



Expert insight into the U.S. retail marketplace

Crack the code of the U.S. fund markets

Radar U.S. is an authoritative source of information that synthesizes market data and research into digestible outputs and actionable insights for asset managers.

Radar U.S. provides practical insights into the U.S. market; including a detailed analysis of what is – and isn't – selling, as well as which channels and markets are excelling, and why. These insights afford a 360-degree outlook on opportunities for asset growth and sales flows and are designed to help asset managers power their internal reports, monitor developments, and inform their distribution strategy.

Benefits

- A fast track to building and sustaining in-depth market knowledge
- Independent and expert guidance to corroborate internal decisions
- Research that leverages unique datasets such as channels, model portfolios and investor information
- Early identification of developing market threats and opportunities for strategists and tacticians
- Trusted, reliable content and data to help you construct evidence-based business cases

Channel and market coverage

- | | |
|--------------------|----------------------|
| • Channel Overview | • Subadvisory |
| • Broker Dealer | • Model Portfolios |
| • Wirehouse | • ESG |
| • RIA | • Financial Advisors |
| • Online | • Investors |

What's included?

- Quarterly thought leadership supported by empirical evidence on key distribution themes within the U.S. asset marketplace
- Executive summary, scorecards, trends overview, and forecasts
- Monthly updates to monitor developments with greater frequency
- Digital access to Radar U.S. and other curated content via Broadridge's Distribution Insight platform

Data coverage

In order to provide a comprehensive view of the U.S. retail marketplace, Radar U.S. is powered by multiple datasets from Broadridge: including GMI Funds Americas, Market Analytics, and Investor Analytics, as well as ongoing proprietary surveys targeting financial advisors and retail end investors.



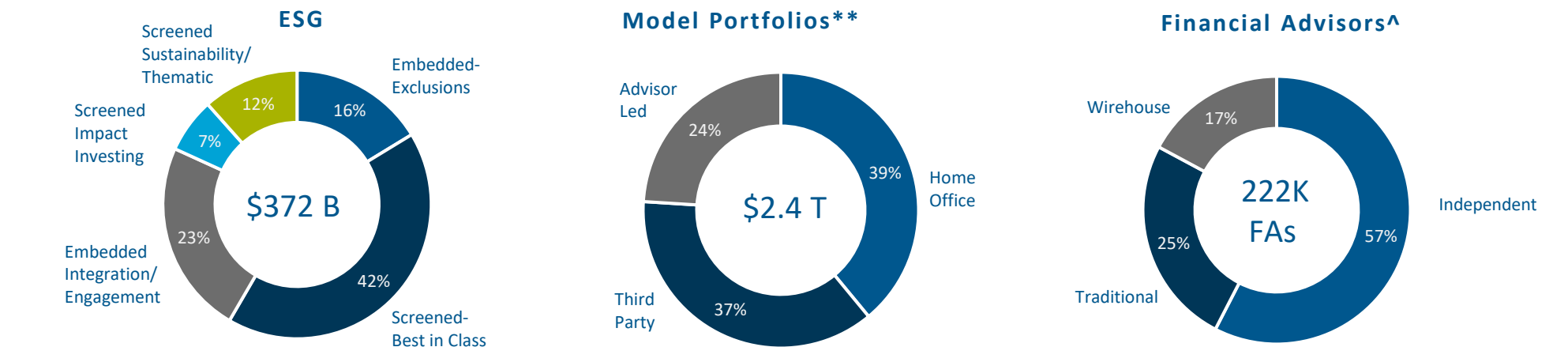
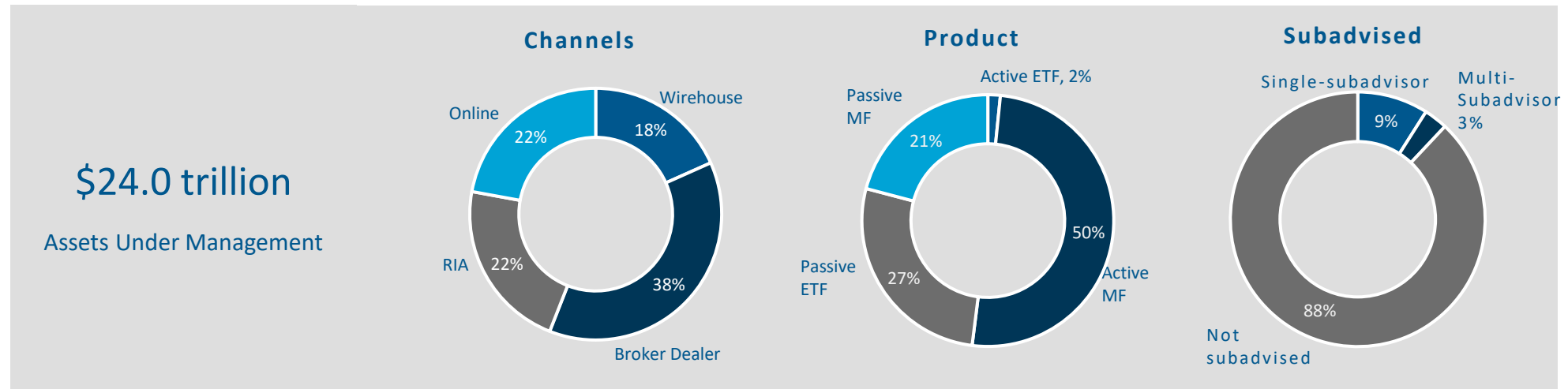
How to order

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Core Markets

U.S. Retail Intermediary Distribution Landscape 1Q 2023

Assets Under Management \$24.0 trillion



Source: Broadridge GMI Funds Americas, Broadridge Market Analytics – Model Portfolios
 ** Reflects Broadridge's tracking of the model portfolios marketplace down to the fund level.
 ^ Reflects Financial Advisor count by channel.

Sample pages from *Radar U.S.*, our quarterly insights publication focused on retail distribution.

Executive Summary

CHANNELS OVERALL
Intermediary-sold assets were dominated by mutual funds during 1Q 2021, but ETFs steadily gained ground as advisors increased their usage of models, which rely more heavily on ETFs. Surging equity markets drove investor optimism, leading equity net flows to surpass bonds. Equities overall attracted \$204 billion in net flows in 1Q 2021, with U.S. equities accounting for \$142 billion in flows with a concentration in large cap and financial.

BROKER DEALER
The Broker Dealer channel added \$254 billion in assets in 1Q 2021 and more than \$1.5 trillion over the one-year period, far outpacing all other channels on an absolute dollar basis. U.S. equity fueled the asset growth, adding \$160 billion in 1Q 2021 and \$904 billion since last year.

ONLINE
Online asset growth was primarily driven by Equities, with U.S. equities leading all other asset classes in 1Q 2021. U.S. equities, namely Large Blend, dominated inflows among self-directed investors, with Vanguard's passive products leading the pack.

RIA
The RIA channel gathered \$164 billion in assets in 1Q 2021, with the lion's share coming from U.S. equity, which added \$109 billion, or 8.4% growth, thanks to the seemingly unstoppable surging equity markets. ETFs continued to drive net flows in 1Q 2021, but active mutual funds saw a marked improvement in the quarter, having turned positive and registering their best organic growth since 3Q 2017.

WIREHOUSE
Wirehouse assets and growth continued to be led by U.S. equities, which saw continued outperformance compared to all other asset classes during the quarter. Within International Equities, Emerging Markets have served as a diversifier away from the home bias of U.S. equities, leading to strong quarterly asset growth at the Wirehouse.

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STRATEGY OVERVIEW – ASSETS

ETF and ESG assets have registered double-digit growth in 1Q 2021 while mutual funds grew in the single digits.

Channel Assets	VEHICLE (\$B)			ETFs			MODELS			ESG		
	Active	Passive	Total	Active	Passive	Total	Active	Passive	Total	Active	Passive	Total
Retail												
Broker Dealer	3,436	277	3,712	38	1,088	1,125	455.0	285.7	740.7	45.1	25.9	71.0
Online	867	615	1,481	33	896	929	21.1	31.9	55.0	16.7	15.7	32.4
RIA	1,373	214	1,587	50	1,180	1,230	113.2	159.6	272.8	33.9	16.7	50.6
Wirehouse	1,543	73	1,616	37	919	957	125.6	207.9	333.5	18.4	12.9	31.4
Bank												
Bank	773	307	1,080	18	657	675	34.5	11.1	45.6	11.7	17.7	29.3
Private Bank	559	978	1,537	9	565	574	8.9	16.6	25.5	8.4	12.6	21.0
Trust Co.	279	124	402	6	242	248	35.2	10.8	26.0	3.8	2.7	6.5
Channel Assets Growth												
Retail												
Broker Dealer	4.7%	4.7%	4.7%	18.2%	8.3%	8.6%	5.1%	5.6%	5.3%	12.0%	18.7%	14.4%
Online	5.3%	7.7%	6.3%	36.3%	11.3%	12.1%	25.1%	12.2%	16.8%	10.4%	19.7%	14.7%
RIA	4.6%	5.8%	4.8%	17.4%	7.8%	8.1%	8.4%	2.9%	5.1%	10.6%	15.2%	12.1%
Wirehouse	4.7%	5.2%	4.7%	14.4%	9.7%	9.9%	6.8%	7.6%	7.3%	11.4%	28.7%	17.9%
Bank												
Bank	3.1%	4.4%	3.5%	21.9%	6.5%	6.9%	1.7%	10.0%	3.6%	10.4%	22.0%	17.1%
Private Bank	3.2%	4.0%	3.7%	73.8%	5.6%	6.3%	-6.0%	11.6%	4.8%	8.3%	17.0%	13.4%
Trust Co.	6.4%	9.5%	7.4%	5.8%	-1.1%	-0.9%	14.2%	1.6%	8.6%	10.3%	8.0%	9.3%

Source: Broadridge GAM: Funds America, Broadridge Market Analytics - Model Portfolios

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SPOTLIGHT: ACTIVE ETF

Until very recently, the majority of flows into Active ETFs have been of the ultra-short bond variety offered by a handful of providers including IPAMM, PIMCO, BlackRock and First Trust. That changed in late 2020, and certainly during the first quarter, due to the explosion of interest in Ark's Innovation ETF, as well as its Next Generation Internet ETF, Genomic Revolution and its Fintech ETF. These investments provided easy access to cryptocurrency, and investors flocked to take advantage of this opportunity.

International equity and taxable fixed income are the two dominant asset classes for active ETFs so far, with U.S. equities not yet a major source of these vehicles. Perhaps because asset managers are not eager to disintermediate their own cash cow—active mutual funds—or, maybe because all technology and innovation funds are classified as global assets, the active ETF space has grown fastest in these categories. The industry sees more entrants all the time, including most of the large asset managers. Major firms, including Capital Group, GS&A, Putnam and Invesco, have all licensed Fidelity Investments' portfolio-shielding technology for active ETFs.

