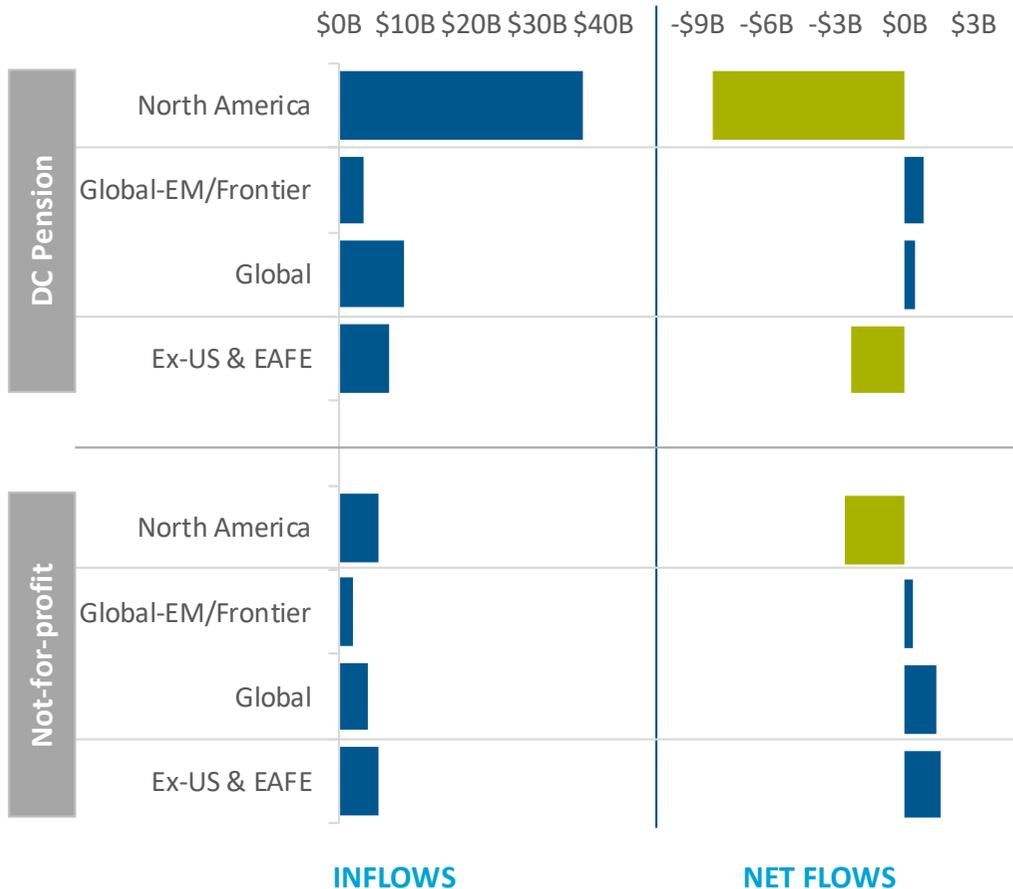


INSIGHT OF THE WEEK

# Defined contribution and not-for-profits look to emerging market and global equities

## Active fundamental flows by investment destination

\$BN, Q3 2017 – Q2 2018



### Broadridge Insights

**U.S. active fundamental equities attracted large inflows in the last twelve months, but overall net flows were negative as investors divested from traditional strategies**

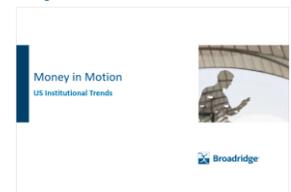
Within the defined contribution and not-for-profit channels, domestic and global/international destinations attracted inflows in excess of \$70 billion. But redemptions from more traditional plain vanilla strategies resulted in total net outflows of \$8+ billion.

Strategies that diversify across geographic regions and with an ex-U.S. focus captured solid inflows and net flows, especially in products with a growth focus.

As Callan has advised its clients: *“The case for active management varies greatly by market capitalization. Passive is typically appropriate for large cap U.S. equity. Active management is compelling for small/mid cap, global ex-U.S. and non-U.S. small cap”.*

### Insights drawn from Global Market Intelligence – Money in Motion An intelligence service focused on the institutional landscape

- Analysis of markets, products and distribution
- Current and future opportunity analysis



Broadridge Americas Market Insight

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