

Turmoil in financial markets sees investors retreat to safe havens in August

Brussels, 14th October 2011 - The European Fund and Asset Management Association (EFAMA) has today published its latest Investment Fund Industry Fact Sheet*, which provides investment sales and asset data for August 2011.

23 associations representing more than 97 percent of total UCITS and non-UCITS assets at end August 2011 provided us with net sales and/or net assets data.

The main developments in August 2011 in the reporting countries can be summarised as follows:

- UCITS registered net outflows in August of EUR 20 billion, compared to net outflows of EUR 14 billion in July. A large turnaround in net inflows into money market funds was outpaced by significant outflows from all long-term UCITS categories.
- Long-term UCITS (UCITS excluding money market funds) witnessed in August the highest level of net outflows since October 2008. However, the level of net outflows (EUR 53 billion) was considerably smaller than in the aftermath of the Lehman Brothers bankruptcy (EUR 111 billion).
 - Bond and balanced funds both witnessed sharp turnarounds in net flows in August to register net outflows of EUR 13 billion and EUR 11 billion, respectively.
 - Net sales of equity funds plummeted to record net outflows of EUR 26 billion, compared to net outflows of EUR 1 billion in July.
- Money market funds experienced a sharp swing in net flows during August to record net inflows of EUR 33 billion, compared to net outflows of EUR 25 billion in July. August witnessed investors using money market funds as a safe haven, in contrast to events of October 2008 which saw money market funds losing EUR 19 billion of net new money.
- Total non-UCITS enjoyed increased net sales in August of EUR 8 billion, up from EUR 6 billion in July. This was on account of an increase in net inflows to special funds (funds reserved to institutional investors) which climbed to EUR 8 billion during the month, from EUR 6 billion in July.
- Total assets of UCITS amounted to EUR 5,556 billion at end August 2011, a decline of 4.7 percent since end July.
- Total assets of non-UCITS also witnessed a decrease in net assets of 1.3 percent to stand at EUR 2,068 billion. Consequently, at end August, non-UCITS had net assets still higher than at end 2010, whereas the level of UCITS assets had retreated to July 2010 levels.

– Ends –

** Please see the accompanying attachment for the EFAMA Investment Fund Industry Fact Sheet (August) and the 'Notes to editors' section for further information on how the fact sheet is produced.*

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Notes to editors:**About the European Fund and Asset Management Association (EFAMA)**

EFAMA is the representative association for the European investment management industry. It represents through its 26 member associations and 56 corporate members approximately EUR 13.8 trillion in assets under management, of which EUR 8.1 trillion was managed by approximately 54,000 funds at end June 2011. Just under 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

About the August Monthly EFAMA Investment Fund Industry Fact Sheet

The fact sheet is published by EFAMA on a monthly basis and represents net fund product sales and/or net assets data for UCITS and non-UCITS assets provided by 23 national associations. The contributing national associations are: Austria, Bulgaria, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey and the United Kingdom.