

## Independent Broker-Dealers Increased Long-Term Mutual Funds & ETF Assets in Q3 Despite Market Downturn, according to Broadridge

Released : 10 30 2014

LAKE SUCCESS, N.Y., Oct. 30, 2014 /PRNewswire/ -- Total third party distribution of long-term mutual fund and ETF assets represented \$9.24 trillion in the third quarter of 2014, down slightly from the previous quarter, according to new data and analysis released today by Access Data, a [Broadridge Financial Solutions](#), Inc. (NYSE:BR) company. Of the financial advisor channels, the independent broker-dealer (IBD) channel was the only one to increase mutual fund and ETF assets under management in the third quarter, accounting for \$2.27 trillion under management.

"The market downturn witnessed in September resulted in a slight decrease in long-term mutual fund and ETF assets under management by third party distributors during the third quarter of 2014, with the exception of independent broker-dealers," said Frank Polefrone, Senior Vice President, Access Data. "While asset changes among RIAs can be more fluid due to asset allocation changes made by advisors, the combination of long-term mutual fund and ETF assets among IBDs was more stable."

According to data from Broadridge's [Fund Distribution Intelligence](#)™ tool, registered investment advisors (RIAs) remained second to IBDs in combined long-term mutual funds and ETFs assets, accounting for \$1.72 trillion in the third quarter, followed by wirehouse firms with \$1.63 trillion and the private bank channel with \$1.43 trillion.

Broadridge's data also shows an increasing use of ETFs across all third party distribution channels in 2014. In the third quarter, ETF assets totaled \$1.95 trillion, up nearly 10 percent on a year-to-date (YTD) basis. While RIAs accounted for the most ETF assets under management in the third quarter with \$385 billion, IBDs increased ETF assets by a higher percentage base both on a quarterly (five percent) and YTD basis (15 percent). Additionally, for the first time, the private bank channel surpassed the wirehouse channel with ETF assets of \$357 billion under management in the third quarter – an increase of more than 10 percent YTD.

"We've seen advisors across all channels increase the use of ETFs in their investment strategies. With advisors moving more to fee based compensation for managing portfolios rather than commission based product sales, the use of ETFs has captured a larger share of net new assets managed by advisors," said Mr. Polefrone.

Broadridge's Fund Distribution Intelligence tool 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 900+ distributors. This intelligence provides firms with critical information to help them make strategic decisions about distribution, product development, and sales and marketing, allocate resources effectively, and accelerate growth. Data is updated monthly and can be analyzed by channel, geography and more.

### 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 provides comprehensive storage and analysis solutions, delivering web-based reporting as Software as a Service. Please visit [access-data.broadridge.com](http://access-data.broadridge.com).

### 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 business process outsourcing 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% of public companies and mutual funds in North America, and processes more than \$5 trillion in fixed income and equity trades per day. Broadridge employs approximately 6,700 full-time associates in 14 countries.

For more information about Broadridge, please visit [www.broadridge.com](http://www.broadridge.com).

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