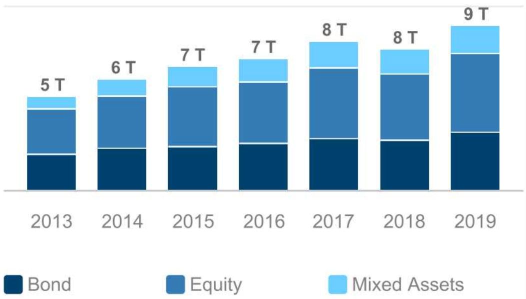
FundFlash Monthly Snapshot of European Trends

European assets by investment type



Nov 2019 **net sales of long term funds**

€38.5 B

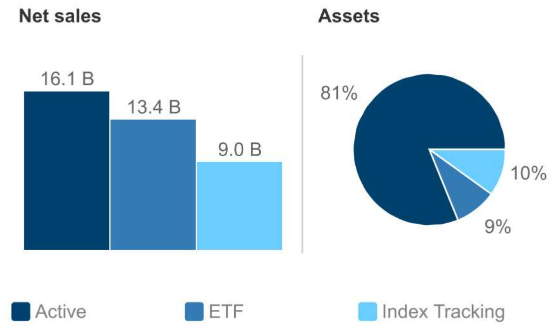
YTD net sales of long term funds

€168.8 B

Asset Growth month on month

+2.26%

Passive vs Active overview in Nov 2019



November in brief

• The best month of the year so far, with long-term fund sales peaking at €38.5bn as wealth managers scramble to take advantage of rising equity markets.

• Institutions meanwhile build on their exposure to the dollar through safe haven money market funds. The modest €2.5bn of net inflows masks a near €15bn boost to cross-border funds.

• The recovery of risk appetite feeds the passive sector, which take 58% of long-term net inflows, most going into ETFs.

• Flows into equity funds not only strengthen but overtake bond funds for the first time this year. Equity funds post €21bn of net receipts, but 76% of this is absorbed by passive funds.

• Global equity products are the month's winners, although emerging market products also gain favour. Active managers also fare well in these two categories.

• BlackRock holds on to the sales leader crown for the third consecutive month with net sales of €8bn, but in the active retail arena JPMorgan leads.

• Despite the strength of passives, the two leading funds in November are both actively managed products; the first, a global equity pension fund from Brunel and the second, DWS's popular Kaldermorgan fund.

Race for performance before the year closes

After a year dominated by negative sentiment, investors seem to have woken up in Q4 to the fact that equity markets have delivered a spectacular period of performance. By the end of November, the MSCI World index had recorded growth of 22.2%, its best performance for five years. With the threat of global recession in retreat, investors have been cautiously stepping back into risk assets. In November their interest exploded into enthusiasm taking equity net sales to €21bn, their highest level since January 2018. Mixed asset funds also benefited from those wanting diluted access to stocks. Net sales of €6bn were slight but still the best achieved since mid-2018. Fixed income sectors remained firm, but played second fiddle to equities in the race for returns.

Institutions continue to dominate the mutual funds landscape. Their role in the purchase of passive funds is difficult to measure but they are clearly a dominant force in the money market arena, accounting for most of the €61bn of net inflows received by the category in the year to date. But their power was also evident this month with the Brunel Pension Partnership appearing from nowhere at the top of the sales leader board. Brunel is one of eight UK pension pools established to manage the pensions of multiple local government employees. Their process, like that of the previously visible ACCESS funds, is to run this money via a series of actively-managed sub-advised mutual funds.

Looking ahead

The final month of the European asset management year is one that suffers from the bed and breakfast drag, but also benefits from the annual surge of money into the Swedish pension scheme. In bad years redemptions accelerate, but in good years flows can be strong. With sentiment improving, the industry is in a cycle that should deliver some late Christmas cheer to managers that have thus far had a rather gloomy view of industry fortunes. Net sales for the full year now seem likely to end close to the €200bn mark, but assets in long-term funds will have seen well over €1trn created from market performance.

European Net Sales by Investment Type (€m)

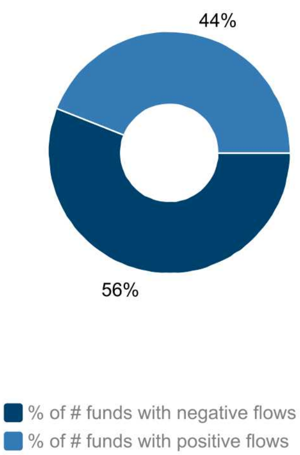
Investment Type	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019
Bond	-22,602	14,090	17,374	25,055	26,710	18,464	31,412	32,165	25,994	13,791	29,619	13,298
Equity	-16,975	-2,291	-1,764	-21,168	-13,365	-19,122	-4,584	-3,506	-24,273	9,716	2,197	20,911
Mixed	-8,386	-4,494	-3,993	-6,218	-3,381	-4,580	-427	-3,987	-2,102	2,605	1,449	6,226
Money Market	26,356	971	-13,855	1,814	7,435	8,583	-14,605	42,458	44,616	-16,211	-2,054	2,546
Rest	-3,176	-3,561	651	-2,391	291	2,202	1,074	613	-131	-1,138	1,308	-1,935

Top Markets by Sales - Latest Month (€bn)

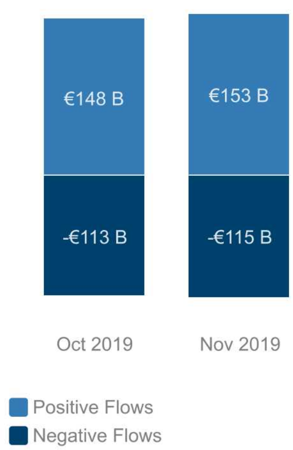
Fund Market	Assets	Previous month Net Sales	Latest Net Sales	Bottom selling fund	Top selling fund
International *	4,841 B	38.4 B	27.8 B	-2.1 B	1.4 B
Italy	511 B	1.1 B	3.2 B	-0.2 B	1.2 B
Germany	680 B	0.8 B	2.3 B	-0.3 B	0.4 B
Belgium	134 B	0.8 B	1.8 B	-0.2 B	0.3 B
Switzerland	520 B	1.5 B	1.7 B	-0.4 B	0.6 B
Netherlands	126 B	-3.1 B	1.1 B	-0.2 B	0.3 B

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

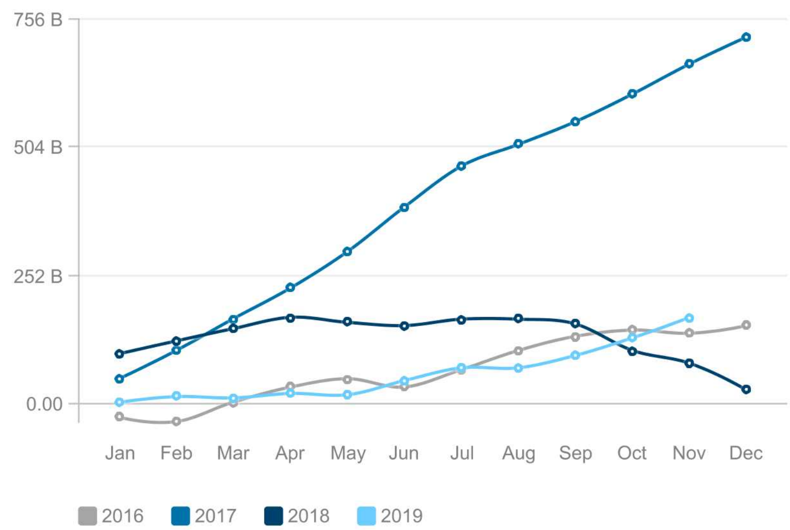
Flow sentiment



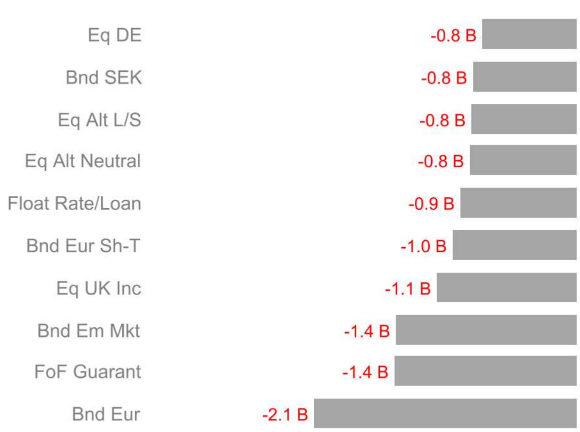
Positive net sales vs Negative net sales



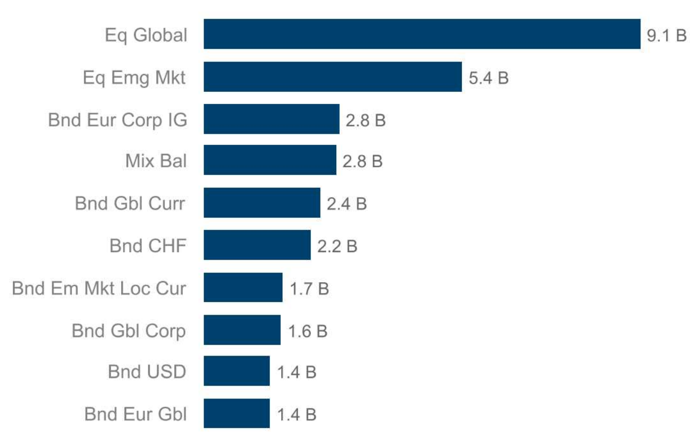
Cumulative net sales by year (€bn)



Bottom 10 selling sectors - Latest month (€bn)



Top 10 Sectors selling sectors - Latest month (€bn)



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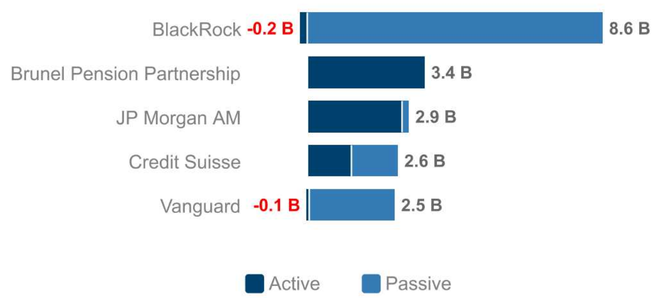
Top selling groups - Latest month (€bn)



Top selling groups - Latest 12 months (€bn)

Master Group	NAT	Assets	Net Sales
BlackRock	US	770.5 B	45.9 B
PIMCO	US	186.4 B	36.7 B
Credit Suisse	CH	168.5 B	18.0 B
AB	US	87.1 B	16.2 B
Vanguard	US	179.5 B	14.9 B

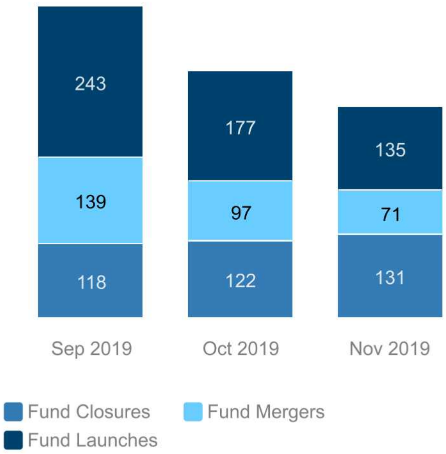
Top 10 Selling Funds - Latest month (€m)

Fund Name	Fund Domicile	Investment Type	Fund Strategy	Net Sales
FP Brunel High Alpha Global Equity	United Kingdom	Equity	Active	3,196
DWS Concept Kaldemorgen	Luxembourg	Mixed Assets	Active	1,423
Eurizon Global Trends 40 - Dicembre 2024	Italy	Mixed Assets	Active	1,237
iShares Core Euro Corporate Bond UCITS ETF	Ireland	Bond	Passive	1,122
UBS ETF - MSCI Emerging Markets UCITS ETF	Luxembourg	Equity	Passive	922
Amundi Soluzioni Italia - Obbligazionario Alto Rendimento 10/2025	Luxembourg	Bond	Active	757
iShares Core MSCI World UCITS ETF	Ireland	Equity	Passive	741
JPM Multi-Asset Moderate	United Kingdom	Mixed Assets	Active	728
iShares J. P. Morgan EM Local Government Bond UCITS ETF	Ireland	Bond	Passive	725
KBC Equity Fund Strategic Cyclicals	Belgium	Equity	Active	673

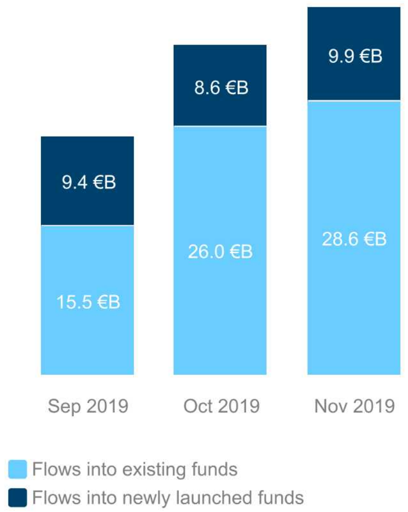
Best Sellers by Month (€bn)

Fund Name	Fund Domicile	Type	Month/Year	Net Sales
FP Brunel High Alpha Global Equity	United Kingdom	Eq	Nov 2019	3.2 B
State Street Global Advisors Lux SICAV - Global Treasury 1-10 Year Bond Index	Luxembourg	Bnd	Oct 2019	1.4 B
UBS ETFs plc - MSCI ACWI SF UCITS ETF	Ireland	Eq	Sep 2019	3.3 B
Focused Sicav - US Treasury Bond USD	Luxembourg	Bnd	Aug 2019	6.1 B
UBS ETFs plc - MSCI ACWI SF UCITS ETF	Ireland	Eq	Jul 2019	3.7 B
PIMCO GIS Income Fund	Ireland	Bnd	Jun 2019	3.5 B
ACTIAM (L) Sustainable Euro Fixed Income Fund	Luxembourg	Bnd	May 2019	2.9 B
Fundsmith Equity Fund Sicav	Luxembourg	Eq	Apr 2019	2.9 B
PIMCO GIS Income Fund	Ireland	Bnd	Mar 2019	1.9 B
UBS ETFs plc - MSCI ACWI SF UCITS ETF	Ireland	Eq	Feb 2019	3.3 B
PIMCO GIS Income Fund	Ireland	Bnd	Jan 2019	2.1 B
AP7 Aktiefond	Sweden	Eq	Dec 2018	1.6 B

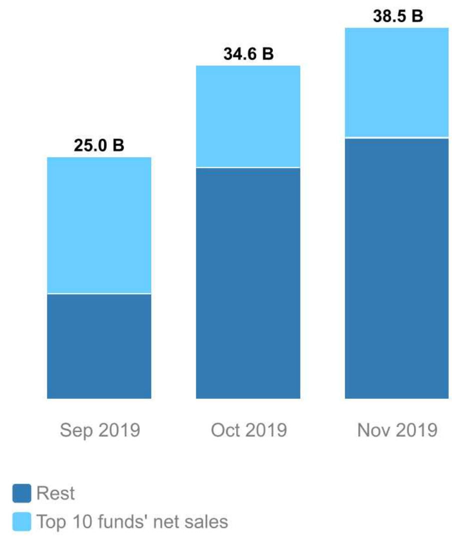
Historical fund launches & closures



New launch flows vs existing funds



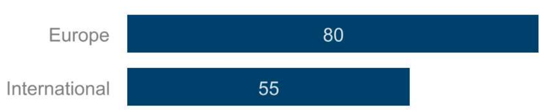
Net sales of the top10 selling funds vs the rest



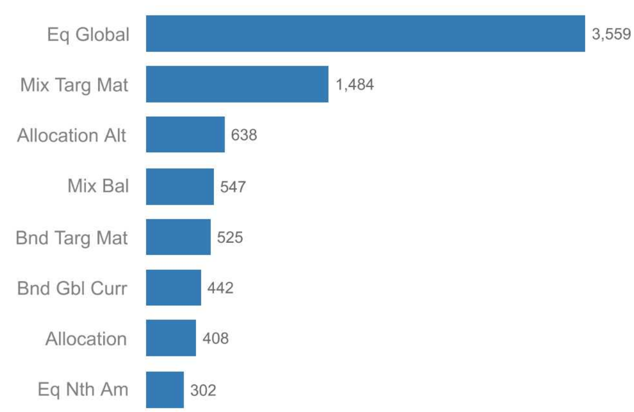
Fund launches by group - Latest month (€m)

Master Group	# Funds	Net Sales
Brunel Pension Partnership	1	3,196
Intesa SP	18	2,358
BlackFin CP	1	455
JP Morgan AM	2	364
BNP Paribas	10	346

Number of fund launches by region



Fund Launches: Top Sectors by net sales - Latest month (€m)



Top fund launches - Latest month (€m)

Fund Name	Domicile	Investment Type	Launch Date	Net Sales
FP Brunel High Alpha Global Equity	GB	Equity	2019-11	3,196
Eurizon Global Trends 40 - Dicembre 2024	IT	Mixed Assets	2019-11	1,237
BetaMiner Fund - Behedged Sub-Fund	LU	Mixed Assets	2019-11	455
AILIS Pictet Balanced Multitrend	LU	Mixed Assets	2019-11	450
JPMorgan Funds - Global Bond Opportunities Sustainable	LU	Bond	2019-11	346
L&G US Equity (Responsible Exclusions) UCITS ETF	IE	Equity	2019-11	302
BNP Paribas B Institutional II Short Term	BE	Bond	2019-11	256
Anima Investimento ENG 2025	IT	Bond	2019-11	215
Santander Renta Fija Soberana, FI	ES	Bond	2019-11	192
EIS - Flexible Beta 8	LU	Mixed Assets	2019-11	163

Data in EURO as at: Nov 2019

For more information please contact laura.cohen@broadridge.com