



Data Digest
2017 Mid-Year Review
European Fund Market



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Overview

2017 will certainly become a marker in the annals of global asset-management history. Net sales of nearly €1T (€933B) flowed into the global community's mutual funds during the first half. The scale of this achievement is best seen by comparing this total with the miserly €81B received during the same period last year. Unsurprisingly the giant US market captured the bulk of new money (29%), but its lead over the International community was negligible. This collection of cross-border managers uses the European UCITs passport to gather assets from multiple global markets, although the bulk of these assets are sourced from European investors. Their net-sales stake in the first half was a record €263B or 27% of the global sales total.

The European region has been particularly buoyant; with European domestic and cross-border businesses combined, the region posted a net-sales influx of €390B, which is close to beating all historic annual totals. The year began well with the 'Trump bump' powering expectations of corporate growth and improving equity markets, whilst the US Fed's tentative steps towards raising interest rates encouraged the view that the latest bond bubble would give way to a revival of stock funds. In fact, the ECB's ongoing commitment to its massive bond-buying programme alongside a consensus view that interest rates, and inflation, would rise at a slow pace, has fuelled a bulging appetite for higher yielding bond funds that shows no sign of being satiated. Each month of the last six delivered a more bloated long-term sales total with the latest three progressively beating all previous monthly records.

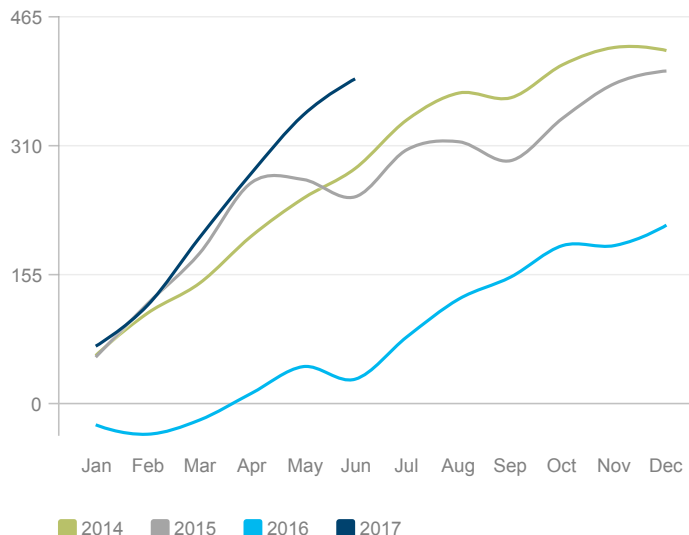
Expanding bond demand


Rising interest rates would ordinarily spell a rotation into equities but 10 years after the financial crisis was spawned, market cycles are still far from normalised and central-bank intervention continues to drive bond allocations, underpinned by retail investors who remain nervous of equity risk. Net sales of fixed income funds in Europe bounded forward during the first half, ending the period with cumulative receipts of €184B. Whilst all other fund categories posted positive results for the period, they followed some way behind. Mixed asset funds have been the popular choice for investors looking for diluted access to equities and their appeal continued, albeit at a slower pace than in 2015, when Italian target maturity products made their mark. Net inflows in the latest six-month period came to €83B, compared with €77B achieved by the pure equity category. Despite many global bourses hitting consecutive high points, investors remained wary of equity investment. Nonetheless, these volumes still represent a better result than any like-for-like period since the pre-financial-crisis year of 2006. The big difference between then and now, though, has been the impact of passives.

Passive promise

Contrary to the belief that active management is dying, so far this year active funds have comprehensively outpaced passives. Across all long-term asset classes, active funds have taken 71% of all net inflows, reversing the ratios seen last year. As always, though, the devil is in the detail with the bulk of bond purchasers investing in active funds (81%). The experience of equity funds, though, was the exact opposite with passive funds taking 82% of inflows, helped along by some recent institutional tracker launches from BlackRock.

FIGURE 1 - CUMULATIVE NET SALES BY YEAR (€bn)





KEY DATA

| | |
|-----------------------------|----------|
| TOTAL # OF MASTER GROUPS | 1,842 |
| TOTAL # OF COMPANIES | 2,690 |
| TOTAL # OF FUNDS | 34,252 |
| TOTAL # OF FUND LAUNCHES | 1,198 |
| TOTAL # OF FUND CLOSURES | 1,218 |
| TOTAL NET ASSETS (JUN 2017) | €9,268bn |
| ASSET GROWTH (2016-2017) | €492.2bn |
| NET SALES (H1 2017) | €390bn |

Overview

Market success

International groups are currently having their best year on record. Fig 36 reveals the most important markets for these groups this year and highlights Italy as the primary driver with inflows of nearly €40B going into foreign funds. This figure overwhelms the €16B of new money taken by local industry giants. Spain follows with ~€14B of inflows to cross-border groups, again dominating domestic industry receipts of just €5B. Here funds of funds have been a crucial distribution conduit and whilst flows look unlikely to match the record volumes seen in 2015, the Spanish market remains a buoyant target market.

Group progress – winner takes all?

The mantra of 'winner takes all' has dominated industry debate for the last five years or more, and with BlackRock and PIMCO headlining the net-sales rankings this year the contention seems to be proved at first glance. These groups are the undisputed rock stars of the European industry, holding on to their sales crowns in every month of the year so far. By the end of the first half, BlackRock stood head and shoulders above all other contenders with €56B of net inflows, and PIMCO followed with just under €30B. Together they accounted for nearly a quarter (24%) of all long-term inflows. Undeniably, this year's winners are taking a big bite out of the sales pie but there is still a lot left for other contenders. Over 1,000 groups registered positive sales flows during the period and, aside from the leading duo, 78 players attracted over €1B of new money. The winners don't take everything.

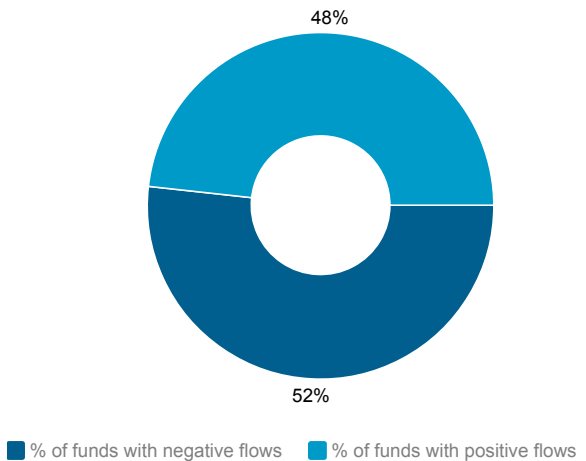
"78 players attracted over €1bn of new money."

Behind the headlines, more nuanced stories emerged. BlackRock's huge sales success was largely in passives, boosted by the launch of a clutch of institutional trackers that added €18B to the group's total in June. Strip out the passives and the rankings looked quite different. PIMCO remained the undisputed leader, thanks largely to the extraordinary success of its GIS Income fund, but its net-sales tally amounted to less than 12% of the industry's net-sales total. BlackRock, meanwhile fell back to 12th position, giving way to Intesa Sanpaolo, Amundi, Prudential/M&G and Invesco. The top-five active managers were responsible for €67B of inflows or 26% of the sales pot.

FIGURE 2 - PASSIVE VS ACTIVE NET SALES IN H1 2017 (€bn)



FIGURE 3 - MARKET SENTIMENT



€390bn
Net Sales H1 17

€224M
Average fund size

+5.61%
Asset Growth

Overview

FIGURE 4 - EUROPEAN NET SALES IN H1 2017 (€bn)

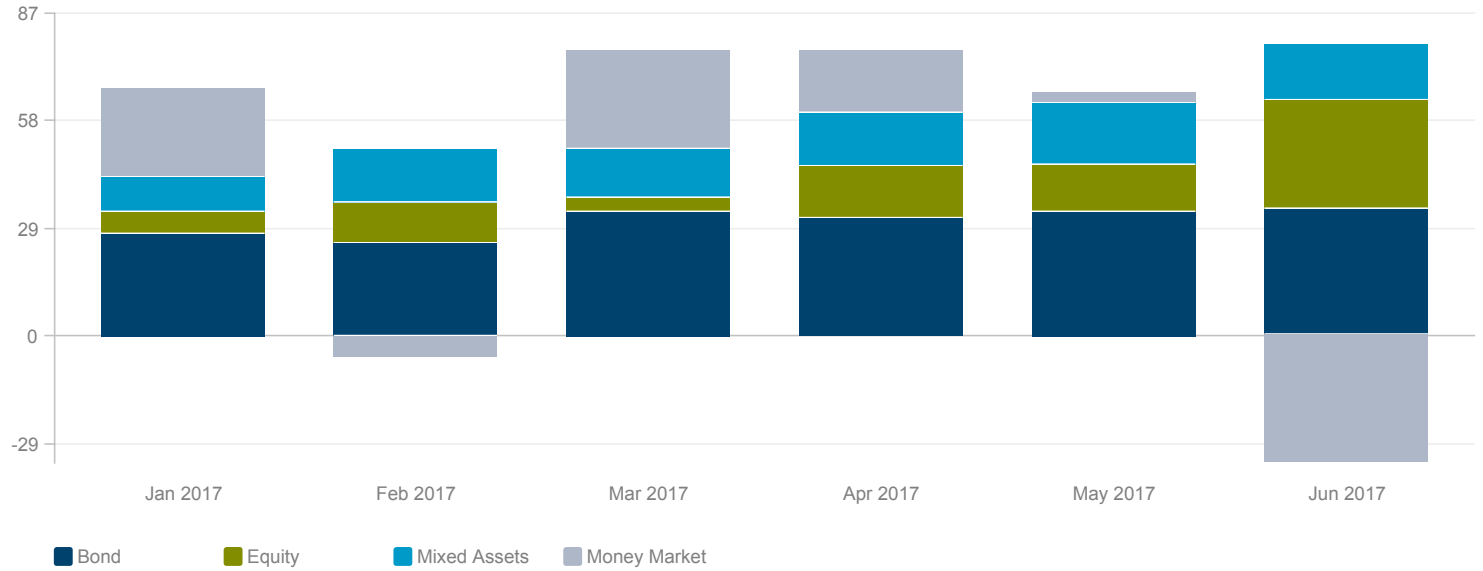
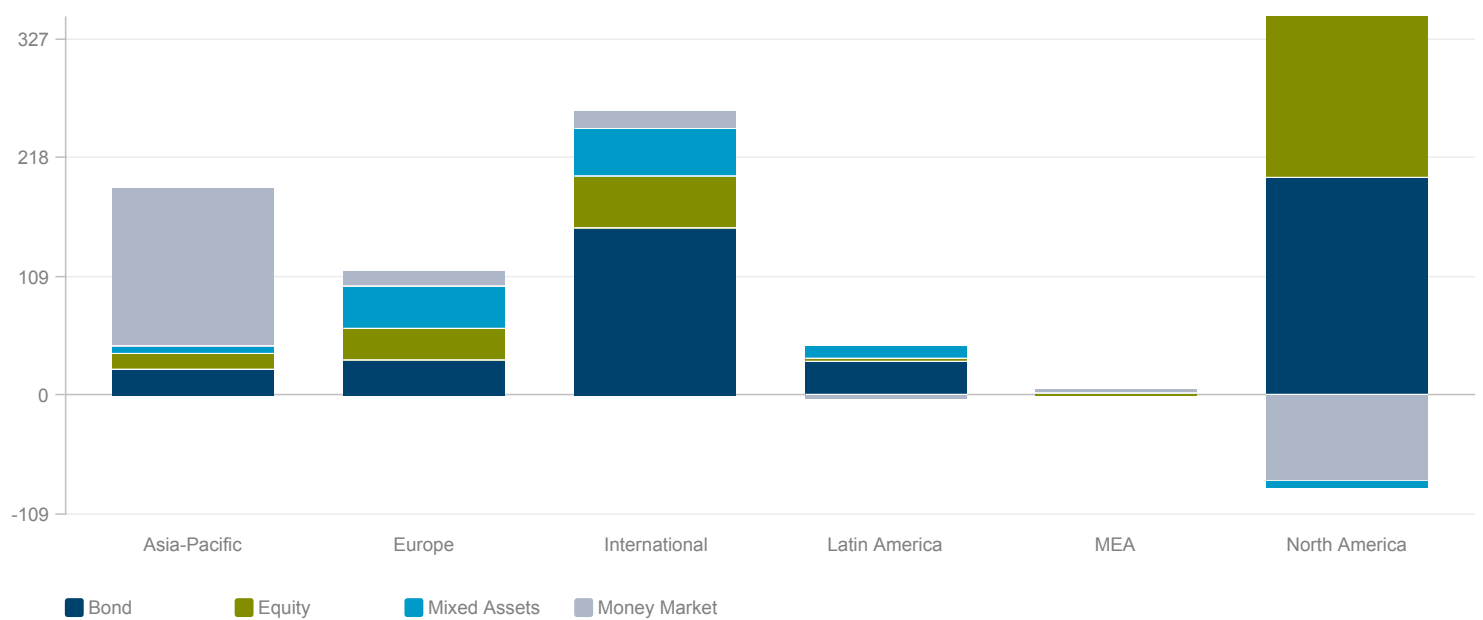


FIGURE 5 - GLOBAL NET SALES IN H1 2017 (€bn)



Overview

FIGURE 6 - HISTORICAL GLOBAL ASSETS (€T)

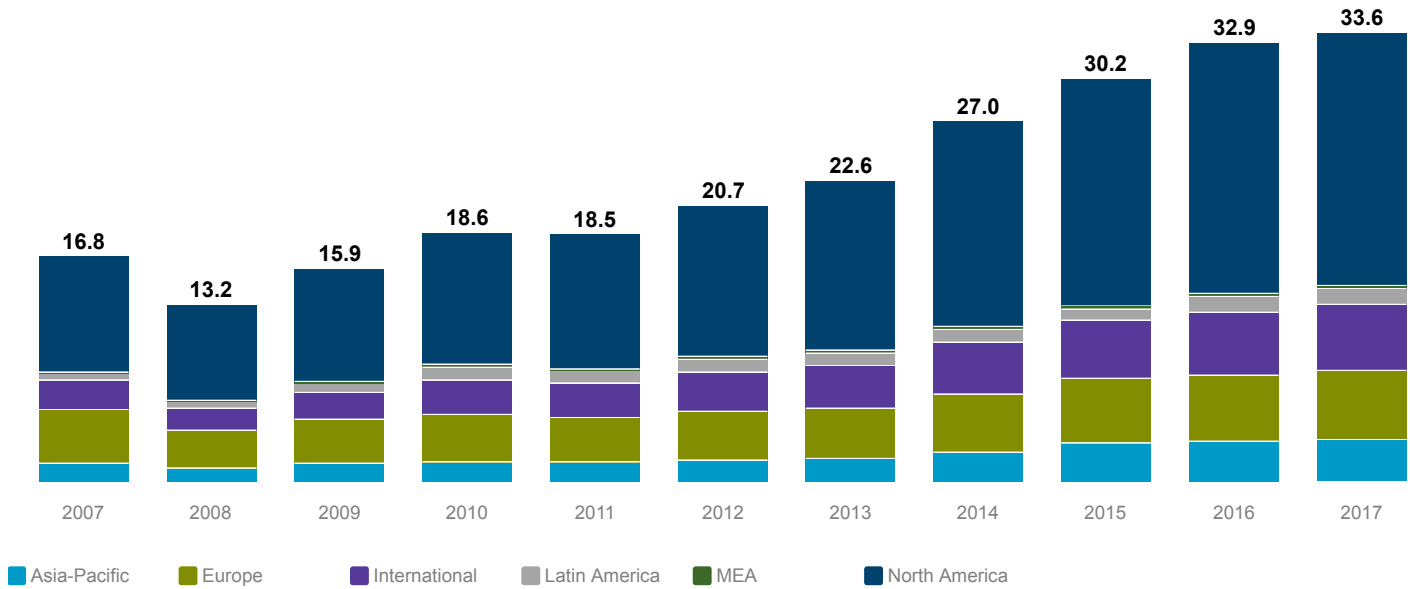
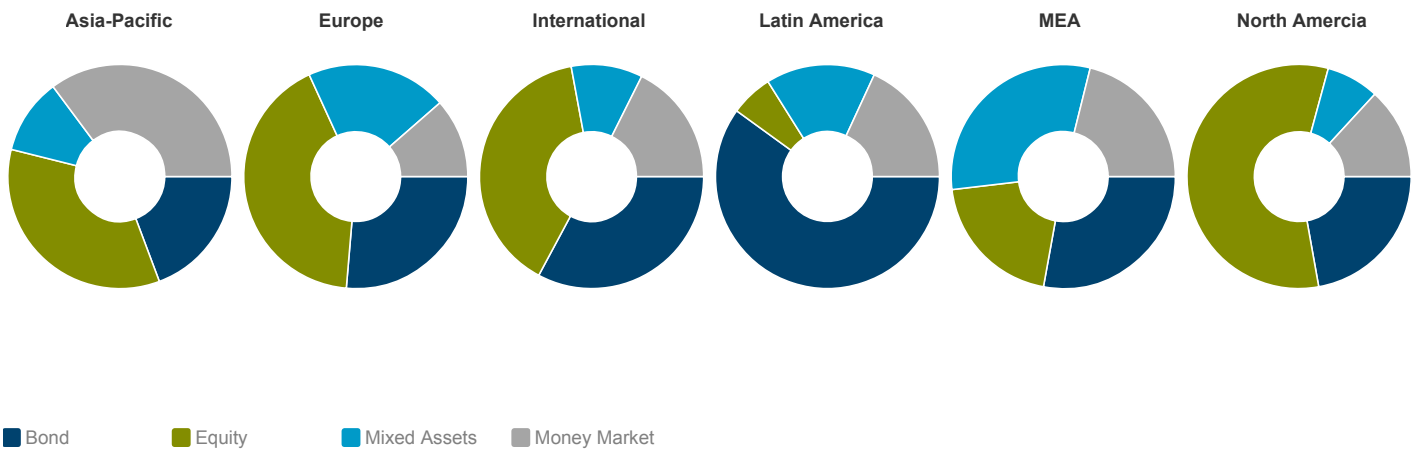


FIGURE 7 - GLOBAL ASSETS BY INVESTMENT TYPE



Best Sellers

FIGURE 8 - BEST-SELLING BONDS FUNDS IN H1 2017 (€m)

| Fund Name | Fund Strategy | Fund Sector | Net Sales |
|--|---------------|-------------------------|-----------|
| PIMCO GIS Income Fund | Active | Bonds Global Currencies | 19,693 |
| AB FCP I Global High Yield Portfolio | Active | Bonds Global High Yield | 3,444 |
| Carmignac Sécurité | Active | Bonds EUR Short-Term | 3,373 |
| Invesco US Senior Loan Fund | Active | Bank loan/Floating rate | 3,258 |
| The Jupiter Global Fund - Jupiter Dynamic Bond | Active | Bonds Global Currencies | 2,983 |
| DWS Floating Rate Notes | Active | Bank loan/Floating rate | 2,871 |

FIGURE 9 - BEST-SELLING MIXED FUNDS IN H1 2017 (€m)

| Fund Name | Fund Strategy | Fund Sector | Net Sales |
|---|---------------|------------------------------|-----------|
| JPMorgan Investment Funds - Global Income Fund | Active | Mixed Assets Income | 2,775 |
| Allianz Global Investors Fund - Allianz Income and Growth | Active | Mixed Assets Income | 2,566 |
| PrivatFonds: Kontrolliert | Active | Mixed Assets Conservative | 2,388 |
| First Eagle Amundi Income Builder Fund | Active | Mixed Assets Income | 2,104 |
| Fidelity Funds - Global Multi Asset Income Fund | Active | Mixed Assets Income | 2,050 |
| Aviva Investors Multi-Strategy Target Return | Active | Asset Allocation Alternative | 2,032 |

FIGURE 10 - BEST-SELLING EQUITY FUNDS IN H1 2017 (€m)

| Fund Name | Fund Strategy | Fund Sector | Net Sales |
|---|---------------|-------------------------|-----------|
| BlackRock ACS 50:50 Global Equity Tracker | Passive | Equities Global | 9,735 |
| BlackRock ACS UK Equity Tracker | Passive | Equities United Kingdom | 5,373 |
| BlackRock ACS World ex UK Equity Tracker | Passive | Equities Global | 4,907 |
| BlackRock ACS 60:40 Global Equity Tracker | Passive | Equities Global | 3,166 |
| UBS ETFs plc - MSCI ACWI SF UCITS ETF | Passive | Equities Global | 2,842 |
| Pictet - Robotics | Active | Equities Technology | 2,041 |

European Sales

FIGURE 11 - EUROPEAN MARKET RANKING BY NET SALES IN H1 2017 (€m)

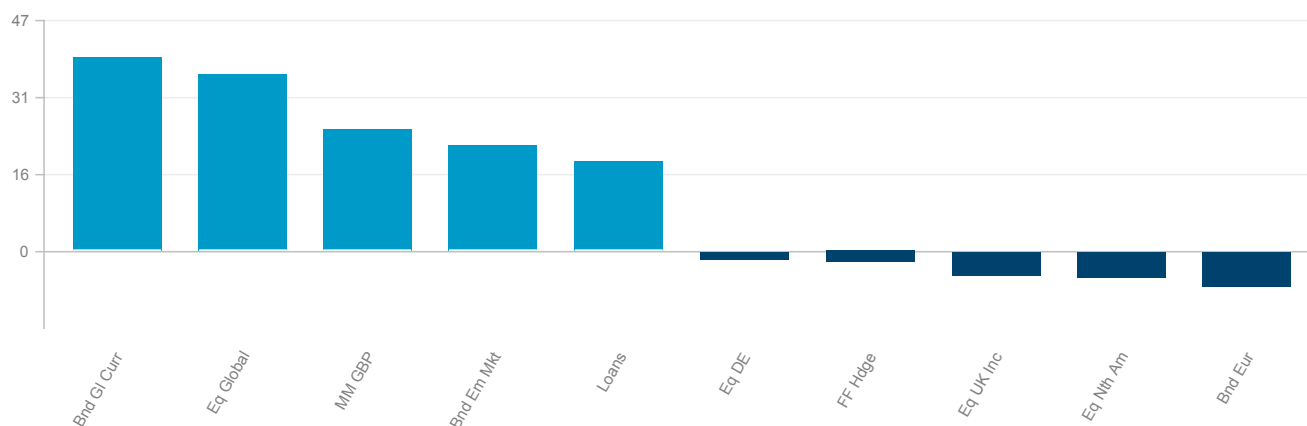
| Fund Investment Type | Bnd | Eq | MM | MM-Enh | Mix | Oth | Sum |
|----------------------|------------------|-----------------|-----------------|----------------|-----------------|----------------|------------------|
| Fund Market | Net Sales | Net Sales | Net Sales | Net Sales | Net Sales | Net Sales | Net Sales |
| International | 152,348.9 | 47,120.9 | 17,339.1 | 1,283.0 | 43,708.3 | 1,605.7 | 263,406.0 |
| United Kingdom | 12,405.8 | 20,854.5 | 6,627.5 | 647.8 | 5,917.4 | -1,180.1 | 45,272.8 |
| France | 5,422.5 | 2,787.9 | 8,714.0 | 5,335.3 | 1,284.0 | -273.7 | 23,270.0 |
| Germany | 4,833.0 | 386.9 | -668.1 | 937.9 | 7,447.6 | 3,773.9 | 16,711.1 |
| Italy | 6,044.9 | -119.0 | -186.0 | -266.0 | 9,363.6 | 833.7 | 15,671.2 |
| Switzerland | 4,776.1 | -953.0 | 1,165.2 | 632.9 | 921.6 | 1,500.0 | 8,042.8 |
| Sweden | 2,675.1 | 3,002.1 | 147.9 | | -43.5 | -58.5 | 5,723.1 |
| Spain | -3,346.0 | 3,320.5 | -1,289.9 | -65.2 | 6,866.9 | -69.0 | 5,417.4 |
| Belgium | 520.4 | 1,649.0 | -1,391.0 | 47.0 | 3,870.1 | -1,057.5 | 3,638.0 |
| Norway | 934.3 | 597.0 | 837.9 | | 22.8 | 7.0 | 2,399.1 |
| Netherlands | -493.7 | 2,760.0 | 115.2 | 189.0 | -631.9 | 26.7 | 1,965.3 |
| Finland | 181.6 | -831.8 | 1,063.2 | 300.2 | 55.0 | 196.6 | 964.9 |
| Poland | 114.6 | 117.2 | 251.9 | .7 | 52.6 | 49.7 | 586.6 |
| Portugal | 197.5 | -71.7 | 153.4 | | 223.1 | 5.3 | 507.6 |
| Russia | 467.8 | -7.8 | -5.1 | | -13.5 | -3.2 | 438.1 |
| Czech Republic | -5.1 | 129.4 | 78.4 | -2 | 271.0 | -59.8 | 413.7 |
| Malta | 61.8 | -8 | -9.5 | | 10.1 | -9.4 | 52.1 |
| Romania | -30.2 | 14.6 | 4.9 | .2 | 29.9 | 3.4 | 22.8 |
| Bulgaria | 9.6 | 8.4 | -0 | -4 | 3.0 | .1 | 20.7 |
| Slovakia | -3.0 | -45.9 | -78.5 | .8 | 101.1 | 43.1 | 17.6 |
| Estonia | .1 | 14.7 | | | | | 14.8 |
| Slovenia | 8.2 | -6.4 | -25.4 | | 29.5 | .7 | 6.5 |
| Ukraine | | .0 | -0 | | -0 | | .0 |
| Latvia | -1.8 | -4 | | | | | -2.1 |
| Luxembourg | -1.3 | | | | -2.2 | | -3.6 |
| Lithuania | 2.6 | -13.3 | | | .1 | -6 | -11.1 |
| Liechtenstein | 1.7 | -32.9 | | .0 | -3.4 | -0 | -34.6 |
| Turkey | -110.8 | 70.1 | -294.6 | | 189.2 | 52.5 | -93.7 |
| Greece | 42.2 | -40.7 | -110.9 | 11.7 | .7 | -8.6 | -105.7 |
| Croatia | 66.4 | 14.4 | -219.2 | | 30.4 | -4.8 | -112.8 |
| Iceland | -92.9 | -52.6 | -223.8 | | 14.3 | | -354.9 |
| Hungary | -449.5 | 40.7 | -512.5 | 1.6 | 110.9 | 338.6 | -470.1 |
| Austria | -464.9 | -262.7 | -172.0 | 8.5 | 139.6 | 193.1 | -558.4 |
| Denmark | -2,131.2 | -3,569.5 | -204.7 | 89.2 | 2,913.9 | 241.5 | -2,660.8 |
| Sum | 183,984.6 | 76,879.9 | 31,107.1 | 9,154.1 | 82,882.4 | 6,146.4 | 390,154.4 |

All Sector Ranking

FIGURE 12 - TOP SECTORS BY SALES IN H1 2017 (€m)

| Year | 2016 | | 2017 | |
|---|-----------|----------------|-----------|----------------|
| | Net Sales | Net Sales Rank | Net Sales | Net Sales Rank |
| Bonds Global Currencies | 16,417 ▲ | 5 | 39,275 ▲ | 1 |
| Equities Global | 10,103 ▲ | 14 | 35,921 ▲ | 2 |
| Money Market GBP | 43,477 ▲ | 1 | 24,613 ▲ | 3 |
| Bonds Emerging Markets | 12,434 ▲ | 9 | 21,553 ▲ | 4 |
| Bank loan/Floating rate | 5,061 ▲ | 28 | 18,429 ▲ | 5 |
| Mixed Assets Conservative | 10,986 ▲ | 11 | 17,308 ▲ | 6 |
| Mixed Assets Income | 3,004 ▲ | 31 | 16,908 ▲ | 7 |
| Asset Allocation | 14,282 ▲ | 7 | 16,139 ▲ | 8 |
| Asset Allocation Alternative | 39,171 ▲ | 2 | 14,625 ▲ | 9 |
| Fund of Funds Balanced | 7,758 ▲ | 17 | 13,665 ▲ | 10 |
| Bonds Flexible | -9,647 ▼ | 223 | 13,405 ▲ | 11 |
| Bonds Global Corporates | 14,143 ▲ | 8 | 12,746 ▲ | 12 |
| Equities Emerging Markets | 15,366 ▲ | 6 | 12,512 ▲ | 13 |
| Bonds USD Corp. Inv. Grade | 3,893 ▲ | 29 | 12,165 ▲ | 14 |
| Bonds Emerging Markets - Local Currency | 6,817 ▲ | 21 | 12,093 ▲ | 15 |
| Mixed Assets Balanced | -273 ▼ | 173 | 11,140 ▲ | 16 |
| Bonds Alternative | 2,461 ▲ | 33 | 10,250 ▲ | 17 |
| Fund of Funds Asset Allocation | 6,514 ▲ | 22 | 8,926 ▲ | 18 |
| Short Term Dynamic | 6,394 ▲ | 23 | 8,425 ▲ | 19 |
| Bonds EUR Short-Term | 10,203 ▲ | 13 | 8,258 ▲ | 20 |

FIGURE 13 - TOP AND BOTTOM FIVE SECTORS BY SALES IN H1 2017 (€m)



Pan-European Master Groups Sales

FIG 14 - TOP MASTER GROUPS BY SALES IN H1 17 (€m) - EX ETFs

| Master Groups | NAT | # Funds | Net Sales ▲ |
|----------------------|-----|---------|--|
| BlackRock | US | 245 | 40,430 |
| PIMCO | US | 64 | 29,885 |
| Intesa SP | IT | 645 | 11,250 |
| Prudential/M&G | GB | 125 | 8,840 |
| GAM | CH | 258 | 8,198 |
| Goldman Sachs | US | 100 | 7,097 |
| Amundi | FR | 526 | 6,824 |
| Invesco | US | 149 | 6,690 |
| Vanguard | US | 46 | 6,605 |
| AXA | FR | 340 | 6,575 |
| BNY Mellon | US | 204 | 6,421 |
| Allianz GI | DE | 362 | 6,414 |
| Cr Suisse | CH | 325 | 6,322 |
| Pictet | CH | 137 | 5,985 |
| VR/Union | DE | 409 | 5,873 |
| UBS | CH | 448 | 4,499 |
| Jupiter | GB | 52 | 4,317 |
| Aviva | GB | 158 | 4,173 |
| Carmignac | FR | 20 | 4,138 |
| Schroders | GB | 214 | 4,011 |
| KBC | BE | 893 | 3,593 |
| JPMorgan AM | US | 195 | 3,458 |
| MMC/Mercer | US | 48 | 3,157 |
| Flossbach von Storch | DE | 14 | 3,134 |
| Natixis | FR | 264 | 3,043 |
| TOP 25 | | | 200,933 |
| REST | | | 98,490 |
| TOTAL | | | 299,423 |

Note: Excludes money market funds and ETFs.

FIG 15 - TOP MASTER GROUPS BY SALES IN H1 17 (€m) - INC ETFs

| Master Groups | NAT | # Funds | Net Sales ▲ |
|----------------|-----|---------|--|
| BlackRock | US | 545 | 56,299 |
| PIMCO | US | 64 | 29,885 |
| Amundi | FR | 628 | 13,063 |
| Intesa SP | IT | 645 | 11,250 |
| UBS | CH | 557 | 11,150 |
| Prudential/M&G | GB | 125 | 8,840 |
| Vanguard | US | 64 | 8,508 |
| GAM | CH | 262 | 8,268 |
| Goldman Sachs | US | 100 | 7,097 |
| Invesco | US | 169 | 6,749 |
| Deutsche AM | DE | 617 | 6,665 |
| AXA | FR | 340 | 6,575 |
| BNY Mellon | US | 204 | 6,421 |
| Allianz GI | DE | 362 | 6,414 |
| Cr Suisse | CH | 326 | 6,349 |
| Soc Gen/Lyxor | FR | 332 | 6,120 |
| Pictet | CH | 137 | 5,985 |
| VR/Union | DE | 410 | 5,876 |
| Jupiter | GB | 52 | 4,317 |
| Aviva | GB | 158 | 4,173 |
| Carmignac | FR | 20 | 4,138 |
| Schroders | GB | 214 | 4,011 |
| State Street | US | 172 | 3,826 |
| KBC | BE | 893 | 3,593 |
| JPMorgan AM | US | 195 | 3,458 |
| TOP 25 | | | 239,031 |
| REST | | | 110,862 |
| TOTAL | | | 349,893 |

Note: Excludes money market funds.

Pan-European Fund Leaders Sales

FIGURE 16 - TOP 25 FUNDS BY NET SALES IN H1 2017 (€m)

| Master Groups | Fund Name | Domicile | Strategy | Type | Launch Date | Net Sales |
|----------------|--|----------|----------|------|-------------|-----------|
| PIMCO | PIMCO GIS Income Fund | IE | Active | Bnd | 2012-11 | 19,693 |
| BlackRock | BlackRock ACS 50:50 Global Equity Tracker | GB | Passive | Eq | 2017-06 | 9,735 |
| | BlackRock ACS UK Equity Tracker | GB | Passive | Eq | 2017-06 | 5,373 |
| | BlackRock ACS World ex UK Equity Tracker | GB | Passive | Eq | 2017-04 | 4,907 |
| AXA | AB FCP I Global High Yield Portfolio | LU | Active | Bnd | 1997-09 | 3,444 |
| Carmignac | Carmignac Sécurité | FR | Active | Bnd | 1995-04 | 3,373 |
| Invesco | Invesco US Senior Loan Fund | LU | Active | Bnd | 2006-07 | 3,258 |
| BlackRock | BlackRock ACS 60:40 Global Equity Tracker | GB | Passive | Eq | 2017-06 | 3,166 |
| Jupiter | The Jupiter Global Fund - Jupiter Dynamic Bond | LU | Active | Bnd | 2012-05 | 2,983 |
| Deutsche AM | DWS Floating Rate Notes | LU | Active | Bnd | 1991-07 | 2,871 |
| UBS | UBS ETFs plc - MSCI ACWI SF UCITS ETF | IE | Passive | Eq | 2015-08 | 2,842 |
| Prudential/M&G | M&G Optimal Income Fund | GB | Active | Bnd | 2006-11 | 2,807 |
| JPMorgan AM | JPMorgan Investment Funds - Global Income Fund | LU | Active | Mix | 2008-12 | 2,775 |
| Prudential/M&G | M&G Global Floating Rate High Yield | GB | Active | Bnd | 2014-09 | 2,606 |
| Amundi | Amundi ETF Floating Rate USD Corporate UCITS ETF | FR | Passive | Bnd | 2015-04 | 2,589 |
| Allianz GI | Allianz Global Investors Fund - Allianz Income and Growth | LU | Active | Mix | 2011-06 | 2,566 |
| Muzinich | Muzinich Enhanced Yield Short-Term Fund | IE | Active | Bnd | 2003-11 | 2,455 |
| VR/Union | PrivatFonds: Kontrolliert | DE | Active | Mix | 2010-07 | 2,388 |
| BP Cooperativa | Gestielle Cedola Corporate | IT | Active | Bnd | 2017-03 | 2,373 |
| UBS | Focused Sicav - High Grade Bond USD | LU | Active | Bnd | 2005-08 | 2,346 |
| BlackRock | iShares Emerging Markets Local Government Bond UCITS ETF | IE | Passive | Bnd | 2011-06 | 2,335 |
| UBS | UBS (Lux) Bond Sicav - USD Investment Grade Corporates (USD) | LU | Active | Bnd | 2017-01 | 2,277 |
| PIMCO | PIMCO GIS Global Investment Grade Credit | IE | Active | Bnd | 2003-07 | 2,227 |
| Amundi | First Eagle Amundi Income Builder Fund | LU | Active | Mix | 2014-09 | 2,104 |
| UBS | Focused Sicav - High Grade Long Term Bond USD | LU | Active | Bnd | 2006-10 | 2,092 |
| TOTAL | | | | | | 349,893 |
| Top 25 | | | | | | 95,585 |
| REST | | | | | | 254,308 |

Note: Excludes money markets funds

Product Themes

Exchange Traded Funds

FIGURE 17- TOP 10 FUNDS BY SALES IN H1 2017 (€m)

| Master Groups | Fund Name | Net Sales |
|----------------|--|---------------|
| UBS | UBS ETFs plc - MSCI ACWI SF UCITS ETF | 2,842 |
| Amundi | Amundi ETF Floating Rate USD Corporate UCITS ETF | 2,589 |
| BlackRock | iShares Emerging Markets Local Government Bond UCITS ETF | 2,335 |
| Deutsche Börse | Xetra-Gold | 1,826 |
| BlackRock | iShares J.P. Morgan \$ Emerging Markets Bond UCITS ETF | 1,664 |
| | iShares Core MSCI World UCITS ETF | 1,490 |
| | iShares Core MSCI Emerging Markets IMI UCITS ETF | 1,444 |
| | iShares Core EURO STOXX 50 UCITS ETF | 1,382 |
| State Street | SSgA SPDR Barclays Emerging Markets Local Bond UCITS ETF | 1,251 |
| Source | Source Bloomberg Commodity UCITS ETF | 1,251 |
| Sum | | 18,073 |

FIGURE 18 - TOP 10 MASTER GROUPS BY SALES IN H1 2017 (€m)

| Master Groups | NAT | # Funds | Assets | Net Sales |
|----------------|-----|--------------|----------------|---------------|
| BlackRock | US | 302 | 274,559 | 15,812 |
| UBS | CH | 109 | 36,698 | 6,651 |
| Soc Gen/Lyxor | FR | 216 | 58,288 | 6,321 |
| Amundi | FR | 103 | 31,783 | 6,201 |
| Deutsche AM | DE | 184 | 59,063 | 4,471 |
| State Street | US | 100 | 24,324 | 3,180 |
| Vanguard | US | 18 | 26,098 | 1,904 |
| Deutsche Börse | DE | 1 | 5,869 | 1,826 |
| Source | US | 65 | 13,462 | 1,414 |
| Commerzbank | DE | 114 | 8,002 | 770 |
| Sum | | 1,212 | 538,145 | 48,550 |

Product Themes

Index Tracking Funds

FIGURE 19 - TOP 10 FUNDS BY SALES IN H1 2017 (€m)

| Master Groups | Fund Name | Net Sales |
|---------------|--|---------------|
| BlackRock | BlackRock ACS 50:50 Global Equity Tracker | 9,735 |
| | BlackRock ACS UK Equity Tracker | 5,373 |
| | BlackRock ACS World ex UK Equity Tracker | 4,907 |
| | BlackRock ACS 60:40 Global Equity Tracker | 3,166 |
| | iShares Over 15 Years Gilts Index | 1,977 |
| | iShares Corporate Bond Index | 1,721 |
| Vanguard | Vanguard Investment Series Plc - Vanguard Global Bond Index Fund | 1,574 |
| BlackRock | iShares Index Linked Gilt Index | 1,519 |
| Cr Suisse | CS Index Fund (Lux) Equities EMU | 1,056 |
| BNY Mellon | Insight LDI Solutions Plus Partially Funded Index-Linked Gilts Funds 2051-2065 | 928 |
| Sum | | 31,955 |

FIGURE 20 - TOP 10 MASTER GROUPS BY SALES IN H1 2017 (€m)

| Master Groups | NAT | # Funds | Assets | Net Sales |
|-----------------|-----|------------|----------------|---------------|
| BlackRock | US | 69 | 123,882 | 34,912 |
| Vanguard | US | 34 | 87,652 | 6,837 |
| Northern Trust | US | 32 | 17,958 | 2,730 |
| BNY Mellon | US | 11 | 2,978 | 2,674 |
| Legal & General | GB | 34 | 29,332 | 2,386 |
| Amundi | FR | 29 | 7,029 | 1,470 |
| UBS | CH | 65 | 67,819 | 1,392 |
| KBC | BE | 21 | 5,943 | 1,304 |
| Storebrand | NO | 11 | 7,063 | 788 |
| Swisscanto | CH | 69 | 29,129 | 764 |
| Sum | | 375 | 378,788 | 55,256 |

Product Themes

Active vs Passive

FIGURE 21 - MARKET SHARE OF PASSIVE FUNDS BY ASSETS IN 2003

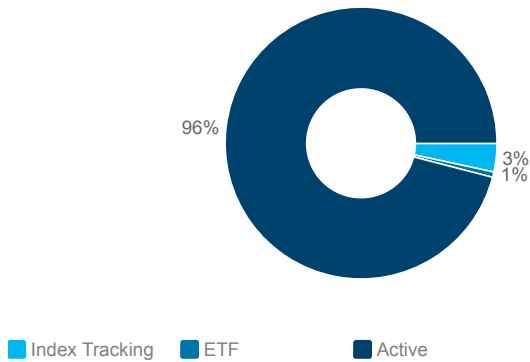


FIGURE 22 - MARKET SHARE OF PASSIVE FUNDS BY ASSETS IN 2017

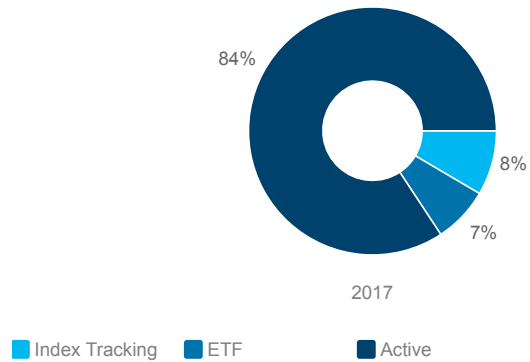
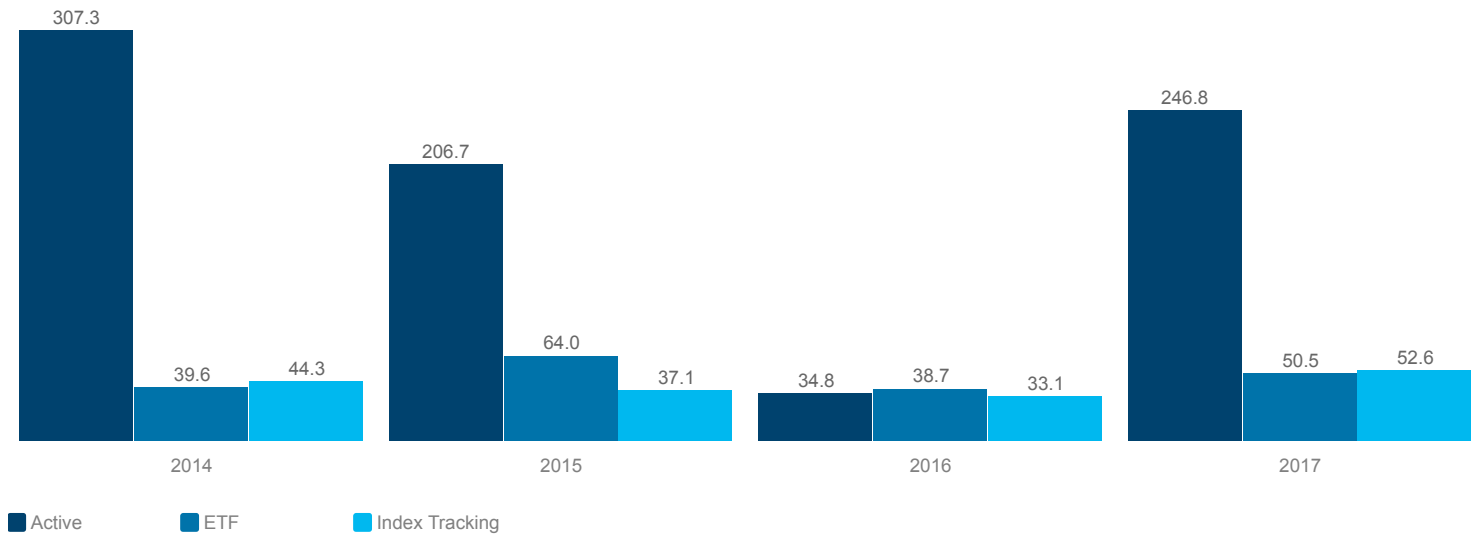


FIGURE 23 - HISTORICAL NET SALES (€bn)



Note: Excludes money market funds.

Product Themes

Equities Emerging Markets

FIGURE 24 - TOP 10 FUNDS BY SALES IN H1 2017 (€m)

| Master Groups | Fund Name | Net Sales ▲▼ |
|----------------|---|---|
| Prudential/M&G | Eastspring Investments-Global EM Customized Equity | 1,885 |
| BlackRock | iShares Core MSCI Emerging Markets IMI UCITS ETF | 1,444 |
| Amundi | Amundi ETF MSCI Emerging Markets UCITS ETF | 934 |
| Comgest | Comgest Growth Emerging Markets | 751 |
| Amundi | Amundi Index MSCI Emerging Markets | 641 |
| BTPS BT | Hermes Global Emerging Markets | 628 |
| JPMorgan AM | JPMorgan Funds - Emerging Markets Small Cap Fund | 623 |
| Vanguard | Vanguard Investment Series Plc - Vanguard Emerging Markets Stock Index Fund | 540 |
| Robeco/ORIX | Robeco QI Emerging Conservative Equities | 538 |
| Aviva | Aviva Investors - Emerging Markets Equity Income Fund | 519 |
| Sum | | 8,502 |

FIGURE 25 - TOP 10 MASTER GROUPS BY SALES IN H1 2017 (€m)

| Master Groups | NAT | # Funds | Assets | Net Sales ▲▼ |
|----------------|-----|-----------|---------------|---|
| BlackRock | US | 20 | 25,407 | 2,724 |
| Amundi | FR | 9 | 7,028 | 1,831 |
| JPMorgan AM | US | 10 | 11,211 | 992 |
| Comgest | FR | 4 | 9,354 | 823 |
| Vanguard | US | 3 | 9,272 | 815 |
| Robeco/ORIX | JP | 11 | 10,225 | 734 |
| Goldman Sachs | US | 5 | 3,312 | 655 |
| Prudential/M&G | GB | 5 | 4,922 | 648 |
| BTPS BT | GB | 1 | 2,172 | 628 |
| Aviva | GB | 4 | 3,136 | 550 |
| Sum | | 72 | 86,039 | 10,398 |

Product Development

Bank Loan /Floating Rate

FIGURE 26 - TOP 10 FUNDS BY SALES IN H1 2017 (€m)

| Master Groups | Fund Name | Net Sales |
|----------------|--|---------------|
| Invesco | Invesco US Senior Loan Fund | 3,258 |
| Deutsche AM | DWS Floating Rate Notes | 2,871 |
| Prudential/M&G | M&G Global Floating Rate High Yield | 2,606 |
| Cr Suisse | CS Nova (Lux) Global Senior Loan Fund | 1,657 |
| Allianz GI | Allianz Global Investors Fund - Allianz Floating Rate Notes Plus | 1,645 |
| Baring | Barings Global Loan | 996 |
| | Barings European Loan | 809 |
| NN Group | NN (L) FLEX Senior Loans | 767 |
| Eaton Vance | Eaton Vance Medallion Institutional Senior Loan | 436 |
| Invesco | Invesco European Senior Loan Fund | 424 |
| Sum | | 15,470 |

FIGURE 27 - TOP 10 MASTER GROUPS BY SALES IN H1 2017 (€m)

| Master Groups | NAT | # Funds | Assets | Net Sales |
|----------------|-----|-----------|---------------|---------------|
| Invesco | US | 4 | 9,881 | 3,705 |
| Deutsche AM | DE | 1 | 5,800 | 2,871 |
| Prudential/M&G | GB | 1 | 4,008 | 2,606 |
| Baring | US | 3 | 13,280 | 1,789 |
| Cr Suisse | CH | 1 | 6,214 | 1,657 |
| Allianz GI | DE | 1 | 4,121 | 1,645 |
| Fr Templeton | US | 6 | 5,787 | 928 |
| NN Group | NL | 2 | 5,641 | 764 |
| Eaton Vance | US | 4 | 5,641 | 476 |
| Goldman Sachs | US | 1 | 1,215 | 384 |
| Sum | | 24 | 61,588 | 16,825 |

Product Development

FIGURE 28 - FUND LAUNCHES & CLOSURES

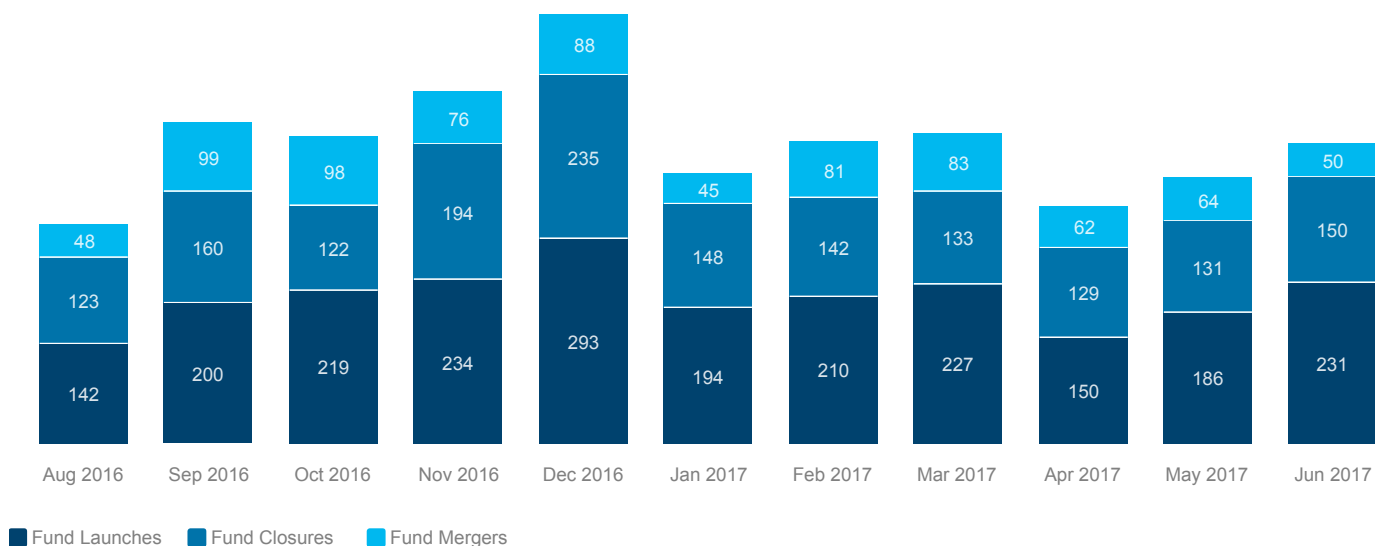


FIGURE 29 - TOP SELLING NEW FUND LAUNCHES IN H1 2017 (€m)

| Fund Name | Fund Domicile | Launch Date | Net Sales |
|--|----------------|-------------|-----------|
| BlackRock ACS 50:50 Global Equity Tracker | United Kingdom | 2017-06 | 9,735 |
| BlackRock ACS UK Equity Tracker | United Kingdom | 2017-06 | 5,373 |
| BlackRock ACS World ex UK Equity Tracker | United Kingdom | 2017-04 | 4,907 |
| BlackRock ACS 60:40 Global Equity Tracker | United Kingdom | 2017-06 | 3,166 |
| Gestielle Cedola Corporate | Italy | 2017-03 | 2,373 |
| UBS (Lux) Bond Sicav - USD Investment Grade Corporates (USD) | Luxembourg | 2017-01 | 2,277 |
| iShares Over 15 Years Gilts Index | United Kingdom | 2017-03 | 1,977 |
| PUB Equities North America 1 | Switzerland | 2017-02 | 1,436 |
| CS Nova (Lux) Fixed Maturity US Loan Fund 2021 | Luxembourg | 2017-01 | 1,331 |
| Source Bloomberg Commodity UCITS ETF | Ireland | 2017-01 | 1,251 |

Product Development

FIGURE 30 - FUND LAUNCHES BY GROUP IN H1 2017 (€m)

| Master Group | # Funds | Net Sales |
|----------------|------------|---------------|
| BlackRock | 24 | 27,121 |
| Intesa SP | 59 | 10,994 |
| BNY Mellon | 40 | 5,327 |
| Cr Suisse | 10 | 5,250 |
| UBS | 14 | 4,236 |
| BP Cooperativa | 7 | 3,794 |
| KBC | 38 | 3,410 |
| Pioneer | 18 | 2,691 |
| Jyske Bank | 17 | 2,548 |
| ANIMA | 18 | 2,114 |
| Sum | 245 | 67,484 |

FIGURE 31 - NUMBER OF FUND LAUNCHES BY MAIN ASSET CLASS

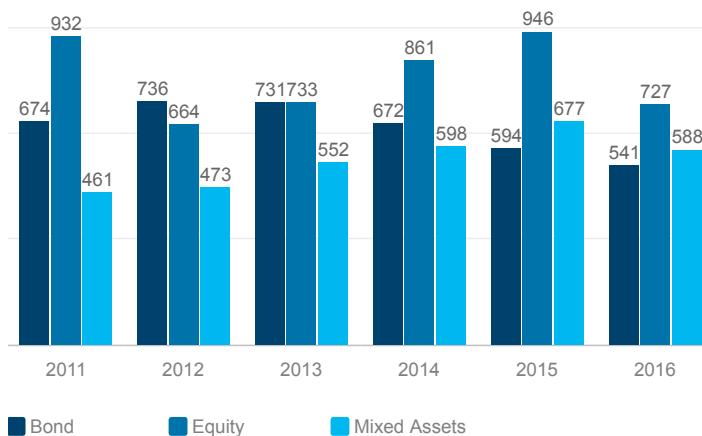


FIGURE 32 - FUND LAUNCHES BY REGION IN H1 2017 (€m)

| Fund Region | # Funds | Net Sales |
|---------------|--------------|----------------|
| Europe | 762 | 83,295 |
| International | 436 | 29,066 |
| Sum | 1,198 | 112,361 |

FIGURE 33 - NUMBER OF FUND LAUNCHES BY STRATEGY



Cross-Border Progress

Group Winners

FIG 34 - TOP CROSS-BORDER GROUPS BY SALES IN H1 17 (€m) - Ex ETFs

| Master Groups | NAT | # Funds | Net Sales |
|------------------|-----|---------|-----------|
| PIMCO | US | 64 | 29,885 |
| Prudential/M&G | GB | 85 | 10,048 |
| GAM | CH | 131 | 8,219 |
| AXA | FR | 197 | 7,406 |
| Invesco | US | 96 | 7,373 |
| BlackRock | US | 166 | 7,241 |
| Goldman Sachs | US | 100 | 7,097 |
| Cr Suisse | CH | 111 | 6,054 |
| Pictet | CH | 103 | 5,976 |
| Deutsche AM | DE | 162 | 5,141 |
| Amundi | FR | 128 | 5,031 |
| Vanguard | US | 33 | 4,679 |
| Carmignac | FR | 20 | 4,138 |
| JPMorgan AM | US | 152 | 4,023 |
| Schroders | GB | 138 | 3,889 |
| Allianz GI | DE | 83 | 3,643 |
| Jupiter | GB | 20 | 3,301 |
| MMC/Mercer | US | 48 | 3,157 |
| Natixis | FR | 103 | 3,093 |
| AQR Capital | US | 16 | 3,014 |
| Neuberger Berman | US | 40 | 2,999 |
| Aviva | GB | 31 | 2,888 |
| Muzinich | US | 16 | 2,771 |
| Morgan Stanley | US | 96 | 2,733 |
| UBS | CH | 238 | 2,650 |
| TOP 25 | | | 146,452 |
| REST | | | 50,660 |
| TOTAL | | | 197,112 |

Note: exclude money markets funds and ETF.

FIG 35 - TOP CROSS-BORDER GROUPS BY SALES IN H1 17 (€m) - INC ETFs

| Master Groups | NAT | # Funds | Net Sales |
|------------------|-----|---------|-----------|
| PIMCO | US | 64 | 29,885 |
| BlackRock | US | 453 | 23,305 |
| Amundi | FR | 230 | 11,270 |
| Prudential/M&G | GB | 85 | 10,048 |
| Deutsche AM | DE | 341 | 9,417 |
| UBS | CH | 325 | 8,902 |
| GAM | CH | 131 | 8,219 |
| Invesco | US | 116 | 7,432 |
| AXA | FR | 197 | 7,406 |
| Goldman Sachs | US | 100 | 7,097 |
| Soc Gen/Lyxor | FR | 264 | 6,938 |
| Vanguard | US | 51 | 6,583 |
| Cr Suisse | CH | 111 | 6,054 |
| Pictet | CH | 103 | 5,976 |
| Carmignac | FR | 20 | 4,138 |
| JPMorgan AM | US | 152 | 4,023 |
| Schroders | GB | 138 | 3,889 |
| Allianz GI | DE | 83 | 3,643 |
| Jupiter | GB | 20 | 3,301 |
| Natixis | FR | 114 | 3,264 |
| MMC/Mercer | US | 48 | 3,157 |
| State Street | US | 158 | 3,148 |
| AQR Capital | US | 16 | 3,014 |
| Neuberger Berman | US | 40 | 2,999 |
| Aviva | GB | 31 | 2,888 |
| TOP 25 | | | 185,997 |
| REST | | | 58,787 |
| TOTAL | | | 244,784 |

Note: exclude money market funds.

Cross-Border Progress

Cross-Border Share of Sales in Europe

FIGURE 36 - NET SALES OF CROSS-BORDER GROUPS BY MARKET IN H1 17 - ALL FUNDS (€bn)

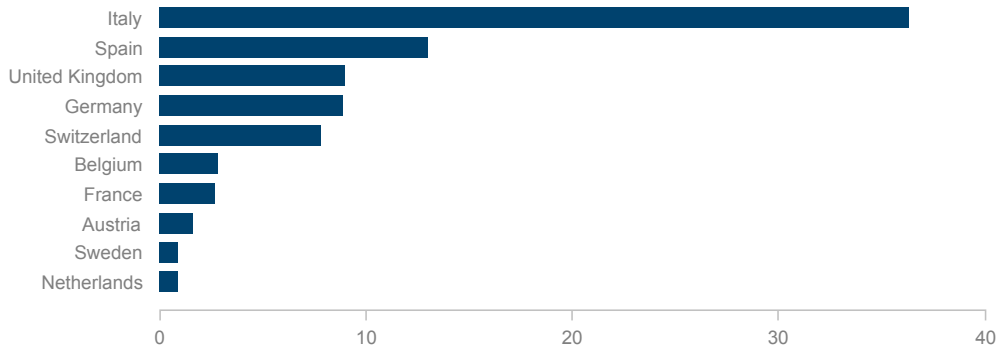


FIGURE 37 - NET SALES OF CROSS-BORDER GROUPS BY MARKET IN H1 17 - EQUITY ONLY (€bn)

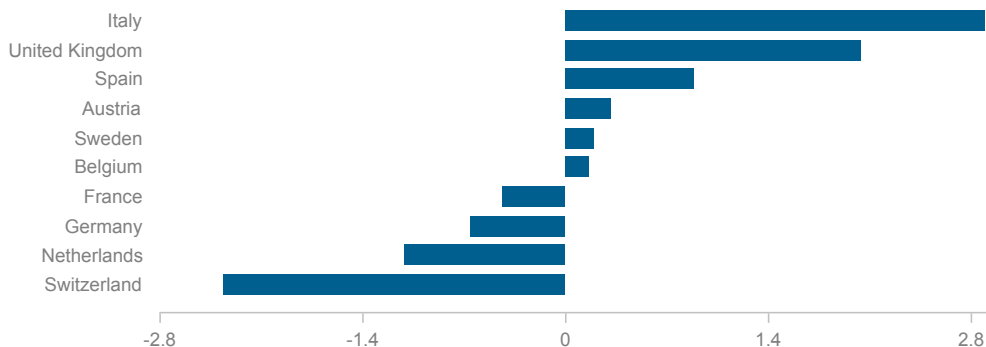
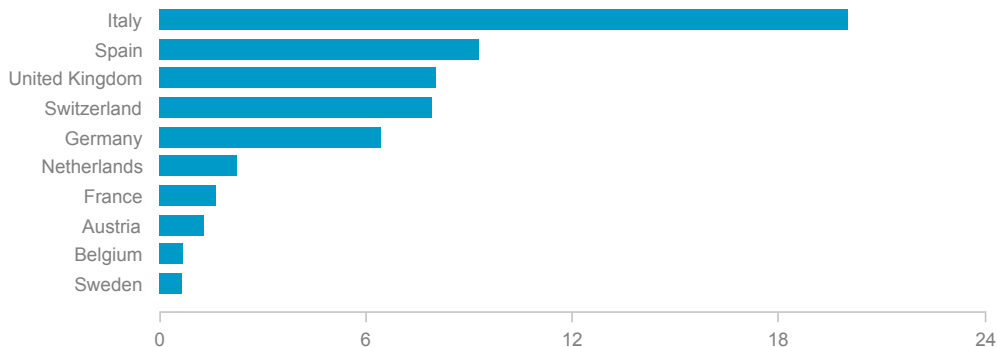


FIGURE 38 - NET SALES OF CROSS-BORDER GROUPS BY MARKET IN H1 17 - BOND ONLY (€bn)



Note to data:

- Excludes money market funds & ETFs.
- Cross-border activity is actual sales as measured by the Broadridge SalesWatch Confidential Service.
- The 64 members are estimated to account for 75-80% of the total cross-border sales activity.

Cross-Border Progress

Domestic vs Cross-Border Sectors

FIGURE 39 - TOP 5 DOMESTIC AND CROSS-BORDERS SECTORS IN THE MAJOR MARKETS IN H1 17 (€m)

| FRANCE | | | |
|--------------------------------|-----------|------------------------------|--------------|
| Domestic | Net Sales | Cross-Border | Real Sales* |
| Bonds EUR Short-Term | 2,753 | Bonds Global Currencies | Confidential |
| Equities Euroland | 1,263 | Asset Allocation | Confidential |
| Asset Allocation | 1,045 | Bonds Emerging Markets | Confidential |
| Equities France Mid/Small Caps | 1,008 | Bonds Flexible | Confidential |
| Bonds Alternative | 968 | Asset Allocation Alternative | Confidential |

| GERMANY | | | |
|------------------------------|-----------|------------------------------|--------------|
| Domestic | Net Sales | Cross-Border | Real Sales* |
| Mixed Assets Conservative | 2,889 | Bank loan/Floating rate | Confidential |
| Asset Allocation Alternative | 2,239 | Asset Allocation Alternative | Confidential |
| Bank loan/Floating rate | 1,649 | Mixed Assets Income | Confidential |
| Mixed Assets Balanced | 1,588 | Bonds Global Currencies | Confidential |
| Real Estate | 1,378 | Bonds Flexible | Confidential |

| ITALY | | | |
|------------------------------|-----------|-------------------------|--------------|
| Domestic | Net Sales | Cross-Border | Real Sales* |
| Bonds Global Currencies | 8,266 | Mixed Assets Income | Confidential |
| Mixed Assets Target Maturity | 6,004 | Bonds Global Currencies | Confidential |
| Mixed Assets Conservative | 3,639 | Asset Allocation | Confidential |
| Bonds Emerging Markets | 2,541 | Bonds Emerging Markets | Confidential |
| Mixed Assets Balanced | 2,068 | Bonds Flexible | Confidential |

| SWITZERLAND | | | |
|-------------------------|-----------|---|--------------|
| Domestic | Net Sales | Cross-Border | Real Sales* |
| Bonds Global Currencies | 1,506.75 | Bonds Global Currencies | Confidential |
| Bonds Global Corporates | 1,471.83 | Bank loan/Floating rate | Confidential |
| Equities North America | 1,091.87 | Asset Allocation | Confidential |
| Equities Europe | 988.50 | Bonds Flexible | Confidential |
| Equities Real Estate | 680.42 | Bonds Emerging Markets - Local Currency | Confidential |

| UNITED KINGDOM | | | |
|------------------------------|-----------|---|--------------|
| Domestic | Net Sales | Cross-Border | Real Sales* |
| Equities Global | 17,662.13 | Bonds Global Currencies | Confidential |
| Bonds Target Maturity | 4,053.09 | Bonds Flexible | Confidential |
| Bonds UK Gilt | 2,595.90 | Bonds Global Corporates | Confidential |
| Asset Allocation Alternative | 1,932.44 | Bonds Emerging Markets - Local Currency | Confidential |
| Bonds Inflation Linked | 1,911.77 | Equities Alternative | Confidential |

Note to data:

Real Sales*: data available to SalesWatch members only.



Footnotes

1. All data is at June 2017 unless otherwise stated.
2. 'International' fund market. Broadridge defines an International fund as a fund that sources less than 80% of its assets from any single country. Some fund groups have domestic and international funds.
3. 'Domestic' fund market. If a fund sources more than 80% of its assets from a single country then the fund is allocated to that market regardless of its domicile.
4. Funds of funds have been excluded from all charts and tables (to avoid double counting) unless otherwise stated. Therefore a market total is the sum of all the investment categories excluding the three funds of funds categories (in-house, ex-house and hedge).
5. The investment category 'other' includes a variety of different product categories. For most markets, especially Belgium, Spain and France, the figure comprises guaranteed funds, but there are also derivatives and other speciality funds in the 'other' category.
6. Property funds are open-ended property funds only.
7. Master group. Analysis that aggregates the European mutual fund assets under the umbrella of their parent company name.
8. ETFs are included in Broadridge's database on mutual funds, but this excludes exchange-traded commodity products that are not mutual funds.
9. References to foreign activity relate to actual sales as measured by Broadridge's SalesWatch confidential service. The 64 SalesWatch members are estimated to account for 75-80% of total cross-border sales activity.

About the Report

The following report is based on the unique fund analytics delivered through Broadridge Global Market Intelligence (GMI), our leading global fund analytics database. The charts and tables in this report reflect only the tip of the iceberg in terms of the depth and breadth available from Broadridge GMI. The report offers a high-level overview of European fund flow activity in H1 2017.

Global Market Intelligence (GMI) helps you make more strategic decisions, more effectively allocate your company's resources, and most importantly, be more responsive to your customers' needs, all through the combining the power of the FundFile and SalesWatch datasets.

Broadridge FundFile enables deep fund flows analysis of all key geographical markets, covering Asia Pacific, Latin America, the Middle East and Africa, and North America, and delivers a truly global fund flows solution. By gradually building the international reach of its global sales data and maintaining its high quality and ease of use over the past ten years, FundFile has become the unparalleled source of data and analysis, with information on more than 100,000 funds.

The cross-border dimension of the European funds industry—the "international" fund market—can truly be assessed only with Broadridge SalesWatch, a unique cooperative and confidential benchmarking service that allows leading fund groups to track their cross-border sales and assets against their competitors' by country, distribution channel, institutional versus retail activity, and both gross and net sales. This service now counts 64 of the leading asset managers among its members. (Some sample data taken from the tool can be seen on pages 20 and 21 of the current report.)

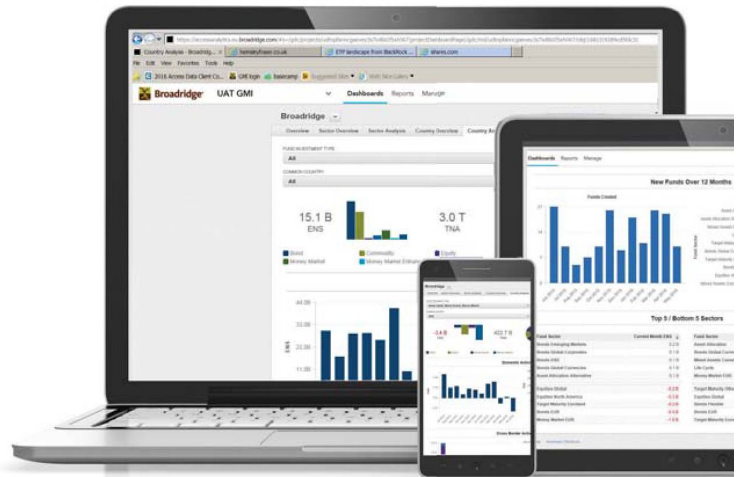
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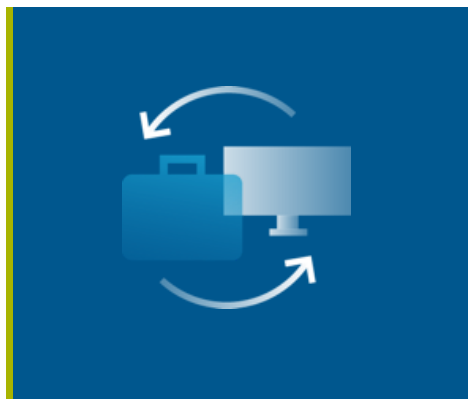


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Press Releases



Broadridge Expands Asset Management Data and Analytics Offering Through Acquisition of Spence Johnson

LAKE SUCCESS, N.Y., July 11, 2017 – Broadridge Financial Solutions, Inc. (NYSE:BR) has acquired Spence Johnson Limited, a leading provider of global institutional data and intelligence to the asset management industry. The acquisition will combine Broadridge’s global retail fund data and analytics solutions with Spence Johnson’s institutional data, market intelligence and insight, bringing together retail and institutional data and analytics in a single industry source for the first time.

[Read full release](#)

Broadridge Adds MSCI ESG Fund Metrics Data

LONDON, June 13, 2017 – Broadridge Financial Solutions, Inc. (NYSE:BR) announced an agreement with MSCI ESG Research to add its ESG Fund Metrics to Broadridge’s Global Market Intelligence, the leading platform for domestic and cross-border fund data and analytics. Under the agreement, key MSCI ESG Fund Metrics will be available on the platform to provide an increased level of transparency on the environmental, social and governance (ESG) quality and characteristics of over 26,000 mutual funds and ETFs covered by MSCI ESG Research.

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