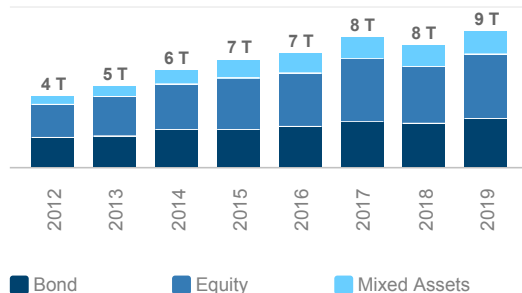


FundFlash Monthly Snapshot of European Trends



European assets by investment type



Jul 2019 net sales of long term funds

€23.2 B

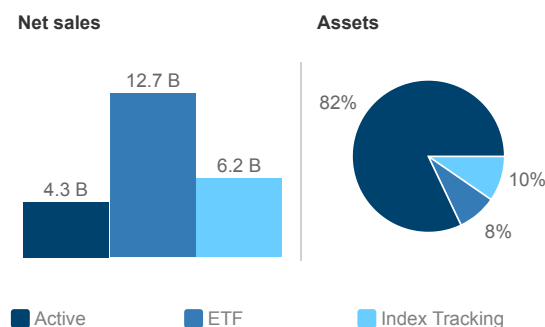
YTD net sales of long term funds

€64.3 B

Asset Growth month on month

+1.75%

Passive vs Active overview in Jul 2019



July in brief

- Q3 began with heightened risk aversion, and anticipation of central bank action to lower interest rates. Net flows of €23bn into long-term funds failed to match last month's bullish total, but they were not far off.

- The big volumes went into liquidity funds – €43bn, the largest dump of money into these safe haven products since January 2008.

- July was also a month of passive strength – just 19% of the long-term fund total was attributable to actively managed funds.

- With central banks moving towards lowering rates, bond funds continued to be the dynamo in the sales engine. Net receipts of €32bn were the best in two years.

- Despite the bond renaissance, surprisingly, the Global Equities sector scored the largest inflows. Passives dominated and most regional sectors were under water.

- BlackRock stood head and shoulders above its competitors in the race for new money with €8bn of net sales, despite slight redemptions from its active funds.

- A UBS global equity ETF gathered the largest inflows of the month (€3.7bn), boosting the sector, and the passive totals.

The good, the bad and the ugly

July was a strange month, revealing multiple contradictory characteristics. On the positive side, net inflows into long-term funds were relatively robust, and certainly among the best of the last 18 months. But offsetting this positive spin was the huge weight of passive flows that made up over 80% of total net receipts. This was the largest influx for passive funds since January 2018, but then the passive weighting was a mere 23%. Bond funds posted their best month in 25 this July and have the potential to go higher in the months to come. But their success was countered by rising redemptions from mixed asset funds, and an eighth consecutive month of withdrawals from equities. If current trends persist, equity funds are now headed for their worst year on record.

Behind the scenes and reflected clearly in the race into money market funds are high levels of uncertainty and anxiety over the direction of the markets. Sophisticated investors are betting on supportive central bank policy and backing bonds, but most other investors are retreating from risk. In the UK, Brexit uncertainty is rising, and investors are racing for the exit. Redemptions for the year to date now stand at a record high of €23bn after another €5.5bn was culled in July.

Looking ahead

A quiet month in August will be the hope of many asset managers. The holiday season generally means sluggish inflows and equally sluggish redemptions. However, storm clouds are building in Brexitland, and over central bank policy as the US president piles pressure on the Fed to cut rates by a further 100bps. Market expectations are high; if met, the industry can look forward to further bond-related rewards in the remaining half of the year, but we are in a fragile ecosystem that could break quite quickly.

European Net Sales by Investment Type (€m)

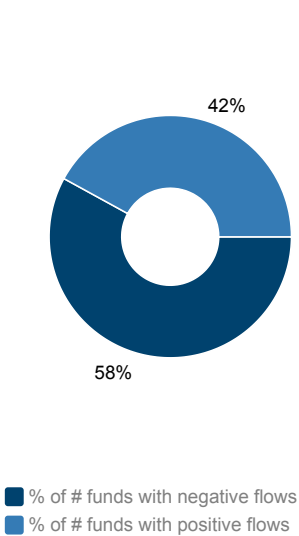
Investment Type	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019	Jul 2019
Bond	-2,885	-10,721	-27,173	-13,987	-22,205	14,668	16,863	25,285	26,443	17,919	30,683	31,647
Equity	2,182	1,292	-17,455	858	-18,033	-2,448	-1,836	-21,160	-13,351	-19,173	-5,013	-4,816
Mixed	3,246	-2,543	-9,964	-8,263	-8,810	-4,574	-3,959	-6,196	-3,266	-4,777	-1,375	-4,133
Money Market	-1,901	-26,367	44,999	-16,457	25,742	530	-13,238	1,695	8,349	8,892	-13,400	42,623
Rest	-183	794	-1,048	-2,784	-3,712	-4,098	593	-2,579	-279	1,600	1,102	525

Top Markets by Sales - Latest Month (€bn)

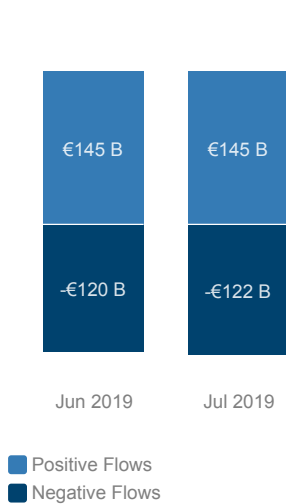
Fund Market	Assets	Previous month Net Sales	Latest Net Sales	Bottom selling fund	Top selling fund
International*	4,694 B	18.1 B	20.4 B	-3.4 B	3.7 B
Switzerland	493 B	1.2 B	2.0 B	-0.2 B	0.3 B
Italy	488 B	1.4 B	1.8 B	-0.3 B	0.5 B
Germany	656 B	1.4 B	1.6 B	-0.2 B	0.2 B
Belgium	122 B	0.1 B	1.1 B	-0.1 B	0.1 B
Norway	96 B	-0.2 B	0.7 B	-0.0 B	0.2 B

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

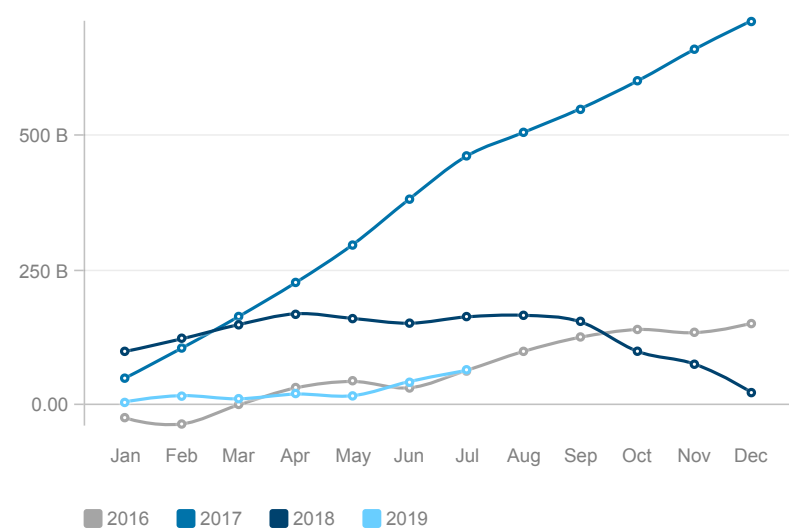
Flow sentiment



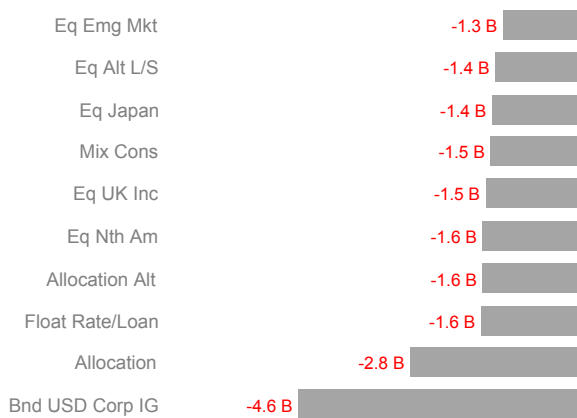
Positive net sales vs Negative net sales



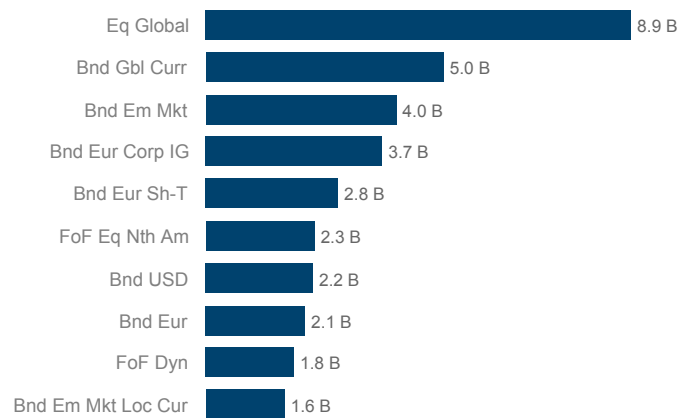
Cumulative net sales by year (€bn)



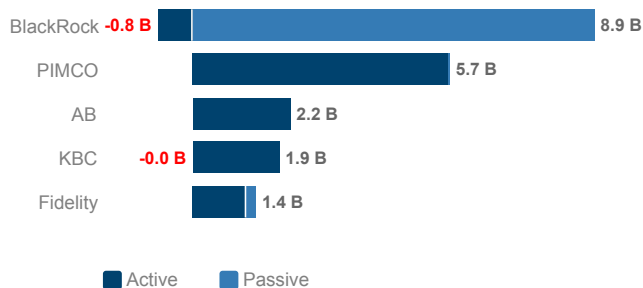
Bottom 10 selling sectors - Latest month (€bn)



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
BlackRock	US	717.0 B	20.6 B
PIMCO	US	175.5 B	18.5 B
AB	US	79.6 B	10.5 B
ACCESS	GB	10.8 B	10.1 B
State Street	US	85.5 B	8.8 B

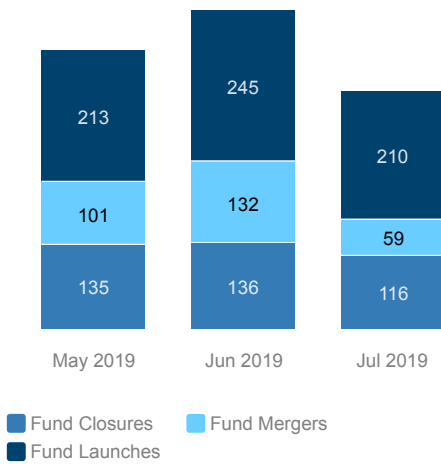
Top 10 Selling Funds - Latest month (€m)

Fund Name	Fund Domicile	Investment Type	Fund Strategy	Net Sales
UBS ETFs plc - MSCI ACWI SF UCITS ETF	Ireland	Equity	Passive	3,681
PIMCO GIS Income Fund	Ireland	Bond	Active	3,213
AB FCP I American Income Portfolio	Luxembourg	Bond	Active	1,510
Caixabank Master Renta Fija Deuda Pública 1-3 Advised By FI	Spain	Bond	Active	1,344
Caixabank Master Renta Variable Europa FI	Spain	Equity	Active	1,317
iShares Euro High Yield Corporate Bond UCITS ETF	Ireland	Bond	Passive	1,220
iShares Core Euro Corporate Bond UCITS ETF	Ireland	Bond	Passive	1,089
Invesco MSCI Saudi Arabia UCITS ETF	Ireland	Equity	Passive	993
iShares \$ Treasury Bond 0-1yr UCITS ETF	Ireland	Bond	Passive	985
iShares J.P. Morgan \$ Emerging Markets Bond UCITS ETF	Ireland	Bond	Passive	704

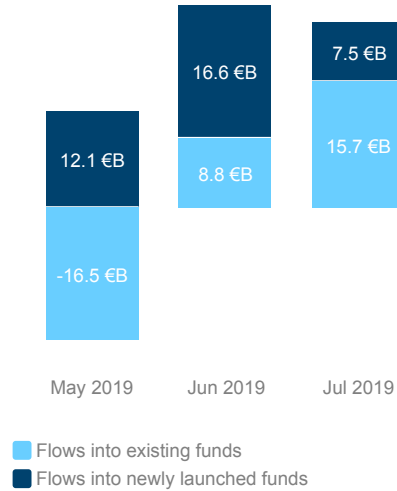
Best Sellers by Month (€bn)

Fund Name	Fund Domicile	Type	Month/Year	Net Sales
UBS ETFs plc - MSCI ACWI SF UCITS ETF	Ireland	Eq	Jul 2019	3.7 B
PIMCO GIS Income Fund	Ireland	Bnd	Jun 2019	3.5 B
ACTIAM (L) Sustainable Euro Fixed Income Fund	Luxembourg	Bnd	May 2019	2.9 B
Fundsmith Equity Fund Sicav	Luxembourg	Eq	Apr 2019	2.9 B
PIMCO GIS Income Fund	Ireland	Bnd	Mar 2019	1.9 B
UBS ETFs plc - MSCI ACWI SF UCITS ETF	Ireland	Eq	Feb 2019	3.3 B
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

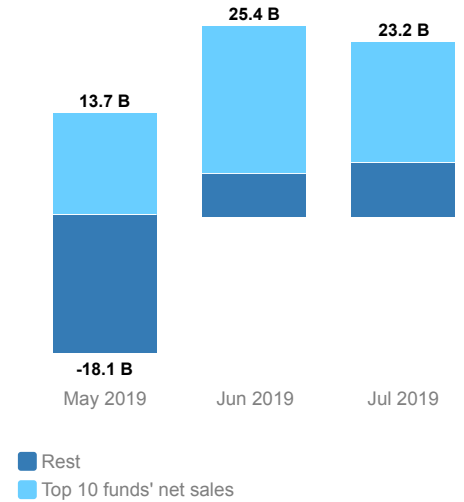
Historical fund launches & closures



New launch flows vs existing funds



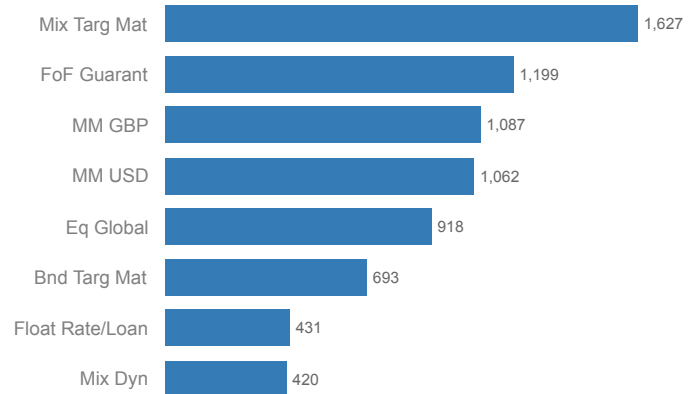
Net sales of the top10 selling funds vs the rest



Fund launches by group - Latest month (€m)

Master Group	# Funds	Net Sales
BlackRock	5	2,410
DWS	3	1,210
Intesa SP	11	946
Precision Capital	12	762
Invesco	2	497

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
DWS FlexPension II 2034	LU	Fund of Funds (ex-house)	2019-07	1,199
BlackRock Institutional Cash Series plc - US Dollar Liquid Environmentally Aware Fund	IE	Money Market	2019-07	1,062
BlackRock Institutional Cash Series plc - Sterling Liquid Environmentally Aware Fund	IE	Money Market	2019-07	1,024
Epsilon Difesa 100 Valute Reddito Luglio 2026	IT	Mixed Assets	2019-07	522
Invesco US Senior Loan ESG Fund	LU	Bond	2019-07	431
Muzinich Global Short Duration Investment Grade Fund	IE	Bond	2019-07	400
AXA Vorsorge Fonds II - Equities Global Markets Passive	CH	Equity	2019-07	269
Aberdeen Sterling Corporate Bond Tracker	GB	Bond	2019-07	265
Euromobiliare Equity Selected Dividend	IT	Mixed Assets	2019-07	227
Eurizon Investi Protetto - Edizione 1	IT	Other	2019-07	219

Data in EURO as at: Jul 2019

For more information please contact laura.cohen@broadridge.com

