



• OCTOBER IN BRIEF:

- The European funds industry enjoyed net inflows of only €0.4bn into long-term mutual funds for October 2014.
- **Single fund market flows for long-term funds showed a mixed but positive picture for October; 22 of the 33 markets covered in this report showed net inflows. The single market with the highest net inflows for October was Germany (+€2.4bn), followed by Italy (+€1.9bn) and Belgium (+€0.8bn). Meanwhile, the international fund hubs Luxembourg and Ireland (-€5.8bn), France (-€1.5bn), and Denmark (-€0.5bn) stood on the other side.**
- Mixed-asset products—with estimated net inflows of €7.7bn—were the best selling asset class overall for October.
- **BlackRock, with net sales of €4bn, was the best selling group of long-term funds for October, ahead of Vanguard (+€2.2bn) and Pioneer (+€1.6bn).**
- Provisional figures for Luxembourg- and Ireland-domiciled funds suggest equity funds, with estimated net inflows of around €17.6bn, will be the best selling products for November.
- Read commentary from Lipper's Research team globally at: lipperinsight.thomsonreuters.com
- To read our **European Fund Market Review 2014** - Click [here](#)

European investors—in a risk-off mode sold equity funds in October

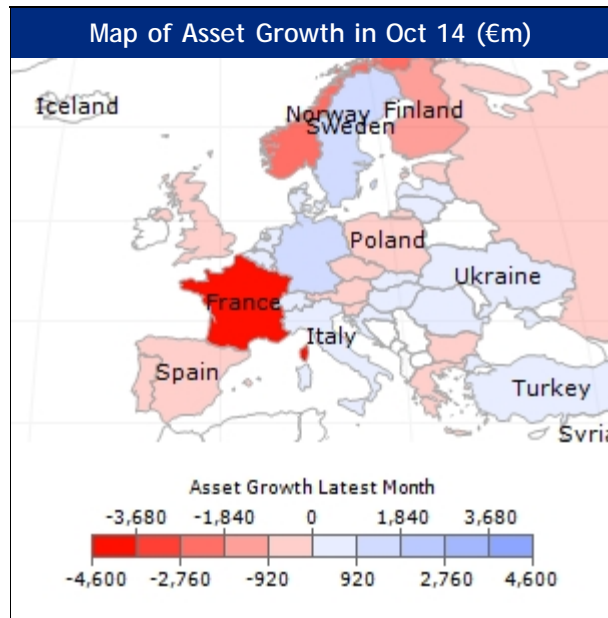
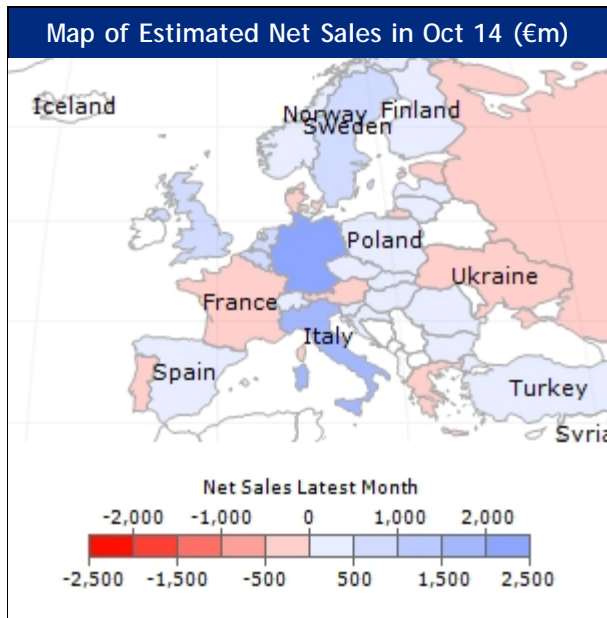
Fund flows for October showed a massive slowdown after strong inflows into mutual funds for the first eight months of the year. This slowdown in October was driven by large net outflows (-€9.3bn) from equity funds and from “other” funds (-€1.9bn). But even with these outflows, the European mutual fund industry still posted overall net inflows of €0.4bn into long-term mutual funds for October. Mixed-asset products (+€7.7bn) continued to outpace bond funds (+€4.4bn) in terms of inflows. The only other long-term asset class with net inflows was alternative/hedge products (+€0.2bn), while property funds (-€0.3bn) and commodity funds (-€0.3bn) suffered net outflows.

Opposite to long-term products, money market products enjoyed massive inflows for October, with money market funds posting inflows of €27.4bn and enhanced money market funds enjoying net inflows of €1.1bn.

Despite the overall net flows, equities North America (+€4.4bn) was the best selling sector with regard to long-term funds, followed by asset allocation products (+€3.8bn) and bond EUR funds (+€3.5bn). At the other end of the spectrum bonds equities Europe funds suffered net outflows (-€4.1bn), bettered somewhat by equities global (-€3.3bn) as well as equities Europe mid-/small-caps (-€2.8bn) and equities emerging markets (-€2.3bn).

Early indicators for November activity

While the focus of this report is to summarise comprehensive data on mutual fund flows across Europe for October 2014 (see above and over), there is also an opportunity to provide some early indicators of provisional flows data for November. Looking at Luxembourg- and Ireland-domiciled long-term mutual funds, equity funds—with projected net inflows of around €17.6bn—should be the best selling asset class for November, followed by bond funds (+€13.7bn) and mixed-asset products (+€6.0bn). Even though these numbers are estimates, it seems European investors are back in a risk-on mode and are buying equity funds, while bond funds continue to be the best selling asset type in Europe.



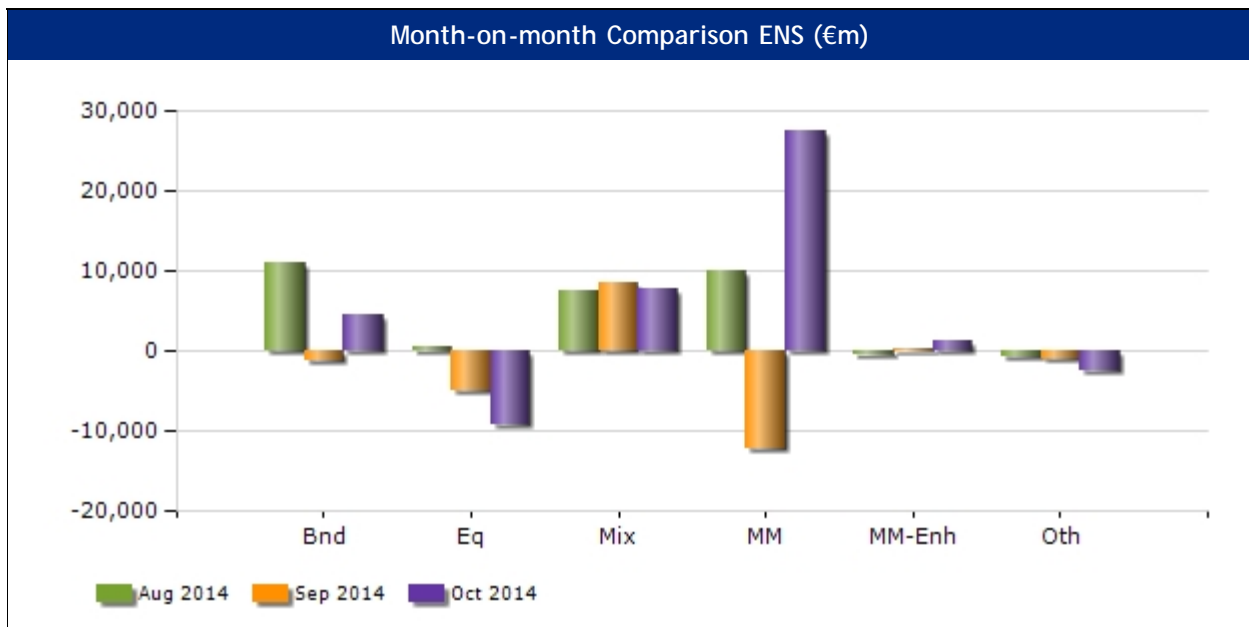
Note: European Data Map excludes international activity

Top 5 Markets by Asset Oct 14 (€bn)

Fund Market	Assets	Mth Grwth
International	2,847.4	16.5
United Kingdom	935.1	0.0
Germany	522.1	1.8
Italy	358.6	0.7
Switzerland	342.1	0.9
Rest	1,189.2	-7.2
Total	6,194.6	12.5

Top 5 Markets by ENS in Oct 14 (€m)

Fund Market	Est Net Sales
Germany	2,424.2
Italy	1,905.2
Belgium	835.5
Netherlands	647.7
United Kingdom	587.6
Rest	-5,999.7
Total	400.4



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

Launches: Top Sectors by Assets in Oct 14



■ Bnd Europ Curr CIG 15% ■ Protected 7%
■ Asset Alloc 15% ■ Rest 47%
■ Targ Mat Misc 8%
■ Eq Speciality 7%

Launches: Assets by domicile in Oct 14



■ Luxembourg 49% ■ France 3%
■ Sweden 30% ■ Italy 2%
■ Ireland 8% ■ Rest 8%

Top Selling Sectors Latest 12 Months (€m)

Asset Alloc	63,767.8
Mix Cons	28,524.5
Bnd Eur	22,541.7
Bnd Flex	22,197.9
Eq Nth Am	22,119.3
FF Cons	18,473.1
Bnd Eur CIG	18,212.9
Mix Bal	16,515.2
Eq Speciality	15,127.6
FF Bal	14,044.8

Top Selling Sectors in Oct 14 (€m)

Eq Nth Am	4,428.4
Asset Alloc	3,789.2
Bnd Eur	3,538.7
Bnd Eur CIG	3,104.2
FF Cons	2,270.1
Bnd GI Curr	2,045.6
Mix Cons	1,968.9
Mix Bal	1,934.6
Eq Euroland	1,665.6
ST Dynam	1,386.4

Bottom Selling Sectors Latest 12 months

Guarant'd	-15,557.8
Bnd USD Corp HY	-8,115.8
Bnd USD	-8,107.8
Eq DE	-5,645.2
Bnd Em Mkt Loc Cur	-3,414.9
Eq Lat Am	-3,088.5
Bnd Infl-link	-3,051.4
Eq C/E Europe	-2,792.2
Eq Russia	-2,576.6
Bnd Asian Curr	-2,486.9

Bottom Selling Sectors in Oct 14

Eq Europe	-4,095.7
Eq Global	-3,326.7
Eq Eur S/Mid	-2,824.8
Eq Em Mkt	-2,279.0
Bnd Speciality	-2,206.0
Bnd UK Gilt	-1,437.2
Guarant'd	-1,300.8
Targ Mat Euroland	-1,300.2
Bnd USD	-960.0
Bnd Flex	-890.0

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

Groups	Nat	Assets	Net Sales
BlackRock	US	378,867.8	3,938.2
Vanguard	US	63,416.0	2,199.1
Pioneer	IT	100,964.0	1,606.2
Nordea	SE	94,282.8	1,445.0
HSBC	GB	56,645.9	1,402.5

Top Master Groups by Assets Growth (€m)

Groups	Nat	Assets	Assets Growth LY
BlackRock	US	378,867.8	66,140.5
UBS	CH	173,559.4	28,116.7
DeAWM	DE	198,541.2	27,955.3
JP Morgan	US	121,839.7	27,614.2
Prudential/M&G	GB	123,447.9	22,239.3

Top 10 Selling Funds in Oct 14 (€m)

Fund Name	Domicile	ENS
iShares Core S&P 500 UCITS ETF (USD)	Ireland	1,270.5
Vanguard Investment Series Plc - Vanguard S&P 500 UCITS ETF	Ireland	808.4
M&G Optimal Income Fund	United Kingdom	736.1
Eurizon EasyFund Flexible Beta Total Return	Luxembourg	734.9
Lyxor UCITS ETF EURO STOXX 50	France	706.6
Natixis Trésorerie Plus	France	615.8
Allianz Global Investors Fund - Allianz Income and Growth	Luxembourg	536.3
JPMorgan Funds - Europe Equity Plus Fund	Luxembourg	533.8
KBC Renta Strategic Accents	Luxembourg	519.4
iShares EURO STOXX 50 UCITS ETF (Dist)	Ireland	517.4

Top 5 Selling Funds Latest Quarter (€m)

Fund Name	Type	ENS
Vanguard Investment Series Plc - Vanguard S&P 500 UCITS ETF	Equity	1,873.3
iShares Core S&P 500 UCITS ETF (USD)	Equity	1,831.0
M&G Optimal Income Fund	Bond	1,511.2
JPMorgan Investment Funds - Global Income	Mixed Assets	1,453.7
Standard Life Global Absolute Return Strategies	Mixed Assets	1,382.5