

FTI REPORT

Introduction

The Fund Trend Indicator (FTI) is an all-in-one tool to evaluate fund performance using inflows, outflows, volatility and peer comparisons. Tableau dashboards have been created to present insights in a very interactive way. Using Abrdn Australia Limited as a sample fund, this paper describes the computation methodology, visualization process and lessons learned.

Mathematical expression:

$$FTI = \frac{NetFlow}{Peer\ Net\ Flow}$$

Where:

- NetFlow = inflows – outflows for the selected fund in the given period.
- Peer Net Flow = sum of net flows across all funds in the peer group for the same period.
- FTI = proportion of peer flows captured by the selected fund (share of market trend).

Sample Calculation: Abrdn Australia Limited (September 2022)

Inflow: 400,000

Outflow: 100,000

Net Flow (Fund): 400,000 – 100,000 = 300,000

Peer Group Net Flow (Category Flow): 2,000,000

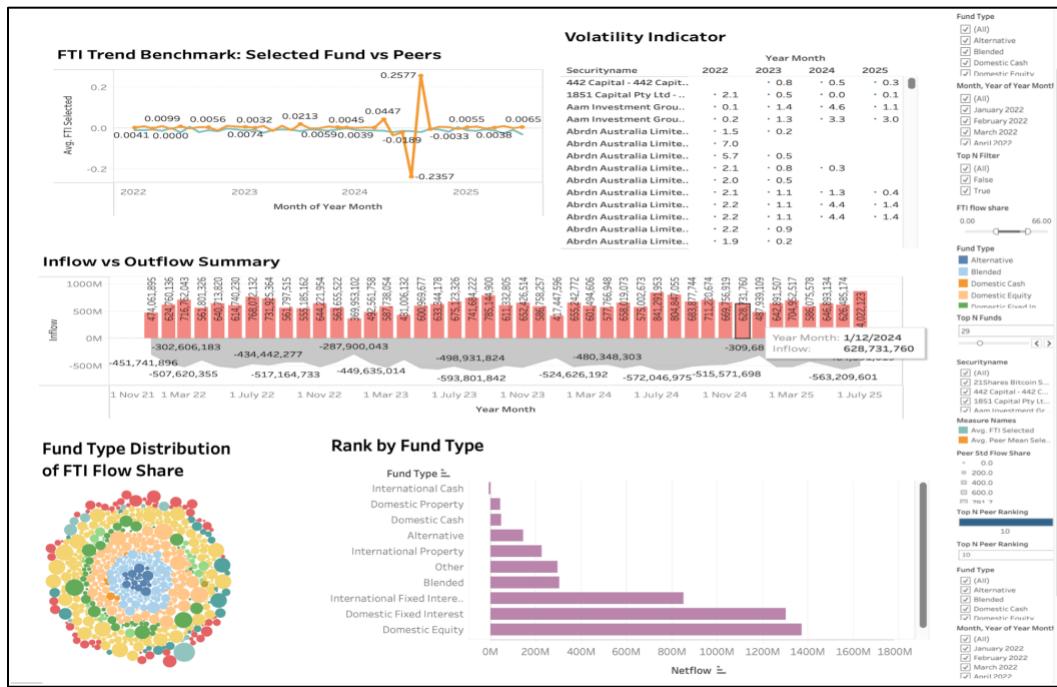
FTI: 300,000/2,000,000 = 0.15 = approx. 15%

Methodology

The FTI is calculated using the following steps:

1. Compute Netflow = Inflow – Outflow.
2. Calculate Flow Share = Fund Netflow / Total Category Netflow.
3. Determine Peer Mean Flow Share = Average Flow Share across all funds in the same category.
4. Determine Peer Std Flow Share = Standard Deviation of Flow Shares in the category.
5. Compute FTI = (Fund Flow Share – Peer Mean Flow Share) / Peer Std Flow Share.

This yields a standardised value indicating whether a fund is attracting more or less flows than peers. Variations of the FTI (3M, 6M, 12M, Deseasonalised) allow different time horizons to be analysed.



FTI Trend Benchmark: Selected Fund vs Peers

This dashboard shows FTI trend of the selected fund versus the peer mean. It flags times of over- or under-performance. For instance, Abrdn Australia Limited demonstrated sharp upward movements in mid-2024, departing from the smoother peer mean line.

Volatility Indicator

Volatility indicator is determined by the standard deviation of peer funds to characterize the trend of fund flow over time. More the volatile funds are more it is prone to investor sentiment; Abrdn Australia Limited has demonstrated a drift in volatility from 2023 to 2025.

Inflow vs Outflow Summary

This chart shows inflows versus outflows each month to indicate net investor sentiment. Periods of negative spikes are indicative of large withdrawals. Abrdn's fluxes followed this general pattern.

Fund Type Distribution of FTI Flow Share

This bubble packed chart shows contribution of various fund types and funds to flow share. Bubble colour = fund type, bubble size = flow share. Abrdn Australia Limited is one of the Domestic Equity funds.

Rank by Fund Type

This bar chart ranks different types of funds by netflows, which indicates the category of funds which attract or lose capital. Domestic Equity, the class of Abrdn Australia Limited, shows consistently strong trends while others show weaker trends.

Conclusion

The FTI dashboards present a systematic way of assessing fund flows, volatility and rankings. Abrdn Australia Limited was used as an example of typical patterns of volatility and peer benchmarking. Together the dashboards enable analysts to connect insights at a fund level to dynamics at a category-level, making FTI a flexible measurement for fund analysis.