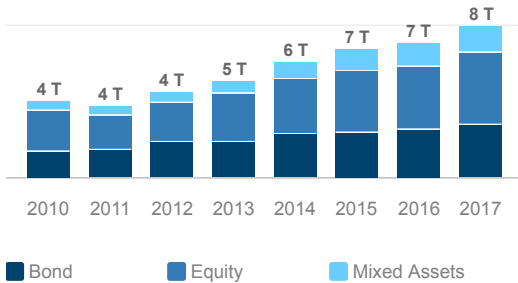


FundFlash Monthly Snapshot of European Trends



European assets by investment type



Oct 2017 net sales of long term funds

€45.1 B

YTD net sales of long term funds

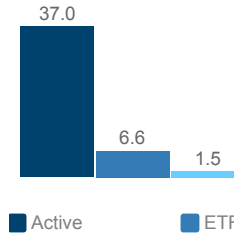
€558.7 B

Asset Growth month on month

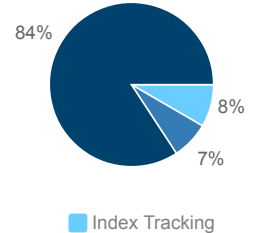
+2.40%

Passive vs Active overview (€B) in Oct 2017

Net sales



Assets



October in brief

- Another strong crop of inflows representing a slight improvement on more modest recent months. The total for long-term funds is €45bn.
- Money market funds add further zest to October volumes with €21bn of new money, comfortably replacing September's redemptions.
- Actively managed funds gather strengthened momentum, accounting for 82% of long-term flows. Mixed asset focus helps.
- Fixed income funds, once again, gather the largest volumes in the long-term fund sectors, but mixed asset funds are a close contender.
- Appetite for global currency bond funds shows no signs of decline. This remains Europe's strongest sector averaging €6.6bn of net inflows every month this year.
- The competitor roster is unchanged in October, as it has been in every month this year. BlackRock has the crown thanks to its passive funds and PIMCO is this month's and this year's undisputed active leader.
- PIMCO's GIS Income Fund remains the product of choice. Although volumes are beginning to shrink the fund still gathered more assets in October than any other long-term fund. Its tally for the year to date is €36bn.

More of the same as fund managers race towards the year end

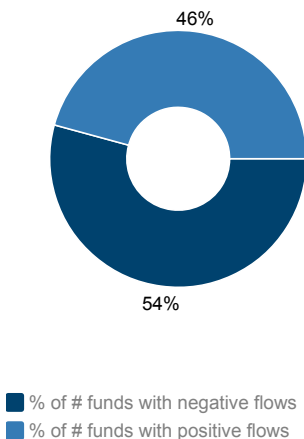
The sales story has changed little throughout 2017. The net sales numbers – consistently positive – may vary in volume from month to month but the flavours of the underlying data remain the same. Bond funds continue to take the largest share of new money whilst equities play catch up with mixed asset funds. In the bond category investors continue to make safe bets on global currency products with PIMCO's giant GIS Income fund hoovering up half or more of the cash they place on the table. Net sales into passives in October have played second-fiddle to active funds, further solidifying the trend that has been building throughout the year. Passive fund receipts this year are at an all-time high but their share of new business is just a quarter of the overall sales volumes of long-term funds. This year, actively managed funds are the sales stars, proving that desire for alpha is not yet dead.

Digging deeper, though, there are some nuanced shifts in sentiment that are worth noting. Bond demand, whilst solid, has flattened and the same can be said of the PIMCO fund that has been such an important driver of flows this year. The tide has not turned but investors seem to be wary of wading into water that is too deep. Equities saw marginally higher volumes in October than in the previous two months, but they were still comparatively sluggish and redemptions from UK sectors were a troublesome drag. In fact, the only real growth area was mixed assets where volumes rose back to the levels seen in the first quarter. As investors get nervous of markets rising to bubble levels, mixed asset funds are seen as a healthy option.

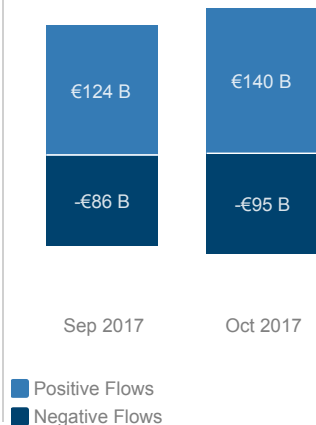
Looking ahead

The party looks as if it is going to continue until the end of the year, pushing long-term sales totals over the €600bn threshold. Fund assets now stand at €9.7trn (with money market funds included) so, at the current pace, 2017 will likely be the year that the European industry pushes through the €10trn ceiling.

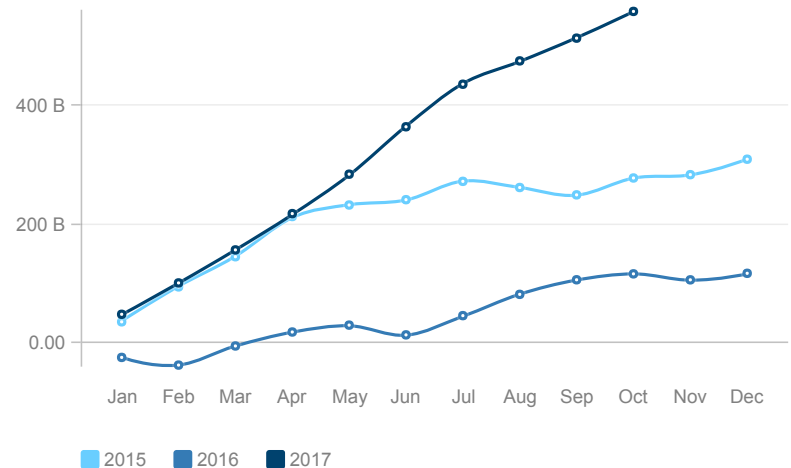
Flow sentiment



Positive net sales vs Negative net sales



Cumulative net sales by year (€bn)

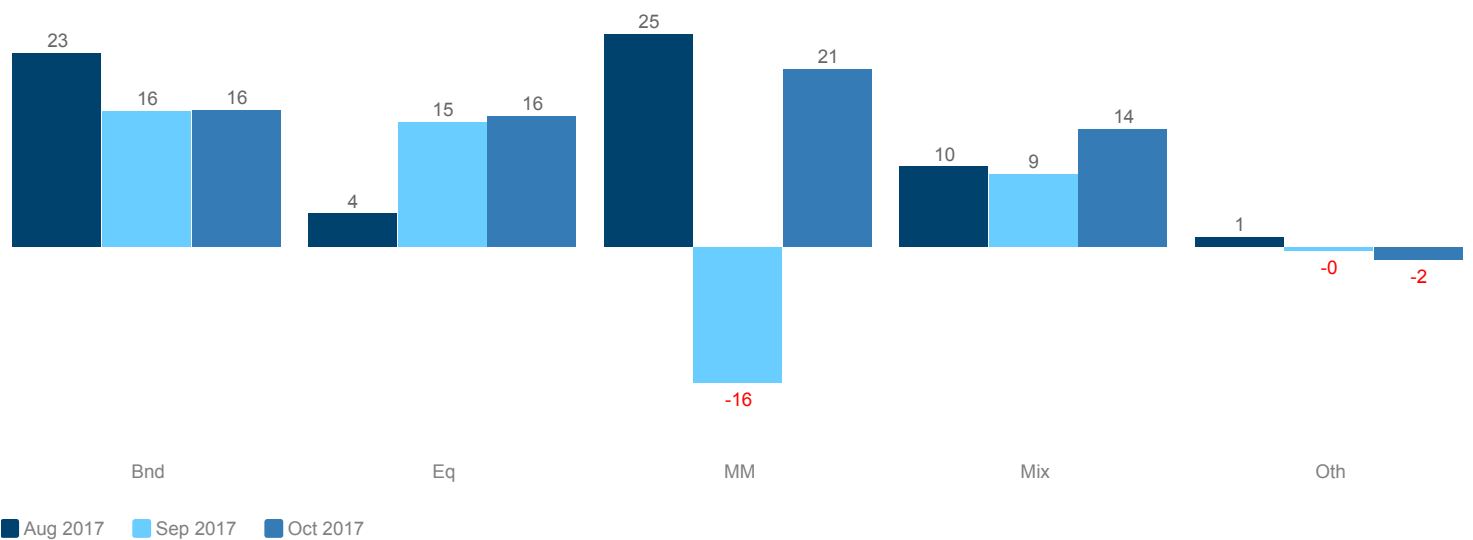


Top Markets by Sales - Latest Month (€bn)

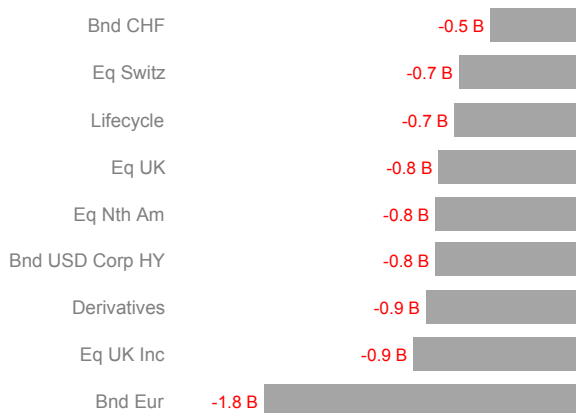
Fund Market	Assets	Previous month Net Sales	Latest Net Sales	Bottom selling fund	Top selling fund
International*	4,244 B	30.1 B	37.4 B	-0.8 B	4.0 B
Germany	632 B	4.1 B	2.6 B	-0.4 B	0.9 B
France	380 B	-0.1 B	2.3 B	-0.2 B	0.2 B
Italy	470 B	0.7 B	1.8 B	-0.5 B	1.3 B
United Kingdom	1,171 B	1.8 B	1.5 B	-0.6 B	1.9 B
Belgium	113 B	0.1 B	0.8 B	-0.8 B	0.8 B

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

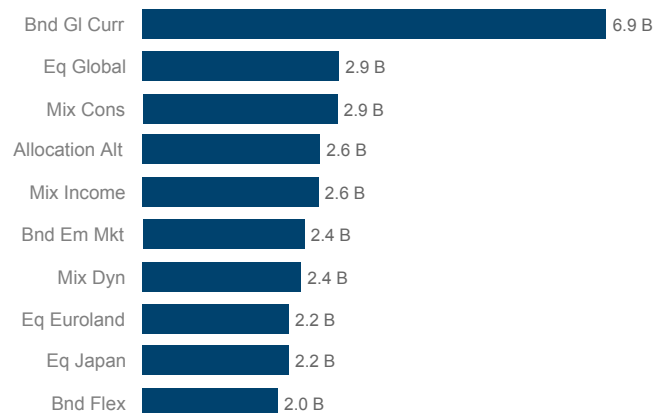
European Net Sales by Investment Type (€bn)



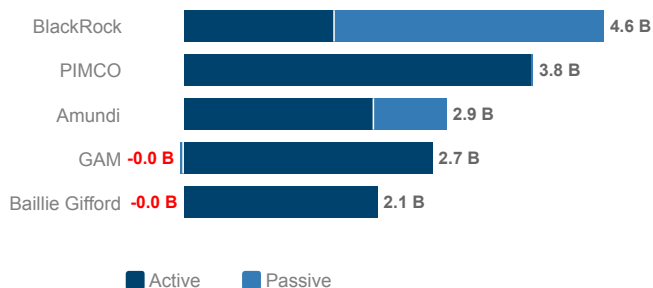
Bottom 10 selling sectors - Latest month (€bn)



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	626.5 B	79.5 B
PIMCO	US	138.5 B	48.6 B
Amundi	FR	284.1 B	25.8 B
Intesa SP	IT	182.1 B	20.3 B
Vanguard	US	125.7 B	15.3 B

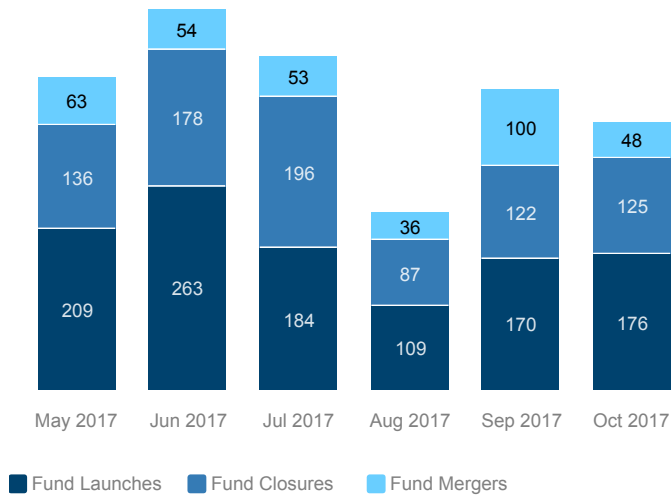
Top 10 Selling Funds - Latest month (€m)

Fund Name	Fund Domicile	Fund Investment Type	Net Sales
PIMCO GIS Income Fund	Ireland	Bond	3,977
Baillie Gifford Managed	United Kingdom	Mixed Assets	1,938
Eurizon Top Selection Dicembre 2022	Italy	Mixed Assets	1,288
Aviva Investors - European Equity Income	Luxembourg	Equity	1,005
Swisscanto (CH) Bond Fund VV CHF	Switzerland	Bond	931
Mercer Global Investments - Global Equity	Ireland	Equity	919
UniGlobal	Germany	Equity	868
Plato Institutional Index Euro Equity Institutional Shares	Belgium	Equity	829
JPMorgan Investment Funds - Global Income Fund	Luxembourg	Mixed Assets	741
BlackRock Global Funds - Euro Short Duration Bond Fund	Luxembourg	Bond	727

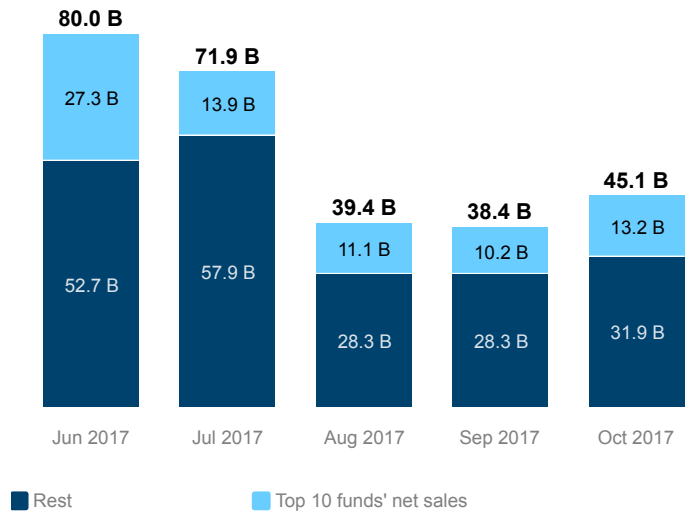
Best Sellers by Month (€bn)

Fund Name	Type	Month/Year	Net Sales
PIMCO GIS Income Fund	Bnd	Oct 2017	4.0 B
		Sep 2017	3.8 B
		Aug 2017	4.6 B
		Jul 2017	3.9 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
AEGON Euro Credits	Bnd	Nov 2016	3.5 B

Historical fund launches & closures



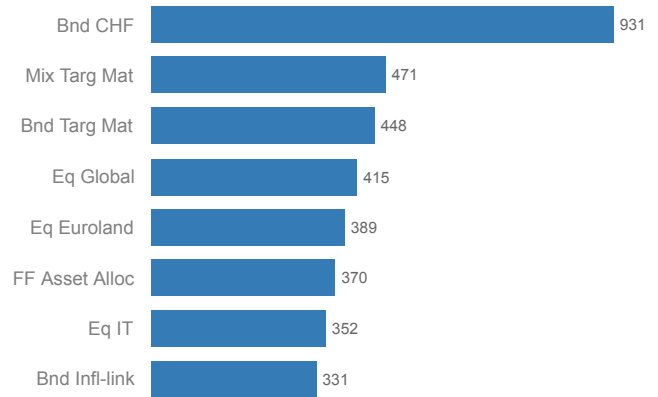
Proportion of net sales of the top ten selling funds



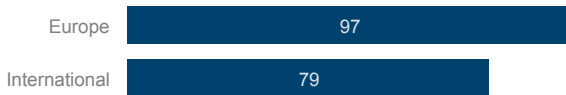
Fund launches by group - Latest month (€m)

Master Group	# Funds	Net Sales
Swisscanto	13	1,102
Amundi	9	809
UBI Banca	2	627
Polar Capital	1	337
Arca	2	319

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
Swisscanto (CH) Bond Fund VV CHF	CH	Bond	2017-10	931
UBI Pramerica Euro Multifund II	IT	Fund of Funds (ex-house)	2017-10	342
Polar Capital Funds Plc - Automation & Artificial Intelligence Fund	IE	Equity	2017-10	337
UBI Pramerica Global Inflation Linked	IT	Bond	2017-10	285
Legal & General Real Capital Builder	GB	Mixed Assets	2017-10	249
Amundi Funds Dynamic Multi Factors Euro Equity	LU	Equity	2017-10	244
Pioneer SSF Progetto Cedola 09/2022	LU	Mixed Assets	2017-10	227
Arca 2022 Reddito Multivalore Plus II	IT	Mixed Assets	2017-10	197
iShares MSCI World SRI UCITS ETF	IE	Equity	2017-10	149
Stone Harbor Global Investment Grade Corporate Bond Fund	IE	Bond	2017-10	129

Data in EURO as at: Oct 2017

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