

Assets of investment funds in Poland

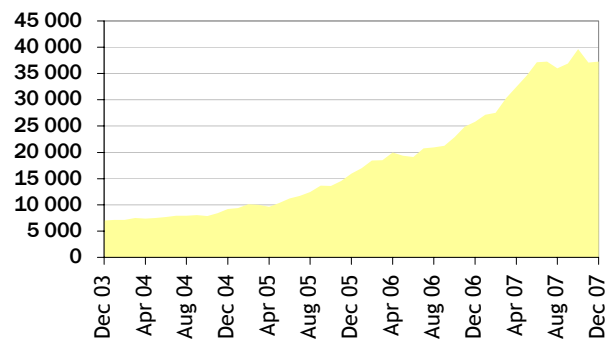
December 2007

The value of assets gathered in TFI national funds fell down by -950 million PLN in December that is by -0,7% to a level of 133,5¹ billion PLN. Within 12 months the value of financial resources given into management of national TFI has grown by +36%.

From currency point of view funds gathered assets worth almost 37,3 billion EUR that is by +0,5% less than one month ago.

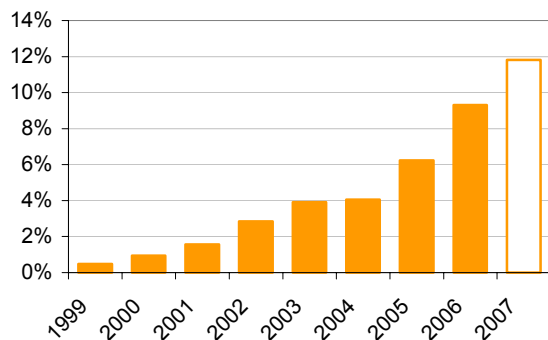
In spite of a little lower dynamics of a growth of net assets managed by national investment funds, last year was the next one which our industry considers as a successful one. It can be proved just by the further crucial improvement of a relation among assets and the value of national PKB. According to our estimates that factor has grown from the level of 9,3% to 11,8% within 12 months. It is worth to say that further growths are still expected as in development countries such as Italy, Germany and Spain, the relation of assets of funds (to the value of PKB which are in possession of households) it remains on almost a double higher level. It can mean that a branch of investment funds in Poland is expecting a dynamic development within a long period, what should result in at least doubling of assets which are still managed. In spite of such positive and long-term prospect, a development reflected in a change of assets value will not have a regular character. In shorter periods of time we will have to do with even falls of assets, similarly to the situation which took place at the end of 2007.

Monthly value of net assets (PLN mln)



Source: Analizy Online based on TFI reports and IZFiA data

Net assets value / GDP



Source: Analizy Online

A negative change of assets value managed by national TFI in December, to a larger extent was resulted from an advantage of amortizations over payments than from a decrease of the value of units assessment. We estimate that in December clients withdrew -1,1 billion PLN net.

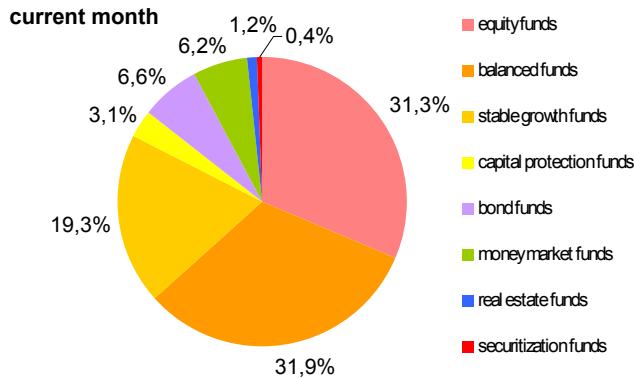
Last year has brought significant changes in a structure of assets according to particular sectors of the market. Undoubtedly, the biggest winner are shares funds-within last 12 months their net assets doubled and amounted to 42,2 billion PLN in December. Definitely much faster, as four times faster, were growing financial resources gathered in funds of foreign shares. At the same time in the area of foreign shares funds the structure of particular groups underwent significant changes. Insofar as at the end of 2006 this section was dominated by funds of shares of European companies (AKZ_EU, 44,5%) and American ones (AKZ_US, 30,3%), in December 2007 the biggest piece was cut out of that big cake by those funds which invest in countries from our region (AKZ_NE, 29,6%). In the section of Polish shares funds, dozen or so percent of the market is made by funds of small and medium companies-their share exceeded even 23% in July.

Admittedly, the value of assets presented by particular TFI is a bit higher, however from this amount we eliminate financial resources managed by funds which invest their assets in units of other products participation, managed by the same TFI.

¹ Assets value presented by particular TFI is a bit higher indeed, however financial resources managed by funds which invest assets into participation units of other products managed by the same TFI are eliminated from this amount.

The next section which has increased significantly its assets for last 12 months are mix funds-in their case year-long dynamics extends +46%. At the same time this is the second group of products (beside shares funds) which was able to improve its market share.

The structure of net assets in group classification



* balanced funds and other mixed funds (asset allocation, absolute return etc.)

Source: Analyzy Online based on TFI reports and IZFiA data

Among those groups which were not able to do that were funds of real estate (NIE_UN). In their case the growth of the value of managed assets reached +35%. The highest dynamics was generated by products dedicated to individual investors whose certificates are the object of stock exchange sales. Facing the lack of new emission of certificates, the whole dynamics of their assets results only from the growth of the value of investments which were achieved by those who manage these funds.

Over twice slower were growing financial resources gathered in funds of stable growth to which we had entrusted almost 1/5 part of our savings. The growth of assets also concerned the safest products i.e. monetary and cash funds which finished the year managing financial resources higher by +11%. The last growing group were securitization funds-they increased their assets by +7%.

Over a span of the last year we recorded a fall of assets only in two groups.

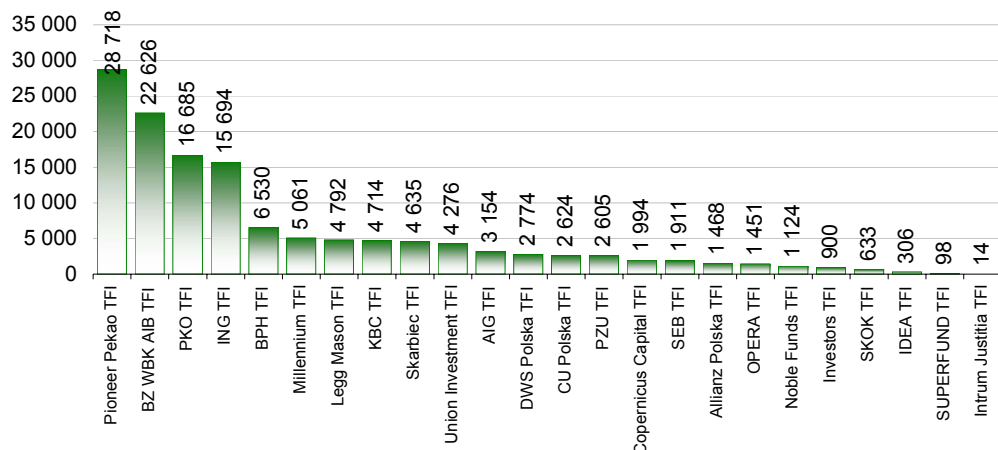
The value of financial resources gathered in funds with a capital protection decreased by -15%, while mainly national funds (OKP_UN) which assets have decreased by more than 1/3 were responsible for that fall. Financial resources gathered in a group of foreign funds (OKZ_UN) which base mostly on a product of a structuralized product, rose by +22,9% within a year.

Net assets in groups classification (PLN mln)

	(PLN mn)		market share		change
	gru 06	gru 07	gru 06	gru 07	
equity funds	21 150	42 243	21,3%	31,3%	100%
balanced funds	30 383	42 953	30,6%	31,9%	41%
stable growth funds	22 497	25 985	22,7%	19,3%	16%
capital protection funds	4 964	4 221	5,0%	3,1%	-15%
bond funds	10 909	8 893	11,0%	6,6%	-18%
money market funds	7 574	8 372	7,6%	6,2%	11%
real estate funds	1 159	1 559	1,2%	1,2%	35%
securitization funds	524	562	0,5%	0,4%	7%
total	99 160	134 787	100,0%	100,0%	36%

Source: Analyzy Online based on TFI reports and IZFiA data

The value of net assets in particular TFI (mln PLN)



Source: Analyzy Online based on TFI reports and IZFiA data

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Last group which finished the year with smaller assets are funds of debenture papers-their financial resources fell down by -18% in 12 months. In this case a fall of net assets concerned products which invest in papers issued in zloty as well as those which invest in Eurobonds or papers in dollar currency. Whereas assets of the other debenture funds (PDX_XX) which assemble products directed on investments in bonds denominated in different currencies or those without determined basic currency have been growing.

Analizy Online Team

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