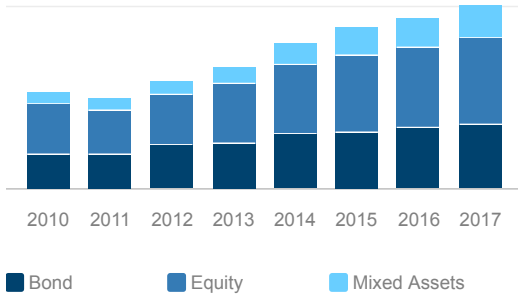


FundFlash Monthly Snapshot of European Trends



European assets by investment type



Jul 2017 net sales of long term funds

€69.3 B

YTD net sales of long term funds

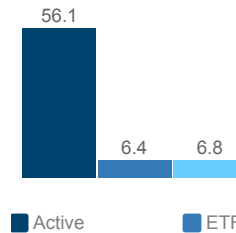
€432.8 B

Asset Growth month on month

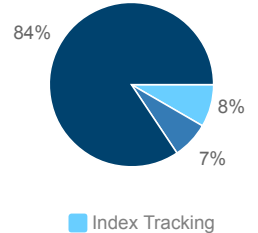
+0.23%

Passive vs Active overview (€B) in Jul 2017

Net sales



Assets



July in brief

- The normal summer lull fails to dampen investor enthusiasm for funds. Total net inflows of €95bn make for the strongest month of the year and set a new monthly record.
- July is generally a strong month for money market funds, following mid-year tax withdrawals for corporations and institutions. This July was stronger than usual at €26bn, suggesting some precautionary motivation.
- Those predicting the death of active funds are being proved quite wrong. Passive funds account for just 19% of July flows and 27% for the year to date.
- Fixed income funds retain their sales supremacy but flows slow as investors turn greater attention to equities.
- Global stock funds take the bulk of all net inflows (€8bn) although €3bn comes from passives.
- The trio of BlackRock, PIMCO and Amundi dominate the group rankings by net sales although with passives stripped out PIMCO leads with €5.5bn of inflows.
- No slowdown for PIMCO's GIS Income fund. It takes another near-€4bn of new money in July.

A case of hope over adversity

It's been an extraordinary year for European asset managers and the summer holiday season has shown no signs of a slowdown. So far this year fund firms have added €523bn to the overall pool of investment assets they manage. Of this, an astonishing 94% has come from new money as opposed to fund performance. Yield-starved investors are in a buying frenzy that seems now to be quite out of kilter with the relatively staid development of the various securities markets. After just seven months of the year cumulative sales flows now stand at €491bn, a volume that surpasses every full-year total since Broadridge sales records began.

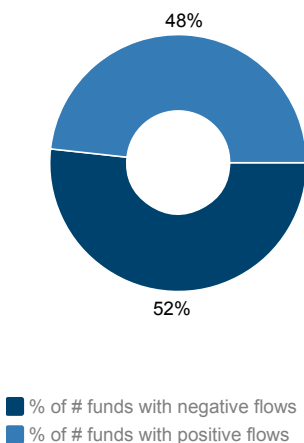
Bonds, heavily supported by central-bank policies, have been the principle driver thus far but yields in this arena are becoming increasingly thin without adding risk into the portfolio. In this environment the appeal of equities is beckoning and July saw the first real signs in some time of retail interest switching to core stock funds. Bond flows continued to outweigh all other asset classes but volumes were in mild decline and equities were running close behind, even discounting some abnormal institutional shifts. Most equity sectors were in positive territory, and global and European stock funds gathered over €16bn of net receipts.

This news has been a long time coming for active managers. Passives continued to be well-supported but in these key equity sectors the bulk of new money (€10bn) went into actively managed funds. During the course of this year investors have resolutely ignored the pricing appeal of passives. Across all long-term sectors a mere 27% of sales flows have gone into passively managed funds and in July support dropped to just 19%.

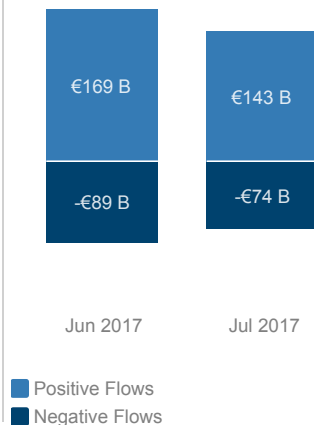
Looking ahead

August is generally a quiet month with sparse trading activity limiting both inflows and redemptions. But, while retail investors are being forced steadily into riskier strategies, institutions are showing some signs of concern. In July they pumped €26bn into money market funds, the highest volume seen at this time of the year since 2007. Meanwhile, there is no obvious sign of disdain or concern from retail investors.

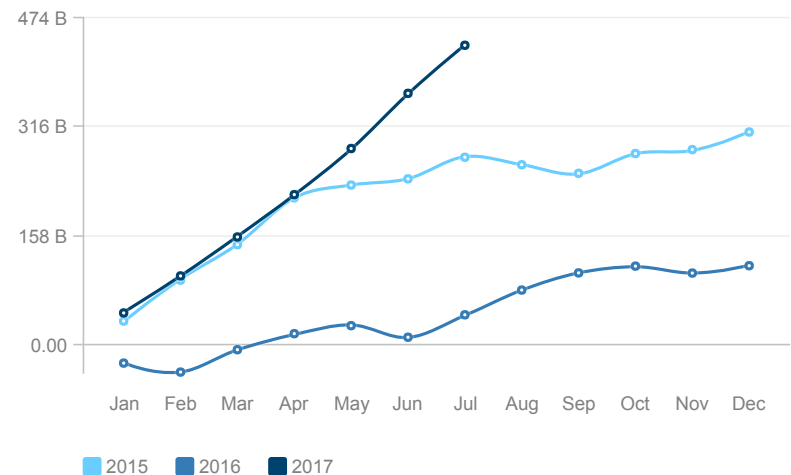
Flow sentiment



Positive net sales vs Negative net sales



Cumulative net sales by year (€bn)

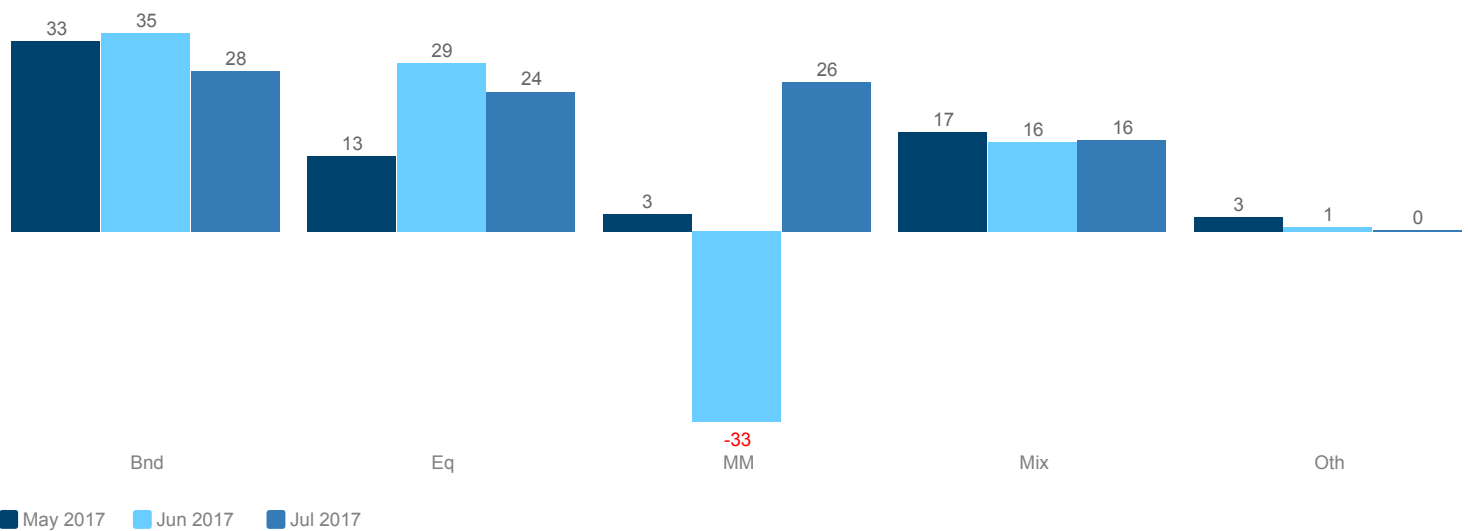


Top Markets by Sales - Latest Month (€bn)

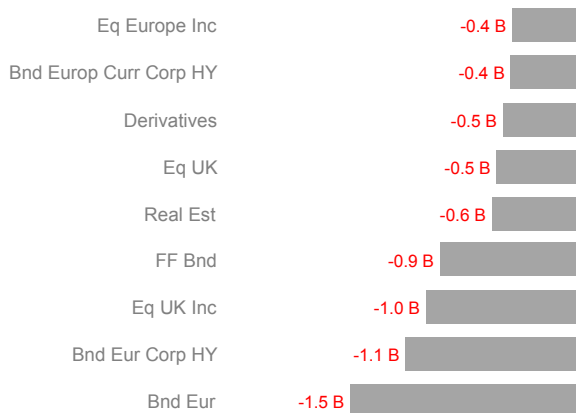
Fund Market	Assets	Previous month Net Sales	Latest Net Sales	Bottom selling fund	Top selling fund
International*	3,996 B	46.1 B	45.7 B	-0.5 B	3.9 B
United Kingdom	1,113 B	19.4 B	6.1 B	-0.5 B	2.7 B
Italy	459 B	0.7 B	4.5 B	-0.2 B	1.3 B
France	369 B	6.3 B	3.4 B	-0.4 B	0.5 B
Germany	609 B	2.4 B	2.9 B	-0.7 B	0.8 B
Switzerland	425 B	1.2 B	2.5 B	-0.3 B	0.7 B

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

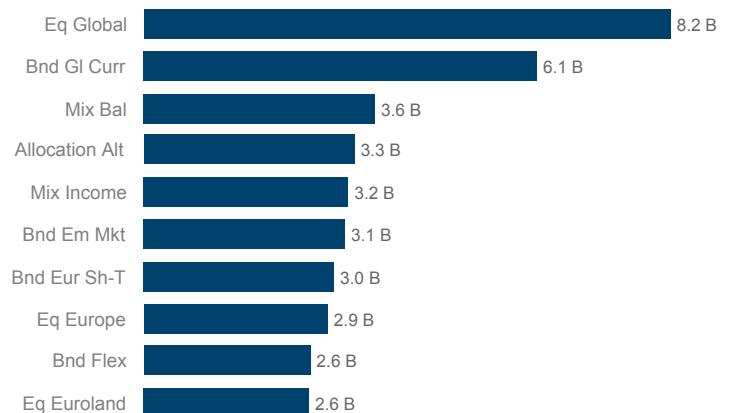
European Net Sales by Investment Type (€bn)



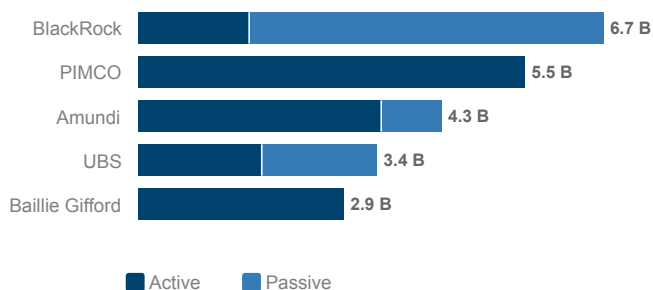
Bottom 10 selling sectors - Latest month (€bn)



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	586.7 B	68.0 B
PIMCO	US	121.6 B	36.9 B
Amundi	FR	269.0 B	24.7 B
Intesa SP	IT	175.0 B	19.6 B
Vanguard	US	117.4 B	17.4 B

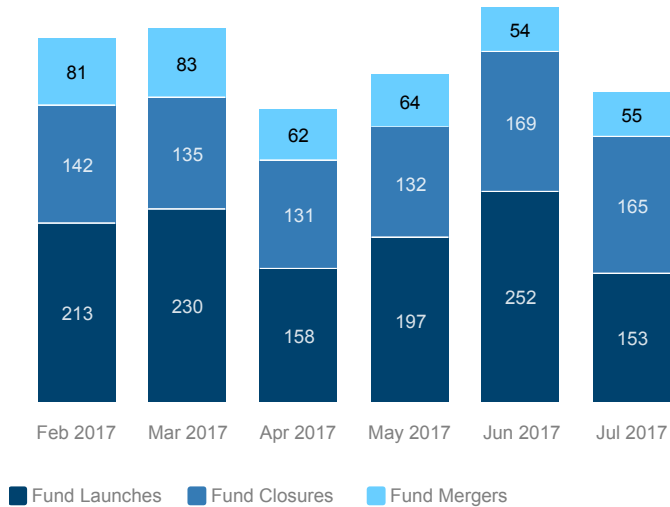
Top 10 Selling Funds - Latest month (€m)

Fund Name	Fund Investment Type	Fund Domicile	Net Sales
PIMCO GIS Income Fund	Bond	Ireland	3,877
Baillie Gifford Long Term Global Growth Investment	Equity	United Kingdom	2,658
BlackRock ACS 30:70 Global Equity Tracker Fund	Equity	United Kingdom	1,868
Gestielle Profilo Cedola II	Mixed Assets	Italy	1,270
Invesco Perpetual Global Targeted Returns	Mixed Assets	United Kingdom	824
UniGlobal Vorsorge	Equity	Germany	802
M&G Optimal Income Fund	Bond	United Kingdom	756
UBS ETF (CH) - Gold	Commodity	Switzerland	663
BlackRock Global Funds - Global Multi-Asset Income Fund	Mixed Assets	Luxembourg	590
iShares EURO STOXX 50 UCITS ETF (DE)	Equity	Germany	574

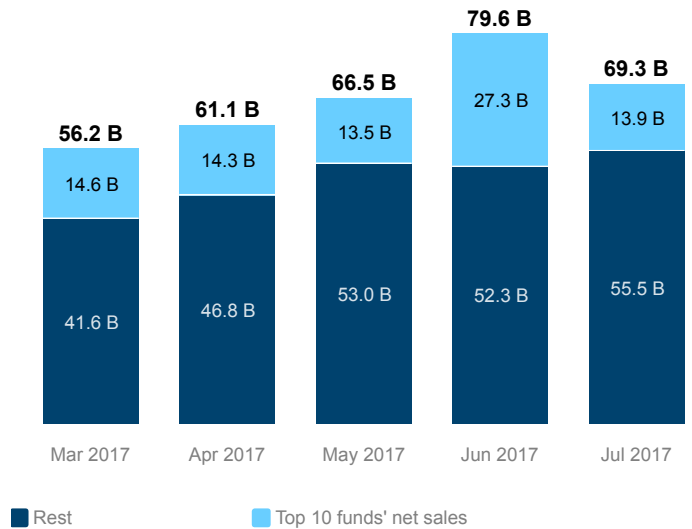
Best Sellers by Month (€bn)

Fund Name	Type	Month/Year	Net Sales
PIMCO GIS Income Fund	Bnd	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
Vanguard Investment Series Plc - Vanguard US Treasury Inflation-Protected Securities Index Fund	Bnd	Oct 2016	1.2 B
PIMCO GIS Income Fund	Bnd	Sep 2016	1.4 B
Nordea 1 - Stable Return Fund	Mix	Aug 2016	1.8 B

Historical fund launches & closures



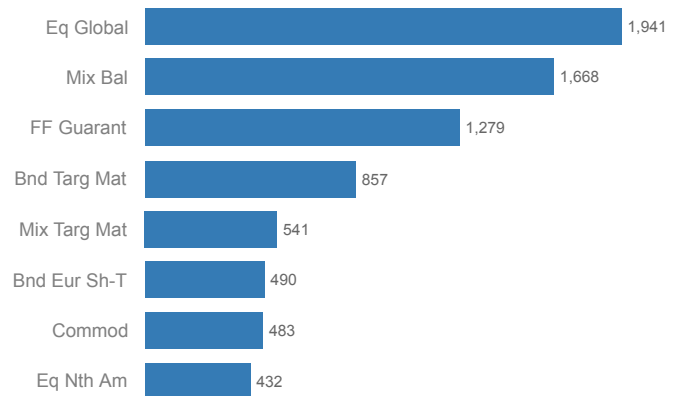
Proportion of net sales of the top ten selling funds



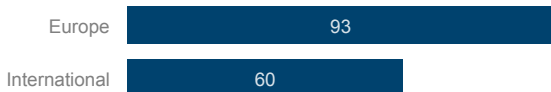
Fund launches by group - Latest month (€m)

Master Group	# Funds	Net Sales
BlackRock	3	2,318
BP Cooperativa	3	1,871
Deutsche AM	1	1,279
Intesa SP	13	1,252
Amundi	6	1,043

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
BlackRock ACS 30:70 Global Equity Tracker Fund	GB	Equity	2017-07	1,868
DWS FlexPension II 2032	LU	Fund of Funds (ex-house)	2017-07	1,279
Gestielle Profilo Cedola II	IT	Mixed Assets	2017-07	1,270
UBI Pramerica Cedola Certa 2023	IT	Bond	2017-07	566
Fonditalia Obiettivo 2023	LU	Bond	2017-07	490
iShares Diversified Commodity SWAP UCITS ETF	IE	Commodity	2017-07	442
Pioneer Investment Funds - US Equity	LU	Equity	2017-07	392
Gestielle Cedola Multifactor	IT	Mixed Assets	2017-07	360
Swiss Life iFunds II (CH) Bond Global Corporates (CHF hedged)	CH	Bond	2017-07	279
Pioneer Investment Funds - European Equity	LU	Equity	2017-07	262

Data in EURO as at: Jul 2017

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