

ECB policy actions drive increased sales on long-term UCITS during third quarter of 2012

Brussels, 23rd November The European Fund and Asset Management Association (EFAMA) has today published its latest Quarterly Statistical Release which describes the trends in the European investment fund industry during the third quarter of 2012.

The main highlights of the report can be summarized as follows:

- Despite large withdrawals from money market funds, UCITS enjoyed increased net inflows of EUR 20 billion in the third quarter of 2012, up from EUR 7 billion recorded in the second quarter. A steep rise in net sales of long-term UCITS, reflecting improved investor optimism on account of ECB policy actions, was the main driver behind the increased net sales of UCITS.
- Long-term UCITS, i.e. UCITS excluding money market funds, experienced net inflows of EUR 51 billion during the quarter, compared to EUR 8 billion in the previous quarter.
 - Bond funds attracted strong net inflows of EUR 50 billion, up from EUR 42 billion in the second quarter.
 - Net sales of balanced funds returned to positive territory with net inflows of EUR 10 billion.
 - Equity funds registered reduced net outflows of EUR 9 billion, compared to EUR 28 billion in the second quarter.
- Money market funds recorded a steep increase in net withdrawals during the quarter registering EUR 31 billion, compared to EUR 1 billion in the previous quarter. The continual low interest rate environment continued to have a negative effect on money market funds.
- Total UCITS net assets rose 3.7 percent during the third quarter to stand at EUR 6,174 billion at end September 2012. Both equity funds and bond funds registered increases of 5.6 percent during the quarter. Balanced funds also enjoyed strong growth of 4.5 percent. In contrast, money market funds registered a reduction in net assets of 2.5 percent.
- Total net assets of non-UCITS increased by 3.3 percent in the third quarter to stand at EUR 2,567 billion at end September 2012. Assets of special funds reserved to institutional investors registered growth of 4.5 percent during the quarter, thanks to sustained net sales (EUR 16 billion, compared to EUR 21 billion during the second quarter).
- The combined assets of the investment fund market in Europe, i.e. the market for UCITS and non-UCITS, increased by 3.6 percent in the third quarter to stand at EUR 8,741 billion at end September 2012. This compares to net assets of EUR 7,960 billion at end 2011.

- Ends -

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



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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 26 member associations and 59 corporate members approximately EUR 14 trillion in assets under management of which EUR 8.7 trillion was managed by approximately 54,000 funds at end September 2012. 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.