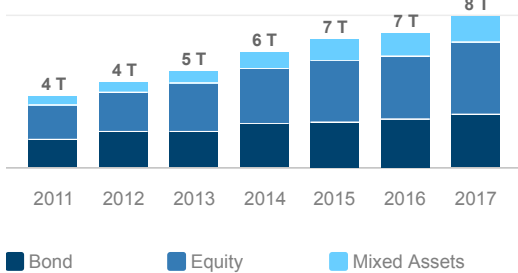


FundFlash Monthly Snapshot of European Trends



European assets by investment type



Nov 2017 net sales of long term funds

€53.1 B

YTD net sales of long term funds

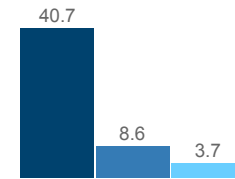
€618.9 B

Asset Growth month on month

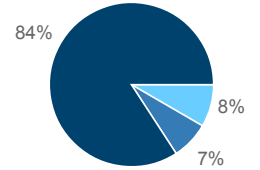
-0.35%

Passive vs Active overview (€B) in Nov 2017

Net sales



Assets



November in brief

- In the penultimate month of the year net sales of long-term funds spiked up to €53bn, their highest point since July.
- Money market funds, though, were spurned losing nearly €2bn as investors moved in favour of enhanced liquidity options and bonds.
- Passive funds had a good month contributing €12bn to the long-term sales total and dominating the sluggish equity sector.
- Once again fixed income products did the heavy lifting and were responsible for the overall sales uplift.
- Three bond sectors were responsible for the bulk of November's new money – Global Currency, Flexible and Emerging Markets but Global Currency funds saw three times the volumes of the also-rans.
- PIMCO reigned supreme this month, outplaying BlackRock's passive strength for the first time this year.
- PIMCO's GIS Income fund was, once again, the group's blockbuster success but three quarters of the group's fund range posted inflows and made an important contribution to its growing strength.

Bonds recover their mojo

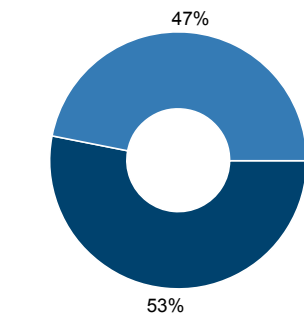
With the year reaching its conclusion investors showed no signs of altering the strength of their commitment to funds and, particularly, to fixed income funds. Although the second half of the year lost some of the fizz that bloated sales totals in the first six months, volumes are rising and have been since September. Long-term fund sales edged back above the €50bn mark in November, pushing the year-to-date total above €600bn. The industry has been in record territory since June and is now heading towards an annual total that will be nearly twice the previous record set in 2014. Actively managed funds have enjoyed the best of this year's sales bonanza and, in November, they took 77% of the volumes invested in long-term products. But, managers of passive funds have had much to celebrate. Net sales for the year to date are also in record territory of €154bn split evenly between traditional trackers and ETFs.

After a couple of months in which fixed income funds seemed to be losing some of their mojo, investors reconfirmed their commitment in November. Net inflows increased by a punchy 64% to €28bn. PIMCO's GIS Income fund may have been the undisputed leader but its contribution of €4.5bn left plenty of new money for competitors. The other major asset classes fared less well; mixed asset volumes dropped back by 23%, although still registered a punchy €11bn of inflows, and equity funds were lacklustre at €10bn, most of which went into passive products. Money market funds were also shunned as investors turned to bonds or short-term liquidity funds for better returns. This enhanced money market sector, though, had its best month since reaching its previous zenith just before the 2007 crash.

Looking ahead

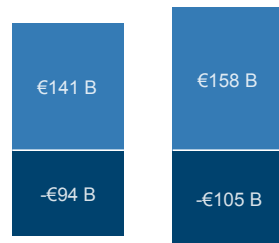
With many stock markets ending the year in record territory there is little doubt that 2017 will be remembered as extraordinary by all stakeholders. Despite the many regulatory and structural headwinds faced by managers, this year's experience has proved the growing demand for their skills. The challenge for 2018 will be to hold on to the assets when markets become choppy.

Flow sentiment



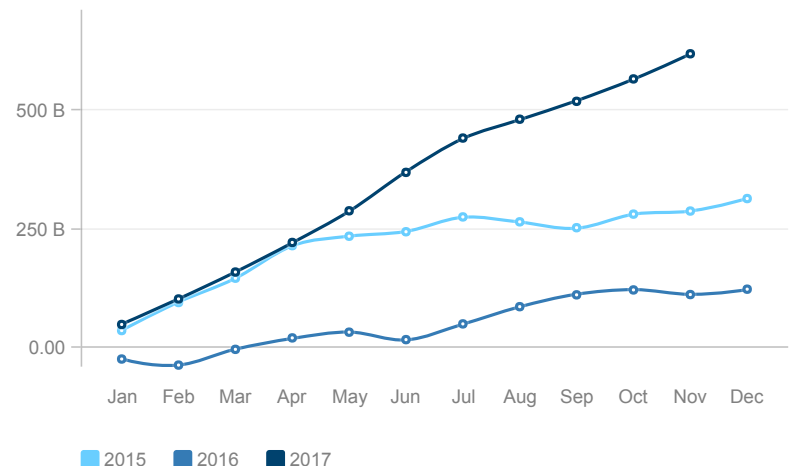
■ % of # funds with negative flows
■ % of # funds with positive flows

Positive net sales vs Negative net sales



■ Positive Flows
■ Negative Flows

Cumulative net sales by year (€bn)

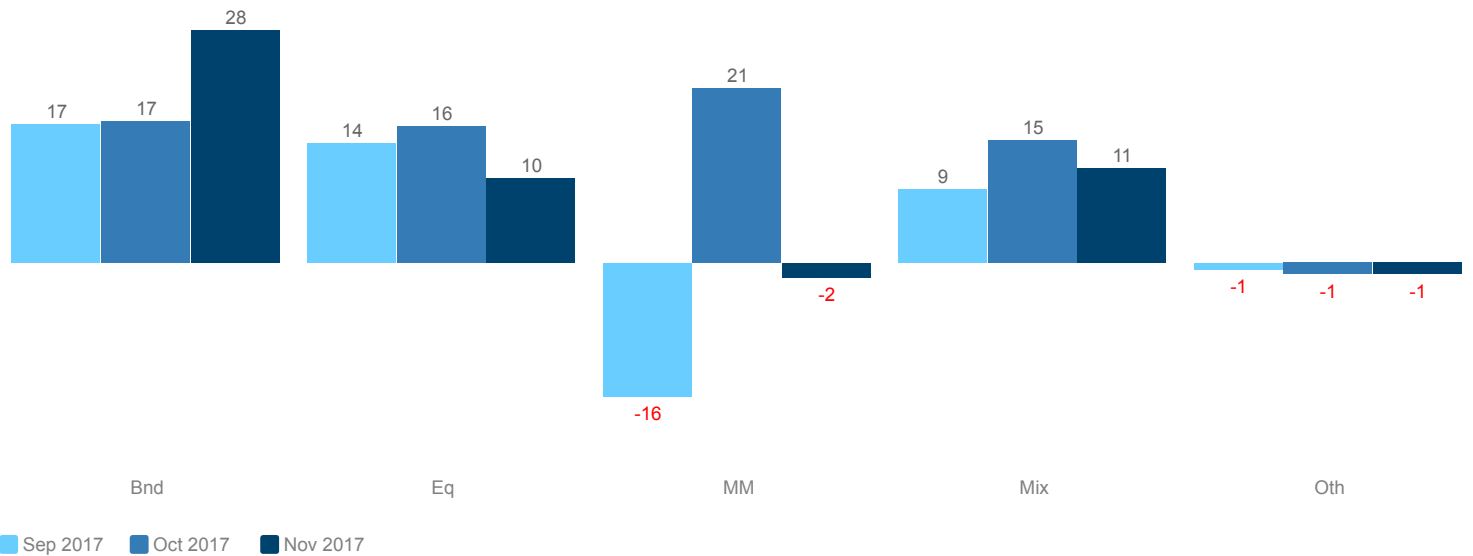


Top Markets by Sales - Latest Month (€bn)

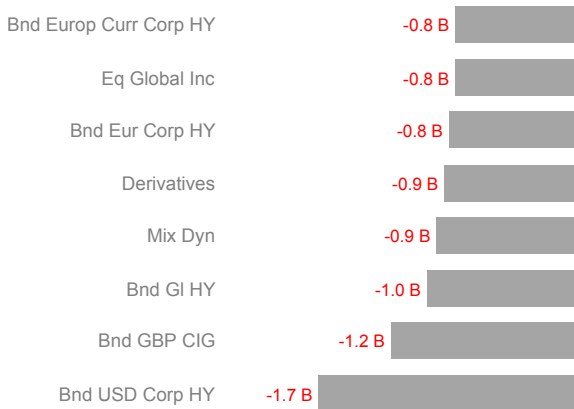
Fund Market	Assets	Previous month Net Sales	Latest Net Sales	▲▼	Bottom selling fund	Top selling fund
International*	4,244 B	38.7 B	40.2 B		-1.0 B	4.5 B
Italy	473 B	2.0 B	5.3 B		-0.1 B	1.6 B
Switzerland	433 B	-1.3 B	4.0 B		-0.4 B	0.6 B
France	393 B	2.5 B	2.2 B		-0.3 B	0.3 B
Germany	632 B	2.7 B	2.1 B		-0.8 B	0.8 B
Spain	175 B	-0.3 B	1.3 B		-0.1 B	0.3 B

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

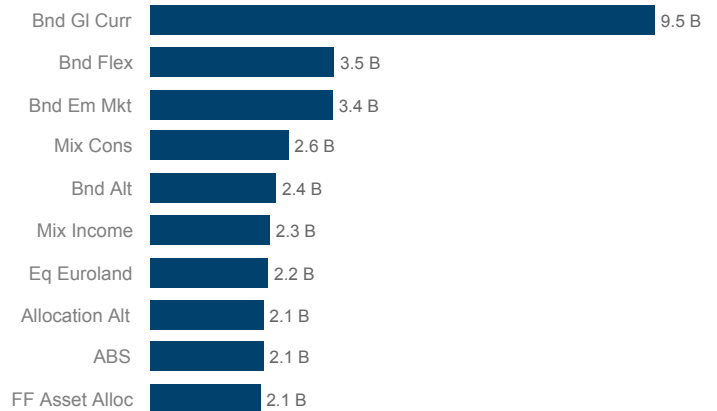
European Net Sales by Investment Type (€bn)



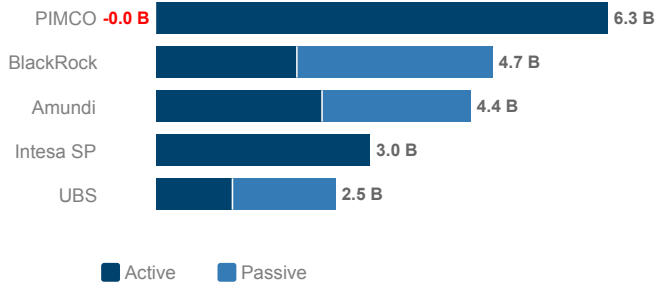
Bottom 10 selling sectors - Latest month (€bn)



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	625.7 B	86.1 B
PIMCO	US	141.9 B	55.5 B
Amundi	FR	293.7 B	34.3 B
Intesa SP	IT	184.0 B	21.6 B
GAM	CH	87.5 B	17.1 B

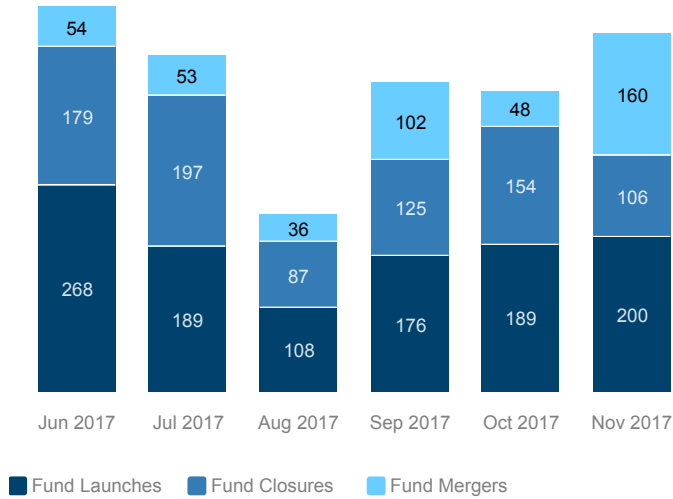
Top 10 Selling Funds - Latest month (€m)

Fund Name	Fund Domicile	Fund Investment Type	Net Sales
PIMCO GIS Income Fund	Ireland	Bond	4,505
Gestielle Cedola MultiAsset III	Italy	Mixed Assets	1,575
Eurizon Top Selection Dicembre 2022	Italy	Mixed Assets	1,184
Allianz Global Investors Fund - Allianz Floating Rate Notes Plus	Luxembourg	Bond	775
Aviva Investors - European Equity Income	Luxembourg	Equity	708
Deutsche Floating Rate Notes LC	Luxembourg	Bond	656
AXA Vorsorge Fonds - Equities Global Market	Switzerland	Equity	630
iShares \$ Short Duration Corporate Bond UCITS ETF	Ireland	Bond	624
iShares Global Aggregate Bond UCITS ETF	Ireland	Bond	612
BlackRock Global Funds - Fixed Income Global Opportunities Fund	Luxembourg	Bond	611

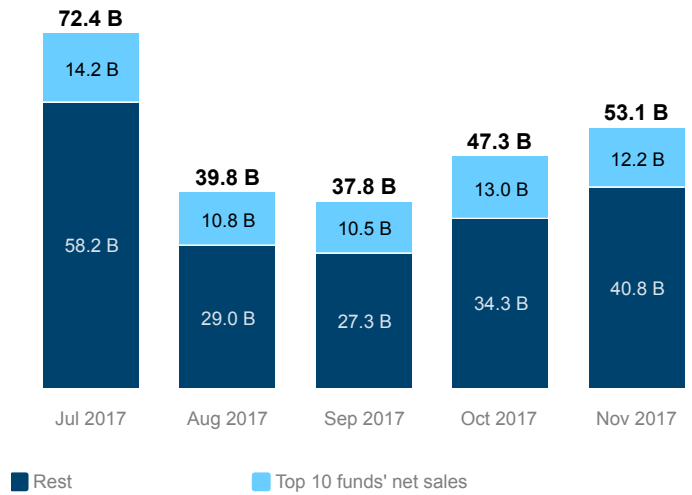
Best Sellers by Month (€bn)

Fund Name	Type	Month/Year	Net Sales
PIMCO GIS Income Fund	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	Eq	Jun 2017	9.7 B
PIMCO GIS Income Fund	Bnd	May 2017	4.1 B
		Apr 2017	3.1 B
		Mar 2017	4.0 B
		Feb 2017	2.4 B
		Jan 2017	1.7 B
Invesco Perpetual Global Targeted Returns	Mix	Dec 2016	1.0 B

Historical fund launches & closures



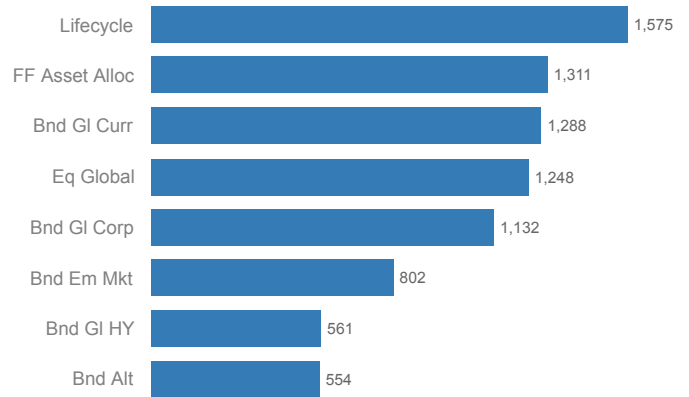
Proportion of net sales of the top ten selling funds



Fund launches by group - Latest month (€m)

Master Group	# Funds	Net Sales
AXA	7	2,868
BP Cooperativa	1	1,575
BAML	3	1,276
BlackRock	4	733
Intesa SP	3	595

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
Gestielle Cedola MultiAsset III	IT	Mixed Assets	2017-11	1,575
AXA Strategie - AXA Group Invest	CH	Fund of Funds (ex-house)	2017-11	678
AXA Vorsorge Fonds - Equities Global Market	CH	Equity	2017-11	630
iShares Global Aggregate Bond UCITS ETF	IE	Bond	2017-11	612
AXA Vorsorge Fonds - Bond Global Corporates	CH	Bond	2017-11	566
Merrill Lynch Investment Solutions - Global Debt-Credit UCITS Fund	LU	Bond	2017-11	537
Fonditalia Obiettivo Emergenti	LU	Bond	2017-11	525
AXA Vorsorge Fonds - Bond Global High Yield	CH	Bond	2017-11	485
AZ Multi Asset - Intraday Trading	LU	Money Market Enhanced	2017-11	454
OLZ - Equity World ex CH Optimized ESG 2	CH	Equity	2017-11	420

Data in EURO as at: Nov 2017

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