



JUNE IN BRIEF

The European funds industry faced net outflows of €70.4bn for June, which brought down the estimated net inflows for the year-to-date period to €109.6bn.

- In terms of fund flows the single fund markets showed a mixed picture. While core European markets such as France (-€28.1bn) and Germany (-€2.7bn) posted net outflows, peripheral markets such as Spain (+€1.6bn), Italy (+€0.6bn), and Greece (+€0.3bn) stated net inflows.**
- Bond funds faced heavy net outflows of €28bn for June but still remained the best-selling asset class for 2013, with estimated net inflows of €81bn year to date.
- BlackRock was the best selling group for long-term funds for June, with net sales of €1.7bn, ahead of Banco Popolare Società Cooperativa (+€0.8bn) and Standard Life (+€0.7bn).**
- Provisional July figures for Luxembourg- and Ireland-domiciled funds suggest that both bond and equity funds have seen net inflows in the region of €5bn and €11bn, respectively.

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BONDS EXODUS

Following Federal Reserve Chairman Ben Bernanke's suggestion that quantitative easing in the U.S. might come to an end next year, bond funds showed net outflows of €28bn for June. As the most popular asset class for European investors, bond funds still led the table for the year-to-date period, with net inflows of €81bn. Over the course of the year 2013 so far, money market funds showed the highest net outflows at €34.9bn. At the same time equity funds posted net outflows of €10bn. However, mixed-asset funds continued to grow, with net inflows of €3.5bn.

Even though bond funds showed net outflows for the month as a sector, the detailed numbers for the different types of funds in this asset class varied a lot. While Bonds EUR Short-Term (+€1.6bn), Bonds Flexible (+€1.5bn), and Bonds Speciality (+€1.1bn) posted net inflows above €1bn, sectors such as Bonds Emerging Markets (-€5.4bn), Bonds Global High Yield (-€4.8bn), and Bonds USD Corp. High Yield (-€4.6bn) were among the five sectors with the highest net outflows.

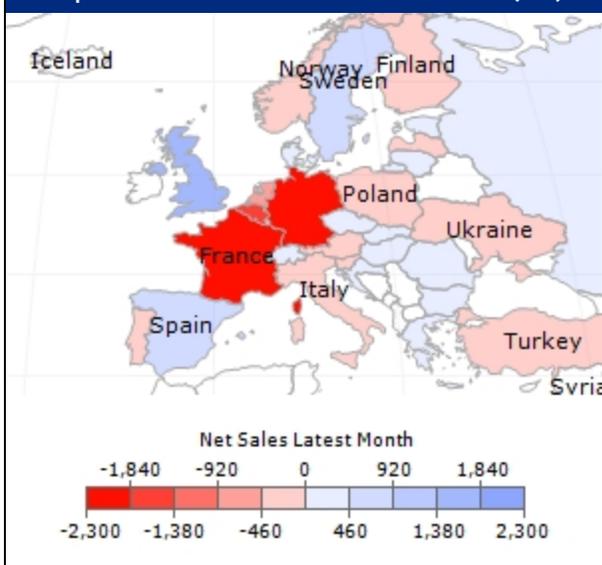
As in May, asset allocation funds were by far the most popular for June (+€4.4bn net). Often funds in this sector have an absolute-return objective, and it is interesting to look at the wider absolute return universe, where we see these funds attracted net inflows of €4.4bn for June. At the other end of the spectrum U.K. equities continued to suffer; withdrawals this year now total €7bn net-the worst of any sector (excluding money market funds).

Early indicators for July activity

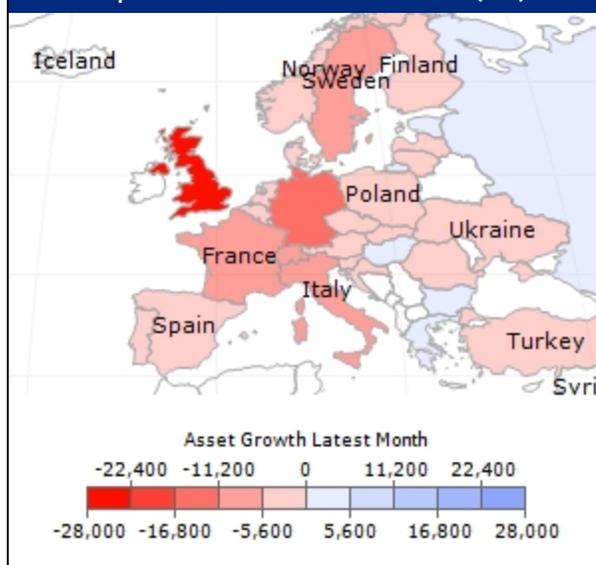
While the focus of this report is to summarise comprehensive data on mutual fund flows across Europe (see above and over), there is also the opportunity to provide some early indicators of provisional flows data for July. Looking at Luxembourg- and Ireland-domiciled funds, both bond and equity funds have seen net inflows in the region of €5bn and €11bn, respectively. Mixed-asset funds' sales have continued their positive trend with net inflows of around €5.6bn.

August 2013, Data at June 2013

Map of Estimated Net Sales in Jun 13 (€m)



Map of Asset Growth in Jun 13 (€m)



Note: European Data Map excludes international activity

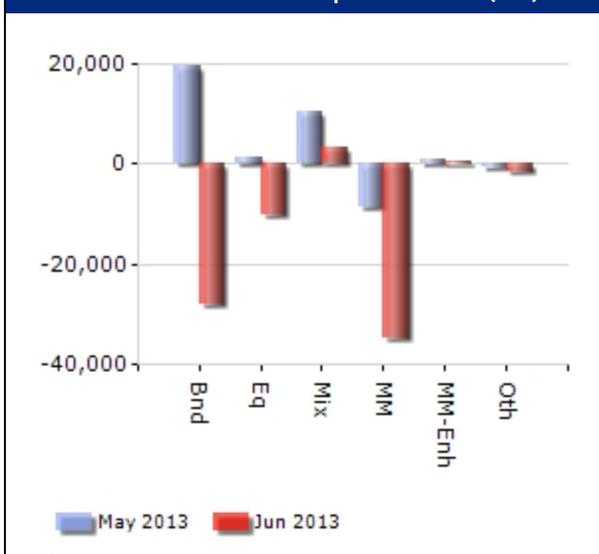
Top 5 Markets by TNA Jun 13 (€bn)

Market	Assets	Mth Grth	As %
International	2,213.6	-116.3	
United Kingdom	757.8	-27.8	
Germany	469.0	-13.8	
France	291.2	-10.9	
Switzerland	288.0	-7.6	
Rest	1,005.6	-36.8	
Total	5,025.0	-213.2	

Top 5 Markets by ENS in Jun 13 (€m)

Fund Market	Est Net Sales
United Kingdom	1,668.9
Spain	898.3
Sweden	541.9
Greece	311.9
Switzerland	149.1
Rest	-39,085.5
Total	-35,515.5

Month-on-month Comparison ENS (€m)



Top Sectors in Jun 13 (€m)

Asset Alloc	4,419.0
Eq Nth Am	1,894.9
Bnd Eur Sh-T	1,573.1
Bnd Flex	1,452.9
Eq UK	1,331.1

Bottom Sectors in Jun 13 (€m)

Bnd Em Mkt	-5,454.6
Bnd GI HY	-4,852.3
Bnd USD Corp HY	-4,607.3
Bnd Em Mkt Loc Cur	-3,834.8
Bnd USD	-3,133.2

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