



orient capital

Ownership trends in Australia

2019 Update

OC ownership summary 2019

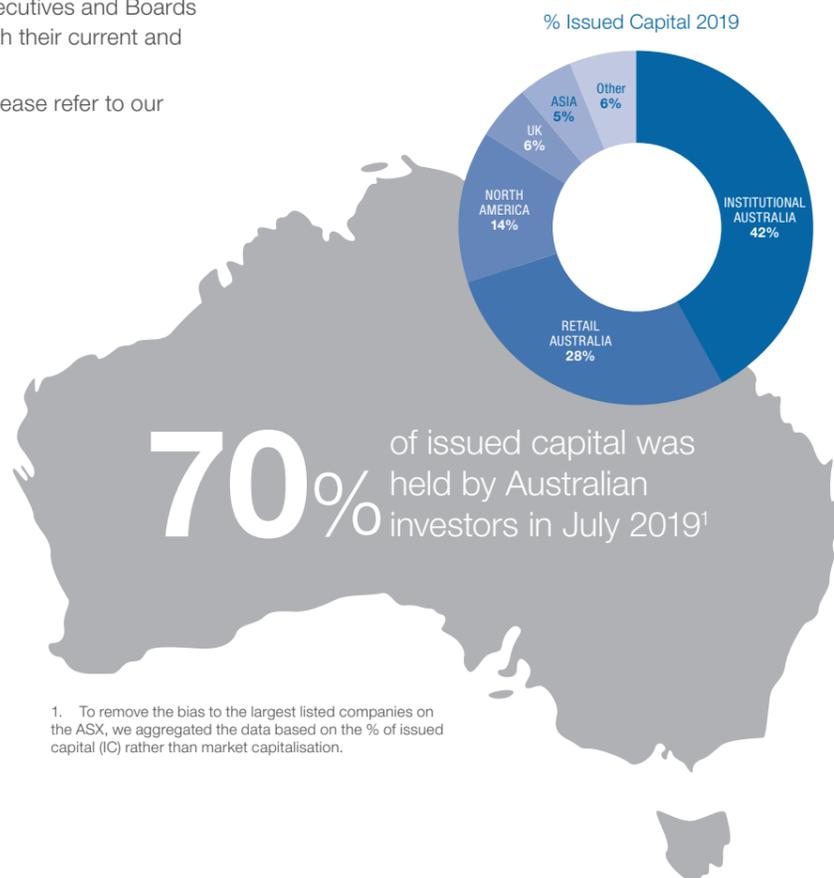
Ownership trends in the Australian equity market have remained relatively constant over the last 12 months, with major long-term developments continuing.

The trends outlined in this summary continue to impact the way Investor Relations Officers (IROs), Executives and Boards of listed entities approach and engage with their current and target stakeholders.

For more information on each of these, please refer to our [detailed 2018 report](#).

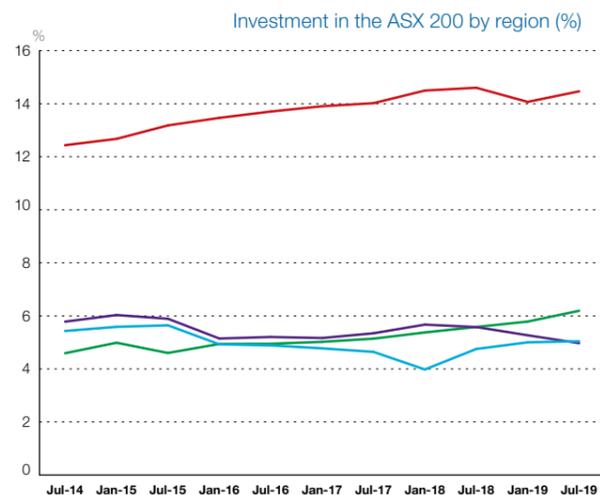
Average ownership across ASX 200

The geographic distribution, and split between Australian-based retail and institutional investors has remained largely steady for the average ASX 200 register.



1. To remove the bias to the largest listed companies on the ASX, we aggregated the data based on the % of issued capital (IC) rather than market capitalisation.

Continued rise in North American ownership



North American investment has increased over the past five years by ~2.0%, from 12.4% to 14.5%.

● North America ● Asia
● UK ● Rest of the World

Increase in index investments



Passive investors:

Despite their name, these investors can be very active on environmental, social and governance (ESG) considerations and voting.



North American driven:

Based on our data, North American Index style investments across the ASX 200 continued to increase over the last 12 months.

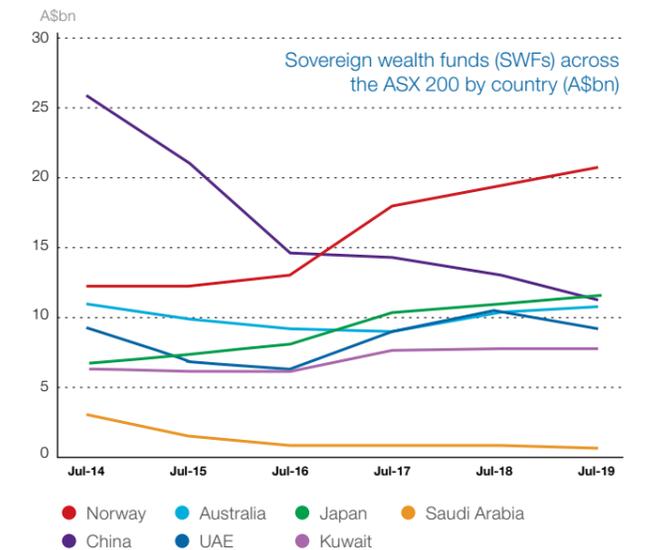


The Big Three:

Vanguard, BlackRock, and State Street make up almost 90% of the North American position.

Sovereign wealth funds

In 2019, Norges Bank increased its investment to \$20.7bn. Chinese investment declined from \$13.1bn to \$11.1bn over the last 12 months, compared to \$25.8bn in July 2014.



Move towards super funds

- Total assets across super funds have continued to grow both due to compulsory contributions as well as from investment returns.
- Overall super and pension fund ownership has continued to grow over the last 12 months, from \$78.2bn to \$82.5bn.
- Within this, Australian-based fund ownership across the ASX 200 was the primary driver, increasing from \$50.4bn to \$54.6bn.



Internalisation of investment management

- Super funds are internalising both investment management capabilities and their ESG expertise.
- Internalisation of these capabilities changes the way super funds seek to engage with Boards, Executives and IROs.
- Our data illustrates a clear example of this – Unisuper, which has increased both their level of investment in the ASX 200 each year for the last 5 years, as well as the share managed inhouse.





About Orient Capital

Orient Capital, the investor relations division of Link Group, is a global leader in share ownership analytics, market intelligence, investor communication and shareholder management technology.

Orient Capital is the largest analyser of share registers globally and the dominant provider of equity ownership analytics to listed companies in multiple markets. In addition, Orient Capital's unique web-based, capital markets' management platform, is the desktop investor relations solution of choice for approximately 2,000 listed companies in the UK, Europe, Australasia, Asia and Africa.

For more information, please visit: www.orientcap.com

Methodology

The data used in this report is sourced from Orient Capital's unique proprietary database of ownership data across the ASX.

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