 **Global Market  
Intelligence**

FundFlash EMEA

January 2021

FundFlash provides a summary of the regional trends and developments in the funds market over the previous month.

The report is built using the Global Market Intelligence (GMI) funds module which tracks \$50trn in global funds assets with unique views of distributor and internationally sold business.

GMI Funds sits alongside our Institutional module and together is relied on by over 100 asset managers as their source for global asset management market intelligence.

### THE MONTH IN REVIEW

A very strong start to the year as EMEA investors continue to put their cash to work – especially in active equities. Many investors are still amassing ‘forced savings’ as discretionary-spending opportunities remain limited during lockdowns. Yields on cash are so low that investment remains a more attractive option. It is likely that this trend will continue.

### DISTRIBUTION

Switzerland, Germany and Spain are the key markets for net inflows, but, for cross-border groups, Italy and the UK can be added to that list.

### PRODUCT

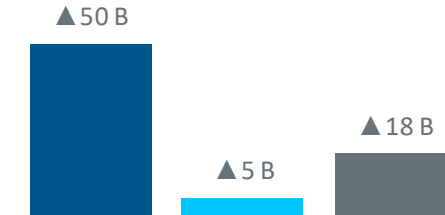
Thematic equity was the product story of 2020, and given its dominant start in January it looks set to be king again in 2021. Groups without an offering here need to consider their position carefully.

### COMPETITION

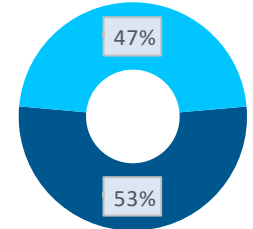
BlackRock starts 2021 the way it finished 2020 – in the lead. Group-level flows are highly skewed this month: winners win big while losers register comparatively moderate redemptions.

### JANUARY OVERVIEW

#### ACTIVE VS PASSIVE FLOW, \$B

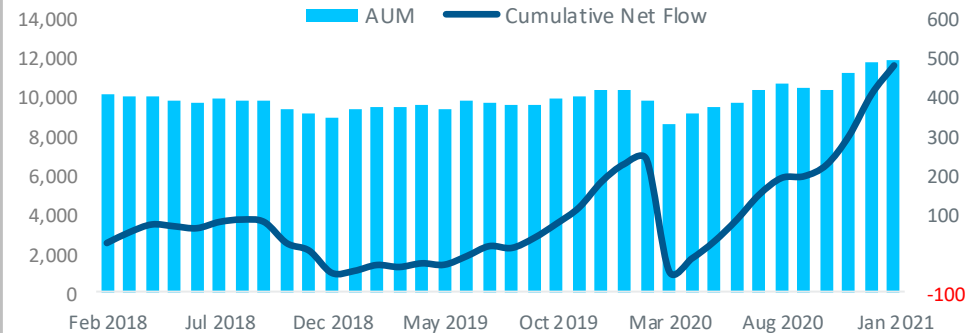


#### FLOW SENTIMENT, %

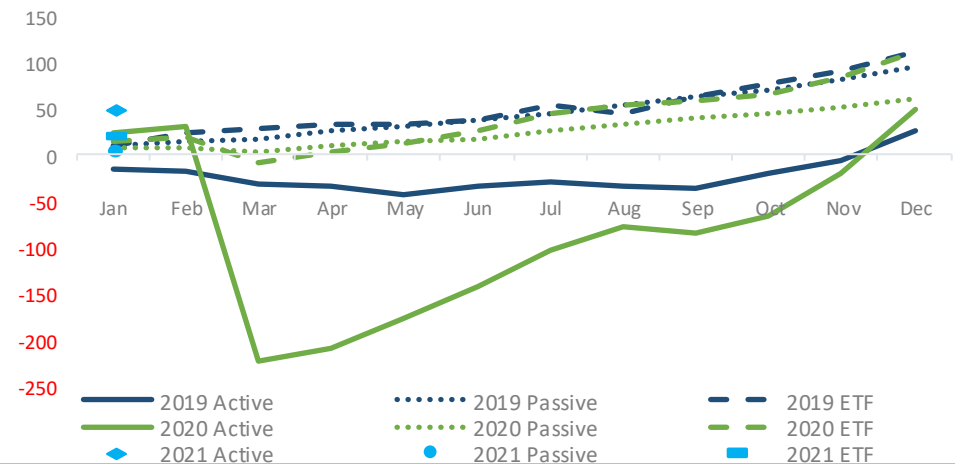


■ Active mutual funds ■ Passive mutual funds ■ % of # funds with negative flows  
■ All ETFs ■ % of # funds with positive flows

#### 3 YR FUND INDUSTRY ASSET & FLOW MOMENTUM, \$B



#### 3 YR CUMULATIVE NET FLOW BY STYLE, \$B

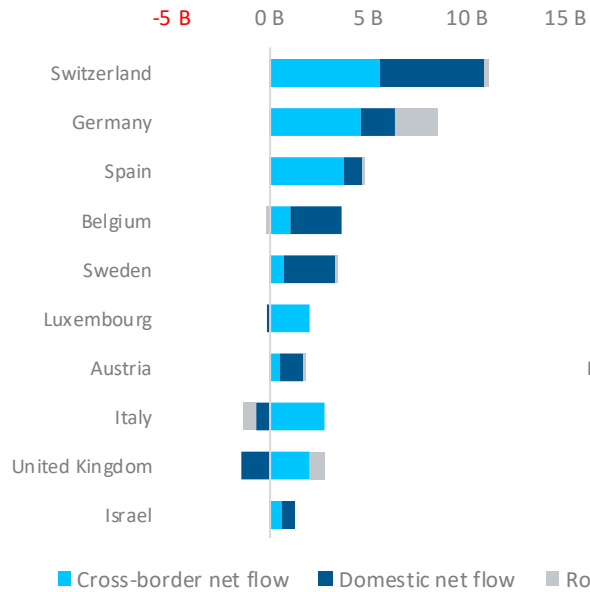


### DISTRIBUTION

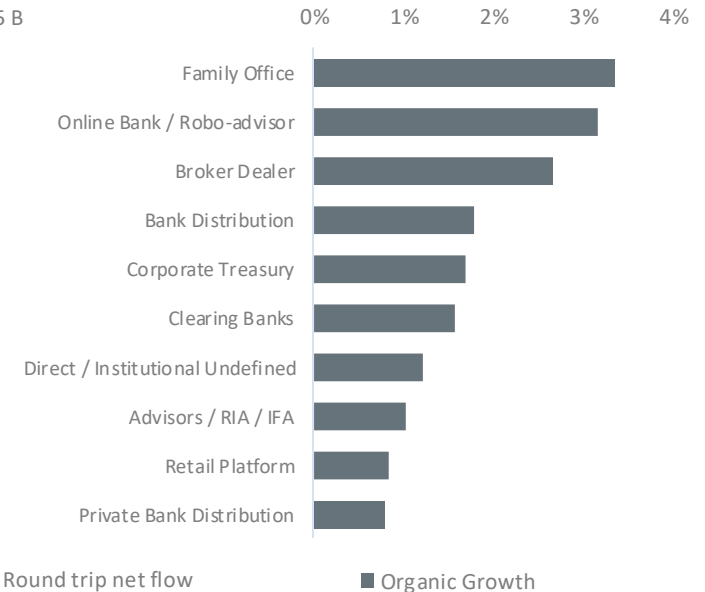
Cross-border groups enjoyed a particularly good month, the light-blue bars of the first chart highlighting such funds as the drivers of demand in the top-3 markets by net flows. For cross-border providers, Switzerland was in the lead but Germany, Spain and Italy all had strong flows too.

Cross-border fund sales also remained strong in the UK, with Brexit yet to undermine this demand.

### LARGEST MARKET NET FLOW, \$B



### CROSS-BORDER CHANNEL, GROWTH %

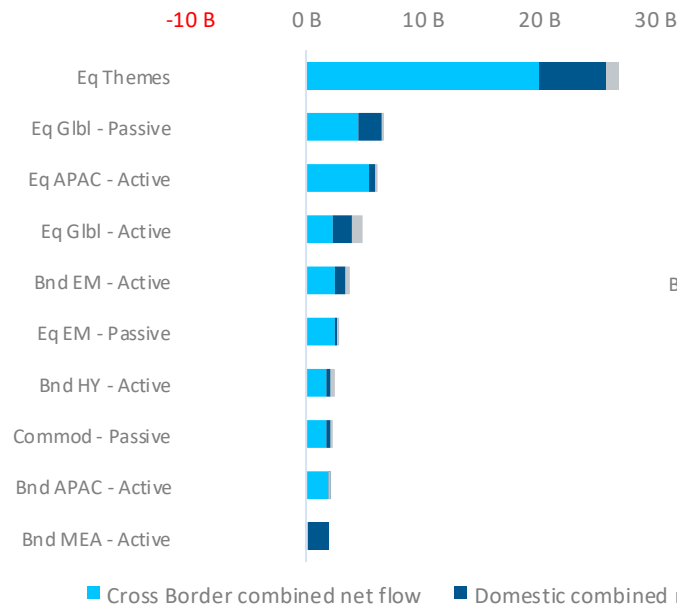


### PRODUCT

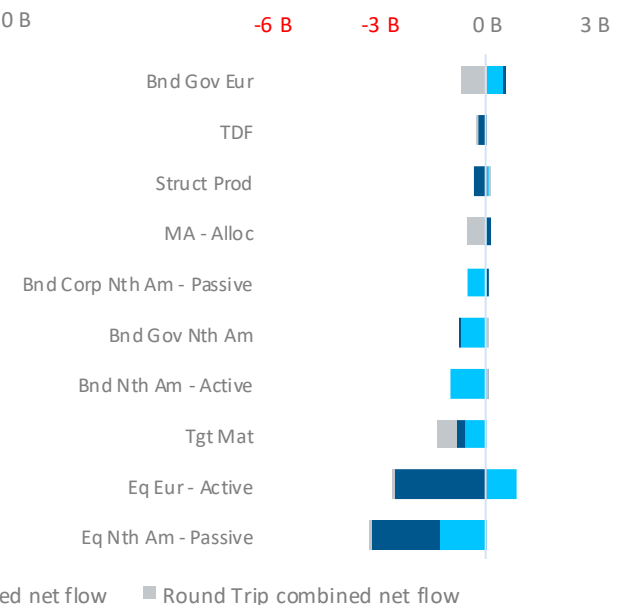
Thematic equities were the dominant driver of fund flows in January. What is interesting when compared to the runaway success of mixed assets a few years ago is that there are a wide variety of winners in this space, and flows are not particularly concentrated.

If this sales picture continues, then offering strong thematic products is highly likely to determine the winning groups this year.

### TOP-10 PRODUCT NET FLOW, \$B



### BOTTOM-10 PRODUCT NET FLOW, \$B



## COMPETITION

BlackRock made a great start to the year; it continues to lead EMEA's sales ranking, but still accounts for less than 10% of the region's fund assets. BlackRock is attracting business across the spectrum of active funds, traditional passive funds and ETFs.

What is most striking about the chart below is how much the winners' inflows dwarf the losers' outflows. Most groups had a good start to the year, but those that didn't generally faced limited withdrawals.

**POSITIVE vs NEGATIVE NET FLOW BY GROUP, \$B (TOP AND BOTTOM 10)**



## MONTHLY NET FLOW LEADERS

|   | Fund name  | Group                 | Sector               | Fund market    | Launch date | AUM, \$m | Net flow, \$m | Organic growth |
|---|--|-----------------------|----------------------|----------------|-------------|----------|---------------|----------------|
| Top active  | 1 Bridgewater Pure Alpha Strategy 18% Volatility                                   | Bridgewater           | Derivatives          | International  | Dec 1991    | 34,919   | 1,907         | 6%             |
|   | 2 Allianz Global Investors Fund - Allianz China A-Shares                           | Allianz GI            | Eq China A-Shares    | International  | Oct 2019    | 12,645   | 1,332         | 12%            |
|   | 3 BlackRock ACS Climate Transition World Equity                                    | BlackRock             | Eq Ren Engy/Clim Chg | United Kingdom | Aug 2020    | 3,660    | 1,305         | 56%            |
|   | 4 Handelsbanken Hallbar Energi   | Sv Handelsbanken      | Eq Energy            | Sweden         | Oct 2014    | 5,847    | 1,258         | 30%            |
|   | 5 BlackRock Global Funds - China Bond Fund   | BlackRock             | Bnd CNY              | International  | Nov 2011    | 6,530    | 1,193         | 23%            |
|   | 6 BNP Paribas Funds Energy Transition  | BNP Paribas           | Eq Ren Engy/Clim Chg | International  | Mar 1998    | 3,738    | 1,073         | 45%            |
| Top passive   | 1 UBS (Lux) Institutional Fund - Equities Europe (ex UK ex Switzerland) Passive II | UBS                   | Eq Europe            | International  | Mar 2020    | 2,727    | 1,840         | 202%           |
|   | 2 UBS (Lux) Institutional Fund - Equities Europe (ex UK ex Switzerland) Passive    | UBS                   | Eq Europe            | International  | Mar 2020    | 1,574    | 1,055         | 197%           |
|   | 3 UBS (CH) Institutional Fund 2 - Equities Global ESG Screened Passive II          | UBS                   | Eq Global            | Switzerland    | Jan 2021    | 917      | 917           | 0%             |
|   | 4 UBS (CH) Institutional Fund - Equities UK Passive II                             | UBS                   | Eq UK                | Switzerland    | Oct 2020    | 1,009    | 674           | 202%           |
|   | 5 iShares World ex Switzerland Equity ESG Index Fund (CH)                          | BlackRock             | Eq Global            | Switzerland    | Dec 2020    | 882      | 661           | 296%           |
|   | 6 L&G Global Developed Four Factor Index   | Legal & General       | Eq Global            | United Kingdom | Aug 2018    | 5,620    | 616           | 12%            |
| Top ETF   | 1 UBS (Irl) ETF plc - MSCI ACWI ESG Universal UCITS ETF                            | UBS                   | Eq Global            | International  | Dec 2017    | 2,379    | 1,542         | 185%           |
|   | 2 Amundi Index MSCI USA SRI (ETF)  | Amundi                | Eq Nth Am            | International  | Sep 2018    | 3,092    | 1,059         | 52%            |
|   | 3 iShares China CNY Bond UCITS ETF   | BlackRock             | Bnd CNY              | International  | Jul 2019    | 7,440    | 1,037         | 16%            |
|   | 4 iShares Core MSCI World UCITS ETF  | BlackRock             | Eq Global            | International  | Sep 2009    | 30,663   | 979           | 3%             |
|   | 5 UBS ETF - MSCI Emerging Markets UCITS ETF  | UBS                   | Eq Emg Mkt           | International  | Nov 2010    | 5,403    | 798           | 18%            |
|   | 6 iShares Global Clean Energy UCITS ETF  | BlackRock             | Eq Ren Engy/Clim Chg | International  | Jul 2007    | 6,516    | 791           | 15%            |
| Top launches  | Fund name  | Group                 | Sector               | Fund Market    | Style       | AUM, \$m |               |                |
|   | 1 UBS (CH) Institutional Fund 2 - Equities Global ESG Screened Passive II          | UBS                   | Eq Global            | Switzerland    | Passive     | 917      |               |                |
|   | 2 LO Selection - Healthcare Innovation   | Lombard Odier         | Eq Healthcare        | International  | Active      | 349      |               |                |
|   | 3 Mercer Global Investments - Mercer Investment Fund 19                            | MMC/Mercer            | Allocation           | International  | Active      | 299      |               |                |
|   | 4 Eurizon Strategia Inflazione Marzo 2026  | Intesa SanPaolo Group | Mix Targ Mat         | Italy          | Active      | 156      |               |                |
|   | 5 acervis spektrum Fund - Aktien Schweiz   | acervis Bank AG       | Eq Switz             | Switzerland    | Active      | 127      |               |                |
| 6 UBS (Lux) Key Selection Sicav - Credit Income Opportunities (USD) | UBS  | Bnd Flex              | International        | Active         | 116         |          |               |                |

# THIS REPORT WAS BUILT WITH GLOBAL MARKET INTELLIGENCE

## GMI FUNDS

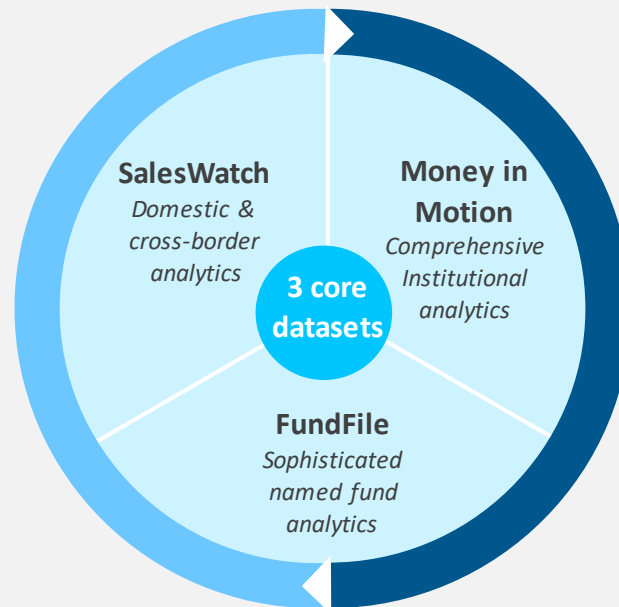
Detailed Domestic and Cross-Border Fund Market Intelligence across retail & institutional channels

- Fund assets, flows and launches by product and region
- 88,000 open ended-funds globally
- Fund benchmarks, rankings and named competitive positioning
- Advanced fund and competition analytics
- Cross-border and distributor analytics

Americas

EMEA

APAC



## GMI INSTITUTIONAL

Detailed Global Institutional Market Intelligence across all vehicles

- Institutional assets and flows by product, region and client type
- Separate Account, Private Fund, Mutual Fund, CIT and ETF Analysis
- Institutional Benchmarks and rankings
- True Negotiated Fee analysis
- Named consultant analysis

Americas

EMEA

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