

Fund Distribution Intelligence™

Q3 - 2015

ETF assets continued year-on-year
growth through Q3

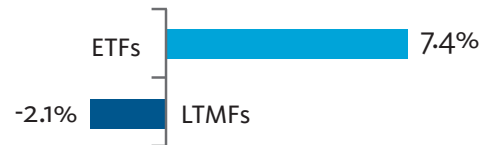
Broadridge's Fund Distribution Intelligence tool comprises the most complete sales and asset data collection in the industry, creating transparency into more than \$9 trillion of long-term mutual fund and ETF assets across 900+ distributors.

ETF sales growth driven by retail channels

Exchange-traded fund (ETF) assets grew by \$144 billion, or 7.4 percent, in the year ending September 30, 2015. During the same period, long-term mutual fund assets from third-party distributors declined by 2.1 percent, or \$156 billion.

ETFs Grow, LTMFs Decline

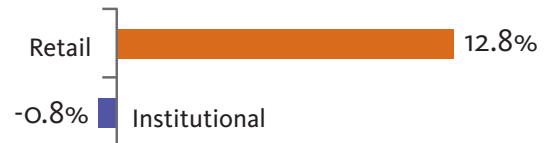
Growth in AUM in All Third-party Channels Q3 '14 to Q3 '15



Retail channels continued to generate the majority of ETF asset growth, which now represent 63 percent of all ETF assets. While retail ETF channels were up \$150 billion over the past year, or 12.8 percent, ETF assets from institutional channels decreased by \$6 billion, or -0.8 percent.

Retail Channels Drive ETF Growth

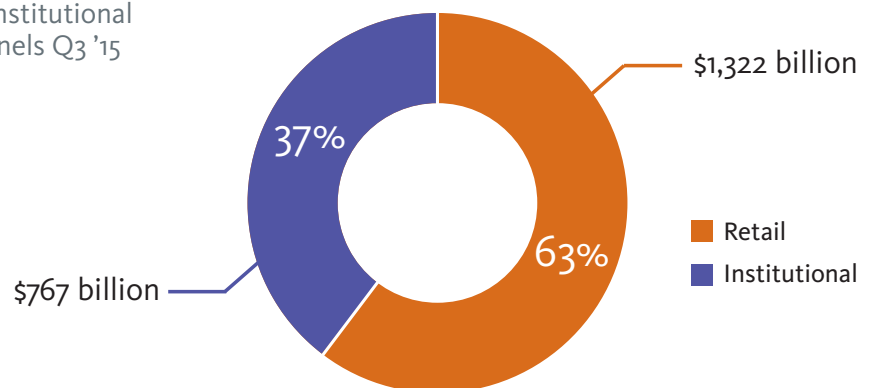
ETF Growth by Channel Q3 '14 to Q3 '15



ETF assets across retail and institutional channels reached \$2,089 billion, with retail channels accounting for 63 percent and institutional channels accounting for 37 percent.

Retail Channel Holds Majority of ETF Assets

ETF Assets in Retail and Institutional Channels Q3 '15

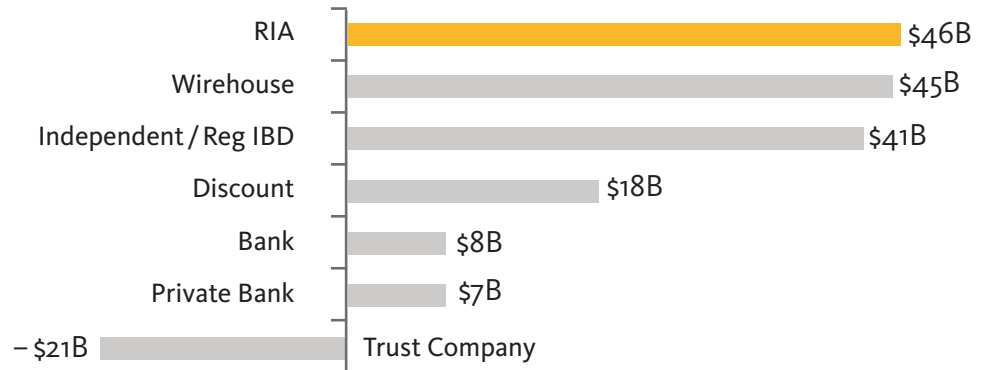


RIAs lead retail channels

Registered investment advisors (RIAs) led all retail channels over the year ending September 30, 2015, adding \$46 billion in ETF assets. This was followed by wirehouses with \$45 billion and independent broker dealers (IBDs) with \$41 billion. ETF growth was weakest in Trust companies which reduced ETF holdings by \$21 billion. The only retail channel with increased assets for long-term mutual funds over this period was the RIA channel with an increase of \$29 billion.

ETF Growth Remains Strongest in RIA Channel

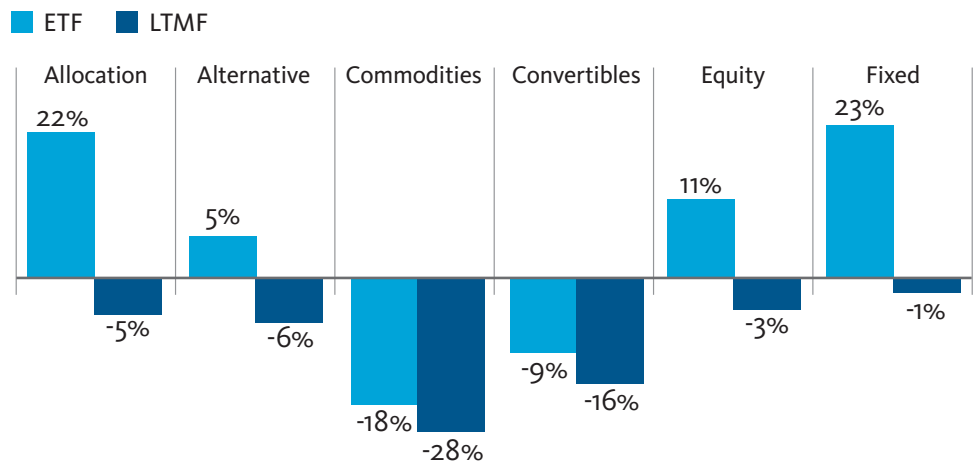
Growth in ETF Distribution Q3 '14 to Q3 '15



Retail channels increased assets across several ETF global product categories, as defined by Morningstar, including fixed income (23 percent), allocation funds (22 percent), equity (11 percent), and alternative (5 percent). The two ETF categories that saw a decline in assets held by the retail channels were commodities (18 percent), and convertibles ETFs (9 percent). In contrast, all global product categories for long-term funds showed a decrease in assets over this same period.

Retail Channel—Product Growth by Category

Retail Channel Asset Growth by Product Category Q3 '14 to Q3 '15



Long-term funds from retail channels were down by \$199 billion, or -4.2 percent, over the past year, while assets from the institutional channels were up \$43 billion, or 1.7 percent.

LTMF Growth by Channel

LTMF Growth in Institutional and Retail Channels Q3'14 to Q3'15



Additional findings in the third quarter of 2015:

On a year-to-date basis, total ETF assets increased by \$5 billion, or 0.2 percent, while long-term funds sold through distributors decreased by \$243 billion, or 3.3 percent.

About Fund Distribution Intelligence™

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About Broadridge

Broadridge is the leading provider of investor communications, technology driven solutions, and data and analytics 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.

Gain unique insights into long-term mutual fund and ETF distribution trends at:
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