

For immediate release

EFAMA 2017 year review: An exceptional year for the European fund industry, with net assets of UCITS and AIF surpassing the EUR 15 trillion mark

The European Fund and Asset Management Association (EFAMA) has today published its latest Investment Funds Industry Fact Sheet, which provides net sales of UCITS and non-UCITS for December 2017 and the entire year of 2017, as well as net assets data at end 2017.

28 associations representing more than 99 percent of total UCITS and AIF assets at end December 2017 provided us with net sales and/or net assets data.

The **main developments in December 2017** in the reporting countries can be summarized as follows:

- **Net sales of UCITS and AIF totaled EUR 28 billion, down from EUR 72 billion in November.**
- **UCITS registered net sales of EUR 29 billion, down from EUR 62 billion in November.**
 - Long-term UCITS (UCITS excluding money market funds) recorded net sales of EUR 49 billion, down from EUR 63 billion in November.
 - Net sales of equity funds totaled EUR 15 billion, down from EUR 26 billion in November.
 - Net sales of bond funds totaled EUR 18 billion, down from EUR 29 billion in November.
 - Net sales of multi-asset funds totaled EUR 16 billion, down from EUR 20 billion in November.
 - Net sales of other UCITS recorded net inflows of EUR 0.9 billion, compared to net outflows of EUR 12 billion in November.
 - UCITS money market funds registered net outflows of EUR 21 billion, compared to net outflows of EUR 1 billion in November.
- **AIF recorded net outflows of EUR 1 billion, compared to net inflows of EUR 10 billion in November.**
- **Total net assets of UCITS and AIF amounted to EUR 15,696 billion at end December, compared to EUR 15,658 billion at end November.**

Bernard Delbecque, Director of Economics and Research commented:

“Net sales of UCITS and AIF in December dropped to the lowest level of the year. This primarily reflected net outflows from money market funds, a normal development at year end, as well as a noteworthy drop in net sales of bond funds amid uncertainty over interest rates.”

The **main developments in 2017** can be summarized as follows:

- **Net sales of UCITS and AIF reached EUR 937 billion in 2017 (EUR 457 billion in 2016).**
- **UCITS net sales amounted to EUR 736 billion (EUR 273 billion in 2016).**
 - Long-term UCITS net sales totaled EUR 667 billion (EUR 163 billion in 2016).
 - Equity funds registered net inflows of EUR 157 billion (compared to net outflows of EUR 10 billion in 2016).
 - Bond funds registered net sales of EUR 314 billion (EUR 115 billion in 2016).
 - Multi-assets funds registered net sales of EUR 180 billion (EUR 41 billion in 2016).
 - Other UCITS registered net sales of EUR 16 billion (EUR 17 billion in 2016).
 - Money market funds registered net sales of EUR 69 billion (EUR 110 billion in 2016).
- **AIF recorded net sales of EUR 201 billion (EUR 184 billion in 2016).**
- **Net assets of UCITS and AIF increased to EUR 15,696 billion (EUR 14,190 billion at end 2016).**

The following comments shed additional light on the main developments in 2017.

- **2017 was an exceptional year for the European investment fund industry**, with net assets of UCITS and AIF surpassing the EUR 15 trillion mark and net sales breaking the prior record set in 2015 by more than EUR 200 billion.
- **All types of UCITS recorded strong net sales in 2017, with bond funds reaching their highest annual net sales ever.**
 - Buoying stock markets, on the back of a cyclical upswing, increased investor confidence and boosted net inflows into **equity funds**.
 - The net sales of **bond funds** rebounded strongly in 2017 to reach an exceptional all-time high. The low volatility and diversification benefits offered by bond funds have most certainly helped boost investor demand in a market environment which remained characterized by very low interest rates.
 - **Multi-asset funds** experienced solid net sales throughout the year, but did not break the record set in 2015 (EUR 240 billion).

- Despite low or even negative returns, **money market funds** registered net inflows for the fourth consecutive year, confirming that money market funds remain an important tool for investors, enabling them to manage their cash within a diversified strategy and avoid counterparty credit risk.
- **Net sales of AIF also reached a record high during 2017, surpassing EUR 200 billion of net sales.**

Peter de Proft, Director General, said:

“The strong net sales of European investment funds in 2017 testify to investors’ confidence in the general economic outlook and the quality of the UCITS and AIF frameworks. They also confirm that the wide range of investment strategies and risk mitigation techniques used by UCITS and AIF acts as a driving force in the fund industry by allowing investors to find funds that meet their needs and expectations in terms of market performance. “

– Ends –

*Please see the accompanying attachment for the EFAMA Investment Fund Industry Fact Sheet (December) and the ‘Notes to editors’ section for further information on how the Fact Sheet is produced.

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About the European Fund and Asset Management Association (EFAMA):

EFAMA is the representative association for the European investment management industry. EFAMA represents through its 28 member associations and 62 corporate members close to EUR 23 trillion in assets under management at end 2016. At end June 2017, total net assets of European investment funds reached EUR 14.8 trillion, with over 31,200 of these funds were UCITS (Undertakings for Collective Investments in Transferable Securities) and over 28,300 funds composed of AIFs (Alternative Investment Funds). For more information about EFAMA, please visit www.efama.org.



About the December Monthly EFAMA Investment Fund Industry Fact Sheet:

The Fact Sheet is published by EFAMA on a monthly basis and presents net sales and net assets data for UCITS and AIF provided by 28 national associations. The contributing national associations are: Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, and United Kingdom.