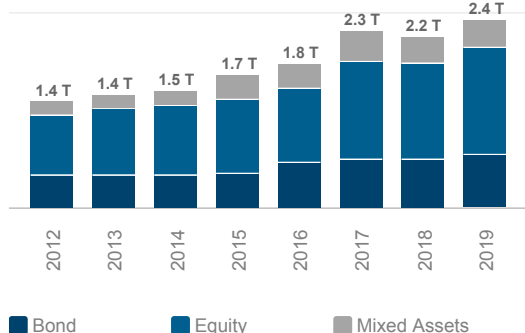


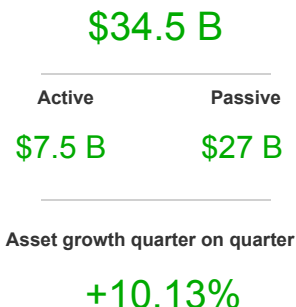
# FundFlash Quarterly Snapshot of Asian Trends



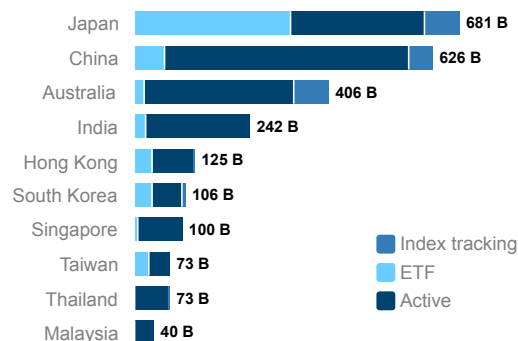
## Asian assets by investment type



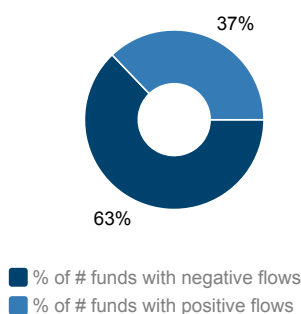
## Q1 2019 net sales of long term funds



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



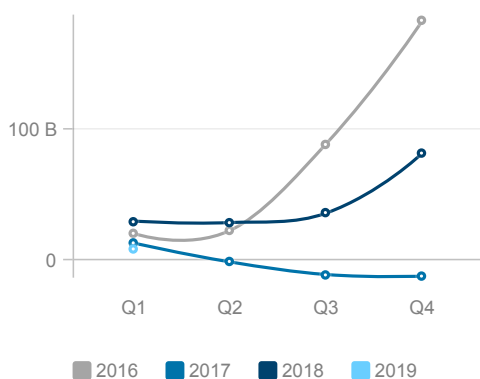
## Flow sentiment



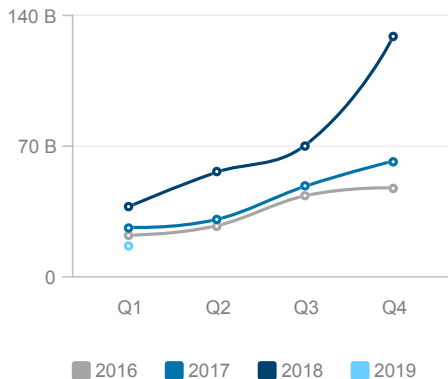
## Q1 2019 in brief

- Asian long-term fund assets surged in Q12019 to US\$2.4t from US\$2.2t at the end of 2018, driven by gains in regional equity markets and broad expectations that interest rates have peaked for now. These factors helped long-term fund assets expand in each of the 15 regional markets under our coverage.
- The fastest-growing market in terms of long-term fund assets was Taiwan—assets grew by 19.7% quarter on quarter to US\$73b. It was followed by China and Australia, where assets grew by 19.2% and 19.1%, respectively, over the quarter. The slowest growth in assets was seen in India, at 1.3% over the quarter.
- However, net sales of long-term funds slowed in Q12019 to US\$34.5b, from US\$111.8b in the fourth quarter of 2018. The bulk of net sales in the first quarter came from passive funds at US\$27b, after net sales of US\$68.7b in the fourth quarter of 2018. Net sales of active funds also slowed, from US\$43b in the fourth quarter to US\$7.5b in the first quarter of 2019. Only 37% of funds showed positive net inflows during the quarter reflecting an ongoing concentration of assets in fewer funds.
- China remained the top market in terms of net sales in Q1, followed by Japan, Taiwan, India and South Korea. However, net sales were down during the period in all but one of these markets. Net sales in China slowed to US\$18.5b during the quarter from US\$59b in the previous quarter while net sales in Japan dropped to US\$11.9b during the quarter from US\$30.5b in the previous quarter. Only India showed an acceleration in net sales during the quarter, at US\$4.6b compared to US\$1.3b in the previous quarter.
- The top-selling sectors during the quarter were Bonds CNY, Japan and India equities, with net inflows of US\$34b, US\$12.7b and US\$5b, respectively. The bulk of sales in these sectors came from their respective domestic markets. At the other end of the spectrum, Allocation, Real Estate and Equity China funds saw the most net outflows at US\$6.3b, US\$5.1b and US\$4.5b, respectively.
- All but one of the top 10 best-selling long-term funds in Asia were ETFs or index-tracking funds. They were led by Japan equity-focused ETF, Nomura Topix Linked Listed Investment, which extended its position as the top-selling fund in Asia for the 9th successive quarter with sales of US\$3.9b during the quarter. The top 10 funds were all from either Japan or China, with five in the Bonds CNY sector and three in the Equities Japan sector.
- The highest ranking active long-term fund in terms of sales during the quarter was CNY-denominated Chang Xin WenYi Pure Bond Fund, with net sales of US\$1.2b. Launched in October 2016, the fund size stood at around CNY8.5b by the end of the first quarter. The popularity of this China short-term bond fund extended the trend we saw in the second half of the 2018, on the back of declining interest rates after the PBOC lowered banks' reserve requirements four times over 2018.
- Indeed, investor demand for Bonds CNY funds was clearly evident in the fund launches over the 12 months to end-March 2019. Half of the top 10 fund launches were Bonds CNY funds, led by Ping-An UOB Short Term Bond Fund and China GF ChinaBond 1-3 Year CDB Bond Index Fund, with net sales of US\$2.9b and US\$2.8b, respectively, over the 12 months. Overall, the top sector for fund launches over the period was Bonds CNY with net sales of US\$59b.
- The number of funds launched in the first quarter rose to 780 from 744 in the previous quarter while the number of fund closures dropped slightly to 498 from 504. Over the 12 months to the end of the first quarter, South Korea led with 908 fund launches followed by China with 552 launches and Thailand with 478 launches. However, assets gathered in fund launches in South Korea tended to be smaller than their peers in the region. For instance, Hyundai launched 23 funds in South Korea in the first quarter of 2019 to raise a total of US\$0.2b in assets, while Nomura and AM One of Japan launched four and five funds respectively, raising a total of US\$1b in assets.

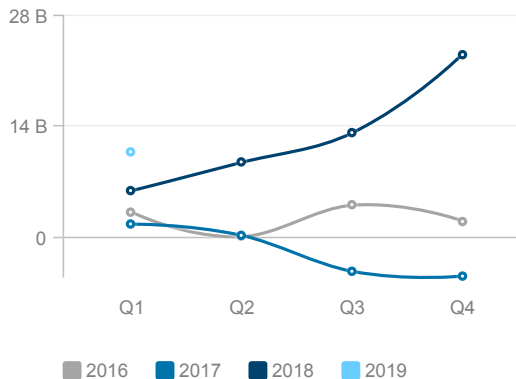
## Cumulative net sales by year (\$bn) - Active



## Cumulative net sales by year (\$bn) - ETF



## Cumulative net sales by year (\$bn) - Index Tracking

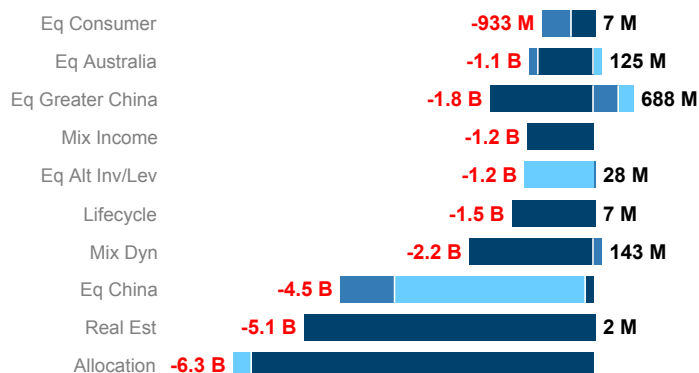


# Best Selling Markets and Best Selling Sectors

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

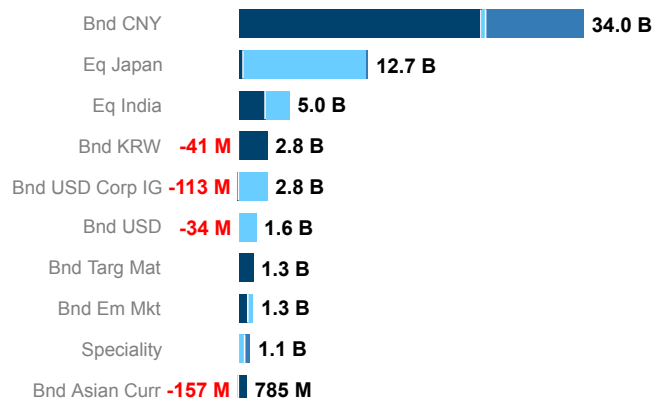
Fund Market	Assets	Previous quarter net sales	Latest quarter net sales	Bottom selling fund	Top selling fund
China	625.7 B	59.0 B	18.5 B	-0.5 B	2.8 B
Japan	680.6 B	30.5 B	11.9 B	-0.9 B	2.2 B
Taiwan	73.1 B	8.3 B	5.7 B	-0.6 B	0.5 B
India	242.3 B	1.3 B	4.6 B	-0.2 B	0.3 B
South Korea	106.1 B	6.2 B	2.7 B	-1.2 B	0.7 B

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



■ INDEX TRACKING
 ■ ETFs
 ■ ACTIVE

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



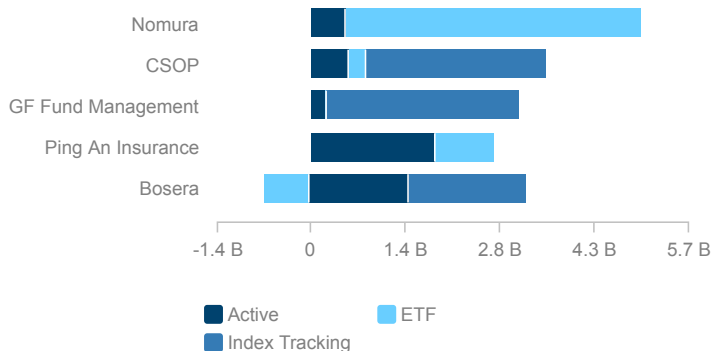
Fund Sector	Quarter/Year	Q1/2019								Sum
		Australia	China	Hong Kong	India	Japan	Singapore	South Korea	Taiwan	
Equities Japan	Equity	-4		-89	-0	12,760	13	-8	1	12,673
Equities India	Equity	4		-2	5,124	-83	-14	-5	1	5,025
Equities Global	Equity	-196	-19	14	4	1,068	-36	-57	-133	644
Equities Biotechnology	Equity	0	-5			513		-4	-15	489
Equities Vietnam	Equity			8		151	1	51		211

Fund Sector	Quarter/Year	Q1/2019								Sum
		Australia	China	Hong Kong	Japan	Singapore	South Korea	Taiwan		
Bonds CNY	Bond		33,572	34	434	-2	-13	-9		34,016
Bonds KRW	Bond						2,721			2,721
Bonds USD Corp. Inv. Grade	Bond			1	-87	-24			2,823	2,713
Bonds USD	Bond		-51	65	-143		9		1,665	1,545
Bonds Emerging Markets	Bond	142	11		-36	-31	0		1,263	1,348

Fund Sector	Quarter/Year	Q1/2019								Sum
		Australia	China	Hong Kong	India	Japan	Singapore	South Korea	Taiwan	
Mixed Assets Balanced	Mixed	494	-47	12	-111	84	-17	-26	-92	296
Mixed Assets Conservative	Mixed	53	-349	-20	-7	536	-98	-8		107
Mixed Assets Target Maturity	Mixed					12		62		73
Asset Allocation Alternative	Mixed	39	-170		-632	13	-0		2	-748
Mixed Assets Income	Mixed	11	-291	-422	-218	-2	-110	-27	-27	-1,086

# Best Selling Groups and Best Selling Funds

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



Please note: M&G/ Eastspring is the Master Group name which includes ICICI Prudential (India) Plc as well. Most of this quarter gains came from ICIC both active and passive product ranges

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

Master Group	NAT	Assets	Net Sales
Nomura	JP	199.8 B	20.0 B
CSOP	CI	32.3 B	10.7 B
Ping An Insurance	CI	11.2 B	8.9 B
Sumitomo Corporation	JP	125.2 B	8.6 B
China AM	CI	37.6 B	8.5 B

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

Master Group	NAT	Assets	Net Sales
Ping An Insurance	CI	8.9 B	7.4 B
GF Fund Management	CI	22.7 B	6.8 B
CSOP	CI	21.1 B	6.4 B
AM One	JP	15.1 B	5.7 B
Housing Development	IN	34.2 B	5.5 B

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

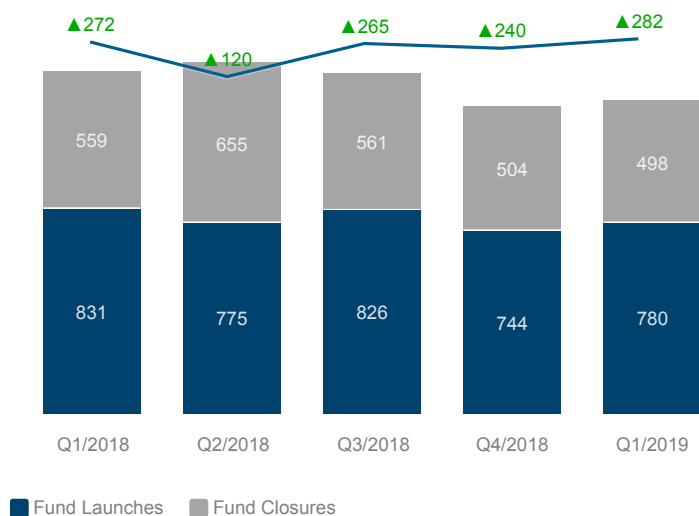
Fund Name	Domicile	Investment Type	Sector	Strategy	Net Sales
Nomura Topix Linked Listed Investment	Japan	Equity	Equities Japan		3.9 B
China GF ChinaBond 1-3 Year CDB Bond Index Fund	China	Bond	Bonds CNY		2.8 B
ICBCCS Shanghai 50 Index ETF Fund	China	Equity	Equities China		2.0 B
China Southern ChinaBond 1-3 Year CDB Bond Index Fund	China	Bond	Bonds CNY		1.9 B
Nikko Listed Index Fund TOPIX	Japan	Equity	Equities Japan		1.6 B
Daiwa Topix Linked Listed Investment	Japan	Equity	Equities Japan		1.5 B
Chang Xin WenYi Pure Bond Fund	China	Bond	Bonds CNY		1.2 B
BOCOM Schroders ChinaBond 1-3 Y ADBC Bond Index Fund	China	Bond	Bonds CNY		1.1 B
Nomura NF Nikkei 225 Double Inverse IDX Linked ETF	Japan	Equity	Equities Alternative Invers		1.0 B
Bosera ChinaBond 1-3 Year Policy Bank Bond Index Fund	China	Bond	Bonds CNY		1.0 B

Asia bestselling fund each quarter (\$bn)

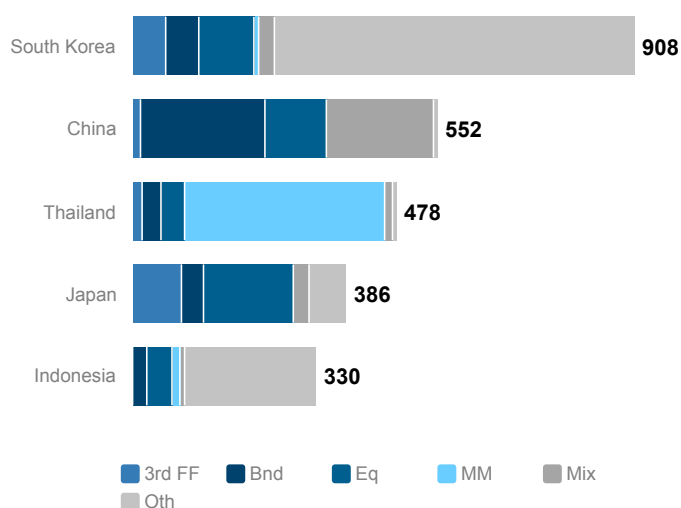
Fund Name	Domicile	Investment Type	Quarter/Year	Strategy	Net Sales
Nomura Topix Linked Listed Investment	Japan	Equity	Q1/2019		3.9 B
			Q4/2018		6.0 B
			Q3/2018		3.3 B
			Q2/2018		3.1 B
			Q1/2018		8.7 B
			Q4/2017		2.5 B
			Q3/2017		5.0 B
			Q2/2017		2.0 B
			Q1/2017		7.0 B
MLC MasterKey Business Superannuation-MLC MySuper	Australia	Mixed Assets	Q4/2016		5.8 B
ICBCCS HengXiang Bond Fund	China	Bond	Q3/2016		7.2 B

# Product Development

Asia historical fund launches & closures



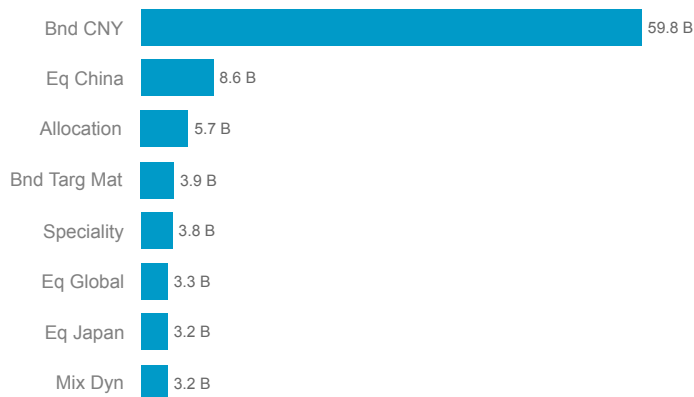
Number of fund launches by country - latest 12M



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

Master Group	NAT	# Funds	Net Sales
Barings	US	4	0.9 B
Nomura	JP	4	0.8 B
Hyundai Dev	KR	23	0.2 B
AM One	JP	5	0.2 B
Kasikorn Bank	TH	2	0.1 B
TCB Asset	TW	1	0.1 B
Thanachart	TH	1	0.1 B
Resona Group	JP	1	0.1 B
Fubon Financial	TW	3	0.1 B
UOB	SG	4	0.1 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
Ping-An UOB Short Term Bond Fund	China	Bond	2018-05	2.9 B
China GF ChinaBond 1-3 Year CDB Bond Index Fund	China	Bond	2018-11	2.8 B
Bosera CSI Central-SOEs Structural Reform Index ETF Fund	China	Equity	2018-10	2.8 B
China Southern 3 Years Operation Strategy Flexible Fund	China	Mixed Assets	2018-07	2.7 B
ChinaAMC CSI Central-SOEs Structural Reform Index ETF Fund	China	Equity	2018-10	2.1 B
ICBCCS Shanghai 50 Index ETF Fund	China	Equity	2018-12	2.0 B
China Southern ChinaBond 1-3 Year CDB Bond Index Fund	China	Bond	2018-11	1.9 B
Lion LianChuang ShunXin Bond Fund	China	Bond	2018-05	1.8 B
SMAM Future Biotech	Japan	Fund of Funds (ex-house)	2018-06	1.6 B
Ping-An UOB HuiXuan Pure Bond Fund	China	Bond	2018-09	1.5 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](mailto:GMI.ClientServices@broadridge.com)

Data in USD as at: Q1 2019

