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Asset management industry – A next step towards further consolidation

Financial Advisory, November 2020

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The asset management industry continuous to be an attractive market in terms of revenue growth and profitability, however the industry is facing challenges from different angles

There is substantial pressure on profitability and active players struggle to outperform passive product offerings including a need for scale to operate efficiently not the least because of compliance and regulatory requirements. In response many asset management companies have been changing strategies to expand scale trusting that size will result in a competitive advantage

1. Introduction

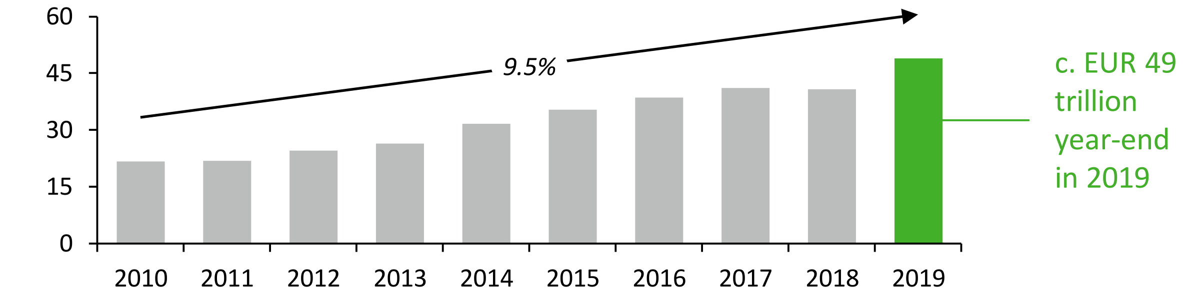
The asset management industry has shown substantial growth in net assets driven by driven by a search for yield on investments

For the period 2010 to 2019, the asset management industry* has shown **substantial growth in net assets**** driven by low term yields on government bonds, mainly in the EU zone, and driven by a search for yield on investments.

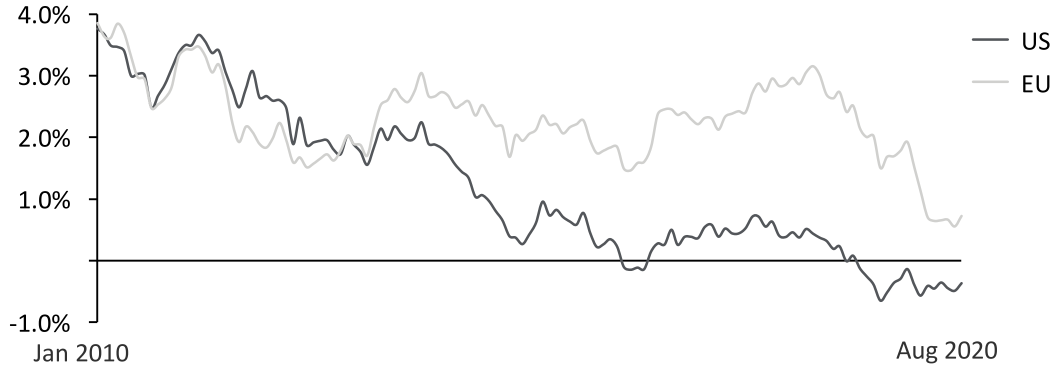
We expect for the near future a further increase in growth for the investment management industry driven by i) an **increase** in appetite for long term **personal savings** and ii) attracting new clients by **offering new investments** – PE investments and more cross border activities.

Due to **fee pressure** from increased regulatory costs and investments to improve customer experience, together with a scattered investment manager landscape in the Netherlands, we expect a further consolidation in the market of investment managers.

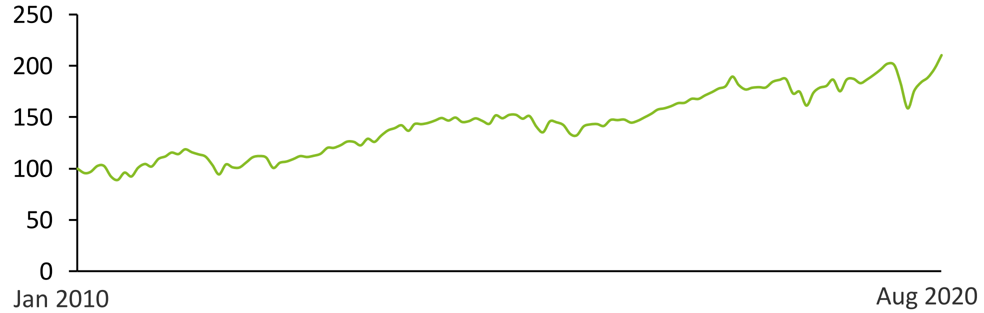
Total net asset increase of word wide regulated open-end funds (EUR trillion)



US and EU 10 year government bonds



MSCI index (Jan 2010 as starting point)



Source: ICI factbook 2020, Capital IQ

* In this document asset management industry includes both pure play asset management companies as well as wealth investment management companies.

** Measured based on regulated funds (bonds, money-market, mixed and equity funds)

1. Introduction

We have performed an analysis to provide industry insights of the investment management industry and to share our view for the foreseeable future

We have performed an analysis to provide industry insights of the **global investment management** industry in terms of some of the key industry's financial metrices.

As we experience an **increase** in **M&A** transactions over the last few years we focus on some **integration pitfalls** followed by **valuation considerations** for asset management companies globally.

Next, we provide a condensed **overview** of the asset management **industry** in the Netherlands followed by our **expected outlook** for the foreseeable future given current industry challenges and trends.

Other sections in this document

2. Industry insights

The top 10 listed global asset management companies account for more than 90% of total AUM of our peer group

For years, the asset management industry has been an attractive industry given the **high margins, high historical growth and capital requirements** which are in general **less tight** compared to banks.

Industry concentration is a key characteristic of the asset management industry. Globally, the ten largest listed asset management companies account for over 90% of total assets under management.

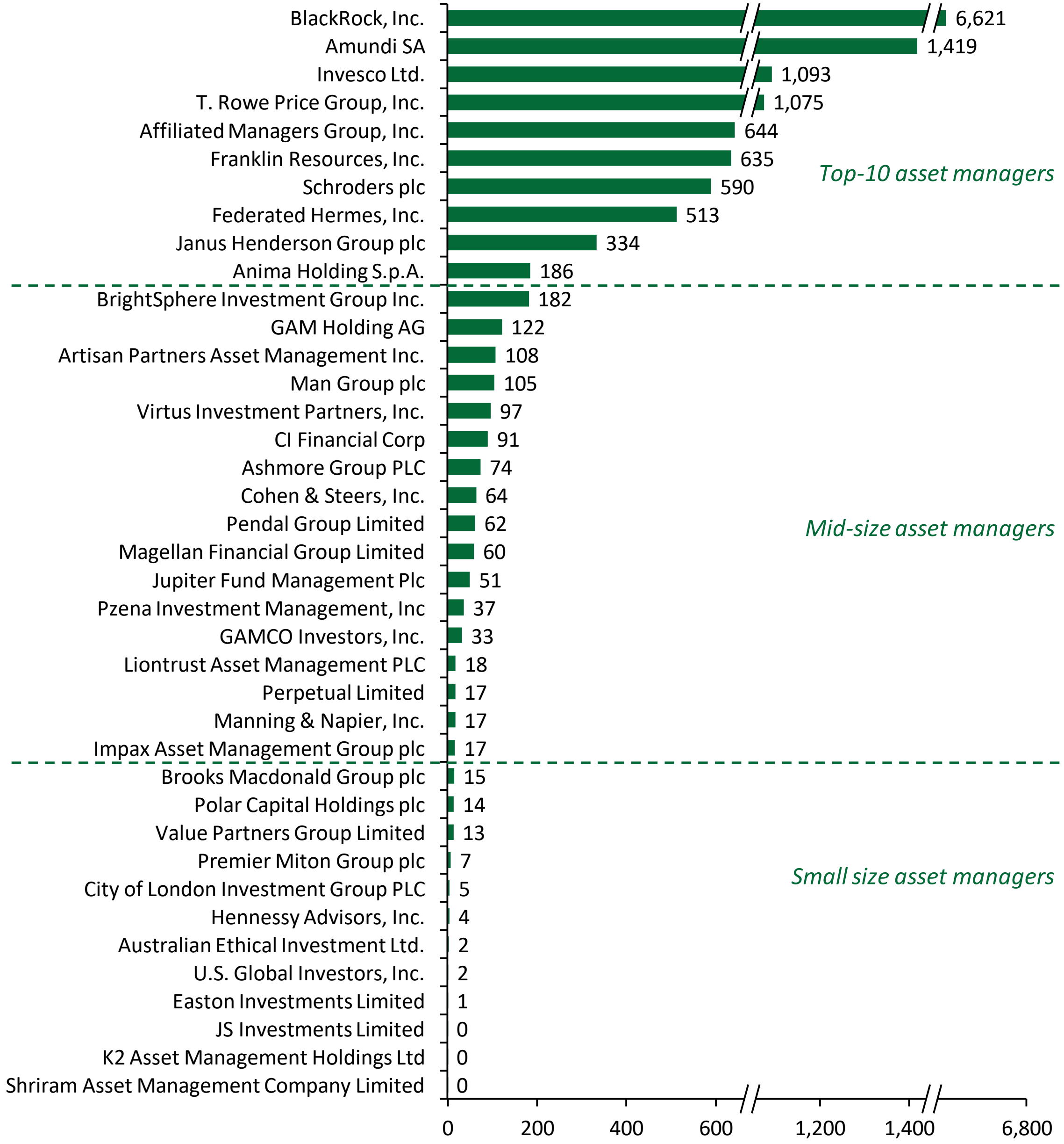
We have analysed the development of key financials **of publicly listed asset management companies*** to assess if there are any differences in terms of profitability in relation to size.

Based on reported 2019 asset under management ("AUM") we divided our sample of 40 companies in three groups:

- **Top 10** asset management companies
- **Mid-size** asset management companies
- **Small size** asset management companies

* Peer group companies selected based on publicly owned financial service providers of which the majority of the activities consist of asset management.

Asset Managers peer group's AUM 2019 (€bn)



2. Industry insights

The smallest listed asset management companies are mainly located in Europe and the Asia-Pacific region

The **US and Canada show the highest concentration of the top-10** asset management companies followed by Europe. None of the top-10 largest asset management companies is located in the Asia-Pacific region.

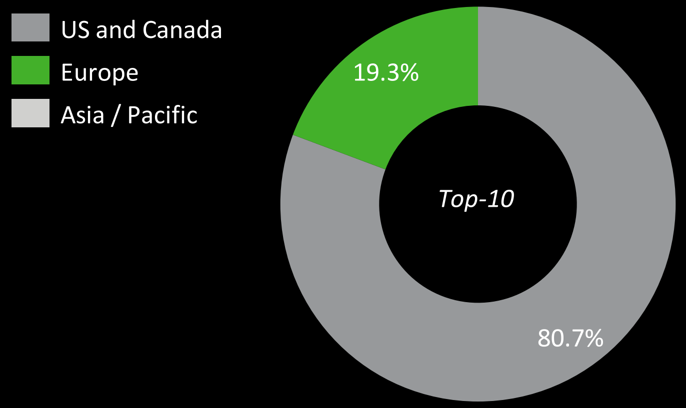
Asset management companies in Asia-Pacific are mainly present in the small size bucket (c.26%). Although the Asia-Pacific asset management industry is growing, the firms are still comparatively small.

Finding new markets and investors for existing products is key for profitable growth for asset management companies.

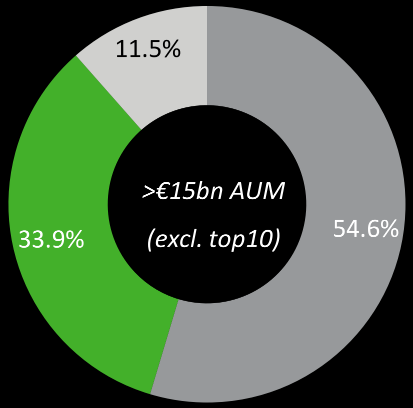
Asia is one such market for asset management companies **as major demographic shifts** are taking place in the region. This region accounts for c. **62% of the world's millennials as well as 63% of the world's aging workforce**. Investment managers are aiming to provide investment solutions to both of these groups. According to earlier analysis*, this opportunity may result in **EUR 2.3 trillion AUM** in 2020.

* Deloitte, 2020 investment management outlook, 2019

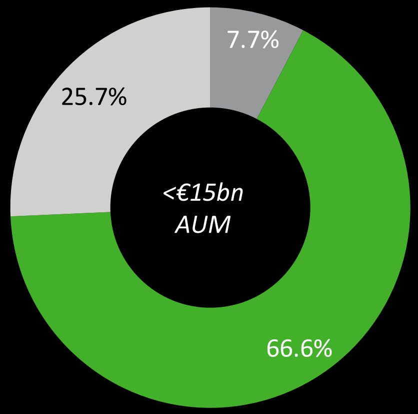
Top-10 Asset managers 2019



Mid-size asset managers 2019



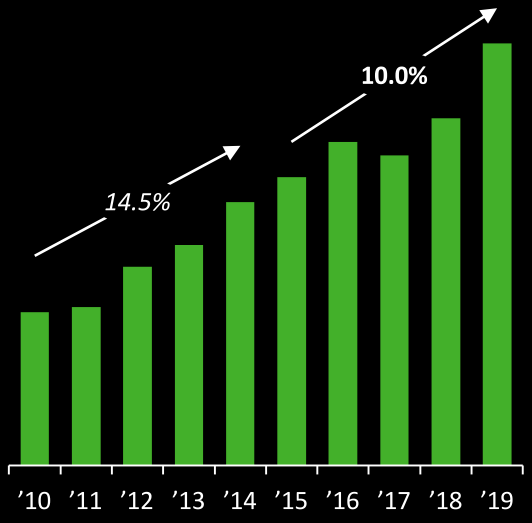
Small size asset managers 2019



2. Industry insights

Investment management has shown high growth in terms of AUM, revenues and profit. Profitability margins are decreasing from 2015 to 2019, due to greater price transparency and increasing cost awareness among clients

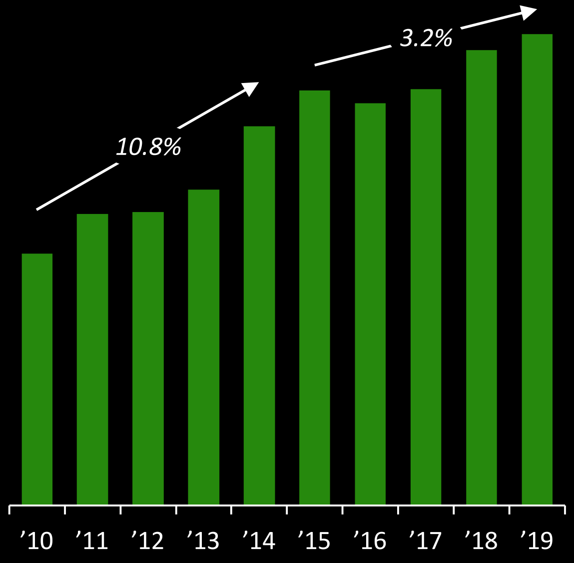
Assets under management (€bn)



Total AUM increased with an annual growth rate **of 14.5% between 2010 and 2014 and with 10.0% for the period 2015 - 2019**. This growth is the result of net inflows in funds, as well as a favorable market environment.

Note: Above graphs are based on the peer group of listed Asset Managers presented on p.5

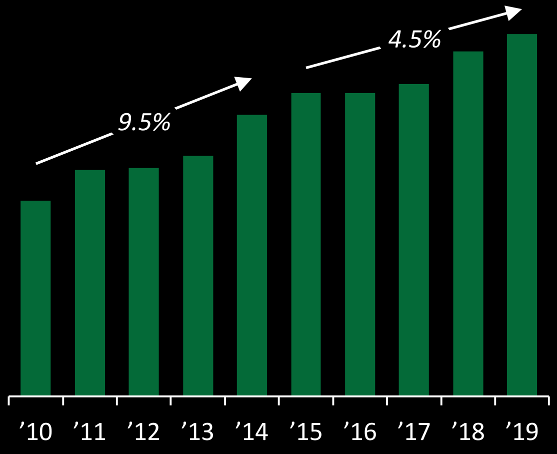
Revenues (€bn)



Total revenues increased with a CAGR* of 10.8% for the period 2010 to 2014 and with **3.2% for the period 2015 - 2019**. On a relative basis, increase in revenues is lagging AUM growth implying a pressure on fees.

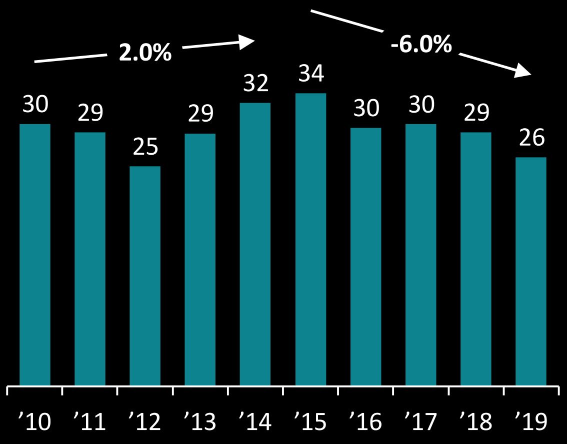
* Compound annual growth rate

Costs (€bn)



Costs increased by a **CAGR of 4.5% for the period 2015-2019**. It shows a faster increase than revenues for the same period indicating lower profit margins for asset managers. The main **driver** of cost increases relates to **regulatory costs and investments to improve customer experience**.

Profit margin (%)



EBIT margins remain behind as **costs are rising at a higher pace than revenues**. Changes to current operating models are necessary in order to stay profitable in the future.

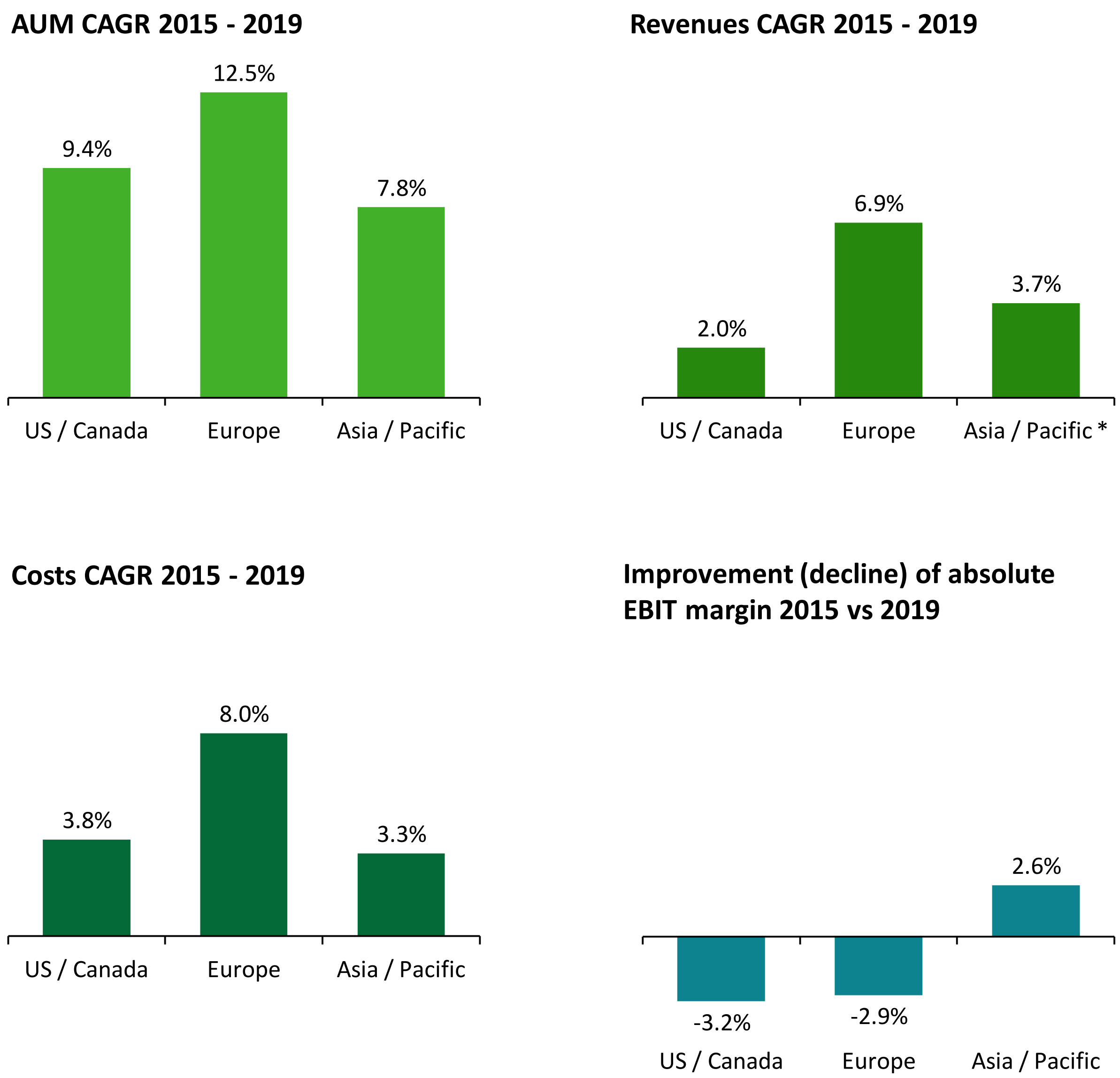
2. Industry insights

Revenue growth remains behind AUM growth in all regions, indicating that fees are under pressure

Even though the US / Canada dominate the asset management industry, there has been significant growth in AUM in Asia-Pacific and Europe in the past five years. Europe has been the strongest contributor in terms of AUM growth, averaging 12.5% per year since 2015.

However, revenue growth remained behind AUM growth rates in all regions, indicating that **fund fees are under pressure**. Both in the US / Canada and Europe **costs exceed revenue growth rates during the past five years, showing on average declining margins** in these mature markets.

In US / Canada and Europe profitability is under pressure resulting in a decline in the development of EBIT-margins for the period 2015 - 2019. In Asia-Pacific markets profitability has improved slightly since 2015.



Note: Above graphs are based on the peer group of listed Asset Managers presented on p.5

* As indicated on slide 6, the Asia/Pacific region is considered a growth market due to relatively high number of millennials and 63% and aging workforce. Given that analysis only includes listed asset management companies, the presented revenue CAGR for the Asia/Pacific may not reflect this potential.

2. Industry insights

Capital requirements for asset management companies will be changing in 2021

The way in which asset management companies are to be treated for the purposes of prudential regulation is changing. The introduction of the Investment Firms Regulation 1 (IFR) and Investment Firms Directive (IFD)2 will make **significant alterations** to the EU prudential framework governing asset management companies.

Currently, **both asset management companies and credit institutions** are subject to the **same EU prudential rules,** being a combination of the provisions set out in Capital Requirements Regulation (CRR) and the Capital Requirements Directive (CRD IV) which are derived from the Basel standards.

The current rules differentiate between more than 10 different categories of companies. The categories will be simplified into three and be a **function of company's size and activity**, not just the regulatory activities it undertakes. They are expected to come into force as per mid-year 2021 (26 June).

	Company classification under IFR/IFD	Capital requirements under IFR/IFD
1	**Class 1 companies** Class 1 companies will be those that are bank like or pose a systemic risk. These firms will continue under CRD IV.	These companies will remain subject to CRR and CRD IV and may be required to be reauthorized as a credit institution.
2	**Class 2 companies** Asset management companies exceeding the categorisation thresholds for small and non-interconnected companies. Class 2 asset managers will be subject to the full prudential IFR/IFD regime.	Higher of: • initial capital requirements (ICR) (EUR 75k, EUR 150k or EUR 750k) • fixed overhead requirement (FOR), being 25% of fixed overheads of the previous year • *Only applicable to class 2 companies*: K-factor requirements, being a risk-weighted formula for each type of activity the company undertakes including risks to customers, market and firm.
3	**Class 3 companies** Small and non-interconnected asset management companies. These companies will also be subject to the new IFR regime	

Source: AIMA, a brave new world new capital requirements for investment firms, 2018

3. M&A and synergy realisation

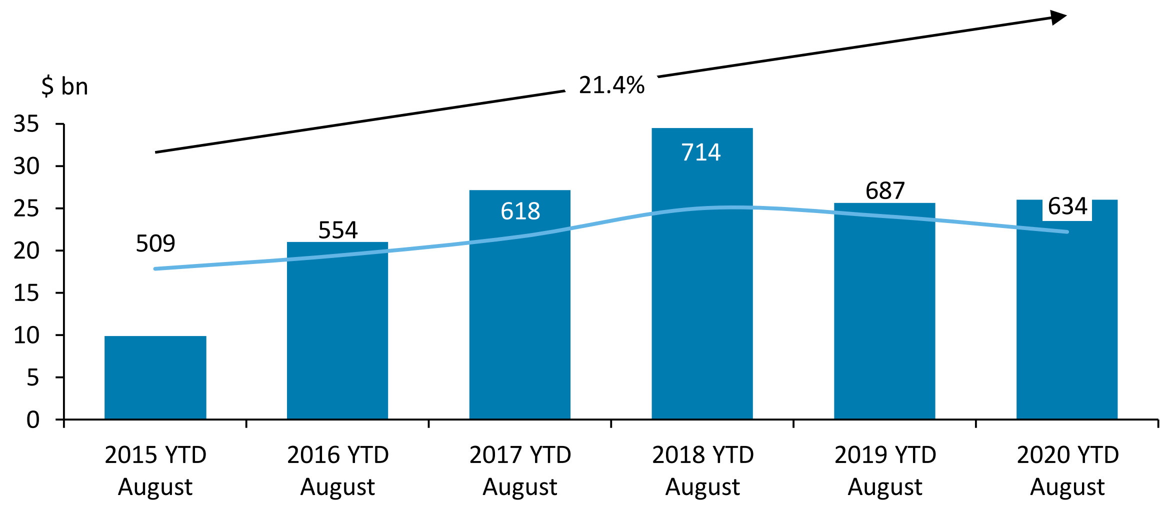
Decreasing margins, scatted number of asset management companies and search for cost efficiency, have driven M&A transactions

Driven by historical low barriers to entry, high margins and strong organic growth, **transactions** between asset managers have been **considered attractive**.

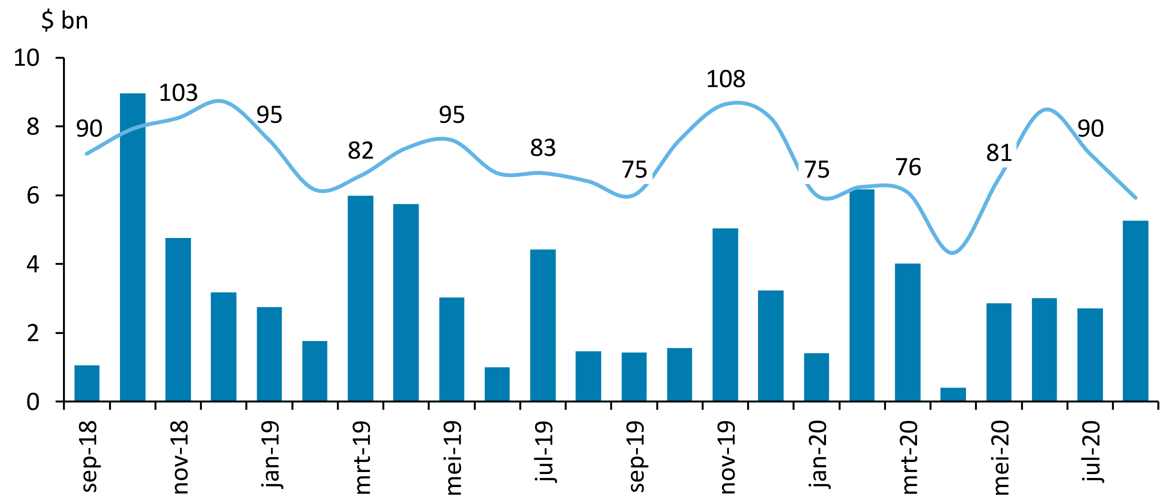
Developments such as i) the **lack of organic growth** as institutional retirement plans unwind and individuals are not able to set up their savings plan, ii) continuous **fee pressure** and iii) an increase in **fixed costs** as clients request more innovative reporting and customer experience, further increased the pace in M&A transaction of asset management companies. Up to 2018 the number of deals worldwide increased to 714 YTD August followed by a decline to 634 deals for YTD August 2020.

For 2020, **despite COVID-19** the number of deals and deal value **remains at a steady level**.

Global Investment Management M&A – YTD August



Global Investment Management M&A – Monthly



3. M&A and synergy realisation

Size does not always matter in terms of profitability

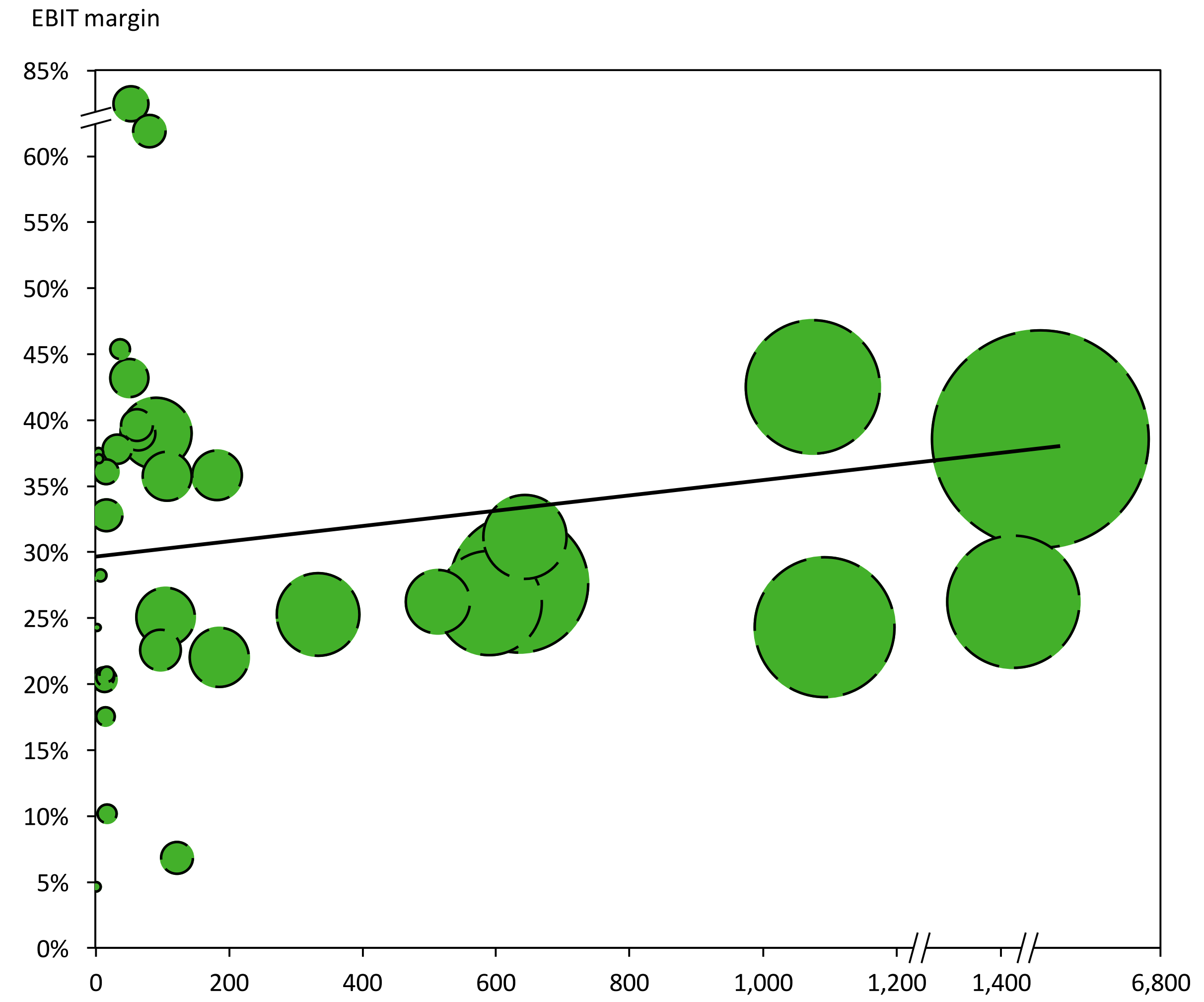
For years, many mergers and acquisitions in the asset management industry were initiated for amongst others to add investment capabilities, expansion of distribution channels and to generate economies of scale by creating cost advantages.

As can be observed in the graph to the right there is **no clear correlation between higher AUM and higher profitability margins**[1]. The problem is that having a higher AUM does not necessarily make a firm more competitive. Value is also created in areas where a specific asset management company has a competitive advantage or when companies strategically build such a position.

Integration is key and research has shown that successfully integrated firms*:

- Have a **much higher increase of net flows**; and
- Have a **cost structure which is 8.5% lower** compared to non-integrated firms and have profitability levels that are 20% higher.

Matrix 2019 Asset Under Management / Profitability



Note: The size of the circles in above graphs represents the volume of revenues, the middle of the circle is placed at the level of AuM and EBIT margin on the x- and y-axis

[1] In terms of EBIT margin

* More Perfect Unions, Integrating to Add Value in Asset Management M&A, Casey Quirk, Deloitte, 2019

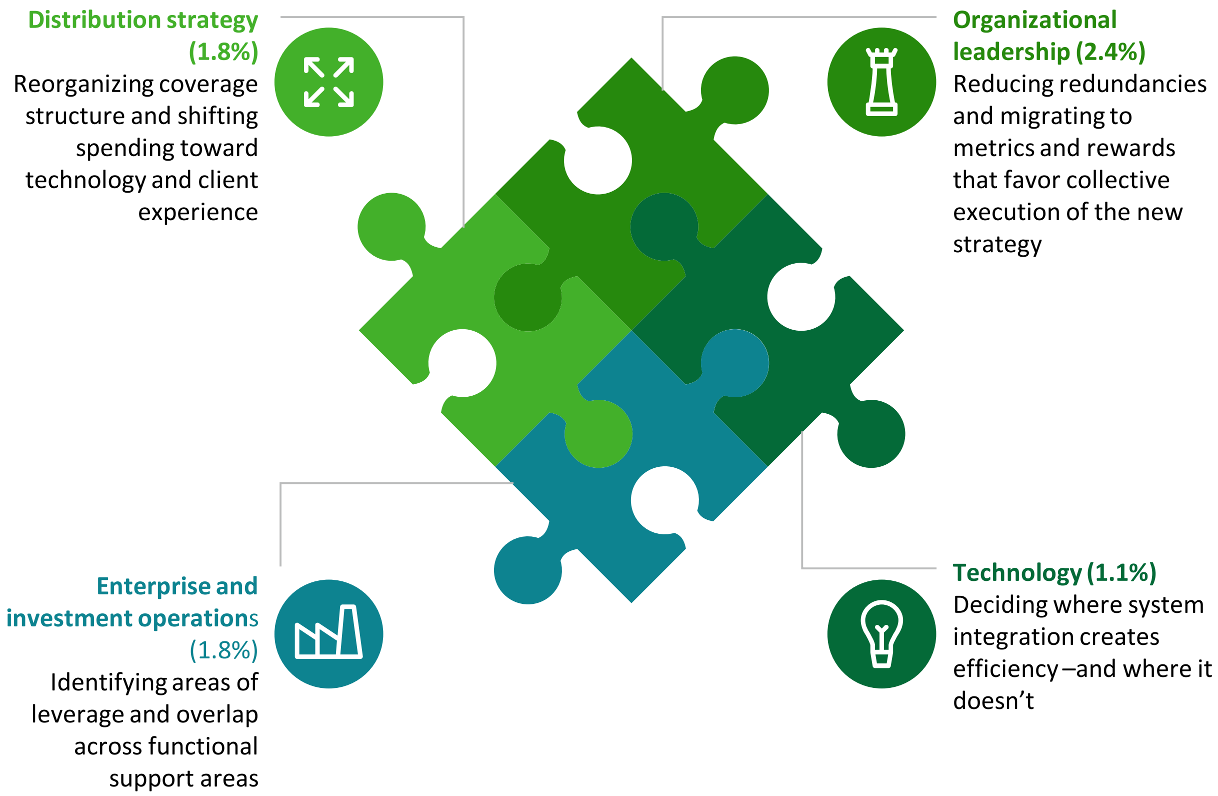
3. M&A and synergy realisation

Realisation of synergies following M&A transactions has proven to be difficult to accomplish

Research* has proven that successful integration strategies have been difficult. The following four measures are crucial:

1. Organizational models: Avoid co-leadership structures and reduce layers in the organization which may result in a **decrease of headcount and corresponding costs of 60%**;
2. Distribution strategy: **Less integrated firms have in general a higher proportion of distribution expenses related to sales**. A better use of technology, better customer segmentation and a higher focus on a mix of talent – instead of only focusing on sales people – is positively correlated with profitability.
3. Enterprise and investment operations: Compared to peers, **successfully integrated** asset managers **spend less on investment operations, middle and back-office systems** and functions such as legal, finance, compliance and risk management.
4. Technology: Although for a majority of asset managers technology costs have been optimized by e.g. means of outsourcing, **further improvements can be realized** in terms of i) expenses for market data, ii) hardware, primarily network and data centers, iii) client relationship management tools, iv) cyber and disaster recovery programs, v) finance and finance operations and vi) investment systems including order management and trade processing.

Key synergy drivers (% of revenue)



* More Perfect Unions, Integrating to Add Value in Asset Management M&A, Casey Quirk, Deloitte, 2019

4. Valuation considerations

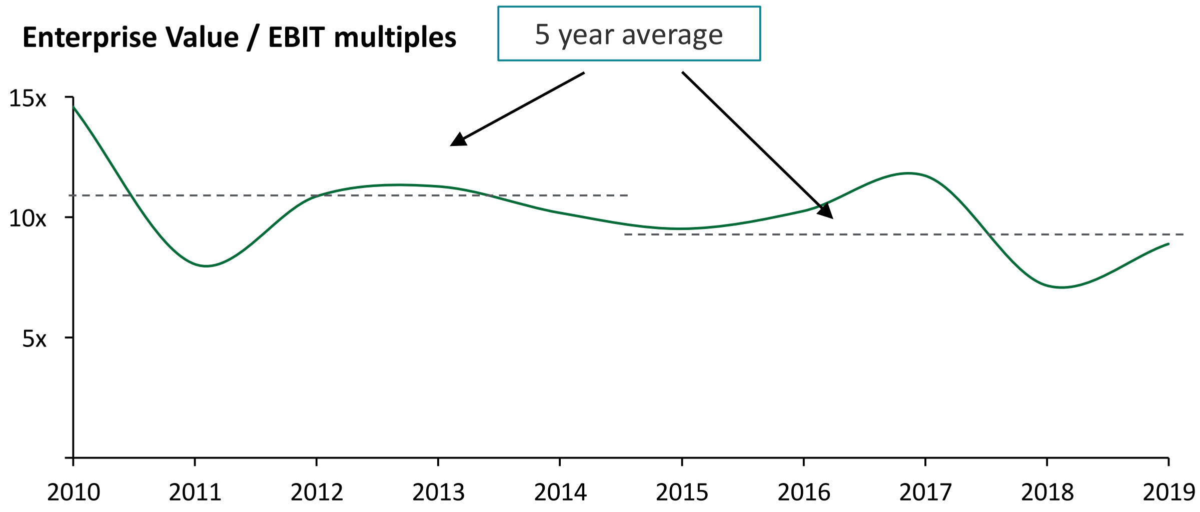
For the period 2010 – 2019 we observe that generally applied valuation multiples in the asset management industry decreased

Generally applied valuation multiples of asset management companies are **Enterprise Value/EBIT multiples** and **Enterprise Value/AUM** multiples. In selecting the appropriate multiple **the following value drivers for asset management companies should be considered**:

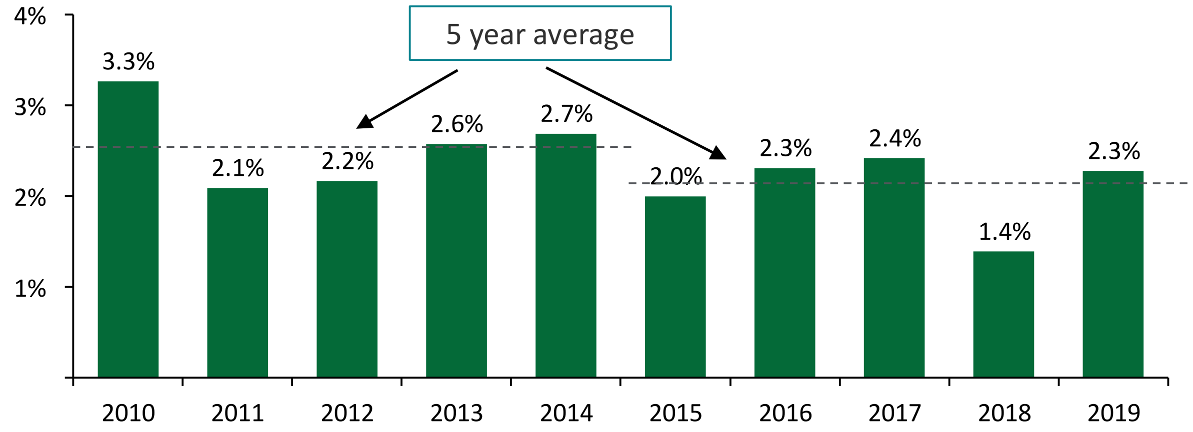
- Size
- Revenue growth – organic or market growth
- Revenue source – commission based or fee based
- Client portfolio
- Employee compensation and employee demographics
- Any company specific risks.

From a valuation point of view we observed that for the period **2010 – 2019 Enterprise value/EBIT multiples decreased** from c. 11.0x for the period 2010 – 2014 to c. 9.5x for the period 2015 - 2019. **Enterprise Value to AUM multiple**, a common multiple in the asset management industry **shows also a declining pattern,** an average of c. 2.6% for the period 2010 – 2014 to c. 2.1% for the period 2015 - 2019.

Enterprise Value / EBIT multiples



Enterprise Value/AUM multiples



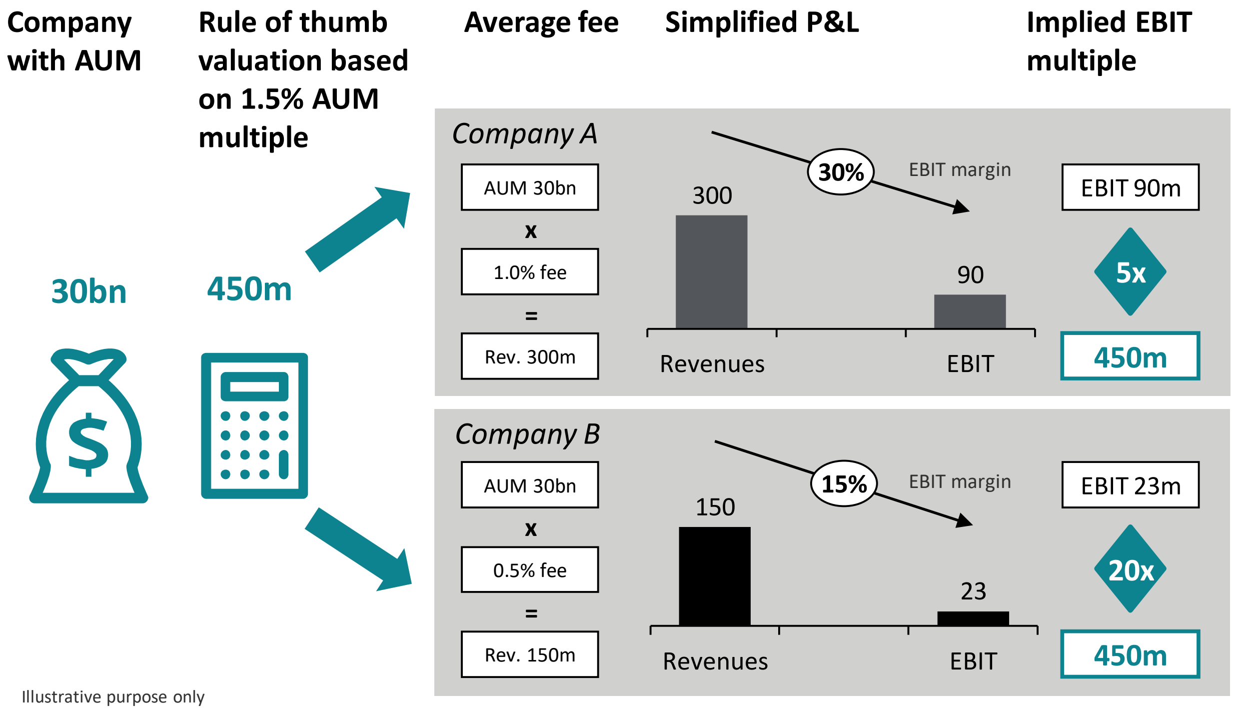
4. Valuation considerations

In selecting AUM multiples careful consideration should be made for the fee structure and profitability

For asset management company valuations often a rule of thumb of 1% to 2% of Enterprise Value to AUM is applied. As with each business, the **revenue is a function of price and quantity** where the price is the fee charged for the services to clients and the quantity the assets under management.

The **value comes from the profit that is generated on the revenues**. Asset management companies with low profitability should have an AUM multiple on the low-end of the range while asset management companies with sustainable higher than normal margins typically should result in higher Enterprise Value to AUM multiples and hence higher valuations.

This is explained in the graph to the right. Companies with an **equal AUM, but different fee structure and profitability** should in theory be valued based on **different Enterprise Value to AUM multiples**.



Illustrative purpose only

Company A and B have similar AUM balances. However, company A charges a higher fee and is significantly more profitable than company B. Consequently, company A is able to generate approximately four times the profitability of company B. If one would apply the rule of thumb 1.5% of AUM, both businesses yield a €450 valuation, an effective EBIT multiple of 5x for company A and 20x for company B.

Based on this simple example, the valuation for company B based on a 1.5% AUM multiple seems too high given its profitability. On the other hand, the valuation for company A based on the same multiple may be perceived too low compared to the valuation of company B.

4. Valuation considerations

A discounted cash flow model is better suited to estimate the value of certain synergies

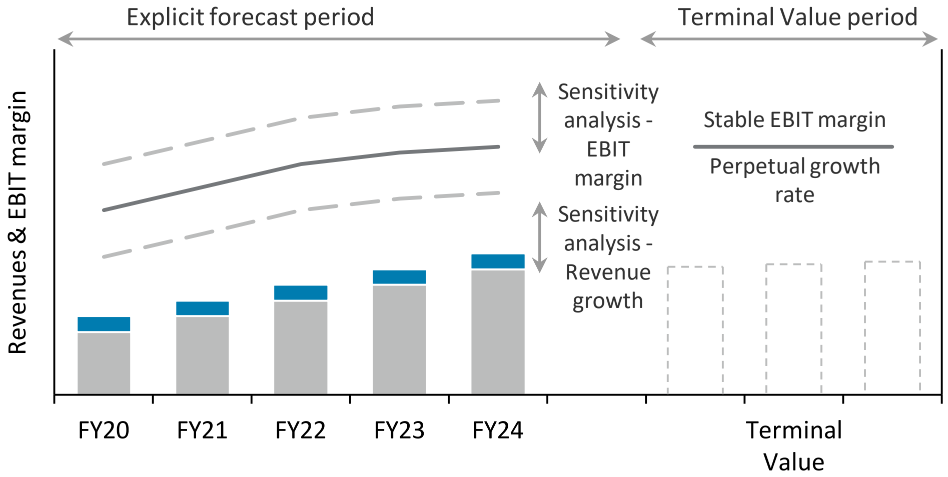
Given the potential synergies involving M&A transactions in the asset management industry, we **recommend the income approach**, and particularly the discounted cash flow method in transaction valuation analyses.

This approach involves **forecasting the appropriate cash flow stream for an appropriate period** and then discounting it back to a present value at an appropriate discount rate. This discount rate should consider the time value of money, inflation and the risk inherent in ownership of the asset or security interest being valued.

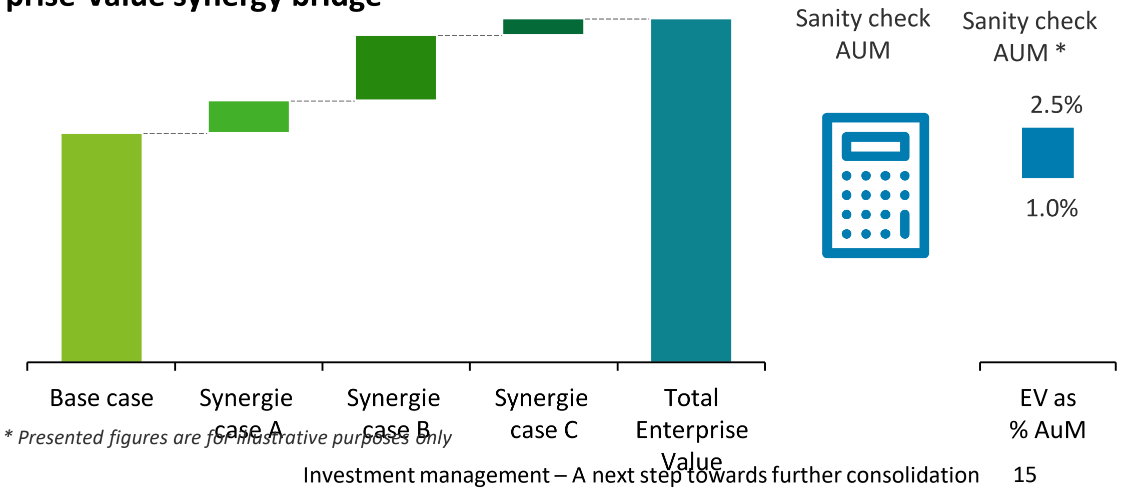
The advantage of this approach is that the **value of synergy cases** can be considered separately. Hence, in the pricing of the potential transaction, these synergies can be included in a **transparent manner**.

Sanity checks should be performed to assess if the resulting outcome of the Enterprise Value relative to AUM would be reasonable.

DCF schematic overview



Enterprise Value synergy bridge



** Presented figures are for illustrative purposes only*

5. The Netherlands

The Netherlands is a very well-developed asset management market in terms of regulated mutual funds

The **demand for products** offered by asset management companies is closely **linked to the development of equity markets**. The Netherlands' stock market capitalization exceeds the GDP, indicating **a highly developed equity capital market**.

In the Netherlands, the asset management industry is a **well-developed** industry. Measured in terms of regulated open-end funds, total net assets amounts to 94% of the total GDP which indicates a well-developed fund industry*.

Total net assets of investments in regulated open-end funds increased from EUR 671bn in 2015 to **EUR 856bn in 2019**.

The **number of funds of decreased** from 1,051 funds in 2019 to 962 in 2019. This is driven by among others cost-efficiency reasons - the costs of operating funds are spread across the combined assets of several funds in trust. According to the ICI factbook 2020, the increased availability of other investment offerings has resulted to **changes in how investors are allocating their portfolios**. The percentage of mutual fund companies attracting net new investments and retaining assets generally has been lower in recent years.

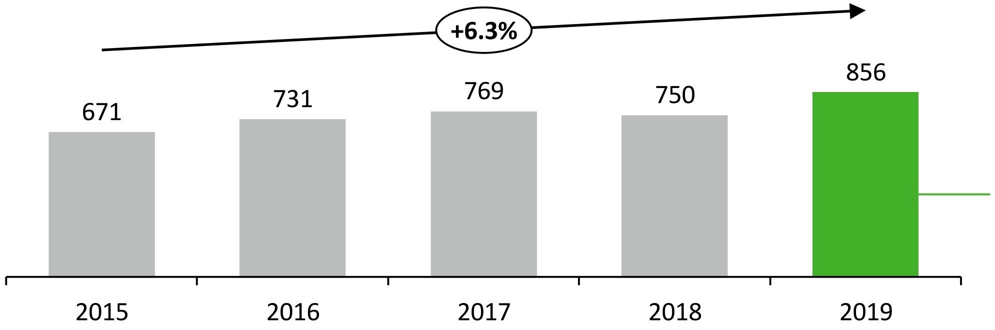
Stock market capitalization as a % of GDP

110%

Regulated open-end long-term fund total net assets as % of GDP

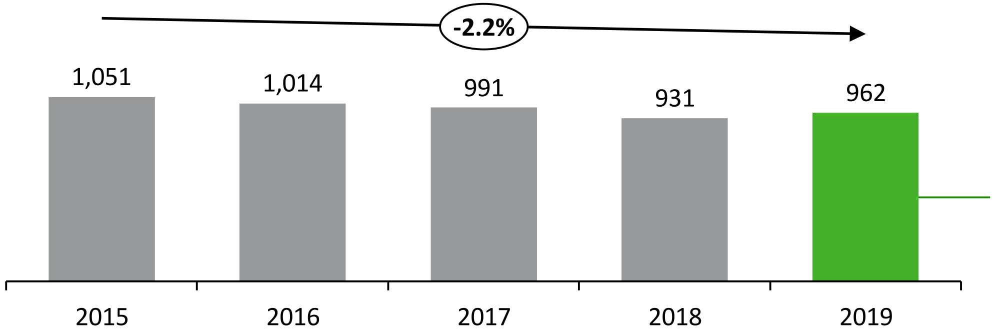
94%

Regulated Open-End Funds in the Netherlands: Total net assets (€bn)



c. 5% of total funds in Europe **

Regulated Open-End Funds: Number of Funds in the Netherlands



c. 1.6% of total # of funds in Europe

Note: Please refer to the Appendix 1 and 2 for an overview of the total net assets and the number of funds for other countries

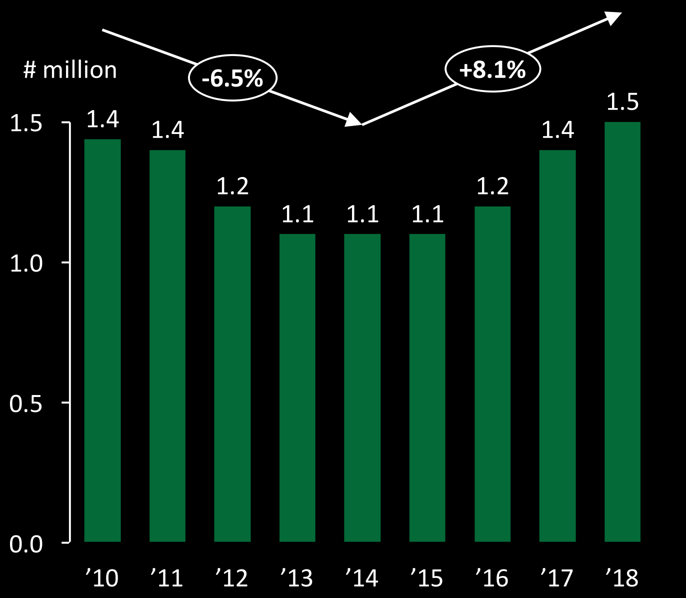
* ICI Factbook 2020, page 23

* For a full overview please refer to Appendix 1

5. The Netherlands

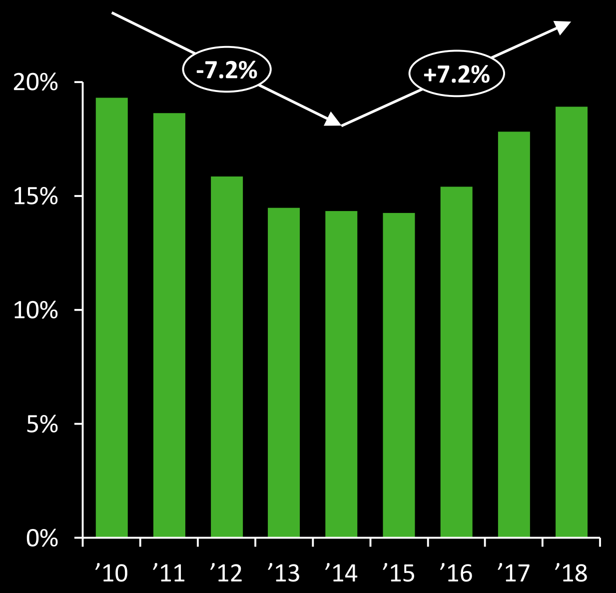
The number of households holding investment accounts increased by on average 8.1% per year for the period 2015 – 2018. The average invested amount per household fluctuates at around EUR 26k for the period 2010 to 2018

#Dutch households that hold investment account



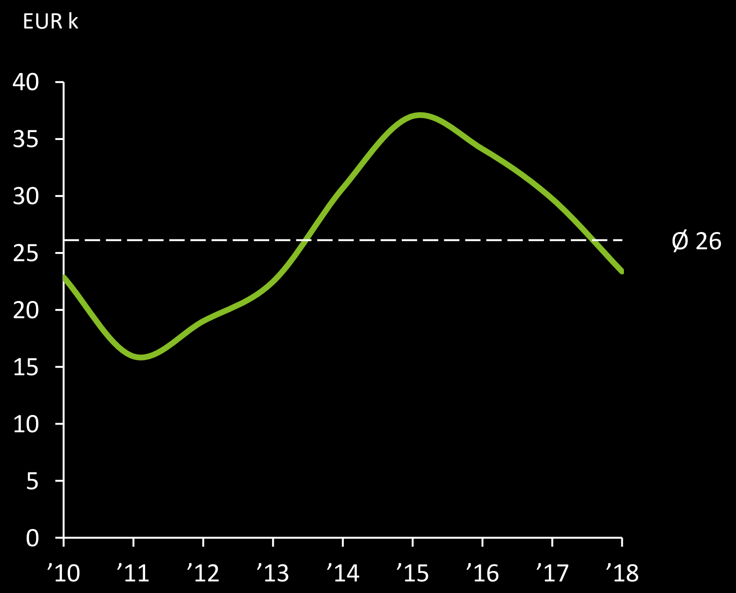
The number of **investing households increased** the past five years to approximately 1.5m at the end of 2018. The increase is mainly driven by low term yields on government bonds, economic growth and the popularity of online asset management.

% households compared to total households



The same pattern is observed for the number of households measured in terms of total households. A **sharp increase** for the 2015 – 2018 indicating an **increasing appetite** in holding investment accounts.

Average amount on investment account



Dutch households have a combined invested capital of circa **€35bn at the end of 2018**, corresponding to an average investing amount of about **€23,300 per investing household.**

Source: Kantar (TNS NIPO), De Nederlandse Bank

5. The Netherlands

The asset management landscape in the Netherlands is highly scattered ranging from institutional asset managers to smaller independent asset managers and online investment service providers

The asset management landscape in the Netherlands can be broadly split up in the groups presented below. The market is highly fragmented. The largest asset managers are related to institutional asset managers or banks / insurance companies. The majority of asset management companies comprises of (smaller) independent companies. In the figure below an overview of asset management companies in the Netherlands is presented (without being complete).

Institutional investors	Insurance companies and banks	Independent asset managers	Online service providers
Syntrus Achmea real estate & finance	ABN·AMRO	Ambassador Vermogensbeheer	Axento vermogensbeheer
Actiam	Optimix Vermogensbeheer	Capital Coach	BinckBank
Achmea	Rabobank	B.A. van Doorn & Comp onafhankelijk vermogensbeheer	BrightPensioen
PGGM	Bank ten Cate & Cie private banking sinds 1881	Care IS vermogensbeheer	dexxi # iedereen is een belegger
Robeco	BNP Paribas	Fisher Investments Nederland	Doelbeleggen
apg	capital at work Wealth Management Foyer Group	Franklin Templeton	evi
a.s.r. de nederlandse vermogens beheerders	Aegon	Ostrica	Fitvermogen.nl
MN	SNS Bank	Leenen & Spencer Vermogensbeheer	iBeleggen
AXA Investment Managers	ASN Bank	OVG Onafhankelijk Vermogensbeheer 's-Gravenhage	
BlackRock	Citi		
PGB pensioendiensten	Caceis Investor Services		
Blue Sky Group	Triodos Bank		
	DWS		
	ING		
	Insinger Gilissen Private Bankers		
	knab		
	Van Lanschot sinds 1737		
	NN investment partners		

5. The Netherlands

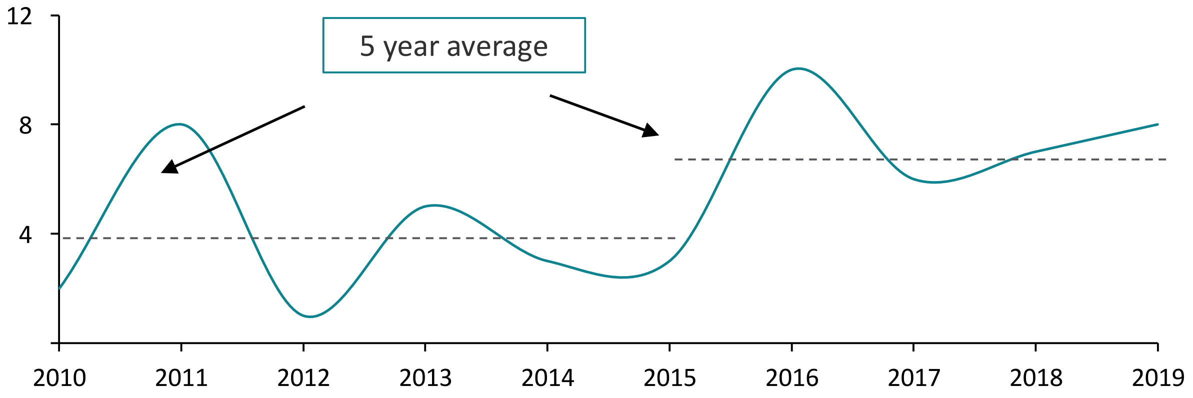
The number of deals in the Dutch asset management market shows a pattern towards further consolidation

In the past five years the number **of M&A transactions** in the Netherlands has on average **doubled compared** to the preceding five years.

One of the main drivers is the **increase of operational costs for asset managements to comply** with, among others, the commission ban regulation, GDPR privacy legislation, the anti Money Laundering and Terrorist Financing regulation, PSD2 and Mifid II. Technology may help some of the asset management companies to manage operational costs. For others this will be more challenging and/or may require substantial investments.

On the other hand, clients are these **days more interested in passive funds and are not willing to compensate the fees for active funds**. Hence, especially the smaller asset management companies feel market pressure to act upon these market developments and potentially search for partners.

Number of M&A transaction in the Dutch asset management industry



Overview of some M&A transactions

Date	Target	Acquirer
Aug 2020	Hof Hoorneman Bankiers NV	Van Lanschot Kempen
Jan 2020	ASR bank asset management	Evi van Lanschot
Sep 2019	Nobel Vermogensbeheer	Delen Private Bank
Oct 2019	Attent Vermogensbeheer, Boer & Olij Effectenhuis, Auréus Vermogen and 2 undisclosed asset managers	Capital Coach
Dec 2018	The Dutch business of Julius Baer	Wealth Management Partners
Aug 2018	Fair Capital Partners Asset Management	Quadia SA
Apr 2018	ABN AMRO Investment Solutions	Candriam Investors Group
Jan 2018	Think ETF Asset Management	Van Eck Associates Corporation
Sept 2017	First Investments	ASR Vermogensbeheer
Mar 2017	Pritle	Binckbank

6. Outlook

We expect that asset management companies continue to use M&A activity to secure new capabilities and new markets

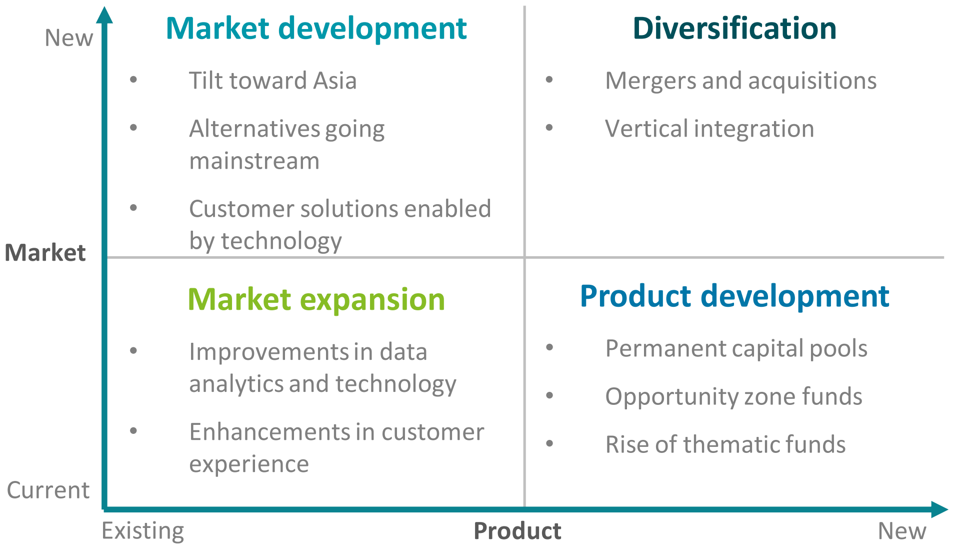
COVID-19 has **changed the way we work and live** which will further drive technology enabled solutions within the industry. The future success of asset management companies will likely depend on their ability to **use the crisis to accelerate their digital transformation** agenda. This may result in **substantial investments** for asset management companies.

Like last years we expect that asset management companies continue to **use M&A activity to secure new capabilities and new markets**. In addition, technology is likely to become key in improving customer experience, analyzing data and perform operations – likely accelerated by COVID-19. Furthermore, additional investment proposition for PE funds may result in new net inflows.

Future developments of the asset management industry can be summarized in the **two-by-two growth matrix** presented on the left.

The four categories relate to the development of new markets and products. The matrix comprises four quadrants **i) market development, ii) diversification, iii) market expansion and iv) product development**. Asset management companies should make their own decisions on which of these quadrants to focus on with each having their challenges.

Market and product development growth alternatives



Source: 2020 Investment Management Outlook, Deloitte Insights, 2019

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Appendix 1: Worldwide Regulated Open-End Funds: Total Net Assets

EUR bn	2014	2015	2016	2017	2018	2019
Austria	136.4	139.2	143.0	149.2	144.1	162.2
Belgium	83.3	84.8	79.9	90.9	84.1	96.6
Bulgaria	0.4	0.4	0.5	0.6	0.7	0.8
Croatia	1.7	1.8	2.4	2.5	2.6	3.0
Cyprus	n/a	n/a	0.2	1.3	2.4	3.2
Czech Republic	4.7	7.2	8.4	10.7	10.9	13.5
Denmark	99.8	102.7	110.7	121.5	120.7	134.8
Finland	71.4	81.3	88.8	92.4	87.3	98.2
France	1,603.1	1,686.9	1,781.2	1,926.8	1,812.1	1,958.2
Germany	1,522.2	1,657.1	1,793.9	1,925.5	1,920.2	2,217.7
Greece	4.3	4.0	3.9	4.5	4.1	5.6
Hungary	13.2	13.7	13.8	14.1	13.5	13.0
Ireland	1,655.6	1,889.8	2,081.7	2,393.2	2,421.6	3,051.6
Italy	179.6	191.4	192.7	216.8	206.6	213.4
Liechtenstein	37.8	41.4	43.2	45.5	44.4	53.6
Luxembourg	3,104.4	3,514.7	3,695.7	4,154.5	4,064.8	4,723.9
Malta	3.7	3.5	2.6	2.9	2.8	3.3
Netherlands	662.1	671.3	731.3	768.9	750.0	855.7
Norway	92.7	94.4	108.0	115.5	120.6	134.7
Poland	28.2	29.7	28.0	34.5	34.7	35.8
Portugal	13.0	13.5	12.5	12.8	11.9	13.2
Romania	4.1	4.6	4.8	4.9	4.1	4.7
Russia	1.1	1.3	2.0	2.7	n/a	n/a
Slovakia	5.4	5.7	5.9	6.6	6.6	7.4
Slovenia	2.1	2.3	2.4	2.6	2.4	2.9
Spain	226.4	252.9	266.0	292.6	283.7	303.8
Sweden	234.4	257.8	271.3	296.4	293.6	367.7
Switzerland	360.6	420.9	450.8	465.3	463.8	582.2
Turkey	12.6	11.9	11.6	11.0	6.5	15.4
United Kingdom	1,240.3	1,458.1	1,431.3	1,594.8	1,469.8	1,683.6
Europe	**11,404.6**	**12,644.3**	**13,368.7**	**14,761.5**	**14,390.7**	**16,759.8**

Source: ICI Factbook 2020

EUR bn	2014	2015	2016	2017	2018	2019
Argentina	12.9	15.1	19.1	24.3	13.9	12.3
Brazil	817.5	684.6	1,005.0	1,031.0	1,058.1	1,188.4
Canada	865.7	878.7	1,023.7	1,076.0	1,016.2	1,259.1
Chile	36.5	36.7	43.8	45.6	45.9	52.7
Costa Rica	1.7	2.3	2.2	2.0	1.9	2.3
Mexico	98.7	97.5	87.6	91.1	95.8	109.8
Trinidad and Tobago	5.9	6.4	6.4	6.2	6.2	6.9
United States	14,747.7	16,351.2	17,883.1	18,459.8	18,412.0	22,890.3
Americas	**16,586.7**	**18,072.6**	**20,070.9**	**20,736.1**	**20,649.9**	**25,521.8**
Australia	1,330.8	1,423.0	1,697.4	1,790.5	1,695.6	1,961.4
China	619.4	1,163.0	1,162.8	1,406.6	1,544.7	1,684.7
Chinese Taipei	48.0	58.1	58.5	60.7	68.9	114.5
India	113.0	154.9	205.4	256.0	259.3	308.0
Japan	972.6	1,230.1	1,393.4	1,465.3	1,576.1	1,839.4
Korea, Rep. of	272.8	316.1	351.1	376.3	404.5	479.6
New Zealand	34.3	38.6	46.1	47.8	51.8	69.9
Pakistan	3.4	3.8	5.1	3.8	3.2	3.6
Philippines	4.2	4.6	4.6	4.9	4.3	5.0
Asia and Pacific	**3,398.5**	**4,392.2**	**4,924.4**	**5,411.9**	**5,608.4**	**6,466.1**
South Africa	121.0	112.4	138.1	151.4	135.4	158.1
Africa	**121.0**	**112.4**	**138.1**	**151.4**	**135.4**	**158.1**
World	**31,510.7**	**35,221.5**	**38,502.0**	**41,060.9**	**40,784.5**	**48,905.9**

Source: ICI Factbook 2020

Appendix 2: Worldwide Regulated Open-End Funds: Number of Funds

# funds	2014	2015	2016	2017	2018	2019
Austria	1,629	1,596	1,575	1,580	1,603	1,554
Belgium	1,231	1,164	962	890	701	603
Bulgaria	104	104	110	116	123	121
Croatia	82	85	89	94	96	99
Cyprus	n/a	n/a	30	46	69	84
Czech Republic	108	128	129	147	159	170
Denmark	526	532	558	565	599	621
Finland	383	371	372	380	404	389
France	11,273	11,122	10,952	10,860	10,804	10,715
Germany	5,503	5,604	5,678	5,863	6,149	6,392
Greece	143	139	135	146	175	180
Hungary	307	316	306	306	298	286
Ireland	5,833	6,201	6,470	6,831	7,285	7,646
Italy	687	713	760	832	866	912
Liechtenstein	946	1,184	1,287	1,367	1,566	1,713
Luxembourg	13,849	14,108	14,211	14,728	14,898	14,808
Malta	110	130	126	140	142	128
Netherlands	561	1,015	1,014	991	931	962
Norway	619	700	720	754	865	1,000
Poland	398	391	423	428	440	511
Portugal	184	171	152	131	136	134
Romania	72	74	75	74	78	81
Russia	378	340	296	284	n/a	n/a
Slovakia	87	88	87	87	86	94
Slovenia	110	109	102	98	98	98
Spain	2,235	2,238	2,342	2,332	2,584	2,651
Sweden	522	471	496	519	528	522
Switzerland	843	860	858	918	887	915
Turkey	404	387	396	387	398	401
United Kingdom	2,597	2,871	2,802	2,948	3,033	3,134
Europe	**51,724**	**53,212**	**53,513**	**54,842**	**56,001**	**56,924**

Source: ICI Factbook 2020

# funds	2,014	2,015	2,016	2,017	2,018	2,019
Argentina	302	346	420	487	544	577
Brazil	8,560	8,783	9,224	9,774	10,257	11,099
Canada	2,920	3,046	3,089	3,169	3,404	3,524
Chile	2,418	2,500	2,539	2,673	2,726	2,820
Costa Rica	66	65	67	67	71	66
Mexico	486	499	524	553	575	553
Trinidad and Tobago	43	44	44	45	54	54
United States	9,346	9,718	9,791	9,803	10,084	10,041
Americas	**24,141**	**25,001**	**25,698**	**26,571**	**27,715**	**28,734**
Australia	n/a	n/a	n/a	n/a	n/a	n/a
China	1,862	2,558	3,564	4,361	4,957	5,683
Chinese Taipei	577	602	653	714	774	893
India	768	804	795	807	831	927
Japan	8,778	9,820	10,915	11,662	12,294	12,863
Korea, Rep. of	11,235	11,918	12,626	11,828	13,258	13,967
New Zealand	632	609	615	587	629	656
Pakistan	159	160	171	177	192	204
Philippines	53	55	57	60	61	67
Asia and Pacific	**24,064**	**26,526**	**29,396**	**30,196**	**32,996**	**35,260**
South Africa	1,171	1,327	1,520	1,626	1,567	1,610
Africa	**1,171**	**1,327**	**1,520**	**1,626**	**1,567**	**1,610**
World	**101,100**	**106,066**	**110,127**	**113,235**	**118,279**	**122,528**

Source: ICI Factbook 2020

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