

**• MARCH IN BRIEF:**

- Spring arrives early for asset managers with a healthy blush of inflows (€26bn), dispelling the gloom of recent months' redemptions.
- **It was a month where investors sought out active managers; Active funds took 65% of total inflows. Amongst the passives, it was trackers rather than ETFs that had the upper hand.**
- With the ECB promising more support, front-runners jumped back to bonds, injecting €19bn into this recently rejected category.
- **Core Global Currency bonds weighed in with the largest sector flows, but uncorrelated Alternatives strengthened their hold on mixed asset support.**
- BlackRock took the sales crown in March with passive corporate bonds in the spotlight, but with bonds back on the menu Pimco is back in demand.
- **State Street's newly launched North America tracker boasted the strongest inflows, presumably benefiting from institutional money converted from a mandate.**

**New noise stimulates front-runner flows**

Casting off the winter gloom, European investors took heart from the ECB's promise of further stimulants in March by pumping €26bn into long-term funds and turning a depressing start to the year into a promise of better times to come. The rebound fell short of compensating fund managers for the €47bn of losses suffered in the first two months, but it proved that the malaise was not a repeat of the financial crisis years.

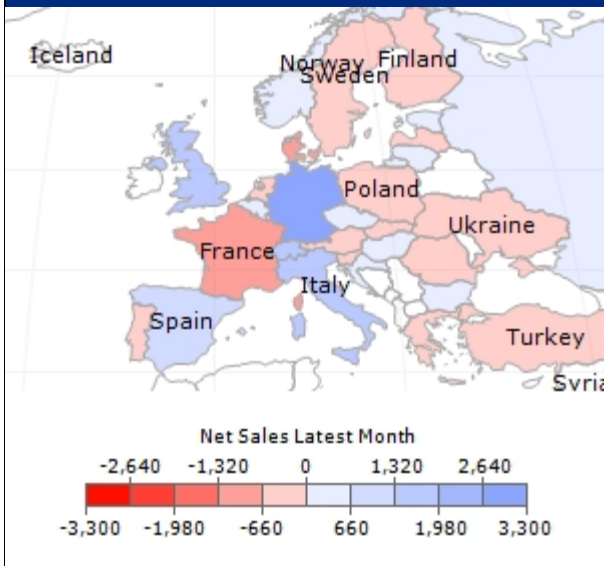
In an echo of last year's bond rush, hints that the ECB would venture into purchases of corporate bonds in April led to a surge of activity in a variety of fixed income funds. The move had all the hallmarks of last year's front-running activity but this time the big money washed into the corporate sectors. All told, corporate bond funds generated net sales of over €6bn, to which the more volatile high yield sectors added a further €5bn. America was another important influence; the recent market correction and dismal macro-economic fuel encouraged investors to believe that any further action by the Fed to raise interest rates would be deferred. This provided a long-awaited sales boost for emerging markets and particularly bonds investing in these markets (€5bn).

Amongst more mainstream investors it was clear that risk-aversion remained the dominant driver. Flows into mixed asset sectors, especially the uncorrelated alternatives' option, saw a modest recovery although at €7bn, volumes remained a long way off the €23bn monthly average enjoyed in the first quarter of last year. More importantly, appetite for equities remained in the redemption doldrums despite some switching between European-focused funds into emerging markets, alternatives and North America. The pace of outflow showed signs of easing but there was no new money on the table. For the captive channels, the gentle expansion of investment in Protected and Guaranteed funds is worth noting. Without some form of protection many retail investors still prefer the safety of cash.

**What next?**

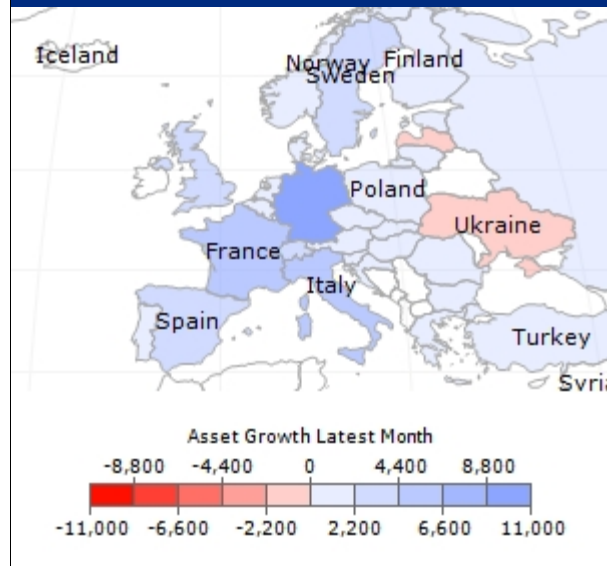
The mood music was less positive in April but the ECB has created a momentum that is likely to last for at least another month. With this tailwind we can expect April to deliver much the same sales trends and volumes as March, with bonds in the ascendency and equities flat.

Map of Estimated Net Sales in Mar 16 (€m)



Note: European Data Map excludes international activity

Map of Asset Growth in Mar 16 (€m)



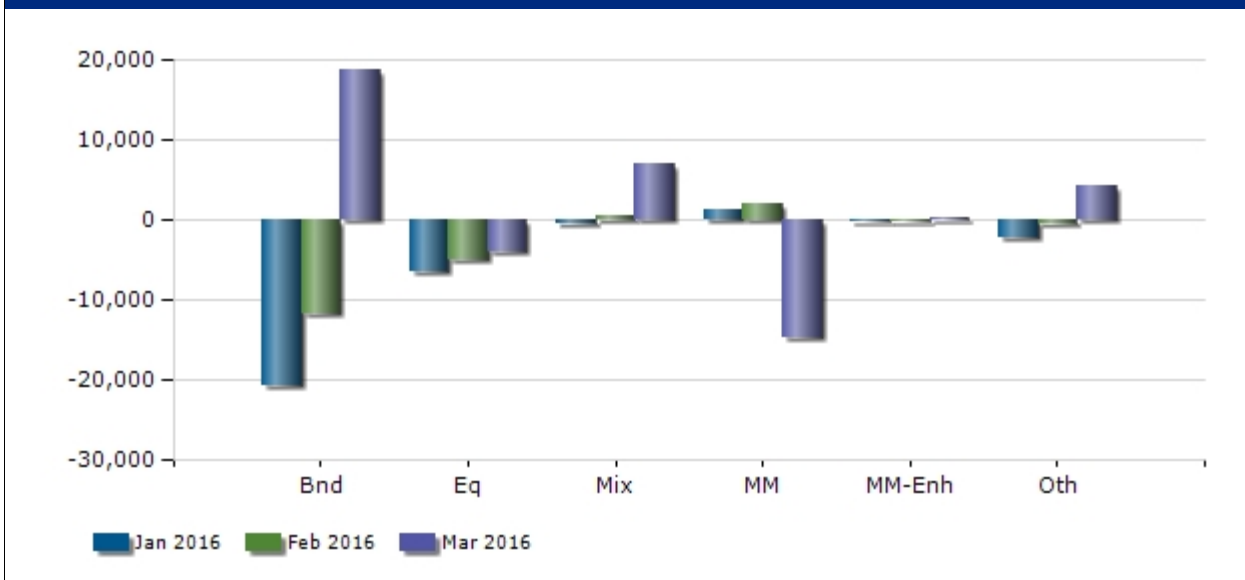
Top 5 Markets by Asset Mar 16 (€bn)

Fund Market	Assets	Mth Grwth
International	3,245.1	48.6
United Kingdom	993.6	2.9
Germany	541.3	10.0
Switzerland	399.4	3.1
Italy	398.1	5.4
Rest	1,230.1	20.0
<b>Total</b>	<b>6,807.6</b>	<b>89.9</b>

Top 5 Markets by ENS in Mar 16 (€m)

Fund Market	Est Net Sales
International	19,669.7
Germany	2,915.8
United Kingdom	1,629.7
Switzerland	1,611.4
Italy	1,342.3
Rest	-1,390.0
<b>Total</b>	<b>25,778.9</b>

Month-on-month Comparison ENS (€m)



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 Mar 16



Eq Nth Am 41% FF Asset Alloc 4%  
 MM Euro 16% Bnd Flex 4%  
 Targ Mat Euroland 5% Rest 30%

### Launches: Assets by domicile in Mar 16



United Kingdom 44% Spain 9%  
 Luxembourg 21% Italy 4%  
 France 16% Rest 5%

### Top Selling Sectors Latest 12 Months (€m)

Asset Alloc Alt	41,619.9
Asset Alloc	35,115.0
Eq Alt	27,441.4
Eq Europe	18,798.1
Mix Cons	18,304.3
FF Cons	17,356.9
FF Asset Alloc	16,964.9
FF Bal	15,746.4
Mix Bal	13,056.8
Bnd GI Curr	12,462.6

### Top Selling Sectors in Mar 16 (€m)

Bnd GI Curr	4,685.3
Asset Alloc Alt	4,500.3
Bnd Eur CIG	4,479.9
Bnd Em Mkt	2,915.8
Eq Nth Am	2,881.6
Eq Alt	2,386.8
Bnd Eur Corp HY	2,079.4
Eq Em Mkt	2,065.4
Derivatives	2,040.5
FF Bnd	1,972.6

### Bottom Selling Sectors Latest 12 months

Bnd Flex	-17,844.2
Bnd Eur	-15,468.1
Eq Pac ex Jpn	-12,289.7
Guarant'd	-11,129.1
Eq China	-10,850.3
Bnd Em Mkt	-9,163.8
Targ Mat Euroland	-8,867.3
Eq Nth Am	-8,733.6
Bnd USD Corp HY	-8,460.7
Bnd GBP CIG	-5,987.9

### Bottom Selling Sectors in Mar 16

Eq Euroland	-3,025.0
Eq Europe	-2,618.7
Bnd Eur	-1,611.2
Eq Japan	-1,357.9
Bnd Flex	-1,324.9
Bnd Eur Sh-T	-1,203.4
FF Sh-T Dyn	-1,192.7
Conv Bnd & Ops	-883.2
Eq UK	-772.5
Eq Europe Ex UK	-732.3

### Top Master Groups by Sales in Mar 16 (€m)

Groups	Nat	Assets	Net Sales
BlackRock	US	462,392.4	3,202.8
Nordea	SE	123,989.7	2,751.7
State Street	US	50,146.9	2,717.1
PIMCO	US	80,254.9	1,798.7
VR/Union	DE	129,907.0	1,432.4

### Top Master Groups by Assets Growth (€m)

Groups	Nat	Assets	Assets Growth LY
Nordea	SE	123,989.7	6,561.3
State Street	US	50,146.9	6,514.1
Intesa SP	IT	143,618.4	5,184.4
Vanguard	US	86,157.0	4,655.7
Arca	IT	22,758.1	3,623.0

### Top 10 Selling Funds in Mar 16 (€m)

Fund Name	Domicile	ENS
State Street ACS North America Index Equity Fund	United Kingdom	2,977.2
Nordea 1 - Stable Return Fund	Luxembourg	1,422.5
Eurizon EasyFund Treasury EUR T1	Luxembourg	1,103.7
JPMorgan Investment Funds - Global Macro Opportunities Fund	Luxembourg	1,024.0
BlueBay Structured Fund Global Multi-Asset Credit	Luxembourg	945.1
iShares Euro High Yield Corporate Bond UCITS ETF	Ireland	944.1
Invesco Global Targeted Returns Fund	Luxembourg	917.5
iShares Euro Corporate Bond Large Cap UCITS ETF	Ireland	829.5
Winton Futures	British Virgin Islands	741.3
Old Mutual Global Equity Absolute Return	Ireland	700.4

### Top 5 Selling Funds Latest Quarter (€m)

Fund Name	Type	ENS
State Street ACS North America Index Equity Fund	Equity	2,977.2
JPMorgan Investment Funds - Global Macro Opportunities Fund	Mixed Assets	2,856.5
Nordea 1 - Stable Return Fund	Mixed Assets	2,589.9
Old Mutual Global Equity Absolute Return	Equity	1,322.2
Eurizon EasyFund Treasury EUR T1	Bond	1,128.1