

UCITS Attract Highest Level of Net Inflows since August 2010

Brussels, 17 April 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 February 2011.

Turnaround in net flows into Money Market Funds

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

The main developments in February 2011 in the reporting countries can be summarised as follows:
- UCITS experienced net inflows in February of EUR 27 billion, up significantly compared to January when net inflows amounted to EUR 12 billion. This increased level of net inflows is due to strong net inflows into balanced funds and positive net flows into money market funds, compared to strong outflows in January.

- Long-term UCITS (UCITS excluding money market funds) enjoyed net inflows in February of EUR 19 billion, down from net inflows of EUR 23 billion in January.

- Equity funds attracted only EUR 3 billion in net inflows in February, compared to EUR 9 billion last month.

- Bond fund net inflows in February continued stabilising at EUR 3 billion, slightly up from net inflows of EUR 2 billion in January.

- Balanced funds witnessed a jump in February to record net inflows of EUR 8 billion, compared to net inflows of EUR 4 billion in January.

- Money market funds witnessed a turnaround in net flows in February to record net inflows of EUR 8 billion. This is a significant change when compared with the EUR 11 billion of net outflows recorded in January.

- Total non-UCITS recorded net sales of EUR 9 billion in February, compared to EUR 13 billion of net inflows in January. This reduced level of inflows reflected a lower level of net inflows into special funds reserved to institutional investors.

- Total assets of UCITS amounted to EUR 5,921 billion at end February 2011, an increase of 1.2 percent since end January. Total assets of non-UCITS also increased month-on-month by 0.9 percent to stand at EUR 1,958 billion.

UCITS attracted their highest level of net inflows in February since August 2010, due to a turnaround in net flows into money market funds. This turnaround may be partly explained by intensifying political unrest in the Middle East and North Africa and rising oil prices which caused caution amongst investors. Two other factors may have contributed to this turnaround: the increase in money market rates and a stabilisation of investor demand for money market funds.

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

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