

PRESS RELEASE

For immediate release

Equity UCITS sales bounced back in Q4 but bond funds remain 2019 bestsellers

Brussels, 3rd March 2020 - The European Fund and Asset Management Association (EFAMA) has today published its latest Quarterly Statistical Release describing the trends in the European investment fund industry in the fourth quarter of 2019 as well as a summary for the full year. The report also includes data on the owners of investment funds in Europe at end September 2019 and their net purchases of funds in January-September 2019.

Bernard Delbecq, Senior Director for Economics and Research commented: *“Our latest Quarterly Release confirms the very high market share of UCITS domiciled in Luxembourg and Ireland and held elsewhere in Europe and the world (57% at end 2019), as well as the central importance of Germany, the UK, France, the Netherlands and Italy, which together held 70% of investment fund assets at end September 2019. A thorough analysis of the sales of cross-border UCITS and the demand for UCITS and AIFs will be provided in the EFAMA 2020 Fact Book, which will be published in June”.*

Net sales highlights in Q4 and 2019

- Total net assets of UCITS and AIFs grew by 3.3 percent in Q4 to EUR 17.7 trillion, bringing the annual growth figure to 16.8 percent for 2019. After the steep stock-market drop at the end of 2018, both stock and bond markets grew strongly over the course of 2019.
- Continued growth net sales in Q4, at EUR 190 billion, was largely driven by UCITS (EUR 148 billion), bringing annual net sales for both UCITS and AIFs to EUR 546 billion in 2019 (from EUR 258 billion in 2018). AIFs sales amounted to EUR 43 billion in Q4, totalling EUR 152 billion in 2019 (from EUR 137 billion in 2018).
- Bond fund sales slowed down in Q4 but remained the bestselling UCITS category in 2019, gathering EUR 301 billion in net new money. Fear over a global economic slowdown prompted central banks around the world to move towards more accommodative monetary policy. As the situation seemed to improve, the bond fund rally subsided in favour of other long-term funds.
- Equity funds suffered net outflows in 2019 despite a return to positive territory in Q4. A tentatively improving economic outlook, supported by decisive monetary policy actions, increased investor confidence. Net inflows into equity funds amounted to EUR 53 billion, compared to net outflows of EUR 12 billion in Q3 2019.
- Investors' renewed confidence in the last quarter of 2019 saw multi-asset funds recording stronger net sales, amounting to EUR 57 billion, up from EUR 30 billion in Q3 2019.
- The demand for ETFs strengthened in Q4. Net sales of UCITS ETFs amounted to EUR 46 billion, almost a third of total UCITS net sales.

Highlights of ownership of investment funds:

- European investors held EUR 12.6 trillion worth of investments at end September 2019.
- The countries with the highest level of fund ownership were Germany (23%), the UK (14%), France (14%), the Netherlands (10%) and Italy (9%).
- Insurers and pension funds are the largest holders of investment funds with a combined share of 42% at end September. They are followed by other financial intermediaries and households.

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

EFAMA, the voice of the European investment management industry, represents 28 member associations and 60 corporate members. At end 2018, total net assets of European investment funds reached EUR 15.2 trillion. These assets were managed by close to 33,400 UCITS (Undertakings for Collective Investments in Transferable Securities) and 28,600 AIFs (Alternative Investment Funds). More information available at www.efama.org.