



• **MAY IN BRIEF:**

- The European funds industry enjoyed net inflows to long-term mutual funds of €35.3bn for May 2014.
- **Single fund market flows for long-term funds showed a positive but nevertheless mixed picture for May; 8 of the 33 markets covered in this report showed net outflows. The single market with the highest inflows was Italy (+€4.0bn), followed by Spain (+€2.8bn) and France (+€2.2bn). Meanwhile, Switzerland (-€1.6bn), the Netherlands (-€0.4bn), and Belgium (-€0.1bn) stood on the other side of the table.**
- Bond funds with estimated net inflows of €18.6bn were the best selling asset class overall for May.
- **BlackRock, with net sales of €3.4bn, was the best selling group of long-term funds for May, ahead of UBS (+€1.3bn) and Unicredit/Pioneer (+€1.3bn).**
- Provisional figures for Luxembourg- and Ireland-domiciled funds suggest that bond funds, with estimated net inflows of around €17.4bn, will be the best selling products for June 2014.
- Read commentary from Lipper's Research team globally at: lipperinsight.thomsonreuters.com
- To read our **European Fund Market Review 2014** - Click [here](#)

Sell in May and go away?

Contrary to this common thesis, the European mutual fund industry enjoyed overall net inflows of €35.3bn into long-term mutual funds for May 2014. Roughly half of these flows were gathered by bond funds (+€18.6bn), followed by mixed-asset products (+€9.7bn) and equity funds (+€6.2bn). The positive trend in May was also reflected in the flows into the other asset types: alternative/hedge funds (+€0.6bn) and funds from the "other" peer group (+€0.3bn) as well as property products (+€0.3bn) enjoyed net inflows. Commodity funds (-€0.4bn) was the only product type facing net outflows for May.

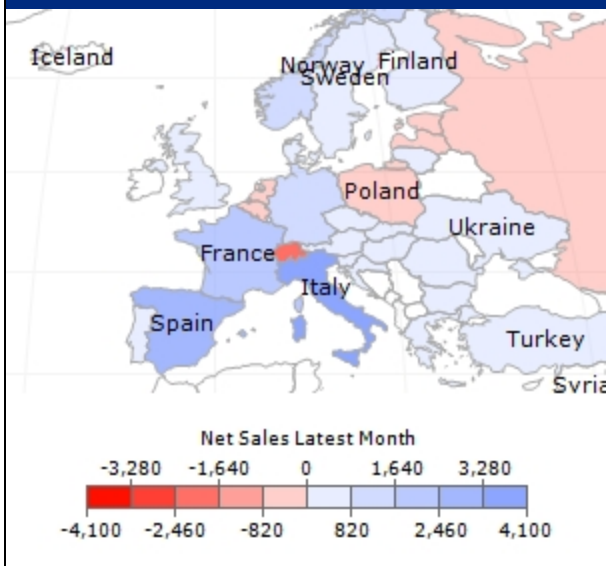
Even money market products posted net inflows for May, with money market funds enjoying inflows of €0.6bn and enhanced money market funds showing inflows of €0.1bn.

With regard to long-term funds, asset allocation products (+€6.1bn) were once again the best selling asset class, followed by bonds emerging markets (+€3.4bn) and equities emerging markets (+€2.8bn) as well as mixed-asset conservative funds (+€2.8bn) and bonds EUR funds (+€2.1bn). At the other end of the spectrum guaranteed funds (-€1.4bn) suffered net outflows, bettered somewhat by equities North America mid-/small-caps (-€0.8bn) as well as equities Switzerland (-€0.8bn), equities United Kingdom (-€0.8bn), and bonds USD (-€0.5bn).

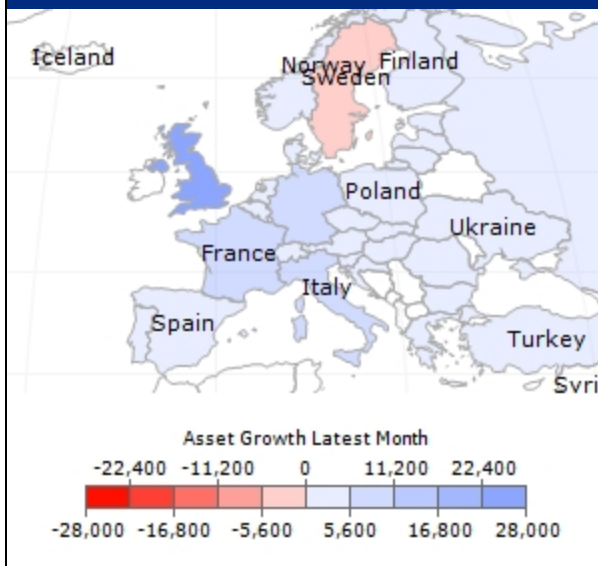
Early indicators for June activity

While the focus of this report is to summarise comprehensive data on mutual fund flows across Europe for May 2014 (see above and over), there is also an opportunity to provide some early indicators of provisional flows data for June. Looking at Luxembourg- and Ireland-domiciled funds, bond funds—with projected net inflows of around €17.4bn—should be the best selling asset class for June, followed by mixed-asset funds (+€8.7bn) and equity products (+€3.3bn). Even though these numbers are estimates, it seems bond funds continue in European investors' favour in 2014.

Map of Estimated Net Sales in May 14 (€m)



Map of Asset Growth in May 14 (€m)



Note: European Data Map excludes international activity

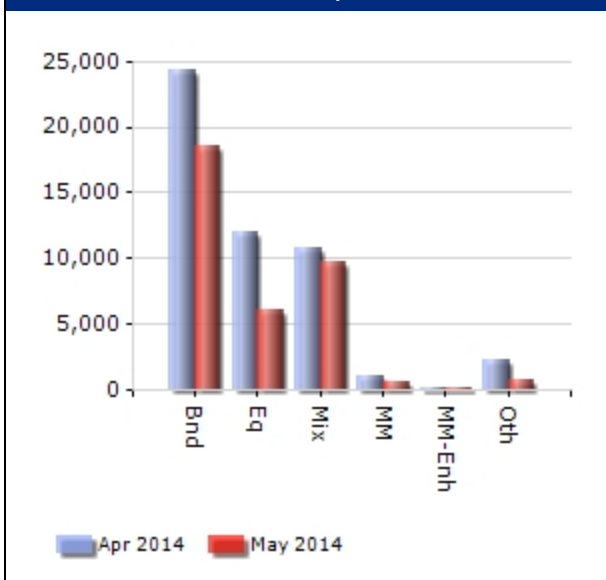
Top 5 Markets by Asset May 14 (€bn)

Fund Market	Assets	Mth Grwth
International	2,644.9	87.3
United Kingdom	896.3	27.3
Germany	505.4	9.3
Italy	337.4	8.1
France	332.6	6.9
Rest	1,151.4	20.6
Total	5,868.0	159.4

Top 5 Markets by ENS in May 14 (€m)

Fund Market	Est Net Sales
International	22,568.7
Italy	4,002.0
Spain	2,824.9
France	2,162.1
Norway	1,420.0
Rest	2,426.0
Total	35,403.8

Month-on-month Comparison ENS (€m)



Top Sectors in May 14 (€m)

Asset Alloc	6,069.2
Bnd Em Mkt	3,390.5
Eq Em Mkt	2,849.8
Mix Cons	2,791.1
Bnd Eur	2,145.5

Bottom Sectors in May 14 (€m)

Guarant'd	-1,400.5
Eq Nth Am S/Mid	-819.7
Eq Switz	-810.6
Eq UK	-783.5
Bnd USD	-545.7

Note: charts and rankings on this page exclude funds of funds and money market funds. ENS=Estimated net sales. TNA=Total net assets.

Top Master Groups by Sales in May 14 (€m)

Master Group Names	Assets	Est Net Sales
BlackRock	352,737.8	3,440.4
UBS	159,031.0	1,294.1
Pioneer	93,565.7	1,272.2
ANIMA	28,556.5	1,264.9
JP Morgan	108,766.8	1,242.4

Top Master Groups by Assets Growth (€m)

Master Group Names	Assets Latest Month	TNA Growth Latest Year
BlackRock	352,737.8	63,791.0
JP Morgan	108,766.8	19,763.0
DeAWM	185,325.3	16,257.6
Schroders	116,703.8	15,903.5
Prudential/M&G	112,745.9	14,264.7

Launches: Top Sectors by Assets in May 14



Launches: Assets by domicile in May 14



Top 5 Funds by Sales in May 14 (€m)

Master Groups	Fund Name	Fund Domicile	ENS
Pioneer	Pioneer Structured Solution Fund - Unicredit a Formula Europa Luglio 2019	Luxembourg	707.1
Prudential/M&G	M&G Optimal Income Fund	United Kingdom	627.3
MMC/Mercer	Mercer Global Investments - Euro Nominal Bond Long Duration Fund	Ireland	621.9
Pioneer	Pioneer Structured Solution Fund - Unicredit A Formula Selezione Dividendo Luglio 2019	Luxembourg	618.6
Russell Inv	Russell Investment Company PLC - Acadian Emerging Markets Equity UCITS II Fund	Ireland	595.6

Top 5 Funds by Sales YTD (€m)

Fund Name	Fund Investment Type	ENS
Scottish Widows Gilt	Bond	5,485.4
M&G Optimal Income Fund	Bond	4,012.2
DNB AM Kort Obligasjon 2	Bond	3,357.1
DNB AM Kort Obligasjon	Bond	3,353.1
Allianz Global Investors Fund - Allianz Income and Growth	Mixed Assets	3,322.6