 **Global Market  
Intelligence**

FundFlash EMEA

October 2020

FundFlash provides a summary of the regional trends and developments in the funds market over the previous month.

The report is built using the Global Market Intelligence (GMI) funds module which tracks \$50trn in global funds assets with unique views of distributor and internationally sold business.

GMI Funds sits alongside our Institutional module and together is relied on by over 100 asset managers as their source for global asset management market intelligence.

### THE MONTH IN REVIEW

After a relatively slow month in September, flows are on the up again in October. Active funds are well ahead with double the net sales of their passive counterparts. November may well put this month's sales in the shade, as it is highly likely that positive vaccine news causes a spike in demand and rotational activity as models need adjusting.

### DISTRIBUTION

Switzerland takes the crown as the market with the highest net flows, but domestic funds claim most of this. Spain is second, but cross-border groups will view it as first, as most flows go to Luxembourg and Dublin.

### PRODUCT

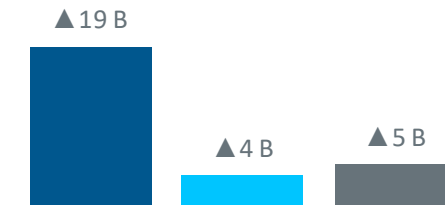
Thematic equity again comes out on top, with a range of other active equity sectors also doing well. Positive vaccine news could propel all of these spaces to new heights in November.

### COMPETITION

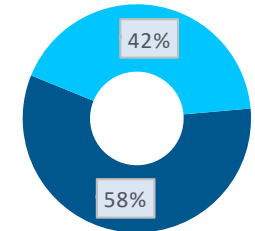
BlackRock dwarfs every other group for monthly flows. A large part of its business this month is due to an asset switch from clients of State Street passive funds, but there are plenty of other winners in its range too.

## OCTOBER OVERVIEW

### ACTIVE VS PASSIVE FLOW, \$B

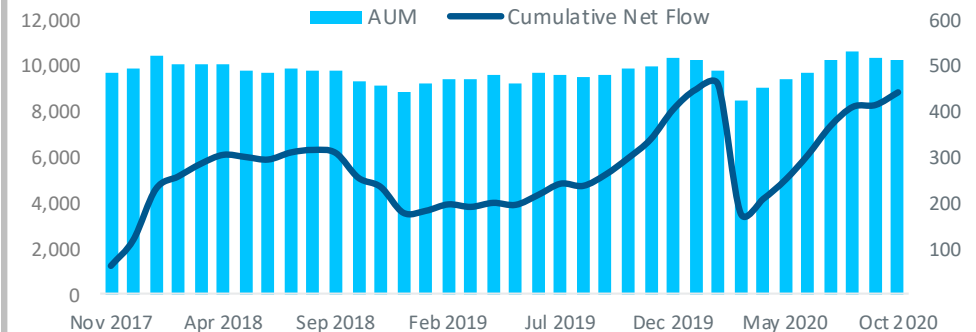


### FLOW SENTIMENT, %

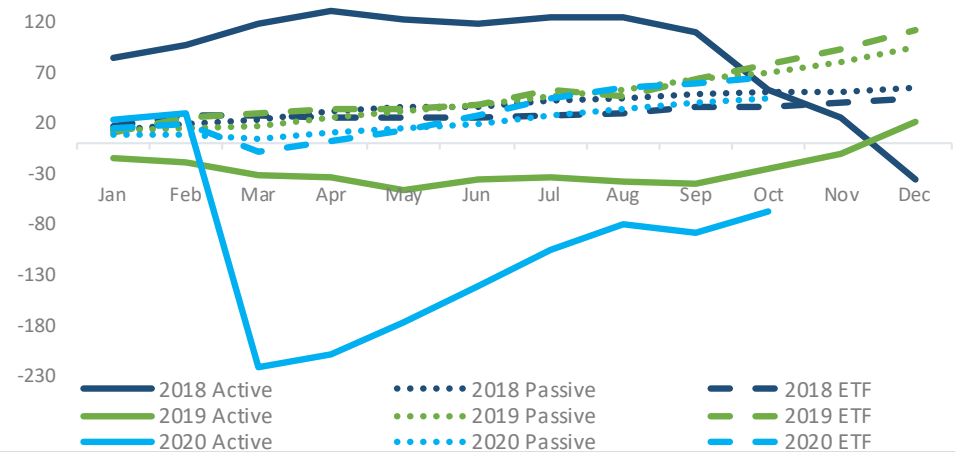


■ Active mutual funds ■ Passive mutual funds ■ % of # funds with negative flows  
■ All ETFs ■ % of # funds with positive flows

### 3 YR FUND INDUSTRY ASSET & FLOW MOMENTUM, \$B



### 3 YR CUMULATIVE NET FLOW BY STYLE, \$B

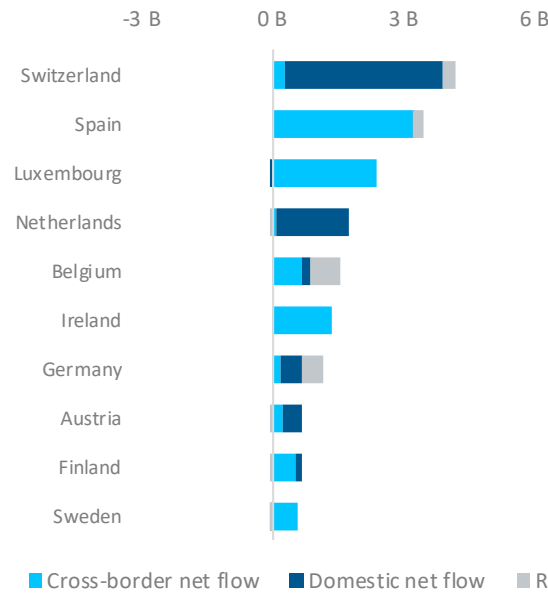


### DISTRIBUTION

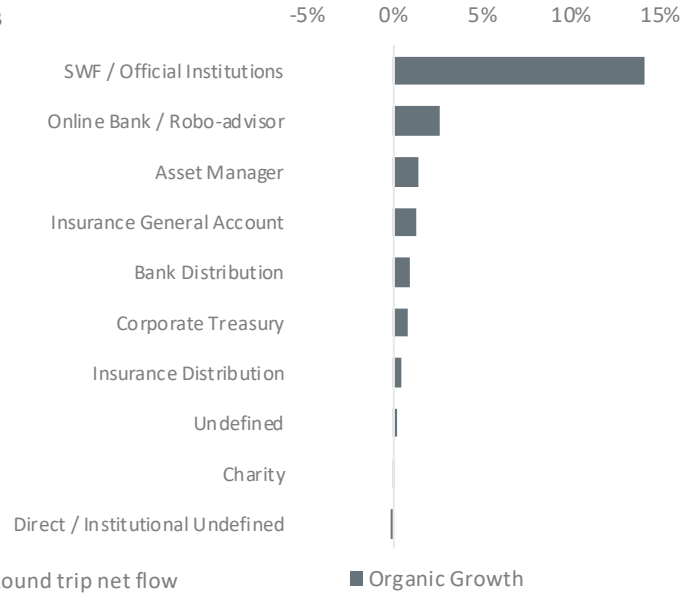
Switzerland is enjoying a strong year with lots of local support for funds. However, in October there was little benefit for cross-border groups, with the majority of flows going to domestic funds.

Cross-border firms were instead making hay in Spain, with net flows of €3bn, but other markets were also lucrative, including the Nordic countries of Finland and Sweden.

**LARGEST MARKET NET FLOW, \$B**



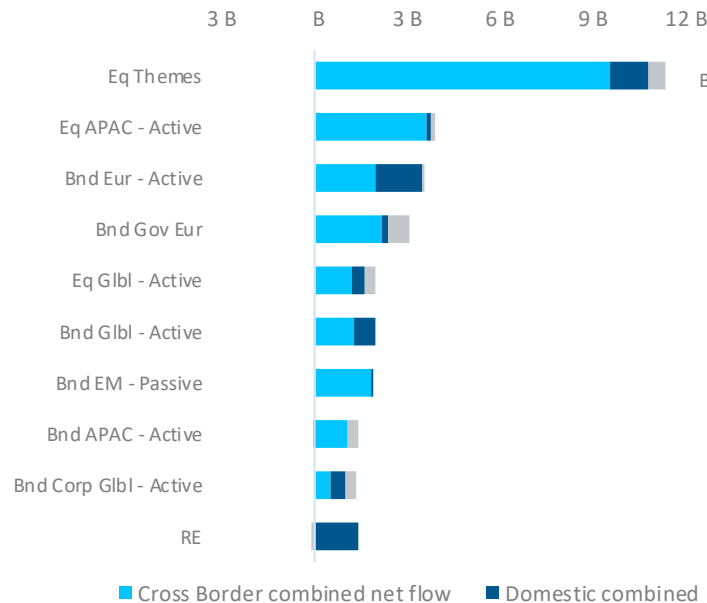
**CROSS-BORDER CHANNEL, GROWTH %**



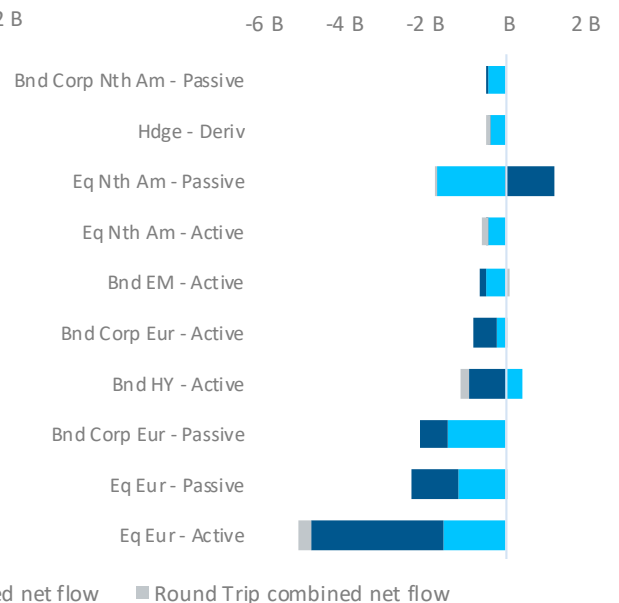
### PRODUCT

Looking at the top-10 sectors, it is clear that active management is having a relatively good time. Yet again thematic equity stands out, dominating all others and especially benefitting the cross-border providers. Thematic seems like a balloon that continues to inflate, but with a vaccine announced in November, it appears unlikely to pop anytime soon. No doubt at some point there will be a shakeout of sub-optimal products in this sector.

**TOP-10 PRODUCT NET FLOW, \$B**



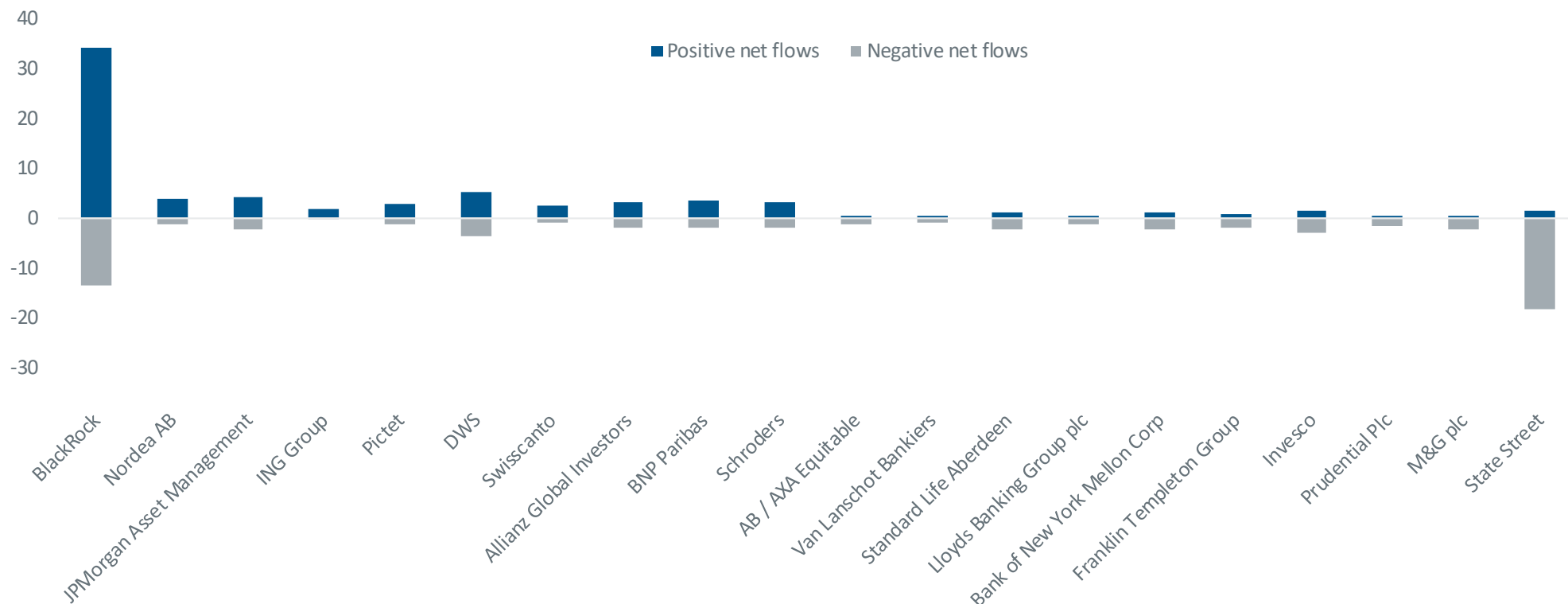
**BOTTOM-10 PRODUCT NET FLOW, \$B**



### COMPETITION

- BlackRock takes the top spot, dwarfing all others. Its success was widespread, but big flows into two passive products (widely reported as a switch from State Street) were responsible for a significant slice of its new business.
- JPMorgan ranked in the top three again, showing that active groups can still be successful, although it is also starting to build a substantial ETF business. JPMorgan looks to be on track for its best year in some time.
- Taking out the big swings from State Street to BlackRock leaves a fairly muted sales chart, with no groups really standing out

**POSITIVE vs NEGATIVE NET FLOW BY GROUP, \$B (TOP AND BOTTOM 10)**



## MONTHLY NET FLOW LEADERS

	Fund name	Group	Sector	Fund market	Launch date	AUM, \$m	Net flow	Organic growth
Top active	1 Danske Invest Select Tactical Asset Allocation Danmark - Akkumulerende KL	Danske Bank	Allocation	Denmark	Sep 2020	1,159	1,160	14604%
	2 BlackRock Global Funds - China Bond Fund	BlackRock	Bnd CNY	International	Nov 2011	3,299	753	30%
	3 Allianz Global Investors Fund - Allianz Advanced Fixed Income Euro Aggregate	Allianz GI	Bnd Eur	International	Oct 2020	746	746	0%
	4 Eurizon Fund - Bond Short Term EUR T1	Intesa SanPaolo Group	Bnd Eur Gov Sh-T	Italy	Mar 2015	9,295	667	8%
	5 PIMCO GIS Dynamic Multi-Asset	PIMCO	Allocation	International	Feb 2016	4,451	578	15%
	6 HSBC Multi-Factor Worldwide Equity Fund	HSBC	Eq Global	International	May 2019	1,481	527	54%
Top passive	1 BlackRock ACS US Equity Tracker	BlackRock	Eq Nth Am	United Kingdom	Jun 2014	16,302	9,798	145%
	2 BlackRock ACS UK Equity Tracker	BlackRock	Eq UK	United Kingdom	Jun 2017	15,028	7,329	90%
	3 iShares Global Property Securities Equity Index	BlackRock	Eq Real Est	United Kingdom	Nov 2010	5,273	910	20%
	4 BlackRock ACS World Low Carbon Equity Tracker	BlackRock	Eq Global	United Kingdom	Dec 2017	2,860	445	18%
	5 Mercer Passive Global Equity	MMC/Mercer	Eq Global	International	Dec 2009	3,442	395	13%
	6 BlackRock Fixed Income Selection - iShares Emerging Markets Government Bond Index Fund	BlackRock	Bnd Em Mkt	International	May 2018	1,433	390	37%
Top ETF	1 iShares China CNY Bond UCITS ETF	BlackRock	Bnd CNY	International	Jul 2019	4,137	878	28%
	2 Xtrackers MSCI USA Information Technology UCITS ETF	DWS	Eq IT	International	Sep 2017	1,540	708	79%
	3 iShares J.P. Morgan \$ Emerging Markets Bond UCITS ETF	BlackRock	Bnd Em Mkt	International	Feb 2008	10,556	602	6%
	4 Xtrackers MSCI USA Health Care UCITS ETF	DWS	Eq Healthcare	International	Sep 2017	1,197	458	59%
	5 iShares \$ Treasury Bond 0-1yr UCITS ETF	BlackRock	Bnd USD Gov Sh-T	International	Feb 2019	6,537	329	5%
	6 iShares J.P. Morgan \$ EM Bond EUR Hedged UCITS ETF	BlackRock	Bnd Em Mkt	International	Jul 2013	4,552	321	8%
Top launches	Fund name	Group	Sector	Fund Market	Style	AUM, \$m		
	1 Allianz Global Investors Fund - Allianz Advanced Fixed Income Euro Aggregate	Allianz GI	Bnd Eur	International	Active	746		
	2 Multicooperation Sicav - JB Fixed Maturity 2025 Global Emerging Markets	GAM	Bnd Targ Mat	International	Active	502		
	3 Swisscanto (CH) IPF IV Responsible Portfolio 45	Swisscanto	Mix Bal	Switzerland	Active	454		
	4 Santander Horizonte 2026 2, FI	Santander	Bnd Targ Mat	Spain	Active	394		
	5 Swisscanto (CH) IPF IV Responsible Portfolio 25	Swisscanto	Mix Cons	Switzerland	Active	355		
6 ING Select Fund - Actueel Aandelen	ING Group	Eq Global	Netherlands	Active	273			

# THIS REPORT WAS BUILT WITH GLOBAL MARKET INTELLIGENCE

## GMI FUNDS

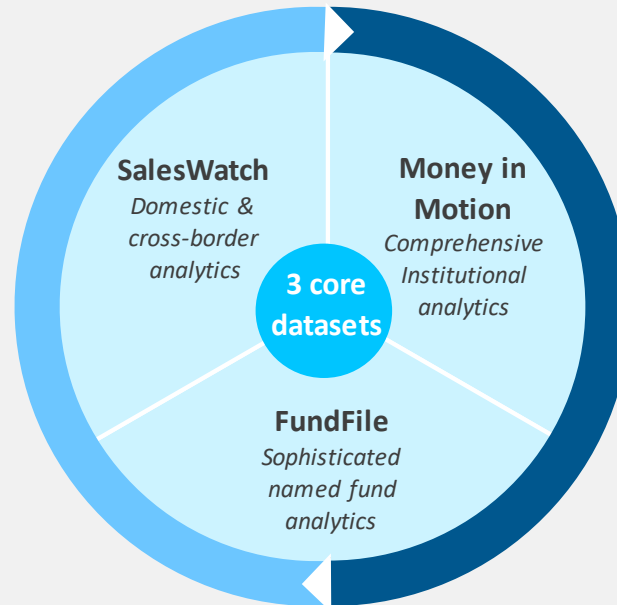
Detailed Domestic and Cross-Border Fund Market Intelligence across retail & institutional channels

- Fund assets, flows and launches by product and region
- 88,000 open ended-funds globally
- Fund benchmarks, rankings and named competitive positioning
- Advanced fund and competition analytics
- Cross-border and distributor analytics

Americas

EMEA

APAC



## GMI INSTITUTIONAL

Detailed Global Institutional Market Intelligence across all vehicles

- Institutional assets and flows by product, region and client type
- Separate Account, Private Fund, Mutual Fund, CIT and ETF Analysis
- Institutional Benchmarks and rankings
- True Negotiated Fee analysis
- Named consultant analysis

Americas

EMEA

APAC

Comprehensive Analytics

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