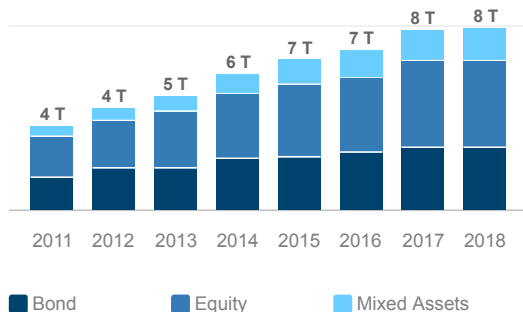


FundFlash Monthly Snapshot of European Trends



European assets by investment type



Apr 2018 net sales of long term funds

€11.3 B

YTD net sales of long term funds

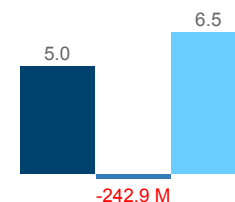
€144.4 B

Asset Growth month on month

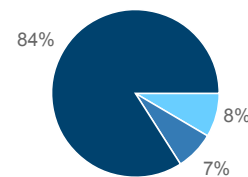
+1.86%

Passive vs Active overview (€B) in Apr 2018

Net sales



Assets



April in brief

- Net sales of long-term funds fall to their lowest point of the year so far but remain positive, at €11.3bn.
- Money market funds reverse recent losses and add an additional €10bn to the industry total for April.
- In this new phase of market volatility, passive funds regain the upper hand, taking 56% of inflows, but ETFs struggle with a second month of redemptions.
- Equity funds attract the bulk of new money, but bonds return to redemption and mixed asset volumes shrink back to under €5bn.
- Asset allocation adjustments favour North American and global equities but Europe, Euroland and UK stock funds are sold-off as part of the switch.
- Natixis retains its sales crown for a second consecutive month, increasing the net inflows into its long-term funds by 43%.
- Despite BlackRock's disappearance from the leader board, its UK equity tracker investing in North America is this month's bestselling fund. This ACS pension product welcomes €2.4bn of inflows.

A bumpy ride

Europe's fund sales appeared tinged with caution in April; net inflows of €11.3bn were the weakest since 2016. Whether this was a sign of poor sentiment probably depends on the asset class in question. European stock markets posted excellent returns, recouping much of the previous two months' losses, but this was seen as a selling opportunity, with European and Euroland equities among the most-redeemed fund sectors. Conversely, US stock funds pulled in the most voluminous flows, buoying the equity class in general. Dips on the country's bourses early in the month (fuelled by talk of trade wars) encouraged fund investors to top up exposure, even if US stocks are still deemed expensive. At both extremes, activity in passive was the key driver of business.

In the fixed income sphere, tightening monetary policy and rising yields continued to dampen sales. There were some pockets of opportunity – demand for alternative and short-term bonds highlighting ways in which investors are navigating choppy waters – but corporate and high-yield exposure was cut again. Outflows from active funds outweighed new money in passives, dragging the category's net total into the red. But active funds in general weren't quite on the scrapheap – mixed assets remained a bastion of strength, albeit with sales continuing to weaken.

The shake-up seen in the industry's manager leaderboard in recent months continued in April, with numerous large captive groups and mid-sized independents claiming the top spots, while few of Europe's largest third-party managers were to be seen (Amundi being the key exception). Natixis was king of the castle, with strong sales at its H2O affiliate spearheading results.

Looking ahead

Fund demand in May could well be undermined by a number of new challenges. Several emerging-market currencies have come under pressure, raising questions as to their abilities to service foreign-currency debts. Italy has also been in the news following anti-euro sentiment from its (possible) new coalition government.

European Net Sales by Investment Type (€bn)

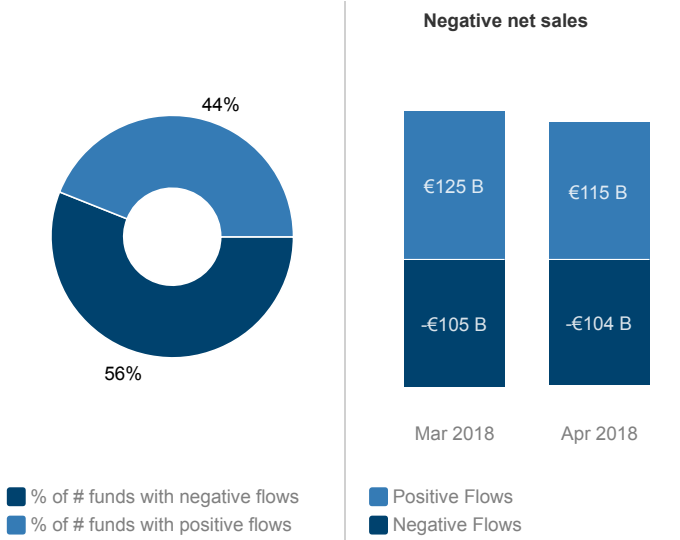
Investment Type	May 2017	Jun 2017	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	Apr 2018
Bond	33,549	34,346	29,586	22,876	16,558	17,112	28,691	17,004	31,375	-8,147	3,740	-865
Equity	13,016	31,240	24,401	4,457	15,069	17,110	11,975	10,771	43,302	11,048	3,074	5,510
Mixed	17,428	15,888	16,441	9,883	8,657	15,721	12,268	14,337	19,553	14,517	11,908	4,781
Money Market	3,918	-33,594	25,333	24,677	-15,726	20,987	-1,739	-16,841	33,116	-33,371	-8,208	10,036
Rest	3,361	1,593	2,883	3,451	-2,222	-615	4,098	3,126	2,010	-486	1,294	1,830

Top Markets by Sales - Latest Month (€bn)

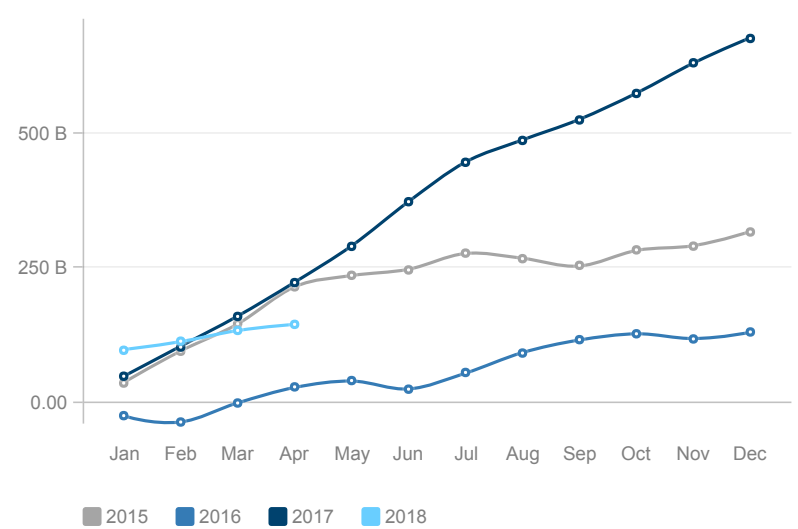
Fund Market	Assets	Previous month Net Sales	Latest Net Sales	Bottom selling fund	Top selling fund
International*	4,393 B	13.8 B	7.1 B	-1.0 B	1.0 B
France	411 B	1.6 B	1.8 B	-0.5 B	0.4 B
Germany	625 B	-0.0 B	1.7 B	-0.1 B	0.3 B
Italy	479 B	2.7 B	1.4 B	-0.2 B	0.5 B
Sweden	269 B	0.2 B	0.8 B	-0.2 B	0.2 B
Switzerland	436 B	0.6 B	0.2 B	-0.2 B	0.3 B

* International market granularity available via SalesWatch. Funds of funds and money market funds are excluded.

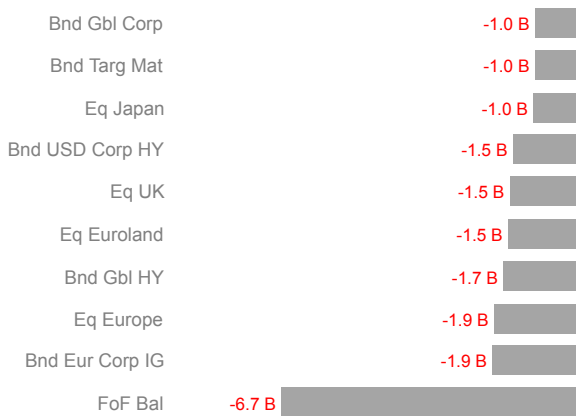
Flow sentiment



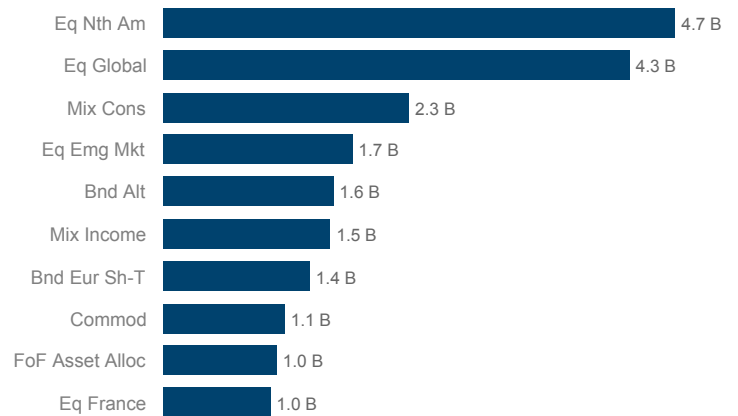
Cumulative net sales by year (€bn)



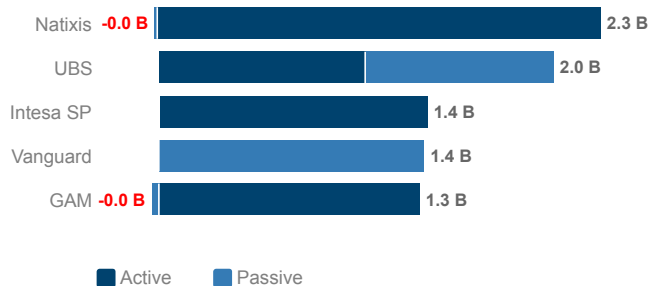
Bottom 10 selling sectors - Latest month (€bn)



Top 10 Sectors selling sectors - Latest month (€bn)



Top selling groups - Latest month (€bn)



Top selling groups - Latest 12 months (€bn)

Master Group	NAT	Assets	Net Sales
BlackRock	US	642.4 B	78.5 B
PIMCO	US	142.4 B	41.3 B
Amundi	FR	305.6 B	36.0 B
UBS	CH	261.7 B	22.0 B
Intesa SP	IT	189.6 B	19.5 B

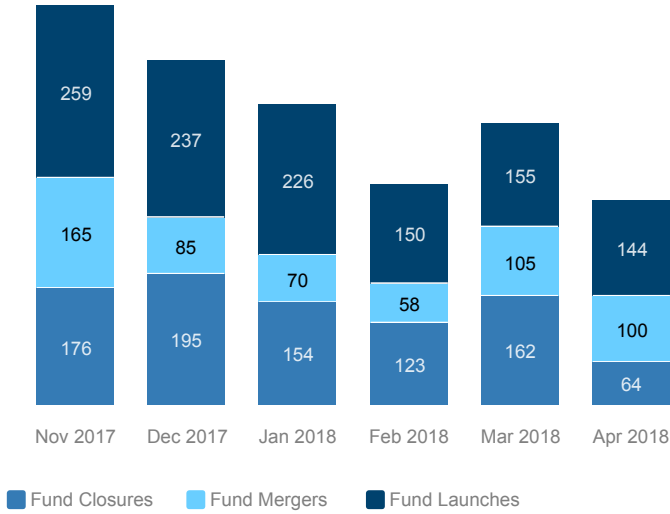
Top 10 Selling Funds - Latest month (€m)

Fund Name	Fund Domicile	Fund Investment Type	Net Sales
BlackRock ACS US Equity Tracker	United Kingdom	Equity	2,425
Aviva Investors - Emerging Markets Bond Fund	Luxembourg	Bond	1,026
BlackRock Index Selection - iShares Developed World Index Fund	Ireland	Equity	885
Allianz Global Investors Fund - Allianz Income and Growth	Luxembourg	Mixed Assets	875
H2O Adagio	France	Bond	722
Vanguard Funds Plc - Vanguard S&P 500 UCITS ETF	Ireland	Equity	593
iShares 100 UK Equity Index	United Kingdom	Equity	507
Multiflex Sicav - Strategic Insurance Distribution Fund	Luxembourg	Mixed Assets	500
Multiflex Sicav - Global Optimal Multi-Asset Fund	Luxembourg	Mixed Assets	500
BlackRock Corporate Bond 1 - 10 Year	United Kingdom	Bond	488

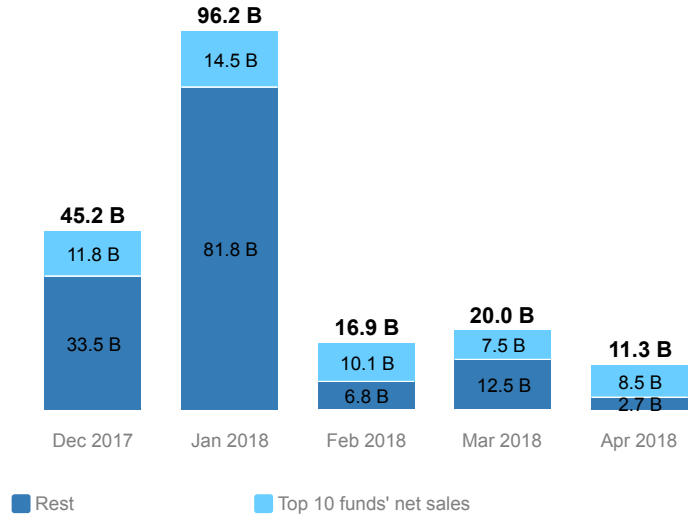
Best Sellers by Month (€bn)

Fund Name	Fund Domicile	Type	Month/Year	Net Sales
BlackRock ACS US Equity Tracker	United Kingdom	Eq	Apr 2018	2.4 B
Gestielle Cedola Multi Target V	Italy	Mix	Mar 2018	1.6 B
Mercer Global Investments - Mercer Investment Fund 10	Ireland	Mix	Feb 2018	1.5 B
Baillie Gifford Global Alpha Growth	United Kingdom	Eq	Jan 2018	4.0 B
Royal London UK Real Estate	United Kingdom	Prop	Dec 2017	3.2 B
PIMCO GIS Income Fund	Ireland	Bnd	Nov 2017	4.5 B
			Oct 2017	3.8 B
			Sep 2017	4.1 B
			Aug 2017	4.4 B
			Jul 2017	4.1 B
BlackRock ACS 50:50 Global Equity Tracker	United Kingdom	Eq	Jun 2017	9.7 B
PIMCO GIS Income Fund	Ireland	Bnd	May 2017	4.1 B

Historical fund launches & closures



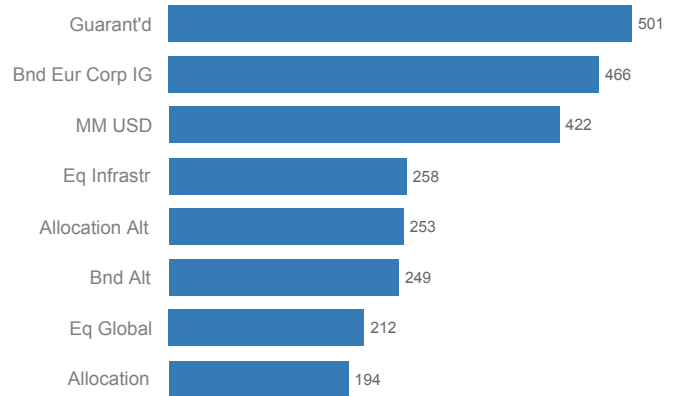
Proportion of net sales of the top ten selling funds



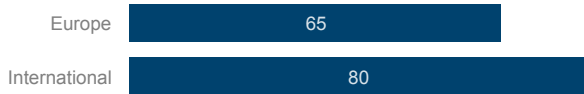
Fund launches by group - Latest month (€m)

Master Group	# Funds	Net Sales
ABN AMRO	4	571
Goldman Sachs	3	567
Amundi	25	443
DWS	4	262
Legal & General	1	258

Fund Launches: Top Sectors by net sales - Latest month (€m)



Number of fund launches by region



Top fund launches - Latest month (€m)

Fund Name	Domicile	Investment Type	Launch Date	Net Sales
Amundi Strategy Funds - SMBC Amundi Protect Fund USD Step 201803	LU	Other	2018-04	428
GS USD Liquid Reserves Plus Fund	IE	Money Market	2018-04	422
ABN AMRO Multi-Manager Funds Fund of Mandates Euro Corporate Bonds Durati	LU	Bond	2018-04	312
L&G Global Infrastructure Index	GB	Equity	2018-04	258
DB Platinum IV - Selwood Market Neutral Credit	LU	Bond	2018-04	249
Montanaro Better World Fund	IE	Equity	2018-04	142
ABN AMRO Multi-Manager Funds Schroder Euro Corporate Bonds Duration Hedge	LU	Bond	2018-04	142
GS Euro Liquid Reserves Plus Fund	IE	Money Market	2018-04	110
Newton Sustainable Real Return Fund	GB	Mixed Assets	2018-04	110
NN (L) Emerging Markets Debt Short Duration (Hard Currency)	LU	Bond	2018-04	109

Data in EURO as at: Apr 2018

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