

• JULY IN BRIEF:

- The storm clouds from China may have been building in July but European investors took advantage of June's market correction by pumping €55bn into mutual funds.
- **Mixed asset funds welcomed the bulk of long-term net inflows, the extra €16bn taking the year-to-date volume ahead of all previous annual sales totals.**
- Asset allocation funds continued to draw in retail investors and this month clocked over €7bn of inflows, but equity funds are back on the radar with North America and various European stock sectors sharing strong positions on the leader board. Europe, though, was the overwhelming favourite, generating over €12bn of net inflows.
- **BlackRock moved from strength to strength, outpacing all its peers by a considerable margin by raising over €7bn of new money evenly split between active and passive products.**
- Julius Baer's recently launched Global Multi Asset Income fund scored the largest inflows of the month at €1.4bn. Its success is linked to the powerful combination of income with a total return strategy.
- **Top launch of the month, excluding some restructured products that appear as launches, was Deutsche's guaranteed fund of funds, an open architecture product designed for pension savings, which captured €1.6bn of assets in its first month.**

Snap back to action

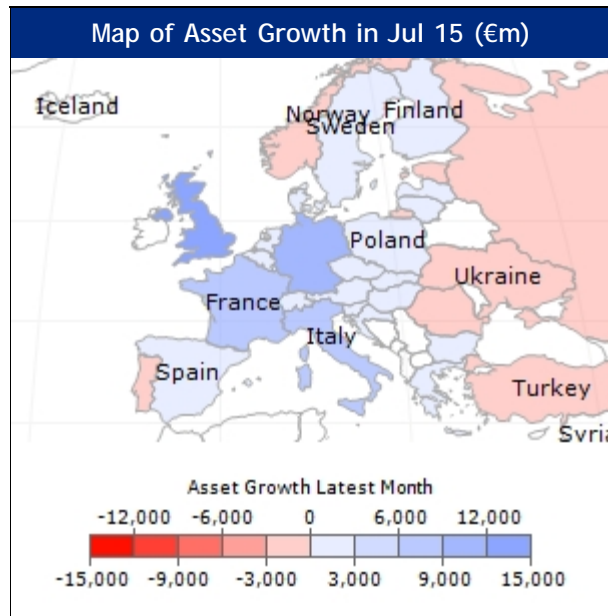
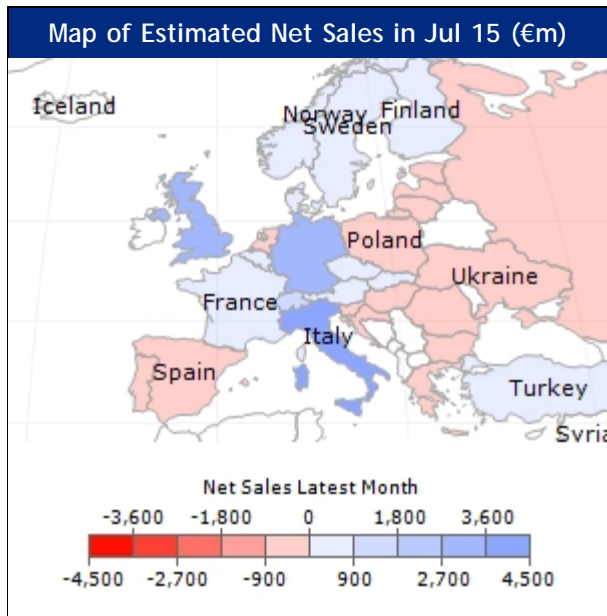
In a muted repeat of the correction and sales bounce seen two years ago, investors took advantage of improved values and, possibly, the low volatility promises embedded in many of the currently successful funds, and pumped €55bn into European investment funds. Discounting the cyclical inflows that generally inflate the money market sectors in July, long-term funds still saw a surprisingly robust €31bn influx, of which just €6bn went into ETFs. The bounce was a softer replication of the sales patterns seen exactly two years ago when the US Fed terminated its QE programme, sending an electrical shock through the investor universe. Then, just as now, a period of sharp selling was followed by a solid rebound. This time around investors were comforted by the deal to keep Greece in the Eurozone, ignoring the threat from China, which only began to be felt at the end of the month.

Mixed assets prevail but equities begin to shine

The mixed asset train continued to surge forward taking the bulk of the month's long-term inflows - sufficient to send the year-to-date total to a new record high. But there are signs that the lustre of this now powerful asset class is beginning to fade a little. Despite the revival of investor enthusiasm, net inflows dropped back to their lowest point of the year. Meanwhile, support for equities strengthened. Is this a sign of increased risk appetite? Probably not. The reason is more likely linked to the profile of the investors in each asset class. Mixed asset funds source most of their popularity from mainstream retail investors who seem to be trading a little more cautiously. The equity following is more likely supported by sophisticated investors and wealth managers who have been waiting for values to drop before increasing their exposure.

What next?

With market volatility increasing dramatically in August, the July bounce could prove to be short term. However, August is peak holiday season when trading volumes drop so any reaction is likely to be relatively subdued. Investors tend not to make investment decisions in August, which dampens inflows but also redemptions



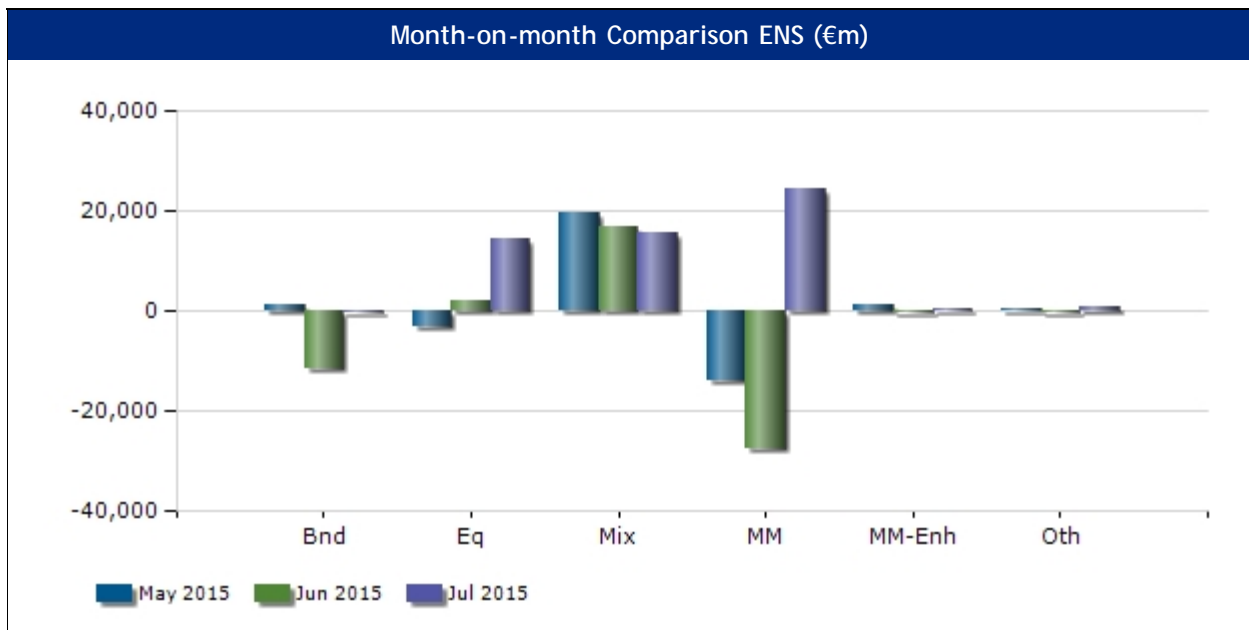
Note: European Data Map excludes international activity

Top 5 Markets by Asset Jul 15 (€bn)

Fund Market	Assets	Mth Grwth
International	3,418.8	44.2
United Kingdom	1,120.2	14.6
Germany	553.3	9.3
Italy	408.3	8.5
Switzerland	406.2	2.0
Rest	1,316.6	14.2
Total	7,223.5	92.8

Top 5 Markets by ENS in Jul 15 (€m)

Fund Market	Est Net Sales
International	17,541.5
Italy	4,492.2
Germany	3,505.3
United Kingdom	3,048.0
Switzerland	1,211.9
Rest	700.9
Total	30,499.8



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 Jul 15



Bnd GBP CIG 12% Eq Europe 10%
 Bnd GI Corp 10% Eq Global 8%
 FF Guarant 10% Rest 51%

Launches: Assets by domicile in Jul 15



Luxembourg 52% France 7%
 United Kingdom 23% Italy 6%
 Ireland 10% Rest 2%

Top Selling Sectors Latest 12 Months (€m)

Asset Alloc	102,004.4
FF Cons	37,489.6
Mix Income	30,947.2
Mix Cons	30,376.6
Mix Bal	28,426.5
Bnd GI Curr	27,432.6
FF Bal	24,672.6
Bnd Eur CIG	24,067.7
FF Asset Alloc	20,559.0
Eq Speciality	17,492.7

Top Selling Sectors in Jul 15 (€m)

Asset Alloc	7,073.7
Eq Nth Am	3,790.1
Eq Euroland	3,407.2
Mix Income	3,173.0
Eq Europe	2,957.7
Mix Bal	2,845.1
Eq Speciality	2,311.4
FF Bal	1,995.7
Eq Europe Ex UK	1,993.3
Mix Cons	1,722.2

Bottom Selling Sectors Latest 12 months

Guarant'd	-14,705.1
Bnd USD Corp HY	-12,523.9
Targ Mat Euroland	-12,020.4
Eq Em Mkt	-11,264.8
Bnd Em Mkt Loc Cur	-8,439.0
Bnd GI HY	-7,165.3
Eq China	-6,875.9
Derivatives	-6,631.2
Eq DE	-5,775.5
Eq UK	-5,690.5

Bottom Selling Sectors in Jul 15

Eq China	-2,637.1
Eq Em Mkt	-2,288.1
Eq Pac ex Jpn	-1,874.5
Guarant'd	-1,141.8
Bnd Em Mkt	-872.1
Bnd Em Mkt Loc Cur	-870.1
FF Hdge	-869.6
Targ Mat Euroland	-853.6
Bnd GI Curr	-814.7
Bnd Eur CIG	-672.2

Top Master Groups by Sales in Jul 15 (€m)

Groups	Nat	Assets	Net Sales
BlackRock	US	470,346.1	7,362.1
DeAWM	DE	234,315.5	3,109.5
GAM Holding	CH	74,343.4	2,066.3
Intesa SP	IT	146,069.8	1,353.5
Vanguard	US	85,257.9	1,245.8

Top Master Groups by Assets Growth (€m)

Groups	Nat	Assets	Assets Growth LY
BlackRock	US	470,346.1	103,732.7
UBS	CH	214,737.5	49,074.3
DeAWM	DE	234,315.5	44,365.5
Intesa SP	IT	146,069.8	31,658.1
JP Morgan	US	143,337.9	28,212.1

Top 10 Selling Funds in Jul 15 (€m)

Fund Name	Domicile	ENS
Julius Baer Multiflex - Global Multi-Asset Income	Luxembourg	1,397.8
Danske Invest Engros Flexinvest Korte Obligationer	Denmark	1,233.5
UBI SICAV - Income Opportunities	Luxembourg	1,019.4
Invesco Perpetual Global Targeted Returns	United Kingdom	737.3
Investec GSF Global Quality Equity Fund	Luxembourg	718.3
Standard Life Investments Global - Global Absolute Return Strategies Fund	Luxembourg	658.8
PIMCO GIS Income Fund	Ireland	619.4
Rothschild Wealth Management SICAV SIF - New Court	Luxembourg	596.7
INVESCO Pan European Equity Fund	Luxembourg	576.5
BlackRock Strategic Funds - Fixed Income Strategies Fund	Luxembourg	554.0

Top 5 Selling Funds Latest Quarter (€m)

Fund Name	Type	ENS
Julius Baer Multiflex - Global Multi-Asset Income	Mixed Assets	3,002.0
Standard Life Investments Global - Global Absolute Return Strategies Fund	Mixed Assets	2,036.4
Invesco Perpetual Global Targeted Returns	Mixed Assets	1,442.0
JPMorgan Investment Funds - Global Income	Mixed Assets	1,408.2
Interfund Euro Currency	Bond	1,376.0