Asset Management Sector

Sector Update

Good Start for Inflows Amid Increasingly Volatile Macro Environment

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Italian Equity Market

- **February strong overall, with some one-offs in terms of mix.** In February, our panel generated aggregate net inflows of €2.3bn to AuM vs. €651mn last year. YTD, AuM inflows posted a muscular increase YoY to €4.0bn vs €620mn in Jan-Feb 2024. On the other hand, aggregate February inflows into AuA/deposits were €1.5bn, slightly flat YoY, also due to the BTP Più placement and the continuing attractive fixed interest rate environment. Same dynamic looking at YTD data (€2.7bn in Jan-Feb 2025, flat vs first two months of 2024).
- **Strong customer adds are key for booming inflows while inorganic growth through M&A still a valid option**. At the end of February, Azimut increased its stake in Kennedy Capital Management from 35% to 51%. This enabled it to fully consolidate the AuM of the US company for a positive one-off of €2.2bn in February. Following the acquisitions of Tru Independence and AMP in 2024, inorganic growth through M&A is confirmed as a winning strategy for Azimut. Customer growth, on the other hand, remains a winning strategy for Fineco and BMED. In the case of FBK, we believe that despite the BTP Più placement, inflows to deposits materialized due to the new record of 20k customers acquired, while BMED added 24.2k new customers in February thanks to the success of the commercial offer (remunerated deposits). Although this may impact the mix initially, we believe that BMED will benefit from continued strong inflows to AuM as remuneration on deposits expires.
- **FY25 inflow estimates confirmed overall**. February data do not lead to major changes to FY25 inflow estimates. We confirm our Anima AuM inflow estimate of €1.4bn, almost double the 2024 figure. For Azimut, we are raising our AuM inflow estimate to €6.5bn (flattish vs FY24) vs the previous €3.2bn, starting to consider €10bn company guidance as organic after the strong start to the year. In line with company guidance (despite this already starting to appear conservative), we confirm our €7.5bn AuM inflows for BMED, and €3.1bn inflows to AuA/deposits boosted by renumerated liquidity campaigns. For Fineco, we confirm AuM at €6bn, while we are increasing our AuA estimate to €3.55bn considering the lack of clarity on a reversing trend for the mix. Deposit inflows expected at ~€1bn with seasonality still expecting to impact some periods, but benefitting from a strong trend for adding new customers.
- **Multiples and investment conclusion.** February inflow data were strong overall, positive for the sector, and signal the resilient dimensions of the companies in our panel. Despite the placement of the BTP Più mix going well and recent positive trends for AuM inflows were confirmed. Looking ahead, greater market uncertainty and volatility could have some impact on inflows and profitability while boosting trading and brokerage revenues. BMED remains our top pick in the sector considering the attractive multiple, substantial dividend, and AuM resilience given automatic investment mechanisms boosted by the expiry of remunerated deposits in future months.

Italian Asset Management - Sector Multiples

Company name	Price (Eu)	Mkt Cap (Eu mn)	P/E 2025	P/E 2026	P/AuM 2025	P/AuM 2026	P/BV 2025	P/BV 2026	Yield 2025	Yield 2026
Anima	6.9	2,257	9.4x	9.3x	1.1%	1.1%	1.3x	1.3x	5.4%	5.4%
Azimut	25.0	3,630	9.3x	8.4x	4.1%	3.8%	1.8x	1.6x	6.4%	6.7%
Banca Mediolanum	13.4	9,988	11.0x	10.8x	8.3%	7.8%	2.4x	2.2x	5.8%	6.1%
Fineco	18.1	11,038	18.6x	17.6x	15.4%	14.2%	4.9x	4.6x	4.2%	4.3%
Average			**12.1x**	**11.5x**	**7.2%**	**6.7%**	**2.6x**	**2.4x**	**5.4%**	**5.6%**
Median			**10.2x**	**10.0x**	**6.2%**	**5.8%**	**2.1x**	**1.9x**	**5.6%**	**5.7%**

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- Comparison with market peers, using the most appropriate methods for the individual company analysed: among the main ratios used for industrial sectors are price/ earnings (P/E), EV/EBITDA, EV/EBIT, price /sales.
- Return on capital and multiples of adjusted net book value are the main methods used for banking sector stocks, while for insurance sector stocks return on allocated capital and multiples on net book value and embedded portfolio value are used
- For the utilities sector comparisons are made between expected returns and the return on the regulatory asset base (RAB)

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Frequency of research: quarterly.
Reports on all companies listed on the S&PMIB40 Index, most of those on the MIDEX Index and the main small caps (regular coverage) are published at least once per quarter to comment on results and important newsflow.
A draft copy of each report may be sent to the subject company for its information (without target price and/or recommendations), but unless expressly stated in the text of the report, no changes are made before it is published.
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UNDERPERFORM: stock expected to underperform the market by between –10% and -25% over a 12 month period;
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Prices: The prices reported in the research refer to the price at the close of the previous day of trading

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