

ETF Assets Hit Record \$2.2 Trillion in 2015, According to Broadridge Financial Solutions

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LAKE SUCCESS, N.Y., Jan. 28, 2016 /PRNewswire/ -- Total exchange-traded fund (ETF) assets hit an all-time high of \$2.2 trillion in 2015, driven by the continued growth in popularity of passive investment vehicles, according to quarterly data released today by [Broadridge Financial Solutions, Inc.](#) (NYSE:BR) via its [Fund Distribution Intelligence](#). Comparatively, total long-term mutual fund assets held by financial intermediaries decreased by \$161 billion to \$7.29 trillion in the full year of 2015, while ETF assets increased by \$124 billion in the same period.



"The increased usage of passive investments across all distribution channels accelerated in 2015. Our analysis shows that passively managed index and ETF assets increased by two percent during 2015, while actively managed funds and ETFs saw a one percent decrease," said Frank Polefrone, senior vice president of Broadridge's data and analytics business. "We expect this trend to continue in 2016, as the increased usage of ETFs and index funds continues for core allocations."

According to Broadridge's Fund Distribution Intelligence findings, retail distribution channels experienced a larger increased usage of passive products, with an increase of 2.6 percent, versus institutional channels which increased by 1.6 percent. This increase brought the usage of passively managed products to 31 percent across all channels, a two percentage point market share increase during 2015.

With an increased use of both index funds and ETFs by advisors and in model portfolios, passively managed fund and ETF assets increased to 26 percent of overall fund and ETF assets held by retail distributors over the past year. Among retail channels, registered investment advisors and online retail shareholders utilizing discount brokerage firms are the largest users of passive products at 30 and 58 percent respectively. Alternatively, independent broker dealers continue to be the highest users of active funds, holding more than 80 percent in active investments.

Additional key findings include:

- The wirehouse channel had the largest decrease of actively managed products among retail channels during 2015, a decline of 4 percent.
- Alternatively, wirehouse firms had a 2 percent increase of passively managed funds and ETFs during 2015.
- The only channels with an increase of long-term mutual fund assets in 2015 were the bank and discount channels, which grew by \$52 and \$29 billion respectively. These channels have the highest usage of passively managed products.

Broadridge's [Fund Distribution Intelligence](#) comprises the most complete sales and asset data collection in the industry, creating transparency into more than \$9 trillion of long-term mutual fund and ETF assets across a majority of mutual fund distributors.

About Broadridge

Broadridge Financial Solutions, Inc. (NYSE:BR) is the leading provider of investor communications and technology-driven solutions for broker-dealers, banks, mutual funds and corporate issuers globally. Broadridge's investor communications, securities processing and managed services solutions help clients reduce their capital investments in operations infrastructure, allowing them to increase their focus on core business activities. With over 50 years of experience, Broadridge's infrastructure underpins proxy voting services for over 90 percent of public companies and mutual funds in North America, and processes on average \$5 trillion in fixed income and equity trades per day. Broadridge employs approximately 7,400 full-time associates in 14 countries.

For more information about Broadridge, please visit www.broadridge.com.

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