

Bond funds most popular asset class worldwide in Q3 2011

Brussels, 12th January 2012 - According to the latest quarterly international statistical release published today by the European Fund and Asset Management Association (EFAMA), the worldwide asset management industry had the following highlights to report for Q3 2011:

- 1. Investment fund assets worldwide declined by 4.7 percent during the third quarter to stand at EUR 18.58 trillion at end September 2011.** In U.S. dollar terms, worldwide investment fund assets decreased 10.9 percent to US\$ 25.09 trillion. The appreciation of the US dollar vis-à-vis the euro during the quarter explains this result.
- 2. Worldwide net cash flows into investment funds turned negative during the third quarter, registering net outflows of EUR 104 billion, compared to net inflows of EUR 147 billion in the previous quarter.** This turnaround came on the back of strong net withdrawals from long-term funds.
- 3. Long-term funds (all funds excluding money market funds) experienced net outflows during the quarter of EUR 58 billion, compared to net inflows of EUR 206 billion in the second quarter.**
 - Bond funds continued to enjoy net inflows, albeit at a reduced level, during the quarter (EUR 7 billion compared to EUR 70 billion in the previous quarter).
 - Equity funds experienced a swing in net flows to register net outflows of EUR 79 billion during the third quarter, compared to net inflows of EUR 16 billion in the previous quarter.
 - Balanced/mixed funds also experienced a turnaround in net sales during the quarter to register net outflows of EUR 14 billion.

Net outflows from long-term funds amounted to EUR 78 billion in Europe and EUR 13 billion in the United States during the quarter.

- 4. Money market funds experienced reduced net outflows during the third quarter of EUR 46 billion, compared to EUR 59 billion in the second quarter of 2011.** The United States registered increased net withdrawals of EUR 42 billion, up from EUR 32 billion in the previous quarter. On the other hand, Europe experienced reduced net outflows from money market funds totalling EUR 5 billion, compared to net outflows of EUR 30 billion in the second quarter.
- 5. At the end of the third quarter of 2011, assets of equity funds represented 36 percent and bond funds represented 22 percent of all investment fund assets worldwide.** The asset share of money market funds was 19 percent and the asset share of balanced/mixed funds was 11 percent.
- 6. The market share of the ten largest domiciles in the world market (excluding non-UCITS) were the United States (47.9%), Luxembourg (9.2%), France (5.8%), Brazil (5.7%), Australia (5.4%), Ireland (4.1%), Japan (4.0%), Canada (3.5%), United Kingdom (3.2%) and China (1.3%).**

- Ends -

For media enquiries, please contact:

Peter De Proft, Director General, or Bernard Delbecque, Director of Research:

Telephone: +32 (0) 2 513 39 69;

E-mail: info@efama.org

Notes to editors follow:

The report for the third quarter of 2011 contains statistics from the following 45 countries: Argentina, Brazil, Canada, Chile, Costa Rica, Mexico, Trinidad & Tobago, United States, Austria, Belgium, Bulgaria, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Lichtenstein, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Russia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom, Australia, China, India, Japan, Korea, Rep. of, New Zealand, Pakistan, Philippines, Taiwan, South Africa

About the European Fund and Asset Management Association (EFAMA)

EFAMA is the representative association for the European investment management industry. EFAMA represents through its 26 member associations and 56 corporate members approximately EUR 13 trillion in assets under management of which EUR 7.7 trillion was managed by approximately 54,000 funds at end September 2011. Just above 36,200 of these funds were UCITS (Undertakings for Collective Investments in Transferable Securities) funds. For more information about EFAMA, please visit www.efama.org