

Independent Broker-Dealers and RIAs Continue to Outpace Wirehouse Firms in Long-Term Mutual Fund Asset Growth in Q1 2013, According to Broadridge's Access Data and Strategic Insight

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LAKE SUCCESS, N.Y., May 2, 2013 /PRNewswire/ -- Long-term mutual fund assets distributed by independent/regional broker-dealers (IBDs) and registered investment advisors (RIAs) continued to grow at a faster pace than the wirehouse channel in the first quarter of 2013, evidenced by new data released by Access Data, a [Broadridge Financial Solutions](#) (NYSE:BR) Company, and [Strategic Insight](#), an Asset International company. Accelerated growth for the independent distribution channels versus wirehouse channel was first identified by Access Data earlier this year when the firm released a study showing the IBD and RIA channels adding assets under management at twice the rate as the wirehouse channel. During the first quarter of 2013, the trend continued, with mutual fund assets in the IBD and RIA channels increasing 9% and 8%, respectively, compared to the wirehouse channel, which experienced a 6.5% increase during the quarter.

(Logo: <http://photos.prnewswire.com/prmh/20110920/MM71626LOGO>)

A downloadable infographic depicting the distribution of mutual fund and ETF assets by channel and region is available here:

(Photo: <http://photos.prnewswire.com/prmh/20130502/NY05758-INFO>)

According to Access Data's Market Intelligence data, first quarter 2013 long-term mutual fund assets under management at IBDs and RIAs rose to \$1.54 trillion and \$1.24 trillion, respectively, compared to \$1.41 trillion and \$1.15 trillion in the fourth quarter of 2012. The wirehouse channel accounted for \$1.20 trillion in the first quarter, compared to \$1.13 trillion in the previous sequential quarter.

"RIAs and IBDs continue to be a driving force behind the growth of retail mutual fund sales, demonstrated by the increase of mutual fund assets under management in these channels at the end of the first quarter of 2013," said Frank Polefrone, Senior Vice President, Access Data. "By having a better understanding of which channels are driving growth, fund firms can more effectively utilize sales and marketing resources to accelerate growth of assets under management. We're seeing our mutual fund and ETF clients take notice of the accelerated growth in the RIA and IBD channel and, as a result, put more dollars toward reaching these channels."

"As investor confidence improved, net flows to stock and bond mutual funds set an all-time quarterly flows record at \$193 billion during the first quarter of 2013. Independent advisors were key contributors to this growth, as independent/regional broker-dealers brought in an estimated \$43 billion of net inflows to long-term funds in the first quarter and RIAs deposited an additional \$26 billion," said Avi Nachmany, Executive Vice President and Director of Research at Strategic Insight. "As the scope of advisor-sold fund distribution continues to expand, the distribution data transparency offered by Access Data, combined with analysis from Strategic Insight, has been widely adopted and has become essential in helping our clients formulate both strategic and tactical action plans, and identify the best growth opportunities by channel, distributor, and product type."

The data also revealed that California, Colorado, Massachusetts and New York are the top states in rank order of assets under management (AUM) by RIAs of long-term mutual funds and ETFs. These states represent more than 40 percent of total mutual fund and ETF AUM by RIAs.

Access Data's Market Intelligence provides fund firms with a complete industry view, tracking more than 90 percent of long-term mutual fund and ETF asset positions and net flows. The offering calculates market share by channel, intermediary and product, performs peer group comparisons and analysis by Morningstar category, and estimates market penetration across multiple data sets, all the way down to the firm and office location.

In June, Access Data and Strategic Insight will release a detailed report on long-term mutual fund and ETF asset flows in the RIA market.

About Access Data

Access Data Corp., a Broadridge company, is a leader in enterprise data management, analysis and reporting for the financial services industry - providing data and reporting solutions covering 90% of all long-term fund assets and 95% of all ETF assets. Leading asset management firms and financial intermediaries utilize Access Data's proprietary technology and services to gain visibility into how sales and assets are generated and address a myriad of challenges in distribution, compensation management and compliance and risk management. Access Data's flagship product, Access Data SalesVision[®] provides comprehensive storage and analysis solutions, delivering web-based reporting as Software as a Service. Please visit broadridge.com/accessdata.

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 operations outsourcing solutions help clients reduce their capital investments in operations infrastructure, allowing them to increase their focus on core business activities. With 50 years of experience, Broadridge's infrastructure underpins proxy voting services for over 90% of public companies and mutual funds in North America, and processes more than \$4.5 trillion in fixed income and equity trades per day. Broadridge employs approximately 6,200 full-time associates in 13 countries.

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

About Strategic Insight

For more than 20 years, Strategic Insight has been at the forefront of thorough, unbiased mutual fund industry research and business intelligence. We provide our variety of products and services to a range of clients, including executives from more than 200 investment management and insurance companies, distributors, investment banks, hedge funds, consultants and law firms. Strategic Insight's parent company, Asset International, delivers critical, cutting edge data, research and marketing programs to mutual fund companies, banks, asset managers and insurance companies worldwide. The company has offices in New York, Boston, Hong Kong, London, Melbourne and Stamford, CT. For additional information, visit Sionline.com.

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