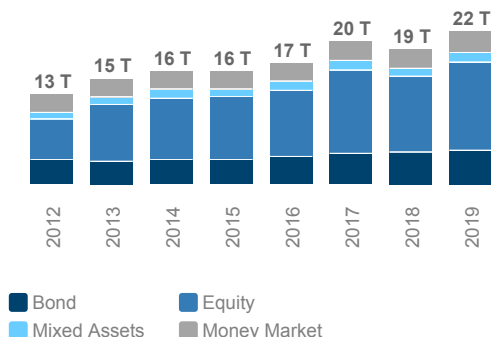


FundFlash Monthly Snapshot of US Trends



Assets by investment type (\$T)



Apr 2019 net sales of long term funds

\$44.2 B

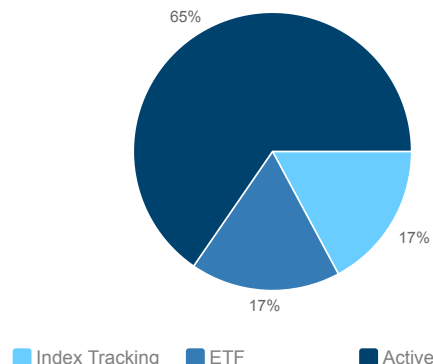
Mar 2019 net sales of long term funds

\$37.0 B

Asset Growth month on month

+2.80%

Asset split by strategy



April in brief

- U.S. stock markets had another strong month and have been on an enviable run this year; the S&P 500 index rose 4.1% while small-caps in the Russell 2000 lagged with a return of 3.4%. Both ends of the capitalization spectrum are up more than 18% in 2019. In contrast, bond markets have been held back: The Bloomberg Barclays U.S. Aggregate Bond Index was flat in April and is up about 3.0% this year.

- Investors have largely shrugged off fears of a looming recession as good news from China's massive manufacturing sector gave a boost to emerging markets. Active equity funds (both mutual funds and ETFs) saw \$33.2 billion of outflows in April, up from \$25.4 billion of outflows in March. Inflows to active bond products popped from \$17.7 billion in March to \$21.3 billion in April, while money market funds recorded net outflows of \$8.1 billion for the second straight month.

- Net sales of index-tracking products of all types jumped from \$49.2 billion in March to \$62.6 billion in April. Investors were comfortable putting money to work in riskier assets, allocating \$38.3 billion to equity products compared to \$26.1 billion for bond products.

- Net sales of all ETF products (including actively managed ones) accelerated from \$17.4 billion in March to \$27.5 billion in April.

- Fidelity unseated Vanguard as the top-selling fund house in April with estimated net sales of \$27.0 billion, ahead of BlackRock, State Street, Vanguard, and TIAA. While passive products continued to dominate fund flows, equities managed to break into four of the top ten spots for most net sales.

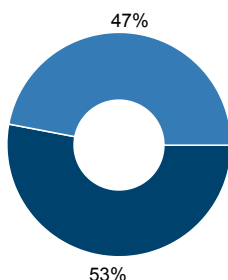
Q1 Rally

Better-than-expected economic growth in Q1--driven by strong increases in personal consumption expenditures and private inventory growth--and very strong labor market data fueled a drive into riskier assets and sent equities to record highs. Technology and financial services sectors led the way with impressive Q1 earnings from the likes of Amazon and Twitter leading the way, though near the end of the month Google parent Alphabet revealed figures that failed to meet expectations. Healthcare stocks swooned a bit as drug pricing legislation was back in the spotlight and it remains the only sector without double-digit growth this year, up a measly 3.8%. After a steep drop in yields in March, April saw 10-year Treasury yields jump to 2.50%, which remain well below November's cyclical high on the eve of U.S. elections. Given the turn to riskier assets it was no surprise to find corporate bonds outperforming governments and high yield over investment grade. Higher oil prices supported the high yield advance, where energy firms have been prominent borrowers for several years.

Looking ahead

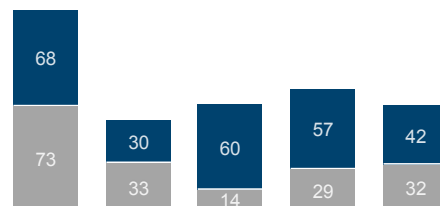
This July, the U.S. economy will likely record an 11th anniversary of economic growth since the end of the Great Recession. While investor surveys occasionally suggest growing fears of a significant setback, this stage of the cycle doesn't have an identifiable source of excess that would normally ignite a sell-off. Observers have pointed to growing car loan defaults as a point of concern, but it's also true that car sales have been quite strong and unlike the contagious effects of home foreclosures, repossessions cause little to no collateral damage to neighboring car owners. Aside from muddled trade negotiations with China, there are few near-term headwinds poised to derail this train.

Flow sentiment



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

Fund launches & closures



■ Fund Launches ■ Fund closures

Net sales by investment type - Latest month (\$bn)

Fund Investment Type	Active	Index Tracking	ETF
Bond	21.3 B	20.4 B	5.7 B
Commodity	0.3 B	0.1 B	-2.2 B
Equity	-33.2 B	14.2 B	24.0 B
Mixed Assets	-6.5 B	0.3 B	0.0 B
Other	-0.1 B	0.0 B	-0.1 B
Sum	-18.2 B	35.0 B	27.5 B
Money Market	-8.1 B		

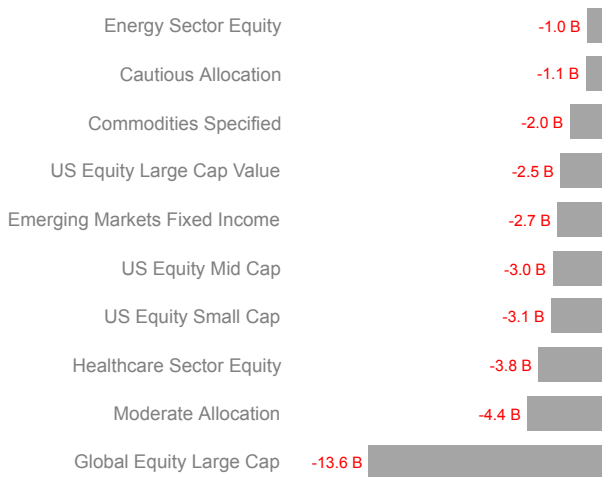
Top selling groups - Latest month (\$bn)

Master Group	Assets	Net Sales
Fidelity	1,663.6 B	27.0 B
BlackRock	1,786.7 B	8.4 B
State Street	678.3 B	6.6 B
Vanguard	4,835.2 B	6.2 B
TIAA	228.3 B	5.6 B
JP Morgan AM	328.0 B	2.0 B
PIMCO	363.7 B	1.9 B

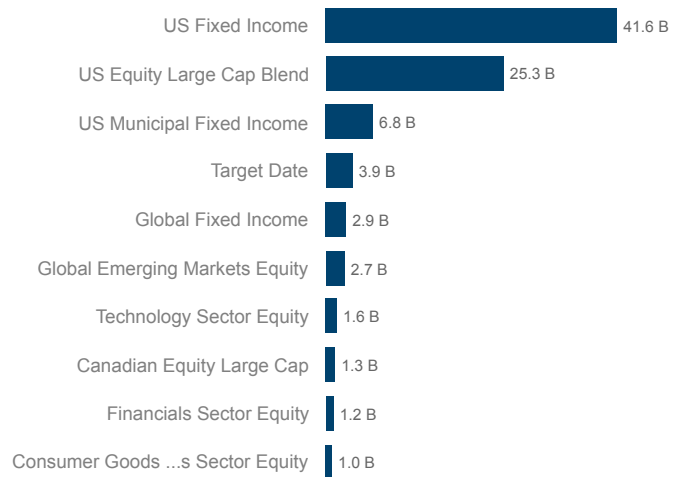
Top 10 selling funds - Latest month (\$m)

Fund Name	Launch Date	Strategy	Morningstar Global Category	Net Sales
Fidelity Series Total Market Index Fund	2019-04	Passive	US Equity Large Cap Blend	17,185
Fidelity Series Bond Index Fund	2019-04	Passive	US Fixed Income	6,543
Vanguard Total Bond Market II Index Fund	2009-01	Passive	US Fixed Income	5,003
SPDR S&P 500 ETF Trust	1993-01	Passive	US Equity Large Cap Blend	3,658
iShares 20+ Year Treasury Bond ETF	2002-07	Passive	US Fixed Income	3,315
TIAA-CREF Bond Index Fund	2009-09	Passive	US Fixed Income	2,902
iShares Core S&P 500 ETF	2000-05	Passive	US Equity Large Cap Blend	2,625
PIMCO Income Fund	2007-03	Active	US Fixed Income	2,312
iShares Core MSCI EAFE ETF	2012-10	Passive	Global Equity Large Cap	2,188
Vanguard Total Bond Market Index Fund	1986-12	Passive	US Fixed Income	1,909

Bottom 10 selling sectors - Latest month (\$bn)



Top 10 Sectors selling sectors - Latest month (\$bn)



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Data in USD as at: Apr 2019

