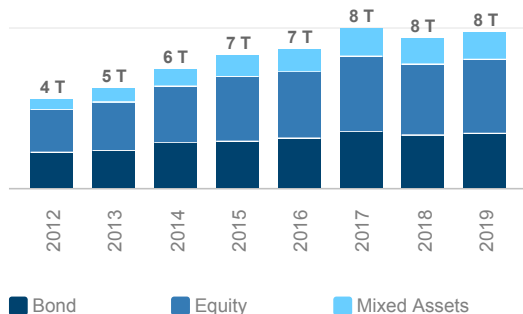


# FundFlash Monthly Snapshot of European Trends



## European assets by investment type



## Jan 2019 net sales of long term funds

€1.4 B

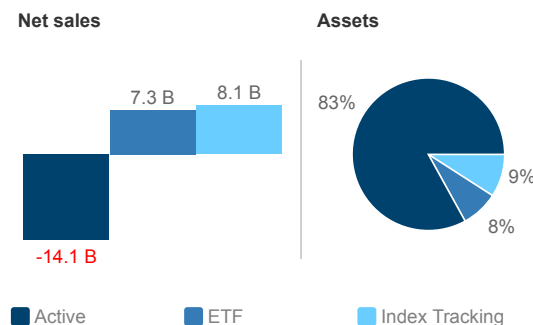
## Dec 2018 net sales of long term funds

-€53.7 B

## Asset Growth month on month

+4.27%

## Passive vs Active overview in Jan 2019



## January in brief

- After a four-month redemptions bout, the new year saw a slight sales uplift with long-term funds registering inflows of just over €1bn.
- January is generally a month that sees institutions pump money market funds with a hefty tranche of new money. This month, their preferred option was bonds, and liquidity products posted a mere €425m of inflows.
- Sales success, though, was entirely linked to passive funds, which just offset redemptions from active funds. Passive inflows were split 50/50 between trackers and ETFs.
- Bond funds were the stand-out winners thanks to the return of a dovish attitude to quantitative tapering by central banks.
- Investors jumped on sectors undervalued after last year's sell-off, and emerging market bond funds led the way.
- With new money trickling back into funds, Europe's market leader, BlackRock, regained its net sales crown. The group won net inflows of €4bn, almost double the receipts of its closest rival.
- Once again, though, it was PIMCO's GIS Income fund that registered the largest gains of €2bn.

## New year sees new interest in bonds

January generally sets the tone for the remainder of the year. It is usually a month of strong inflows as wealth managers and institutions reset their allocations for the new quarter. However, if this pattern proves to be true of 2019, there is not much for asset managers to look forward to. By historical standards this month's net inflows were sparse and well below the 17-year average of €25bn set for the first month of the year. Stock markets were reinvigorated after December's distress, but it was really only fixed income funds that recovered, injected with new energy by the US Fed looking less likely to increase interest rates, at least in the first half. Investors ploughed over €14bn into this asset class, its best month since last January.

It was good news for most of the bond sectors that were trashed in 2018 but the more benign environment did little to help equity and mixed asset funds out of the redemptions mire. The best that could be said of both categories was that outflows eased off. Equity fortunes, in particular, were helped by renewed interest in global and emerging markets but European stock funds were penalised and UK income funds continued to sell off in advance of Brexit. In the mixed assets arena, investors are looking for a new champion but, meanwhile, the exodus from the blockbusters of past years slowed down.

## Looking ahead

Although January sales flows offer little promise of a bumper sales year in 2019, their prospects remain indelibly linked to the attitude of central banks and, in the short term, to the conditions under which the UK exits the European Union in March. Uncertainty is currently dogging retail investor sentiment, particularly in the UK, where withdrawals in January amounted to a further €5.7bn. Once the dust settles on this extraordinary affair, there is some hope of sales recovery, particularly if central banks remain accommodative. The remainder of the first quarter, though, is likely to be volatile and patchy in its delivery of new money to funds.

## European Net Sales by Investment Type (€bn)

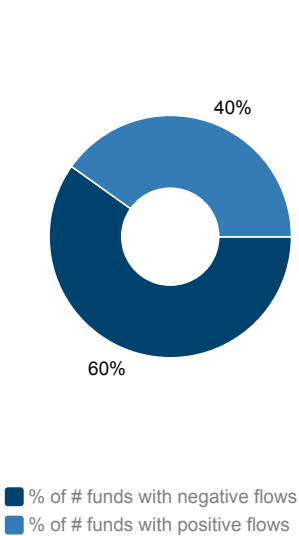
Investment Type	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019
Bond	-4,229	6,715	2,730	-12,884	-11,890	6,136	-2,917	-11,391	-27,933	-14,438	-22,337	14,239
Equity	12,525	4,535	8,197	-3,289	-3,969	1,876	2,192	1,273	-17,916	649	-18,211	-4,152
Mixed	14,734	12,347	5,343	8,180	6,241	4,232	3,138	-2,591	-9,965	-8,363	-9,219	-4,783
Money Market	-33,221	-8,870	11,572	-10,391	-15,822	10,898	-2,277	-26,338	45,141	-16,430	25,388	425
Rest	366	1,646	2,230	-243	540	-1,086	-150	795	-1,829	-3,250	-3,920	-3,952

Top Markets by Sales - Latest Month (€bn)

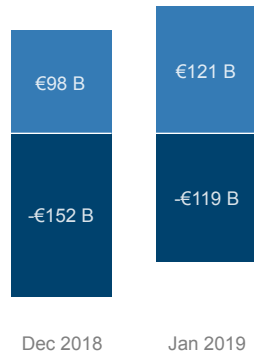
Fund Market	Assets	Previous month Net Sales	Latest Net Sales	Bottom selling fund	Top selling fund
International *	4,284 B	-40.1 B	7.5 B	-1.4 B	2.1 B
Switzerland	459 B	0.4 B	2.7 B	-1.1 B	0.9 B
Germany	610 B	-1.6 B	1.5 B	-0.3 B	0.3 B
Belgium	112 B	-0.8 B	0.5 B	-0.3 B	0.3 B
Sweden	318 B	0.9 B	0.4 B	-0.2 B	0.3 B
Poland	20 B	-0.2 B	0.1 B	-0.0 B	0.1 B

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

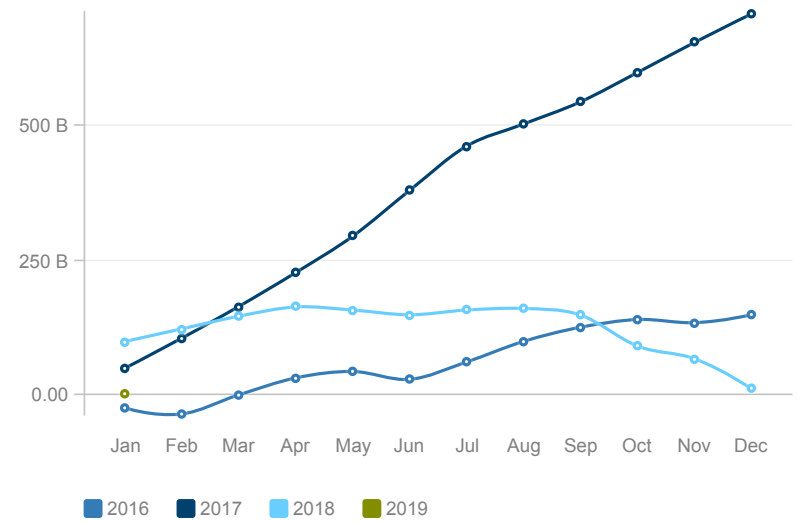
Flow sentiment



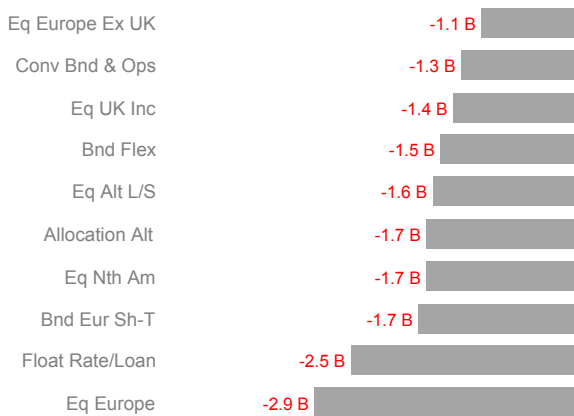
Positive net sales vs Negative net sales



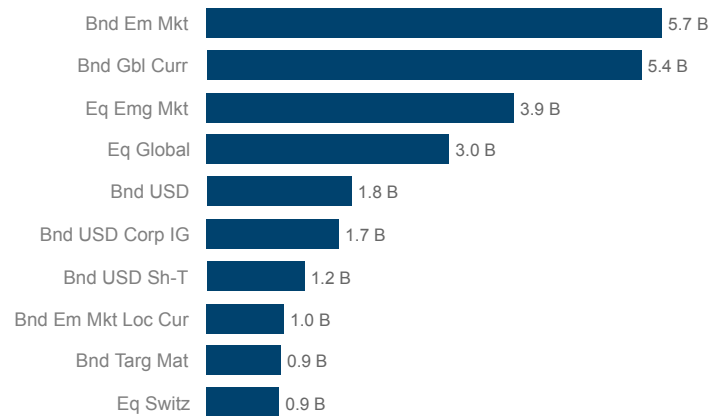
Cumulative net sales by year (€bn)



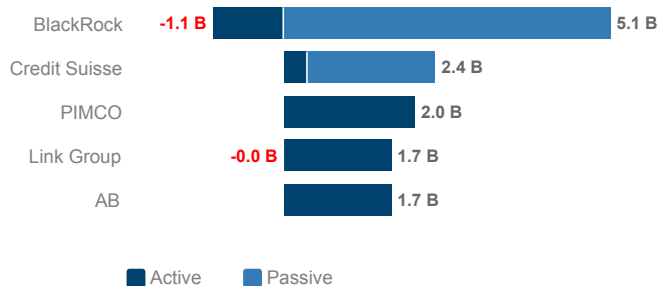
Bottom 10 selling sectors - Latest month (€bn)



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
Natixis	FR	95.6 B	12.0 B
MMC/Mercer	US	48.5 B	8.9 B
Vanguard	US	143.0 B	8.3 B
BlackRock	US	645.0 B	7.7 B
UBS	CH	269.2 B	6.1 B

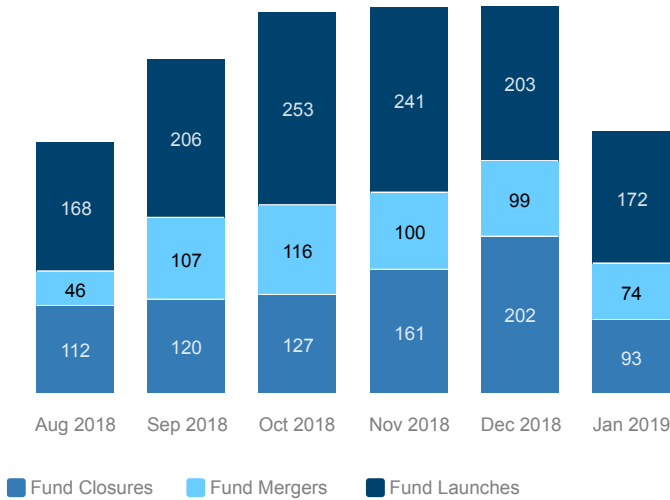
### Top 10 Selling Funds - Latest month (€m)

Fund Name	Fund Domicile	Fund Investment Type	Net Sales
PIMCO GIS Income Fund	Ireland	Bond	2,098
AB FCP I American Income Portfolio	Luxembourg	Bond	1,190
HSBC Global Aggregate Bond Index Fund	Ireland	Bond	1,082
iShares J.P. Morgan \$ Emerging Markets Bond UCITS ETF	Ireland	Bond	1,076
LF ACCESS Global Dividend	United Kingdom	Equity	960
GALLUS Aktien Welt Passiv	Switzerland	Equity	947
Eastspring Investments US Corporate Bond	Luxembourg	Bond	847
CS Index Fund (Lux) Equity EMU Blue	Luxembourg	Equity	814
Amundi Funds II - Emerging Markets Bond	Luxembourg	Bond	708
Invesco US Treasury Bond 7-10 Year UCITS ETF	Ireland	Bond	696

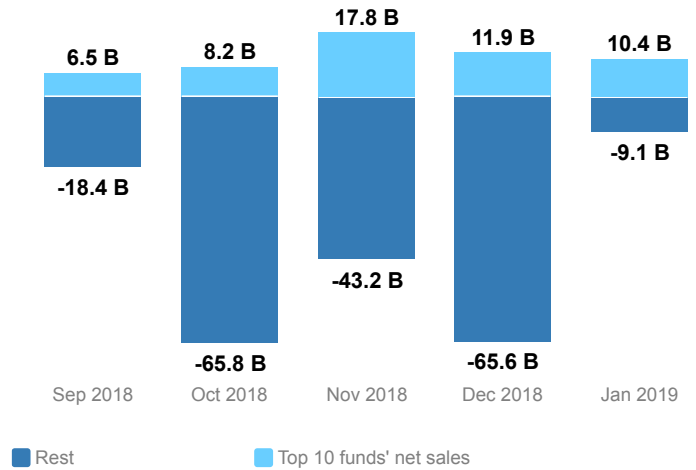
### Best Sellers by Month (€bn)

Fund Name	Fund Domicile	Type	Month/Year	Net Sales
PIMCO GIS Income Fund	Ireland	Bnd	Jan 2019	2.1 B
AP7 Aktiefond	Sweden	Eq	Dec 2018	1.6 B
Focused Sicav - High Grade Bond USD	Luxembourg	Bnd	Nov 2018	5.8 B
Focused Sicav - High Grade Long Term Bond USD	Luxembourg	Bnd	Oct 2018	2.0 B
Allianz Global Investors Fund - Allianz Income and Growth	Luxembourg	Mix	Sep 2018	1.3 B
			Aug 2018	1.9 B
			Jul 2018	1.9 B
			Jun 2018	1.5 B
UBS ETFs plc - MSCI ACWI SF UCITS ETF	Ireland	Eq	May 2018	3.0 B
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

### Historical fund launches & closures



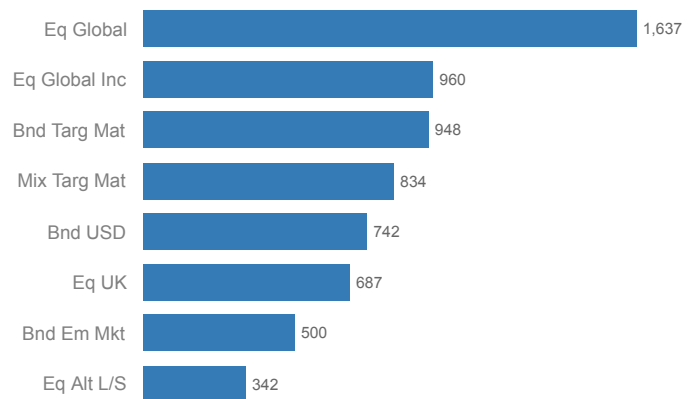
### Proportion of net sales of the top ten selling funds



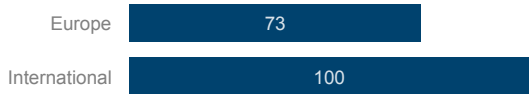
### Fund launches by group - Latest month (€m)

Master Group	# Funds	Net Sales
Credit Suisse	5	1,769
Link Group	2	1,647
Ameriprise	5	896
Invesco	6	749
Intesa SP	6	726

### 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
LF ACCESS Global Dividend	GB	Equity	2019-01	960
GALLUS Aktien Welt Passiv	CH	Equity	2019-01	947
Invesco US Treasury Bond 7-10 Year UCITS ETF	IE	Bond	2019-01	696
LF ACCESS UK Equity Core	GB	Equity	2019-01	687
CS Investment Funds 3 - CS (Lux) Fixed Maturity FR Bond Fund 2023 S-IV	LU	Bond	2019-01	476
Epsilon Difesa 100 Azioni Reddito Febbraio 2026	IT	Mixed Assets	2019-01	437
Aperture Investors SICAV - New World Opportunities Fund	LU	Bond	2019-01	434
Threadneedle (Lux) - Global Select	LU	Equity	2019-01	356
Franklin Templeton SIF - Templeton Global Total Return SIF	LU	Bond	2019-01	221
Threadneedle (Lux) - Asia Equities	LU	Equity	2019-01	198

Data in EURO as at: Jan 2019

For more information please contact [laura.cohen@broadridge.com](mailto:laura.cohen@broadridge.com)

