73 089	73 437	73 629	72 335	78 261	71 807	77 182	77 310	71 011
Financial sector shares	22 288	28 199	29 933	32 193	31 778	35 324	31 439	34 475	33 882	31 480
Units in trusts	37 110	49 760	51 592	52 461	53 890	56 586	56 089	60 786	63 437	61 002
<i>Other financial assets</i>	<i>10 580</i>	<i>11 940</i>	<i>10 410</i>	<i>10 489</i>	<i>10 280</i>	<i>11 378</i>	<i>10 858</i>	<i>10 735</i>	<i>10 714</i>	<i>11 728</i>
<i>Land and buildings</i>	<i>14 798</i>	<i>17 871</i>	<i>17 789</i>	<i>18 057</i>	<i>19 028</i>	<i>19 579</i>	<i>18 376</i>	<i>19 184</i>	<i>19 243</i>	<i>19 123</i>
<i>Other non-financial assets</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>960</i>	<i>948</i>
Assets overseas	49 022	65 314	68 320	68 347	69 302	68 586	74 758	72 951	73 968	71 253

(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 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	Jun Qtr 2002
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	107 114	122 723	128 787	133 379	135 557	139 169	135 196	149 175	153 230	154 145
Assets in Australia	93 847	105 598	109 151	113 987	115 607	117 736	116 533	127 277	129 901	130 588
<i>Cash and deposits</i>	5 094	6 048	5 302	5 446	6 076	6 585	6 746	7 692	6 986	6 752
Banks(a)	2 809	3 767	2 991	2 980	3 572	3 156	3 263	3 979	3 049	2 864
Other deposit taking institutions	2 285	2 281	2 311	2 466	2 504	3 429	3 483	3 713	3 937	3 888
<i>Loans and placements</i>	4 743	4 888	4 264	3 593	3 736	4 001	4 009	3 967	4 135	4 055
<i>Short term securities</i>	4 120	3 410	4 033	4 384	3 962	3 432	3 174	2 847	3 922	4 033
Bills of exchange	3 264	2 492	3 087	3 505	3 161	2 689	2 413	2 356	3 060	3 216
Bank certificates of deposit(a)	—	—	—	—	—	—	—	—	—	—
Other short term securities	857	918	946	880	802	744	762	491	862	817
<i>Long term securities</i>	3 137	3 141	2 944	3 210	3 064	2 843	2 599	2 607	2 516	2 325
<i>Equities and units in trusts</i>	37 481	46 400	50 570	53 101	55 442	56 681	54 876	63 696	65 622	64 796
Equities	22 337	27 828	29 180	29 258	30 669	32 239	29 135	34 860	35 349	34 176
Units in trusts	15 144	18 572	21 390	23 843	24 773	24 442	25 741	28 836	30 273	30 620
<i>Other financial assets</i>	2 901	1 820	1 728	1 942	2 296	2 546	2 375	1 642	2 023	2 633
<i>Land and buildings</i>	34 079	37 438	37 506	37 164	37 384	37 844	38 716	40 789	40 832	41 924
<i>Other non-financial assets</i>	2 292	2 453	2 804	5 147	3 647	3 804	4 038	4 037	3 865	4 070
Assets overseas	13 267	17 125	19 636	19 392	19 950	21 433	18 663	21 898	23 329	23 557

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

FRIENDLY SOCIETIES, Unconsolidated Assets

	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	Jun Qtr 2002
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	6 500	6 163	6 028	5 945	5 953	5 970	5 961	5 995	5 990	6 035
Assets in Australia	6 433	6 083	5 947	5 854	5 855	5 873	5 854	5 884	5 877	5 912
<i>Cash and deposits</i>	858	523	393	348	302	503	442	450	481	453
Banks	657	387	295	242	192	408	210	200	231	220
Other deposit taking institutions	201	136	98	106	110	95	232	250	250	233
<i>Loans and placements</i>	366	409	345	355	345	363	354	328	354	357
<i>Short term securities</i>	2 698	2 525	2 479	2 216	2 420	2 040	2 153	1 955	1 983	2 142
Bills of exchange	908	1 020	760	632	718	526	754	663	517	503
Bank certificates of deposit	1 442	1 218	1 396	1 244	1 355	1 101	1 033	929	1 078	1 256
Other short term securities	348	287	323	340	347	413	366	363	388	383
<i>Long term securities</i>	1 631	1 618	1 607	1 755	1 586	1 633	1 722	1 879	1 756	1 622
Commonwealth government bonds	280	254	233	238	172	203	190	250	189	189
State and local government securities	377	276	321	382	380	363	448	420	387	252
Other long term securities	974	1 088	1 053	1 135	1 034	1 067	1 084	1 209	1 180	1 181
<i>Equities and units in trusts</i>	336	511	607	658	676	732	689	709	717	710
Trading corporations shares	200	177	213	210	235	257	189	203	199	205
Financial sector shares	51	66	63	46	43	46	19	23	25	24
Units in trusts	85	268	331	402	398	429	481	483	493	481
<i>Other financial assets</i>	152	175	181	194	212	222	223	255	274	289
<i>Land and buildings</i>	286	251	245	244	232	223	201	213	210	216
<i>Other non-financial assets</i>	106	71	90	84	82	157	70	95	102	123
Assets overseas	67	80	81	91	98	97	107	111	113	123

COMMON FUNDS, Unconsolidated Assets

	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	Jun Qtr 2002
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	7 726	7 622	7 221	7 204	7 689	8 203	8 003	8 055	8 181	7 941
Assets in Australia	7 690	7 599	7 221	7 202	7 687	8 201	7 981	8 010	8 133	7 892
<i>Cash and deposits</i>	849	852	594	531	653	809	922	991	1 214	1 086
Banks	543	564	389	360	511	605	725	811	1 043	903
Other deposit taking institutions	306	288	205	171	142	204	197	180	171	183
<i>Loans and placements</i>	1 803	2 018	1 742	1 795	1 630	1 594	1 698	1 762	1 801	1 794
<i>Short term securities</i>	3 328	3 003	3 237	3 304	3 700	4 113	3 630	3 639	3 473	3 431
Bills of exchange	2 105	1 465	1 978	1 702	1 772	2 104	1 418	1 337	1 222	1 178
Bank certificates of deposit	1 022	1 353	1 062	1 382	1 753	1 994	2 194	2 293	2 243	2 245
Other short term securities	201	185	197	220	175	15	18	9	8	8
<i>Long term securities</i>	924	865	873	845	844	728	750	694	725	699
Commonwealth government bonds	58	42	16	15	16	15	16	54	53	44
State and local government securities	363	377	334	332	315	266	222	216	230	144
Other long term securities	503	446	523	498	513	447	512	424	442	511
<i>Equities and units in trusts</i>	631	716	667	630	658	669	708	652	662	696
Trading corporations shares	214	213	214	228	170	283	285	203	201	192
Financial sector shares	335	387	341	324	428	360	330	336	335	380
Units in trusts	82	116	112	78	60	26	93	113	126	124
<i>Other financial assets</i>	60	71	66	55	160	246	230	230	216	144
<i>Land and buildings</i>	66	41	42	42	42	42	42	42	42	42
<i>Other non-financial assets</i>	29	33	—	—	—	—	1	—	—	—
Assets overseas	36	23	—	2	2	2	22	45	48	49

CASH MANAGEMENT TRUSTS, Unconsolidated Assets

	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	Jun Qtr 2002
Assets	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL ASSETS	21 531	24 776	26 102	26 828	27 490	28 693	29 138	30 141	29 456	29 453
Assets in Australia	21 531	24 776	26 102	26 828	27 490	28 693	29 138	30 141	29 456	29 453
<i>Cash and deposits</i>	1 190	1 564	2 075	2 131	1 911	2 080	3 185	2 673	3 431	5 091
Banks	1 115	1 452	1 965	2 044	1 810	2 012	3 085	2 632	3 306	4 913
Other deposit taking institutions	75	112	110	87	101	68	100	41	125	178
<i>Loans and placements</i>	16	1	42	—	1	1	58	56	83	62
<i>Short term securities</i>	18 555	21 127	21 738	22 427	22 911	23 689	23 762	24 999	23 268	21 483
Bills of exchange	5 491	7 053	7 078	9 170	7 963	7 840	6 901	5 866	4 891	3 922
Bank certificates of deposit	9 404	9 087	9 686	7 212	9 235	10 450	11 399	13 041	14 275	13 565
Other short term securities	3 660	4 987	4 973	6 044	5 713	5 399	5 462	6 092	4 102	3 996
<i>Long term securities</i>	1 618	2 000	2 158	2 186	2 602	2 873	2 077	2 368	2 606	2 715
Commonwealth government bonds	—	—	—	—	—	—	—	—	—	—
State and local government securities	—	—	—	—	—	—	—	—	—	—
Other long term securities	1 618	2 000	2 158	2 186	2 602	2 873	2 077	2 368	2 606	2 715
<i>Equities and units in trusts</i>	—	—	—	—	—	—	—	—	—	—
<i>Other financial assets</i>	151	84	89	84	66	50	56	45	68	103
<i>Land and buildings</i>	—	—	—	—	—	—	—	—	—	—
<i>Other non-financial assets</i>	—	—	—	—	—	—	—	—	—	—
Assets overseas	—	—	—	—	—	—	—	—	—	—

INVESTMENT MANAGERS, Source of Funds

	<i>Jun Qtr</i> 1999	<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>Mar Qtr</i> 2002	<i>Jun Qtr</i> 2002
<i>Source of funds</i>	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
TOTAL SOURCE OF FUNDS	474 350	556 647	577 779	589 980	604 124	636 670	615 708	643 656	655 686	628 066
Funds from Australian sources	456 190	536 760	558 923	572 419	584 768	616 585	594 978	621 979	633 389	609 899
<i>Managed funds</i>	388 661	444 860	459 142	461 895	466 890	485 376	461 025	477 067	481 504	459 304
Life insurance offices	130 706	142 226	143 402	141 197	142 954	146 599	137 152	139 300	141 447	139 009
Superannuation funds (a)	155 248	187 069	190 096	194 110	193 058	199 679	186 857	190 479	192 227	182 672
Public unit trusts	72 266	83 739	91 893	92 754	95 365	101 677	98 702	107 099	108 979	100 569
Friendly societies	5 133	4 285	4 239	3 639	3 411	3 483	3 109	3 220	3 157	3 002
Common funds	5 167	4 257	4 222	4 006	4 682	5 463	6 230	7 338	7 190	5 688
Cash management trusts	20 141	23 284	25 290	26 189	27 420	28 475	28 975	29 631	28 504	28 364
<i>Total other sources</i>	67 529	91 900	99 781	110 524	117 878	131 209	133 953	144 912	151 885	150 595
Government	9 232	8 978	9 181	9 747	10 688	12 438	12 759	12 797	13 366	10 085
Charities	950	886	893	889	915	951	887	1 016	1 095	1 166
Other trusts	20 793	32 804	38 694	46 111	52 330	58 648	62 691	68 189	72 048	74 647
General insurance	15 449	19 189	17 431	20 584	20 768	23 307	21 876	21 894	23 593	25 537
Other sources	21 105	30 043	33 582	33 193	33 177	35 865	35 740	41 016	41 783	39 160
Funds from overseas sources	18 160	19 887	18 856	17 561	19 356	20 085	20 730	21 677	22 297	18 167

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 24 of the 42 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 20 trustee companies managing 51 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.

G L O S S A R Y

- 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.
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