

Worldwide net cash flows into investment funds returned to positive territory during Q4 2011

Brussels, 12th April 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 Q4 2011:

- Investment fund assets worldwide increased by 7.5 percent during the fourth quarter to stand at EUR 19.97 trillion at end 2011**, this result came on the back of renewed net inflows into worldwide investment funds. In U.S. dollar terms, worldwide investment fund assets increased by 3.0 percent during the quarter to US\$ 25.84 trillion. The appreciation of the US dollar vis-à-vis the euro during the quarter explains this result.
- Worldwide net cash flows into investment funds returned to positive territory during the fourth quarter, registering net inflows of EUR 83 billion, against net outflows of EUR 104 billion in the previous quarter.** This turnaround is attributable to positive net inflows into both long-term funds and money market funds.
- Long-term funds (all funds excluding money market funds) recorded net inflows during the fourth quarter of EUR 11 billion versus net outflows of EUR 58 billion in the previous quarter.**
 - Bond funds enjoyed increased net inflows during the quarter amounting to EUR 49 billion, up from EUR 7 billion in the previous quarter.
 - Equity funds experienced net outflows for the second consecutive quarter, albeit at a reduced level, totaling EUR 52 billion (EUR 79 billion in the third quarter).
 - Balanced/mixed funds experienced reduced net outflows during the quarter of EUR 1 billion.

The situation contrasted across continents with long-term funds in Europe registering net outflows of EUR 61 billion, whereas in the United States long-term funds recorded net inflows of EUR 60 billion during the quarter.

- Money market funds experienced quarterly net inflows for the first time since the first quarter of 2009. Net inflows amounted to EUR 72 billion during the fourth quarter, compared to net outflows of EUR 46 billion in the third quarter of 2011.** This result is attributable to positive net sales recorded in both Europe and the United States of EUR 11 billion and EUR 45 billion respectively. These inflows reflected increased risk aversion amongst investors during the fourth quarter.
- At the end of 2011, assets of equity funds represented 37 percent and bond funds represented 23 percent of all investment fund assets worldwide.** The asset share of money market funds was 18 percent and the asset share of balanced/mixed funds was 10 percent.
- The market share of the ten largest countries/regions in the world market (excluding non-UCITS) were the United States (49.0%), Europe (28.2%), Brazil (5.7%), Australia (5.6%), Japan (3.9%), Canada (3.6%), China (1.3%), Rep. of Korea (0.9%), South Africa (0.6%) and India (0.3%).**

7. Overall in 2011 worldwide investment funds attracted net sales of EUR 228 billion.

Worldwide long-term funds registered net inflows of EUR 335 billion in 2011. The United States recorded net inflows into long-term funds of EUR 239 billion, whereas long-term funds in Europe experienced net outflows (EUR 55 billion). On the other hand, worldwide money market funds recorded net outflows of EUR 107 billion during the course of the year, with net outflows being recorded on both sides of the Atlantic (EUR 86 billion in the United States and EUR 33 billion in Europe).

- Ends -

For media enquiries, please contact:

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

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

E-mail: info@efama.org

Notes to editors follow:

The report for the fourth 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 58 corporate members approximately EUR 13 trillion in assets under management of which EUR 7.9 trillion was managed by approximately 54,000 funds at end 2011. Just above 36,000 of these funds were UCITS (Undertakings for Collective Investments in Transferable Securities) funds. For more information about EFAMA, please visit www.efama.org.