

EFAMA: UCITS enjoyed net inflows of EUR 30 billion in the first quarter of 2011

Brussels, 24th May 2011: The European Fund and Asset Management Association (EFAMA) has today published its latest Quarterly Statistical Release, which describes trends in the European investment fund industry in the first quarter of 2011.

The highlights for this quarter are:

- UCITS enjoyed net inflows of EUR 30 billion in the first quarter of 2011, up from net inflows of EUR 26 billion in the fourth quarter of 2010.
- **Long-term UCITS, i.e. UCITS excluding money market funds, recorded net inflows of EUR 39 billion, compared to EUR 67 billion in the last quarter.** A sharp reduction in net inflows to equity funds explains much of this drop, whilst bond and balanced funds enjoyed increased net inflows during the quarter. Tension in the markets caused by unrest in North Africa and the Middle East, the earthquake in Japan and tensions in the sovereign debt markets caused caution among investors.
- **Money market funds continued to suffer from net outflows of EUR 9 billion, albeit at a lower level than the net outflows of EUR 41 billion recorded in the previous quarter and EUR 30 billion recorded in the first quarter of 2010.** This reduced level of net outflows comes at a time when net assets of money market funds are back at their pre-crisis levels, signalling a possible end to the readjustment of investors' portfolios against the background of a pick-up in short term interest rates.
- **Total net assets of UCITS decreased by 0.9 percent in the first quarter to stand at EUR 5,949 billion at end March 2011.** Net assets of money market funds decreased 2.6 percent during the quarter, followed by equity funds dropping by 1.5 percent and bond funds by 0.4 percent. Balanced funds broke the trend and enjoyed an increase in net assets of 1.3 percent.
- **Total net assets of non-UCITS increased by 1.2 percent in the first quarter to reach EUR 2,162 billion at end March 2011.** Much of this increase is due to special funds reserved to institutional investors, which enjoyed net inflows during the quarter of EUR 28 billion.
- **The combined assets of the investment fund market in Europe, i.e. the market for UCITS and non-UCITS, decreased in the first quarter by 0.4 percent to EUR 8,111 billion at the end of the first quarter of 2011.** UCITS assets accounted for 73 percent of the total investment fund market in Europe, with non-UCITS accounting for the remaining 27 percent.

- Ends -

* Please see the accompanying attachment for the EFAMA Quarterly Statistical Release.

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:

The European Fund and Asset Management Association (EFAMA) is the representative association for the European investment management industry. EFAMA represents through its 27 member associations and 55 corporate members about €14 trillion in assets under management, of which €8 trillion were managed by around 53,000 investment funds at the end of 2010. For more information, please visit www.efama.org.

For more information about EFAMA, please visit www.efama.org