

Distribution of Mutual Fund and ETF Assets

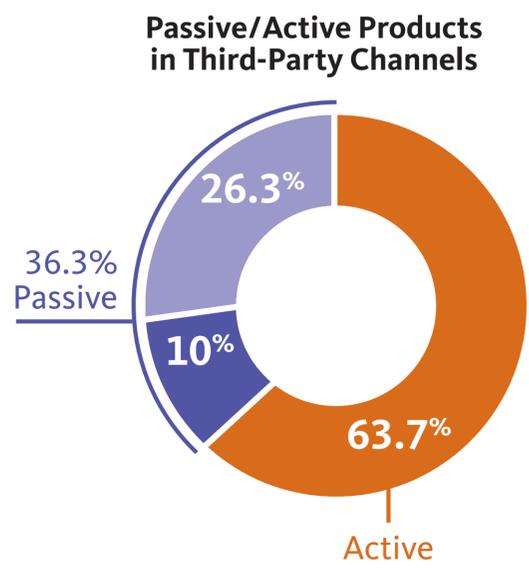
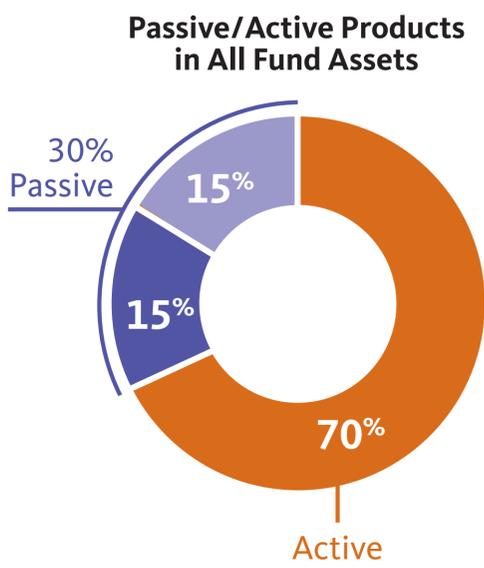
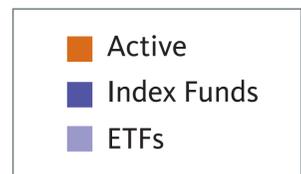
Year-to-Date (YTD) 12/31/2016

Third-party distribution channel sales from broker-dealers, registered investment advisors and banks drove increased usage of passive products in 2016.

Passive Products in Third-Party Channels Outweigh Passive Products Across All Funds

Third-party channels now have a higher percentage of passive products than passive products across all funds, with 36.3% of assets in passive products, up from 32.6% just a year ago.

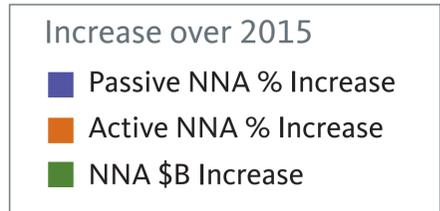
YTD 12/31/2016



Passive Dominates 2016 Net New Assets (NNA) in Third-Party Channels

The increase of passive products for third-party channels is driven to a large degree by advisor's adoption of ETFs as a primary investment vehicle for client portfolios, and the use of ETFs for robo-advisors.

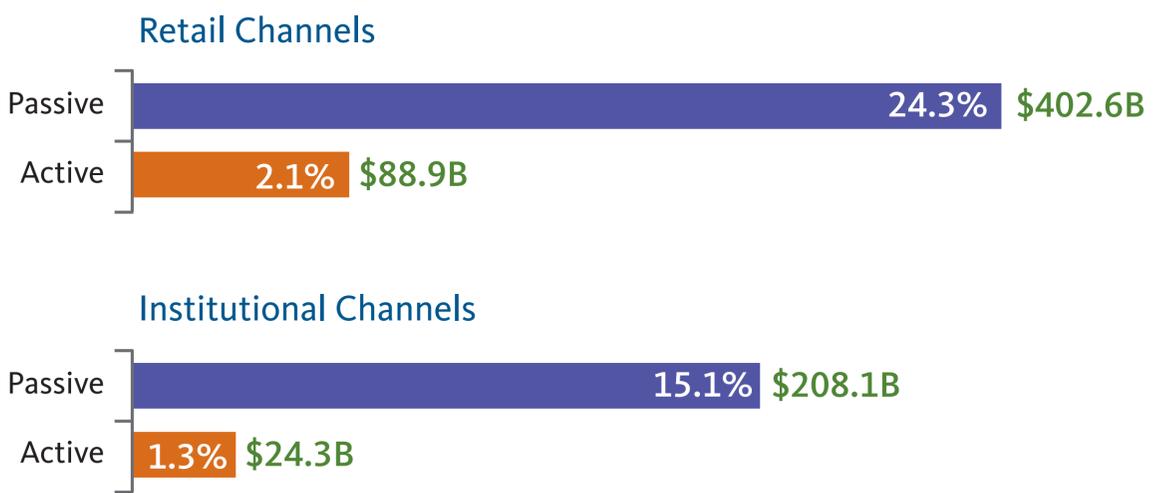
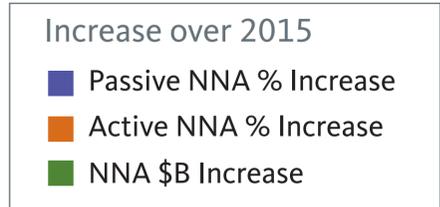
Increase YTD 12/31/2016



NNA Growth of Passive Products Persists in Retail & Institutional Channels

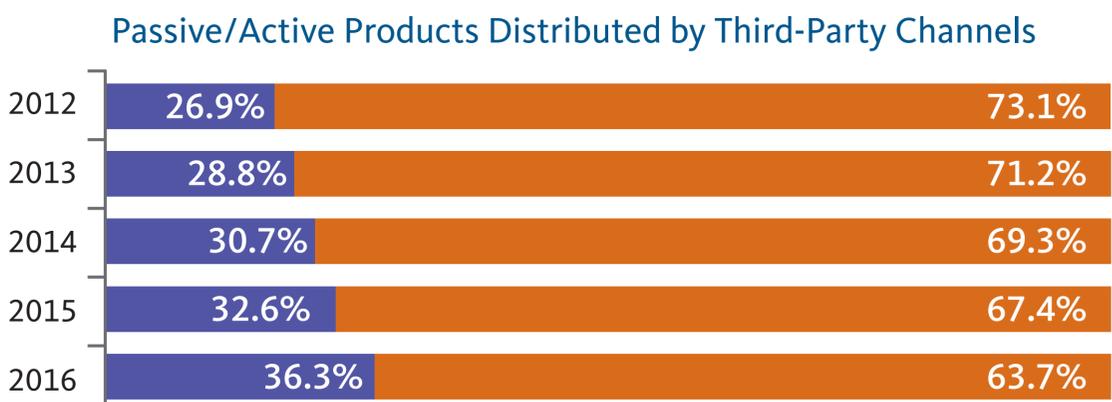
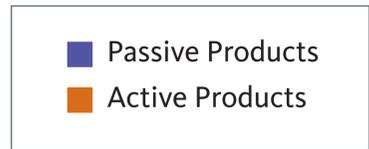
Passively managed products made up the majority of net new assets in retail and institutional channels.

Increase YTD 12/31/2016



Steady Growth of Passively Managed Products in the Last 5 Years

The percentage of passively managed products distributed by third-party channels has continued to increase from 2012 to 2016.



For more information, visit our Fund Distribution Interactive tool at access-data.broadridge.com/market-insights.

broadridge.com



Source: Broadridge Financial Solutions, Inc. Data as of December 31, 2016. The data referenced includes open end funds and ETFs, and excludes money market and closed-end funds. Broadridge and the Broadridge logo are registered trademarks of Broadridge Financial Solutions, Inc.