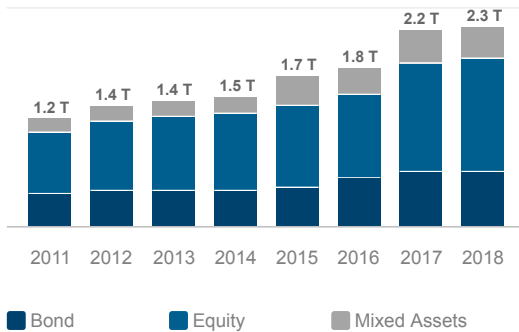


FundFlash Quarterly Snapshot of Asian Trends



Asian assets by investment type



Q1 18 net sales of long term funds

\$45.6 B

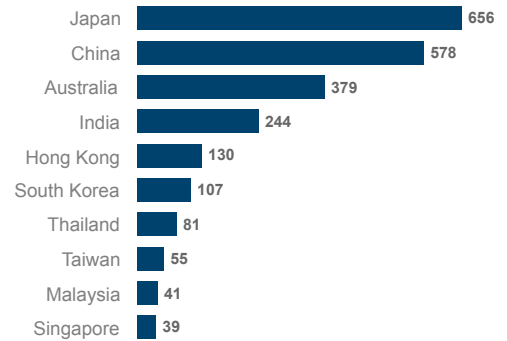
Q4 17 net sales of long term funds

\$21.1 B

Asset growth quarter on quarter

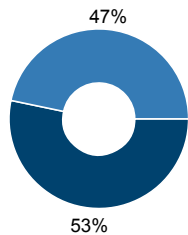
+1.50%

Asian assets by country ex Money Market funds (\$bn)



Q1 2018 in brief

Flow sentiment



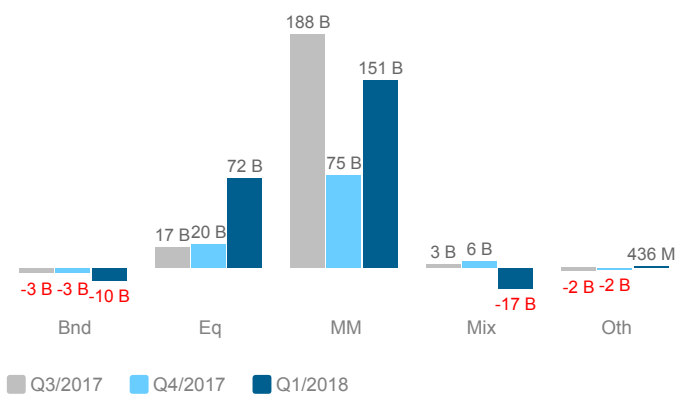
■ % of # funds with negative flows
 ■ % of # funds with positive flows



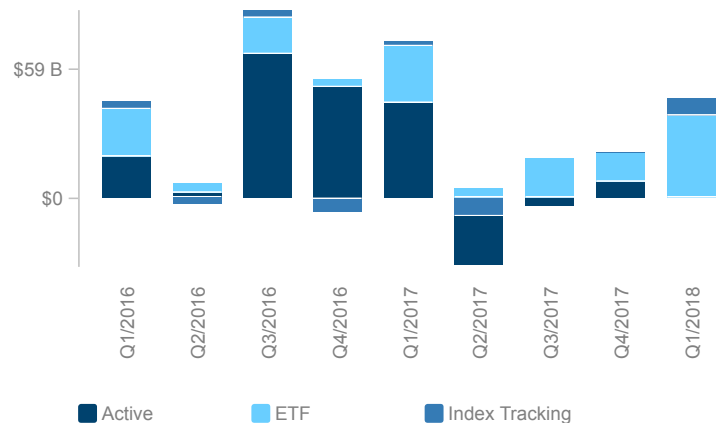
Q1/2018

■ Positive Flows ■ Negative Flows

Asia net sales by investment type (\$bn)



Net Sales by strategy



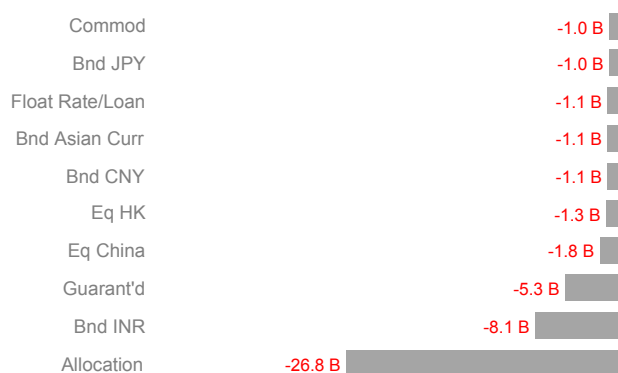
- Net sales of long-term onshore funds amounted to US\$45.6B in the first quarter of 2018, more than double the US\$21.1B in the previous quarter. Still, quarter-on-quarter growth in assets was sedentary at 1.5%, slowing from a 6.3% expansion in the fourth quarter of 2017.
- Net sales of equity funds surged to US\$72B in the first quarter, up by more than US\$50B compared to the previous quarter. The top-selling sectors over the first quarter were predominantly equities-based.
- Negative flows from bond funds accelerated from US\$3B in the fourth quarter of 2017 to US\$10B in the first quarter, while mixed-asset funds also saw steep negative flows of US\$17B. While the combined flows data for equity, bond and mixed-asset funds suggested that investors were "risk-on", the more than doubling of net sales of money market funds (MMFs) during the quarter was also indicative of a flight to safety in parts of Asia.
- Against this backdrop, passive investments saw tremendous investor demand in the first quarter, resulting in strong net sales in both ETFs and Index-tracking funds. In fact, over the quarter, active funds showed net sales of only US\$150M out of the US\$45.6B in total, ex-MMFs. (Note: this data is garnered purely from domestic data, and if a domestic fund feeds into a UCITS structure, it is also captured in this data.)
- As a result, only three of the top-10 selling funds in the first quarter were actively managed funds. This was in contrast to the previous quarter when only two of the top-10 selling funds were not actively managed.
- The two top-ranked fund launches over the 12 months to end-March were both actively managed funds—Maxwealth ZengYi Bond Fund and BNYMellon Mobility Innovation Fund. They were both only launched in the first quarter of 2018 and garnered net sales of US\$2.8B each. Over that 12-month period, the sectors that were most popular were Bond CNY, Allocation, Bond Global Currency and Equities Consumer.
- Japan and India led the wave of demand in Equities sectors over the first quarter of 2018. The Equities sectors seeing big demand in Japan in the first quarter—Consumer Goods, Global and Industrials—could be a leading indicator of demand from Asian investors in general over the rest of 2018.
- For instance, exposure to investment themes related to Consumer Goods is a play on governments in the region, particularly China, placing attention on building domestic consumer bases, as well as the widely-documented growing wealth in Asia. This drove demand in Equities Consumer Goods and will likely continue to do so in coming quarters under current market conditions.
- Demand for global equities came predominantly from Japan and Australia, of which two managers Rheos Capital in Japan and Mercer in Australia account for over US\$2B of Q1 2018 net flows. Rheos rode on CEO and star manager, Hideto Fujino's illustrious track record whilst Mercer capitalized on its clientele to promote its multi-manager fund range.

Best Selling Markets and Best Selling Sectors

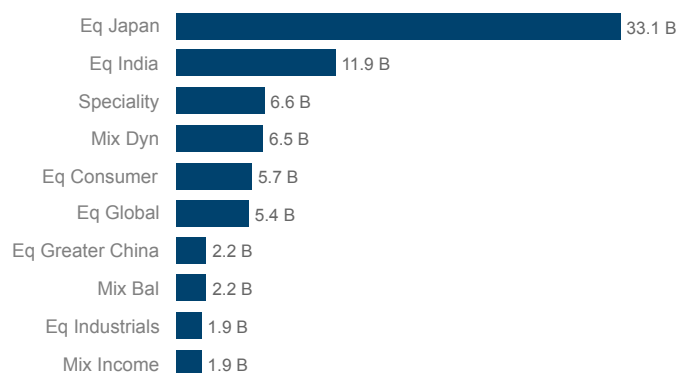
Asia top 5 markets by net sales - latest quarter (\$bn)

Fund Market	Assets	Previous quarter net sales	Latest quarter net sales	Bottom selling fund	Top selling fund
Japan	656.1 B	9.3 B	47.6 B	-0.7 B	4.5 B
India	244.4 B	9.1 B	10.4 B	-0.2 B	0.3 B
Australia	379.0 B	4.8 B	5.1 B	-0.4 B	0.7 B
South Korea	106.7 B	3.7 B	5.0 B	-1.1 B	0.5 B
Taiwan	55.0 B	-0.1 B	4.3 B	-0.3 B	0.4 B

Asia bottom 10 selling sectors - latest quarter (\$bn)



Asia top 10 selling sectors - latest quarter (\$bn)

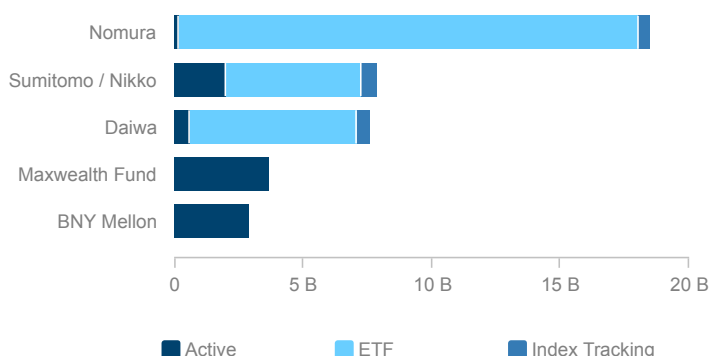


Best Selling Equity Sectors in Core Asian Markets

Fund Sector	Quarter/Year	Q1/2018								Sum
		Australia	China	Hong Kong	India	Japan	Singapore	South Korea	Taiwan	
Equities Japan	Equity	-1		70	-2	32,955	0	-56	14	32,980
Equities India	Equity	7		0	11,928	-77	-49	35	-7	11,836
Equities Consumer Goods	Equity		1,249	32	81	4,341	-1	-50	3	5,654
Equities Global	Equity	1,319	-86	7	1	3,060	127	461	47	4,937
Equities Greater China	Equity	-1	1,989	-148	1	-0	-17	215	36	2,074
Equities Industrials	Equity	-24	-28		63	1,805		12	110	1,938
Equities China Mid/Small Caps	Equity		1,819	3				-18	12	1,816
Equities North America	Equity	20	-3	-27	-3	1,034	1	37	299	1,358
Equities Japan Mid/Small Caps	Equity			-4		1,033	112	21		1,162
Equities Alternative	Equity	-54	-45		628	126	1	281	-35	902
Equities Emerging Markets	Equity	151	-1	43	0	711	-1	-8	6	901
Equities Australia	Equity	1,292		-3		-561				728
Equities Real Estate	Equity	-112	130	1	-0	441	26		233	719
Equities Japan Income	Equity			6		649				656
Equities Vietnam	Equity			56		39	-3	492		584
Equities Infrastructure	Equity	-123		1	339	414	-2	6	-60	575
Equities Information Technology	Equity	9	11	13	15	383	7	28	42	507
Equities Technology	Equity	38	18	25		-0	4	137	170	392
Equities Pacific Income	Equity			303		38	106		-55	391
Equities Korea	Equity			-15		-0	0	399	-0	383

Best Selling Groups and Best Selling Funds

Asia top selling master groups - latest quarter (\$bn)



Asia top selling groups - latest 12 months (\$bn)

Master Group	NAT	Assets	Net Sales
Nomura	JP	190.1 B	27.1 B
Sumitomo / Nikko	JP	115.1 B	19.0 B
Daiwa	JP	102.2 B	8.2 B
Maxwealth Fund	CI	8.5 B	7.7 B
AgBank/Amundi (JV)	CI	15.8 B	7.6 B

Asia top 10 selling funds - latest quarter (\$bn)

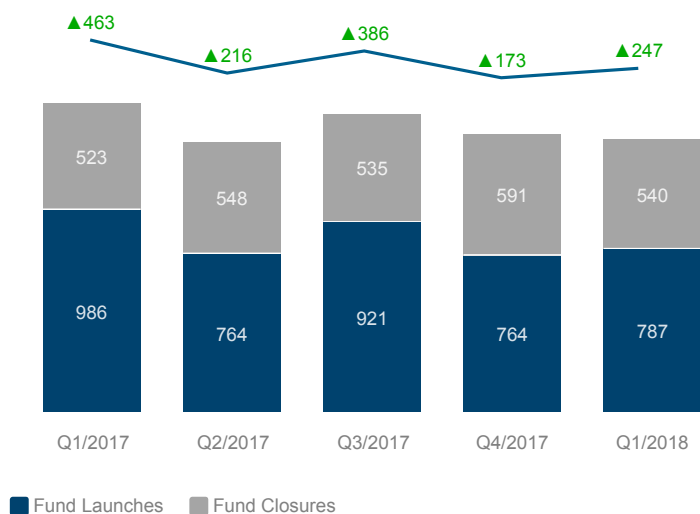
Fund Name	Domicile	Investment Type	Sector	Strategy	Net Sales
Nomura Topix Linked Listed Investment	Japan	Equity	Equities Japan	ETF	8.7 B
Nomura Nikkei 225 Index Linked Listed Investment	Japan	Equity	Equities Japan	ETF	5.0 B
Daiwa Topix Linked Listed Investment	Japan	Equity	Equities Japan	ETF	4.6 B
Nomura NF NikkeiAvg Leverage Index Link ETF	Japan	Other	Speciality	ETF	3.9 B
Nikko Listed Index Fund TOPIX	Japan	Equity	Equities Japan	ETF	3.2 B
Maxwealth ZengYi Bond Fund	China	Bond	Bonds CNY	Active	2.8 B
BNYMellon Mobility Innovation Fund	Japan	Equity	Equities Consumer Goods	Active	2.8 B
Nikko Nikkei 225 Index Linked Listed Investment	Japan	Equity	Equities Japan	ETF	1.8 B
Yinhua Regular Bi-Monthly Financial Fund	China	Bond	Bonds CNY	Active	1.8 B
Daiwa Nikkei 225 Index Linked Listed Investment	Japan	Equity	Equities Japan	ETF	1.6 B

Asia bestselling fund each quarter (\$bn)

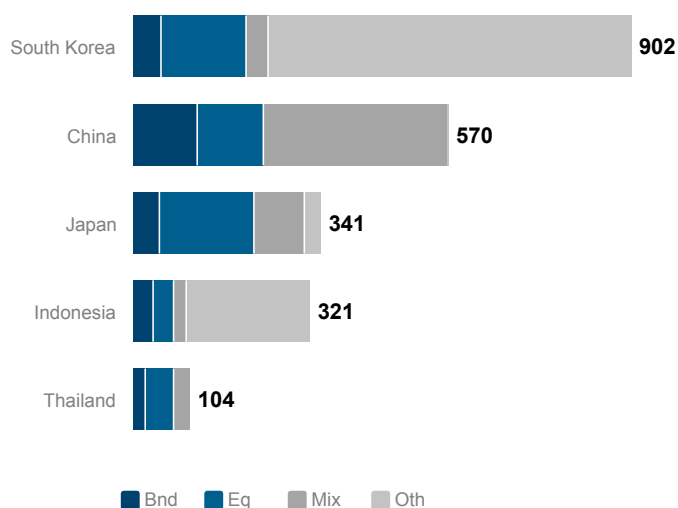
Fund Name	Domicile	Investment Type	Quarter/Year	Strategy	Net Sales
Nomura Topix Linked Listed Investment	Japan	Equity	Q1/2018	ETF	8.7 B
ABC-CA JinSui 3 Months Regularly Open Bond Fund	China	Bond	Q4/2017	Active	7.6 B
Nomura Topix Linked Listed Investment	Japan	Equity	Q3/2017	ETF	5.0 B
			Q2/2017	ETF	2.0 B
ICBCCS HengTai Bond Fund	China	Bond	Q1/2017	Active	8.9 B
Bosera YueChu Bond Fund	China	Bond	Q4/2016	Active	4.5 B
ICBCCS HengXiang Bond Fund	China	Bond	Q3/2016	Active	7.2 B
BOSC HuiTianLi Bond Fund	China	Bond	Q2/2016	Active	1.2 B
Nomura Nikkei 225 Index Linked Listed Investment	Japan	Equity	Q1/2016	ETF	3.4 B
Orbis Global Equity (Australian Registered)-Retail	Australia	Equity	Q4/2015	Active	4.1 B
E Fund RuiHui Flexible Fund	China	Mixed Assets	Q3/2015	Active	6.3 B

Product Development

Asia historical fund launches & closures



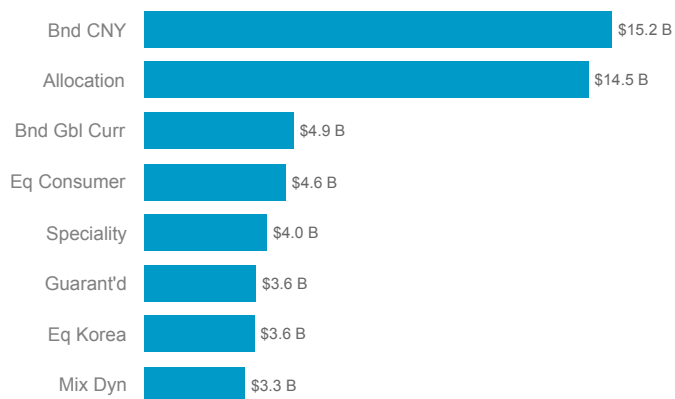
Number of fund launches by country - latest 12M



Asia fund launches by group - ex MM latest quarter (\$bn)

Master Group	NAT	# Funds	Net Sales
Maxwealth Fund	CI	1	2.8 B
Invesco	US	3	0.5 B
Syailendra	ID	1	0.4 B
MUFG	JP	6	0.4 B
Samsung	KR	6	0.3 B
Kookmin	KR	6	0.2 B
Legg Mason	US	1	0.2 B
Mirae AM	KR	7	0.2 B
Korea Holdings	KR	2	0.2 B
Aviva	GB	1	0.2 B

Asia Fund Launches: top sectors by net sales - latest 12 month (\$m)



Asia top fund launches - latest 12 month ex Money Market funds (\$bn)

Fund Name	Domicile	Investment Type	Launch Date	Net Sales
Maxwealth ZengYi Bond Fund	China	Bond	2018-03	2.8 B
BNYMellon Mobility Innovation Fund	Japan	Equity	2018-01	2.8 B
Vanguard Global Aggregate Bond Index (Hedged)	Australia	Bond	2017-07	2.2 B
Amundi SMBC Protect & Switch Fund	Japan	Other	2017-07	2.1 B
AM-One Emerging Country High Quality Growth Equity F	Japan	Equity	2017-12	2.1 B
AIFMC XingTai Regularly Open Bond Fund	China	Bond	2017-09	1.5 B
PineBridge Senior Floating Rate Income	Australia	Bond	2017-07	1.4 B
Minsheng Royal JiaYing Surplus Regular Bond Fund	China	Bond	2017-09	1.4 B
DaiwaSB Global EV Revolution Fund (Non Hedged)	Japan	Equity	2018-01	1.3 B
Maxwealth FengLi Bond Fund	China	Bond	2018-01	1.2 B

Please note:

1. all charts and tables above exclude Funds of Funds and Money Market funds
2. NT as nationality = to Not Assigned. Joint Ventures are generally classified this way

For more information please contact: GMI.ClientServices@broadridge.com

Data in USD as at: Q1 2018

