

11 October 2019

## ASX Announcement

### Pendal Group funds under management (FUM) for the quarter ended 30 September 2019

- FUM \$100.4bn, down 1% for the quarter
- Outflows of \$2.3bn primarily from the European and UK OEIC funds and the Westpac book
- Continued strong inflows into US pooled funds
- Favourable foreign exchange movements of \$1.2bn.

| FUNDS UNDER MANAGEMENT            |              |              |              |            |              |
|-----------------------------------|--------------|--------------|--------------|------------|--------------|
| (AUD \$bn)                        | 30 Jun 19    |              |              |            | 30 Sep 19    |
|                                   | Closing FUM  | Net Flows    | Other*       | FX Impact  | Closing FUM  |
| Institutional                     | 21.1         | (0.1)        | 0.4          |            | 21.4         |
| Wholesale                         | 8.2          | 0.0          | 0.0          |            | 8.2          |
| Westpac                           |              |              |              |            |              |
| - Legacy retail                   | 5.0          | (0.1)        | 0.1          |            | 5.0          |
| - Other                           | 14.2         | (0.7)        | 0.3          |            | 13.8         |
| <b>Total Pendal Australia FUM</b> | <b>48.5</b>  | <b>(0.9)</b> | <b>0.8</b>   | <b>-</b>   | <b>48.4</b>  |
| Segregated mandates               | 16.5         | (0.3)        | 0.0          | 0.4        | 16.6         |
| OEICs                             | 20.5         | (1.6)        | 0.0          | 0.2        | 19.1         |
| US pooled funds                   | 15.8         | 0.5          | (0.6)        | 0.6        | 16.3         |
| <b>Total JOHCM FUM</b>            | <b>52.8</b>  | <b>(1.4)</b> | <b>(0.6)</b> | <b>1.2</b> | <b>52.0</b>  |
| <b>TOTAL PENDAL GROUP FUM</b>     | <b>101.3</b> | <b>(2.3)</b> | <b>0.2</b>   | <b>1.2</b> | <b>100.4</b> |

\*Other includes investment performance, market movement and distributions.

Pendal Group Limited (ASX: PDL) today announced its funds under management (FUM) for the September quarter at \$100.4bn, down 1% (-\$0.9bn). FUM was supported by mildly positive global equity markets and a lower Australian dollar. Outflows of \$2.3bn, largely in the OEICs and the Westpac book were partially offset by strong inflows into the US pooled funds (+\$0.5bn). The annualised effect of the quarterly flows on Pendal Group fee income is a reduction of \$11.2m.

#### Pendal Australia

Australian outflows in the Westpac book (-\$0.8bn) were primarily made up of low margin cash (-\$0.4bn) and Australian equities (-\$0.3bn). Wholesale flows were positive in Australian equities, fixed income and cash strategies. Along with market growth, investment outperformance in a few Australian equity funds added to FUM which closed at \$48.4bn for the quarter.

#### JOHCM

JOHCM outflows were led by the OEICs (-\$1.6bn) predominantly in European (-\$0.9bn) and UK (-\$0.6bn) strategies reflecting ongoing risk aversion from investors in the region. There were positive inflows in the US pooled funds (+\$0.5bn) led by the International Select and the Global Emerging Markets Opportunities strategies. Encouragingly, there were positive flows in all channels for the Global Opportunities and Global Income Builder funds.

| <b>MARKET INDICATORS (Spot)</b> | <b>30 Jun 19</b> | <b>30 Sep 19</b> | <b>% change</b> |
|---------------------------------|------------------|------------------|-----------------|
| ASX All Ords                    | 6,699            | 6,801            | 1.5             |
| MSCI World ACWI AC (Local)      | 1,862            | 1,870            | 0.4             |
| GBP / AUD                       | 1.8067           | 1.8222           | 0.9             |
| USD / AUD                       | 1.4259           | 1.4817           | 3.9             |

### **Markets and foreign exchange movements**

During the quarter, markets were slightly higher and favourable currency movements adding \$1.2bn to FUM during the period.

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