



• JULY IN BRIEF:

- The European funds industry enjoyed net inflows of €41bn into long-term mutual funds for July 2014.
- **Single fund market flows for long-term funds showed a mixed but positive picture for July; only 9 of the 33 markets covered in this report showed net outflows. The single market with the highest net inflows was once again Italy (+€5.3bn), followed by Spain (+€2.7bn) and Switzerland (+€2.5bn). Meanwhile, France (-€0.9bn), Portugal (-€0.1bn), and Greece (-€0.05bn) stood on the other side.**
- Bond funds—with estimated net inflows of €18.6bn—were the best selling asset class overall for July.
- **BlackRock, with net sales of €4bn, was the best selling group of long-term funds for July, ahead of DeAWM (+€3.2bn) and JP Morgan (+€3bn).**
- Provisional figures for Luxembourg- and Ireland-domiciled funds suggest bond funds, with estimated net inflows of around €5.8bn, will be the best selling products for August 2014.
- Read commentary from Lipper's Research team globally at: lipperinsight.thomsonreuters.com
- To read our **European Fund Market Review 2014** - Click [here](#)

European investors try to chase alpha with asset allocation products

The European mutual fund industry enjoyed overall net inflows of €41bn into long-term mutual funds for July 2014. Once again, the majority of these flows were gathered by bond funds (+€18.6bn), followed by mixed-asset products (+€13.0bn) and equity funds (+€11.8bn) as well as commodity funds (+€0.1bn). On the other hand, alternative/hedge funds (-€0.4bn), property funds (-€0.5bn), and funds from the "other" peer group (-€1.1bn) suffered net outflows.

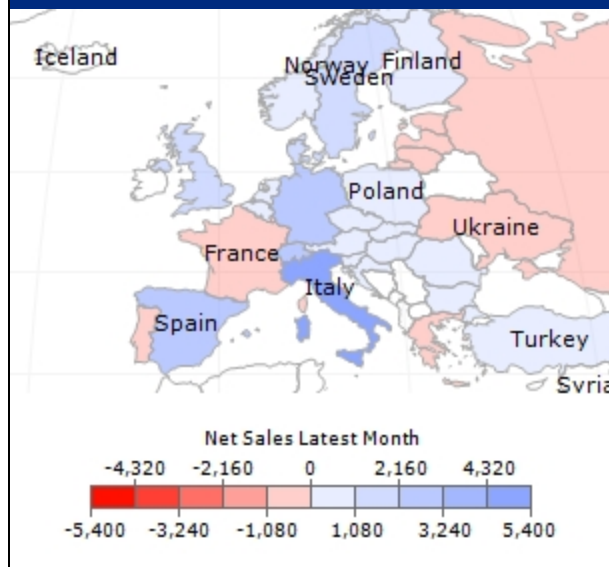
Money market products enjoyed net inflows for July, with money market funds gathering €10.8bn while enhanced money market funds gathered €0.2bn.

With regard to long-term funds, asset allocation products (+€6.6bn) were once again the best selling asset-class, followed by bonds EUR (+€4.1bn) and mixed-asset balanced (+€3.1bn) as well as equities Pacific ex Japan (+€3.0bn) and bonds global currencies (+€2.9bn). At the other end of the spectrum bonds USD corporate high yield suffered net outflows (-€5.0bn), bettered by guaranteed funds (-€1.0bn) as well as equities Europe (-€0.9bn), bonds global high yield (-€0.8bn), and convertible bonds and options (-€0.7bn).

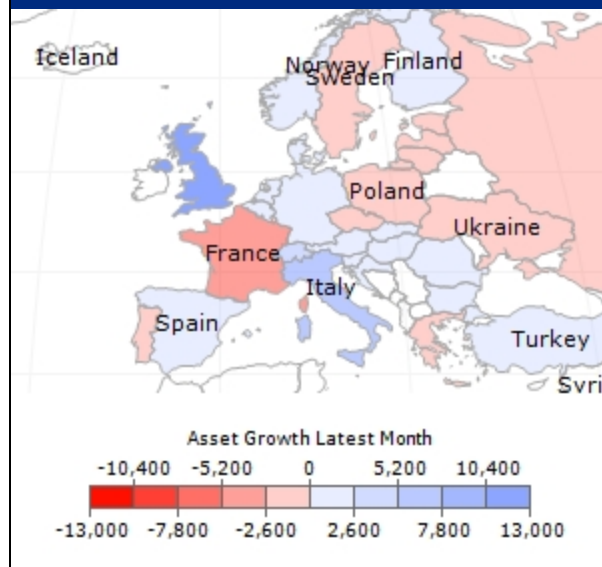
Early indicators for August activity

While the focus of this report is to summarise comprehensive data on mutual fund flows across Europe for July 2014 (see above and over), there is also an opportunity to provide some early indicators of provisional flows data for August. Looking at Luxembourg- and Ireland-domiciled long-term mutual funds, bond funds—with projected net inflows of around €5.8bn—should be the best selling asset class for August, followed by equity funds (+€4bn) and mixed-asset products (+€2.1bn). Even though these numbers are estimates, it seems bond funds continue in European investors' favour so far in 2014.

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



Map of Asset Growth in Jul 14 (€m)



Note: European Data Map excludes international activity

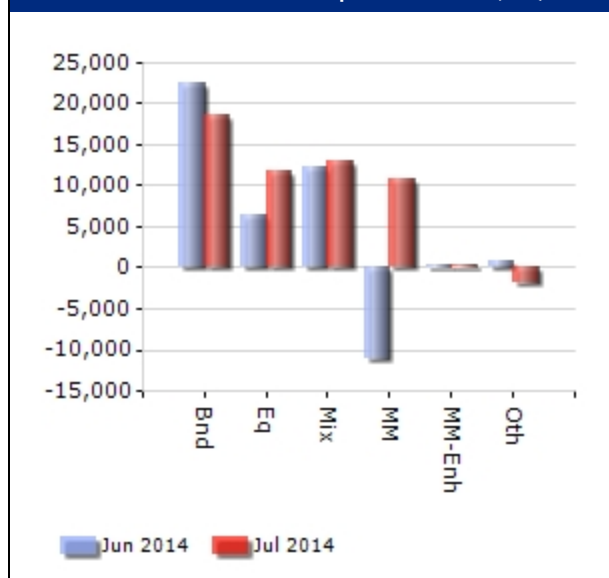
Top 5 Markets by Asset Jul 14 (€bn)

Fund Market	Assets	Mth Grwth
International	2,738.5	46.7
United Kingdom	925.0	12.5
Germany	510.3	1.3
Italy	350.7	5.7
Switzerland	331.4	2.8
Rest	1,175.6	0.9
Total	6,031.7	69.9

Top 5 Markets by ENS in Jul 14 (€m)

Fund Market	Est Net Sales
International	22,088.9
Italy	5,342.0
Spain	2,690.2
Switzerland	2,536.4
Germany	2,362.1
Rest	6,609.3
Total	41,629.0

Month-on-month Comparison ENS (€m)



Top Sectors in Jul 14 (€m)

Asset Alloc	6,602.9
Bnd Eur	4,131.2
Mix Bal	3,080.7
Eq Pac ex Jpn	3,008.6
Bnd GI Curr	2,940.5

Bottom Sectors in Jul 14 (€m)

Bnd USD Corp HY	-5,010.0
Guarant'd	-951.7
Eq Europe	-911.4
Bnd GI HY	-844.1
Conv Bnd & Ops	-709.1

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

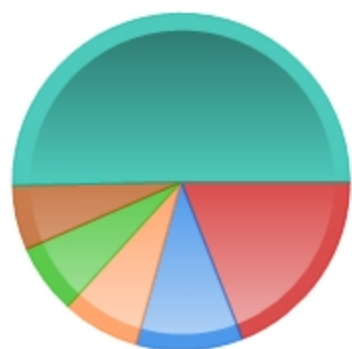
Top Master Groups by Sales in Jul 14 (€m)

Groups	Assets	Net Sales
BlackRock	365,102.0	4,005.0
DeAWM	190,646.9	3,209.0
JP Morgan	115,195.6	2,965.4
UBS	165,877.9	2,676.0
Vanguard	55,295.0	2,047.8

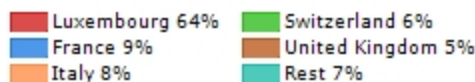
Top Master Groups by Assets Growth (€m)

Groups	Assets	Assets Growth LY
BlackRock	365,102.0	76,548.6
JP Morgan	115,195.6	27,780.6
DeAWM	190,646.9	24,742.2
Prudential/M&G	119,260.0	22,953.7
UBS	165,877.9	22,635.8

Launches: Top Sectors by Assets in Jul 14



Launches: Assets by domicile in Jul 14



Top 5 Funds by Sales in Jul 14 (€m)

Master Groups	Fund Name	Fund Domicile	ENS
Prudential/M&G	Eastspring Investments Developed Asia Equity	Luxembourg	1,320.0
BlackRock	BlackRock Collective Investment Funds - UK Equity Tracker	United Kingdom	1,263.6
Woodford Investment	CF Woodford Equity Income	United Kingdom	902.2
Vanguard	Vanguard Investment Series Plc - Vanguard S&P 500 UCITS ETF	Ireland	893.9
Russell Inv	Russell Investment Company PLC - The Global Credit Fund	Ireland	883.0

Top 5 Funds by Sales YTD (€m)

Fund Name	Fund Investment Type	ENS
Scottish Widows Gilt	Bond	5,409.3
M&G Optimal Income Fund	Bond	5,115.9
Allianz Global Investors Fund - Allianz Income and Growth	Mixed Assets	3,920.3
DNB AM Kort Obligasjon 2	Bond	3,179.4
DNB AM Kort Obligasjon	Bond	3,149.4