

June 2018, N° 73

This release and other statistical releases are available on Efama's website (www.efama.org)

*Trends in the European Investment Fund Industry
in the First Quarter of 2018*

This report was prepared by Bernard Delbecq and Thomas Tilley

EFAMA
The European Fund and Asset Management Association

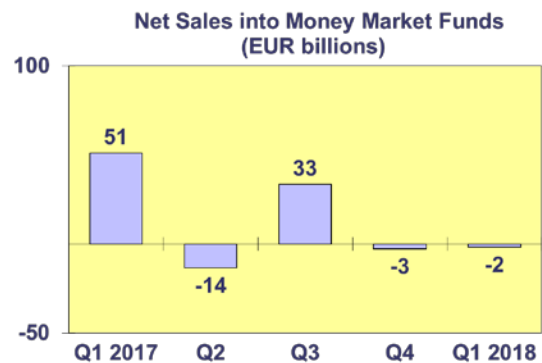
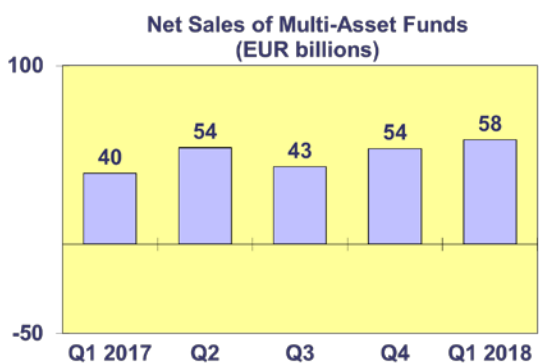
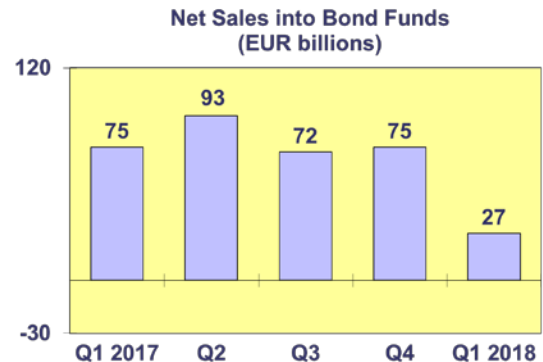
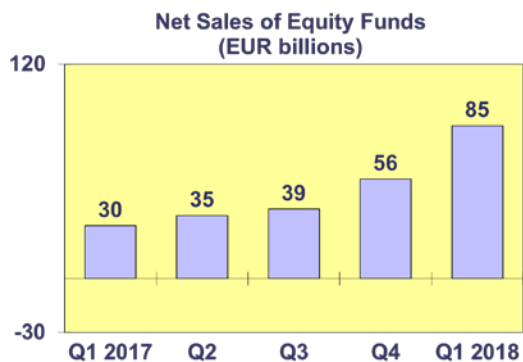
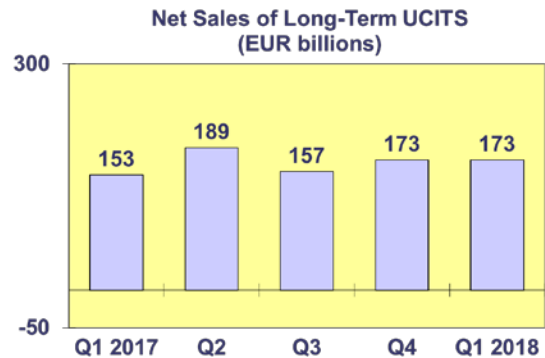
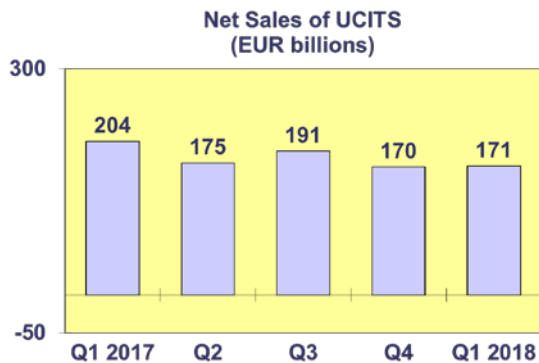
Rue Montoyer 47 - B-1000 BRUXELLES - Tel. 32-2-513.39.69 Fax: 32-2-513.26.43 - e-mail: info@efama.org

Trends in the UCITS Market

Net Sales by Investment Type

UCITS recorded net inflows of EUR 171 billion in Q1 2018, of which EUR 126 billion were recorded in January.

Long-term UCITS recorded net inflows of EUR 173 billion in Q1 2018, exactly the same amount as in Q4 2017. Net sales of equity funds amounted to EUR 85 billion, up from EUR 56 billion in Q4 2017. Net sales of bond funds decreased significantly from EUR 75 billion in Q4 2017 to EUR 27 billion in Q1 2018. Net sales of multi-asset funds increased from EUR 54 billion in Q4 2017 to EUR 58 billion in Q1 2018. Net sales of money market funds recorded net outflows of EUR 2 billion in Q1 2018, compared to net outflows of EUR 3 billion in Q4 2017.



Trends in the UCITS Market

Net Sales by Country of Domiciliation and Investment Type

Twenty-six countries registered net inflows into UCITS in Q1 2018, with nine countries recording net inflows above EUR 1 billion.

In Q1 2018, the five domiciles with the largest net sales were Luxembourg (EUR 67.9 billion), followed by France (EUR 32.9 billion), Ireland (EUR 28.4 billion), Spain (EUR 10.1 billion), and Switzerland (EUR 9.4 billion).

Strong net inflows into UCITS funds were also seen in United Kingdom (EUR 7.3 billion), Germany (EUR 5.3 billion), Denmark (EUR 3.5 billion) and Italy (EUR 3 billion).

| Members | Equity Funds | | Bond Funds | | Multi-Asset Funds | | Money Market Funds | | Other Funds | | Total | |
|----------------|---------------|---------------|---------------|---------------|-------------------|---------------|--------------------|---------------|----------------|--------------|----------------|----------------|
| | Q4 2017 | Q1 2018 | Q4 2017 | Q1 2018 | Q4 2017 | Q1 2018 | Q4 2017 | Q1 2018 | Q4 2017 | Q1 2018 | Q4 2017 | Q1 2018 |
| Austria | 127 | -170 | -310 | -267 | 999 | 701 | -3 | -2 | -183 | -99 | 630 | 164 |
| Bulgaria | 2 | 4 | 3 | 0 | 13 | 14 | 1 | -2 | -2 | 0 | 17 | 16 |
| Croatia | -4 | -7 | 108 | 134 | -22 | 2 | -648 | -127 | 19 | 10 | -547 | 13 |
| Cyprus | 5 | 17 | 20 | -2 | -5 | 2 | 0 | 0 | 0 | 0 | 20 | 17 |
| Czech Republic | 64 | 74 | -14 | -109 | 279 | 237 | -1 | 12 | 31 | 31 | 359 | 245 |
| Denmark | 62 | 3,140 | 686 | -410 | 797 | 710 | -1 | 0 | 24 | 20 | 1,568 | 3,459 |
| Finland | -508 | 545 | -23 | -226 | 282 | 100 | -75 | 66 | 15 | 13 | -309 | 496 |
| France | 100 | 10,200 | 8,100 | 3,800 | -400 | -200 | -22,200 | 19,600 | -1,100 | -500 | -15,500 | 32,900 |
| Germany | 1,110 | 459 | 111 | 67 | 3,515 | 4,450 | -335 | 196 | 108 | 111 | 4,509 | 5,283 |
| Greece | -44 | 30 | 49 | -15 | -18 | 6 | -82 | 84 | -22 | -1 | -117 | 104 |
| Hungary | 14 | -5 | 0 | -10 | 16 | 28 | 0 | 0 | 0 | -9 | 30 | 4 |
| Ireland | 14,126 | 16,981 | 32,243 | 10,205 | 3,894 | 2,841 | 16,240 | -5,428 | 1,185 | 3,819 | 67,689 | 28,419 |
| Italy | 320 | -165 | -595 | -440 | 8,249 | 7,548 | 108 | -295 | -3,433 | -3,645 | 4,648 | 3,003 |
| Liechtenstein | -188 | -76 | -106 | 77 | -3 | 120 | -150 | 75 | 63 | -43 | -384 | 153 |
| Luxembourg | 24,360 | 42,946 | 26,689 | 6,711 | 26,203 | 33,795 | 5,872 | -18,118 | -9,188 | 2,543 | 73,936 | 67,877 |
| Malta | 7 | 3 | 56 | 14 | -56 | 12 | -3 | -3 | 3 | 16 | 7 | 41 |
| Netherlands | -325 | -598 | -550 | -89 | 420 | 50 | 0 | 0 | -96 | 2 | -551 | -635 |
| Norway | 118 | 307 | -139 | -120 | 423 | -11 | 320 | -30 | 109 | -2 | 830 | 144 |
| Poland | 71 | -142 | -54 | 38 | 150 | -52 | 700 | 1,035 | -24 | -25 | 842 | 854 |
| Portugal | 26 | 17 | 193 | 95 | 178 | 131 | -9 | -8 | -70 | 36 | 319 | 271 |
| Romania | 2 | 5 | -84 | -141 | 13 | 8 | -5 | 3 | -32 | -29 | -106 | -156 |
| Slovakia | 19 | 15 | -2 | -41 | 142 | 119 | -2 | -1 | 0 | 0 | 157 | 92 |
| Slovenia | 4 | 35 | -1 | -7 | 14 | 0 | -25 | 2 | 0 | 0 | -9 | 30 |
| Spain | 4,896 | 7,583 | 817 | -255 | 2,189 | 2,644 | -869 | -505 | 463 | 624 | 7,496 | 10,091 |
| Sweden | 3,126 | 138 | 1,231 | 130 | 637 | 183 | -309 | 331 | -45 | -91 | 4,640 | 691 |
| Switzerland | 5,111 | 2,187 | 2,266 | 5,162 | 559 | 1,685 | -1,480 | 332 | 0 | 0 | 6,457 | 9,367 |
| Turkey | 18 | 71 | -96 | 196 | 129 | 124 | 7 | 76 | 172 | 134 | 231 | 601 |
| United Kingdom | 3,111 | 1,861 | 4,642 | 2,035 | 5,030 | 3,213 | 172 | 869 | 29 | -678 | 12,984 | 7,301 |
| Total | 55,732 | 85,453 | 75,239 | 26,533 | 53,626 | 58,460 | -2,775 | -1,839 | -11,974 | 2,238 | 169,848 | 170,846 |

(1) Data presented in millions of euro.

Trends in the UCITS Market

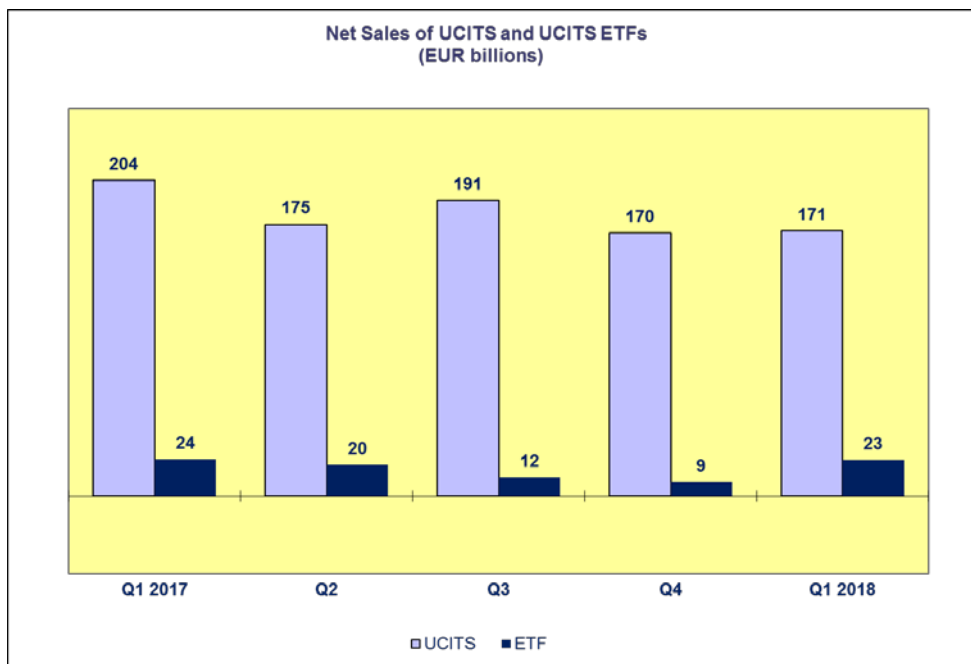
Net Sales and Net Assets of ETF by Country of Domiciliation

Net sales of UCITS ETF reached EUR 23 billion in Q1 2018, up from EUR 9 billion in Q4 2017. Net sales of UCITS ETF in Q1 2018 amounted to 13.5% of the total net sales of UCITS.

Of the largest UCITS ETF domiciles, Luxembourg registered the largest inflows (EUR 22.4 billion). Ireland attracted EUR 12.4 billion in net inflows and Germany EUR 1.6 billion. France, on the other hand, recorded net outflows of EUR 13.5 billion.

| | Net Assets | | Net Sales | |
|--------------|----------------|----------------|-----------|--------------------------|
| | End Q1 2018 | | Q1 2018 | |
| | ETF | UCITS | UCITS | UCITS ETF ⁽²⁾ |
| Belgium | 1,420 | n.a. | n.a. | n.a. |
| Bulgaria | 16 | 16 | | 1 |
| Finland | 265 | 496 | | |
| France | 67,142 | 32,900 | | -13,541 |
| Germany | 54,681 | 5,283 | | 1,619 |
| Greece | 13 | 104 | | 0 |
| Ireland | 356,132 | 28,419 | | 12,374 |
| Luxembourg | 143,929 | 67,877 | | 22,404 |
| Netherlands | 1,511 | -635 | | 174 |
| Romania | 1 | -156 | | 0 |
| Spain | 337 | 10,091 | | -2 |
| Sweden | 2,862 | 691 | | 34 |
| Switzerland | 4,066 | 9,367 | | 309 |
| Turkey | 31 | 601 | | -1 |
| Total | 632,406 | 155,055 | | 23,371 |

(1) Data presented in millions of euro. All data from EFAMA member associations able to provide ETF data are reported; (2) Net sales of UCITS ETF are included in net sales figures of UCITS.



Trends in the UCITS Market

Net Assets by Investment Type

UCITS net assets decreased by 0.6 percent in Q1 2018, to total EUR 9,669 billion at end March 2018. The decline in net assets reflected falls in stock and bond prices, which had a stronger impact than the robust sales volume.

Of the major fund categories, only multi-asset funds recorded an increase in net assets in Q1 2018 (0.5%). The other types of funds registered decreases in net assets. Guaranteed/protected funds recorded the largest decrease in net assets (6.5%), followed by equity funds (1.4%), money market funds (0.7%) and bond funds (0.2%).

The number of UCITS funds increased from 32,026 at end 2017 to 32,343 at end Q1 2018.

| UCITS types | End Q1 2018 | | Change from end Q4 2017 | |
|------------------------|--------------|-------------|-------------------------|------------|
| | EUR bn | Share | in % ⁽¹⁾ | in EUR bn |
| Equity | 3,687 | 38% | -1.4% | -54 |
| Multi-Asset | 1,772 | 18% | 0.5% | 9 |
| Bond | 2,621 | 27% | -0.2% | -6 |
| Money Market | 1,181 | 12% | -0.7% | -9 |
| Guaranteed / protected | 10 | 0.1% | -6.5% | -0.7 |
| Other | 398 | 4% | -0.2% | -1 |
| Total | 9,669 | 100% | -0.6% | -62 |
| <i>of which:</i> | | | | |
| Exchange-traded funds | 632 | 7% | 3.1% | 19 |

(1) End Q1 2018 compared to end Q4 2017

| UCITS types | End Q1 2018 | | Change from end Q4 2017 | |
|------------------------|---------------|-------------|-------------------------|------------|
| | No. | Share | in % ⁽¹⁾ | No. |
| Equity | 12,610 | 39% | 1.2% | 147 |
| Multi-Asset | 8,462 | 26% | 1.0% | 85 |
| Bond | 7,435 | 23% | 0.6% | 46 |
| Money Market | 774 | 2% | -1.5% | -12 |
| Guaranteed / protected | 312 | 1% | -2.5% | -8 |
| Other | 2,750 | 9% | 2.2% | 59 |
| Total | 32,343 | 100% | 1.0% | 317 |
| <i>of which:</i> | | | | |
| Exchange-traded funds | 1,588 | 5% | 5.1% | 77 |

(1) End Q1 2018 compared to end Q4 2017.

Trends in the UCITS Market

Net Assets by Country of Domiciliation

Net assets of UCITS amounted to EUR 9,669 billion at end March 2018. The vast majority of domiciles recorded a decrease in net assets in Q1 2018.

Among the larger domiciles, UCITS assets fell in United Kingdom (2.8%), Germany (0.8%), Luxembourg (0.4%) and Ireland (0.3%). France was the only major domicile to record an increase in UCITS assets in Q1 2018 (0.7%).

The other countries in Western Europe also recorded decreases in net assets, whereas UCITS assets in most of the countries in Southern Europe increased. In the Nordic countries, Norway was the only country to register a net asset increase (2.8%). In Central and Eastern Europe, the largest increases in net assets were recorded in Czech Republic (1.3%) and Poland (1.2%).

| Table 5. Net Assets of the European UCITS Industry | | | | |
|---|--------------------|--------------|--------------------|-----------------------------|
| Members | End Q1 2018 | | End Q4 2017 | |
| | EUR mn | Share | EUR mn | % chg ⁽¹⁾ |
| Austria | 81,096 | 0.8% | 82,228 | -1.4% |
| Belgium | 120,291 | 1.2% | 120,462 | -0.1% |
| Bulgaria | 647 | 0.0% | 645 | 0.3% |
| Croatia | 2,479 | 0.0% | 2,487 | -0.3% |
| Cyprus | 177 | 0.0% | 167 | 6.0% |
| Czech Republic | 10,883 | 0.1% | 10,746 | 1.3% |
| Denmark | 124,861 | 1.3% | 129,153 | -3.3% |
| Finland | 101,330 | 1.0% | 102,932 | -1.6% |
| France | 879,690 | 9.1% | 873,868 | 0.7% |
| Germany | 368,637 | 3.8% | 371,779 | -0.8% |
| Greece | 4,948 | 0.1% | 4,928 | 0.4% |
| Hungary | 1,566 | 0.0% | 1,579 | -0.8% |
| Ireland | 1,824,529 | 18.9% | 1,830,519 | -0.3% |
| Italy | 255,543 | 2.6% | 255,784 | -0.1% |
| Liechtenstein | 27,900 | 0.3% | 28,132 | -0.8% |
| Luxembourg | 3,473,243 | 35.9% | 3,486,445 | -0.4% |
| Malta | 2,708 | 0.0% | 2,714 | -0.2% |
| Netherlands | 34,978 | 0.4% | 37,153 | -5.9% |
| Norway | 118,891 | 1.2% | 115,682 | 2.8% |
| Poland | 26,162 | 0.3% | 25,847 | 1.2% |
| Portugal | 8,992 | 0.1% | 8,827 | 1.9% |
| Romania | 4,740 | 0.0% | 4,874 | -2.8% |
| Slovakia | 4,960 | 0.1% | 4,926 | 0.7% |
| Slovenia | 2,610 | 0.0% | 2,657 | -1.8% |
| Spain | 232,562 | 2.4% | 225,419 | 3.2% |
| Sweden | 303,280 | 3.1% | 312,505 | -3.0% |
| Switzerland | 448,338 | 4.6% | 451,486 | -0.7% |
| Turkey | 11,089 | 0.1% | 10,994 | 0.9% |
| United Kingdom | 1,191,667 | 12.3% | 1,225,854 | -2.8% |
| All Funds | 9,668,798 | 100% | 9,730,792 | -0.6% |

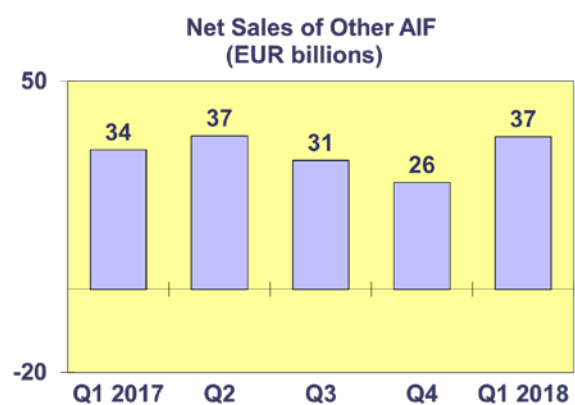
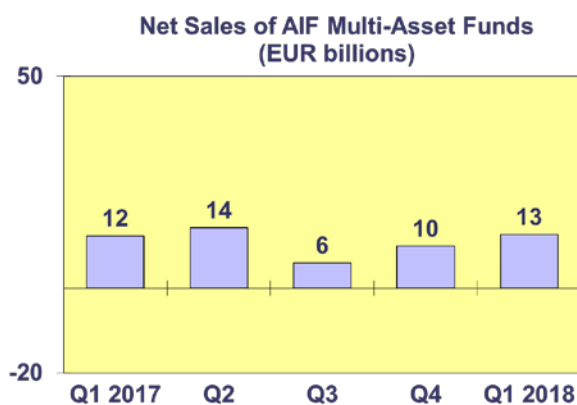
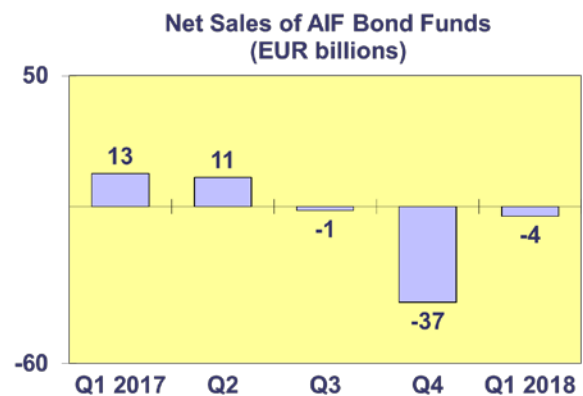
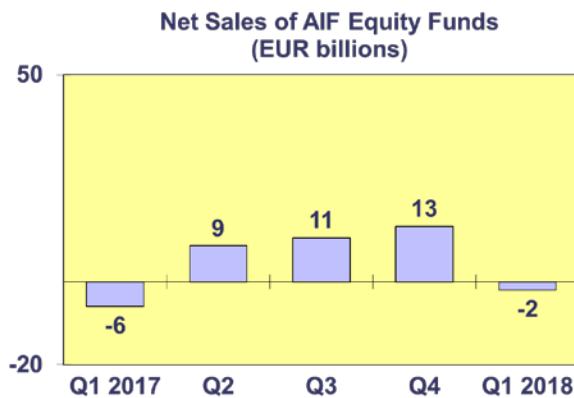
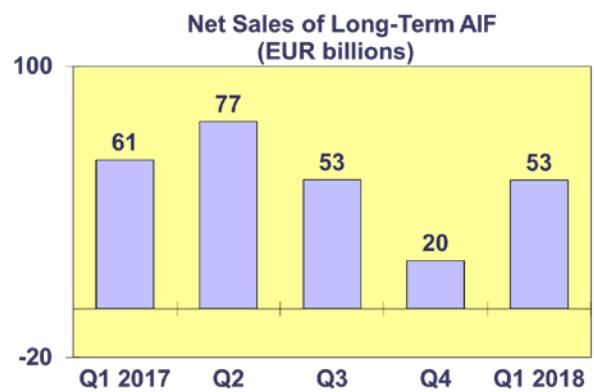
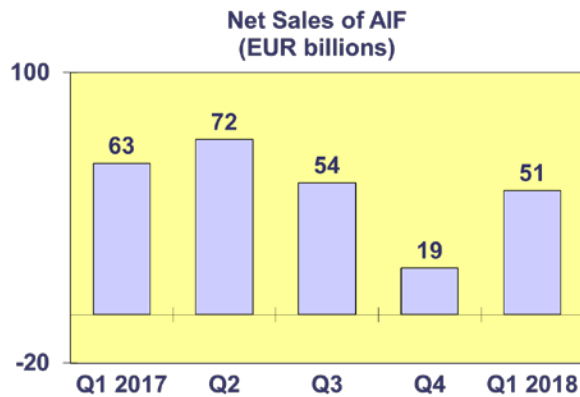
(1) End Q1 2018 compared to end Q4 2017 net assets.

Trends in the AIF Market

Net Sales by Investment Type

AIFs recorded net inflows of EUR 51 billion in Q1 2018, up from EUR 19 billion in the last quarter of 2017.

Long-term AIFs recorded net inflows of EUR 53 billion, up from net inflows of EUR 20 billion in Q4 2017. Equity funds saw a reversal in flows, from net inflows of EUR 13 billion in Q4 2017 to net outflows of EUR 2 billion in Q1 2018. Net outflows from bond funds continued, albeit at a slower rate: EUR 4 billion compared to EUR 37 billion in Q4 2017. Net sales of multi-asset funds increased from EUR 10 billion in Q4 2017 to EUR 13 billion in Q1 2018, whereas net sales of other funds increased from EUR 26 billion to 37 billion.



Trends in the AIF Market

Net Sales by Country of Domiciliation and Investment Type

Net sales of AIFs totaled EUR 51 billion in Q1 2018, compared to EUR 19 billion in Q4 2017.

In Q1 2018, net sales above EUR 1 billion were registered in Germany (EUR 26.7 billion), Ireland (25.5 billion), Luxembourg (EUR 8.7 billion), the United Kingdom (EUR 2.6 billion), Switzerland (EUR 1.2 billion), and Cyprus (EUR 1 billion).

| Members | Equity Funds | | Bond Funds | | Multi-Asset Funds | | Money Market Funds | | Real Estate Funds | | Other Funds | | Total | |
|--------------------|---------------|---------------|----------------|---------------|-------------------|---------------|--------------------|---------------|-------------------|--------------|---------------|---------------|---------------|---------------|
| | Q4 2017 | Q1 2018 | Q4 2017 | Q1 2018 | Q4 2017 | Q1 2018 | Q4 2017 | Q1 2018 | Q4 2017 | Q1 2018 | Q4 2017 | Q1 2018 | Q4 2017 | Q1 2018 |
| | Austria | 469 | 344 | 407 | 385 | 47 | -23 | 0 | 0 | 186 | 133 | -12 | -3 | 1,097 |
| Cyprus | 0 | 1 | 0 | 0 | -1 | 16 | 0 | 0 | 41 | 971 | 53 | 37 | 93 | 1,025 |
| Czech Republic | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 14 | -2 | 0 | 0 | 14 | -2 |
| Denmark | 246 | -959 | -215 | -1,039 | 865 | -14 | 0 | 1 | 0 | 0 | 170 | -271 | 1,066 | -2,282 |
| Finland | 138 | -158 | 113 | -128 | 232 | 82 | -3 | -59 | -13 | 0 | 138 | 166 | 605 | -97 |
| France | 2,800 | 2,100 | -7,300 | 5,600 | 3,600 | -4,700 | -1,000 | -2,000 | 0 | 0 | -600 | -700 | -2,500 | 300 |
| Germany | 4,641 | 3,157 | -2,244 | 1,682 | 5,374 | 12,723 | 0 | 1 | 4,757 | 3,240 | 13,488 | 5,875 | 26,015 | 26,679 |
| Hungary | 21 | 41 | -40 | -57 | 159 | 188 | -188 | -111 | 145 | 247 | 137 | 24 | 233 | 332 |
| Ireland | 0 | 0 | 0 | 0 | 0 | 0 | 559 | 246 | 469 | 728 | 1,078 | 24,549 | 2,106 | 25,523 |
| Italy ² | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -178 | -81 | -178 | -81 |
| Liechtenstein | 169 | -111 | 129 | -10 | 307 | 153 | 0 | 0 | 5 | 9 | 229 | 124 | 840 | 165 |
| Luxembourg | 759 | -1,137 | -1,945 | 1,065 | 213 | 3,162 | -7 | -81 | 648 | 2,724 | 6,922 | 2,992 | 6,590 | 8,725 |
| Malta | 177 | -46 | -51 | 1 | 5 | -1 | 0 | 0 | -31 | 0 | 378 | 20 | 478 | -26 |
| Netherlands | 2,836 | -5,837 | -23,010 | -9,748 | -2,347 | -533 | 0 | 0 | 565 | 897 | 1,117 | 1,939 | -20,839 | -13,282 |
| Poland | -72 | -6 | 175 | 231 | 64 | 55 | 132 | 252 | 12 | 13 | -25 | -45 | 286 | 501 |
| Portugal | 0 | 0 | 0 | 5 | 0 | -6 | -145 | -25 | 0 | 0 | 119 | -63 | -26 | -89 |
| Romania | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 19 | 20 | 19 | 20 |
| Slovakia | 1 | 0 | -1 | 0 | 10 | -16 | -23 | -16 | 48 | 10 | 0 | 0 | 36 | -21 |
| Spain | 337 | 556 | -1,462 | -1,463 | -62 | -34 | 0 | 0 | 0 | 0 | -460 | -266 | -1,647 | -1,207 |
| Sweden | 81 | 22 | -60 | -43 | 8 | 61 | -24 | -8 | 0 | 0 | 370 | 309 | 375 | 342 |
| Switzerland | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 249 | 333 | 1,411 | 886 | 1,660 | 1,218 |
| Turkey | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 7 | 7 | 0 | 10 | 7 |
| United Kingdom | 848 | 88 | -1,035 | -121 | 1,434 | 1,547 | 0 | -9 | 311 | -51 | 1,312 | 1,187 | 2,869 | 2,640 |
| Total | 13,452 | -1,946 | -36,539 | -3,640 | 9,907 | 12,663 | -699 | -1,808 | 7,410 | 9,259 | 25,671 | 36,698 | 19,202 | 51,225 |

(1) Data presented in millions of euro; (2) Excludes net sales of closed-ended funds due to unavailability of data.

Trends in the AIF Market

Net Assets by Investment Type

Net assets of AIFs decreased by 0.4 percent to reach EUR 5,872 billion at end March 2018.

In Q1 2018, only “other” AIF and real estate funds recorded asset growth, 1.6% and 1.4%, respectively. Decreases in net assets were recorded in guaranteed/protected funds (3.3%), equity funds (3.2%), money market funds (3.1%), multi asset funds (1.3%) and bond funds (1.3%).

There were 28,437 AIF funds at end March 2018, compared to 28,153 at end 2017.

| Type of fund | End Q1 2018 | | Change since end Q4 2017 | |
|------------------------|--------------|-------------|--------------------------|------------|
| | EUR bn | Share | in % ⁽¹⁾ | in EUR bn |
| Equity | 736 | 13% | -3.2% | -24 |
| Multi-Asset | 1,444 | 25% | -1.3% | -19 |
| Bond | 988 | 17% | -1.3% | -13 |
| Money Market | 79 | 1% | -3.1% | -2 |
| Guaranteed / protected | 42 | 1% | -3.3% | -1 |
| Real Estate | 639 | 11% | 1.4% | 9 |
| Other ⁽²⁾ | 1,943 | 33% | 1.6% | 31 |
| Total | 5,872 | 100% | -0.4% | -21 |
| <i>of which:</i> | | | | |
| Exchange-traded funds | 10 | 0.2% | -0.3% | 0 |
| Institutional | 2,891 | 49% | 1.1% | 31 |

(1) End Q1 2018 compared to end Q4 2017; (2) Data for equity, bond and multi-asset AIFs domiciled in Ireland are included in the "Other AIF" category due to the unavailability of breakdown.

| Type of fund | End Q1 2018 | | Change since end Q4 2017 | |
|------------------------|---------------|-------------|--------------------------|------------|
| | No. | Share | in % ⁽¹⁾ | in No. |
| Equity | 2,443 | 9% | 2.0% | 48 |
| Multi-Asset | 7,228 | 25% | -1.5% | -111 |
| Bond | 2,762 | 10% | 0.4% | 10 |
| Money Market | 212 | 1% | -6.2% | -14 |
| Guaranteed / protected | 815 | 3% | -1.9% | -16 |
| Real Estate | 2,996 | 11% | 5.8% | 164 |
| Other ⁽²⁾ | 11,981 | 42% | 1.7% | 203 |
| Total | 28,437 | 100% | 1.0% | 284 |
| <i>of which:</i> | | | | |
| Exchange-traded funds | 25 | 0.1% | 0.0% | 0 |
| Institutional | 11,886 | 42% | 0.9% | 102 |

(1) End Q1 2018 compared to end Q4 2017; (2) Data for equity, bond and multi-asset AIFs domiciled in Ireland are included in the "Other AIF" category due to the unavailability of breakdown.

Trends in the AIF Market

Net Sales and Assets of Institutional AIFs

Net assets of institutional AIFs, which are AIFs reserved for institutional investors, increased by 1.1% to EUR 2,891 billion at end Q1 2018.

Net assets of institutional real estate funds increased by 2.9% to EUR 189 billion, followed by “other” institutional funds (2.8% to EUR 359 billion). The other categories of institutional AIFs experienced a decrease in net assets. Money market funds decreased by 4.8% to EUR 10 billion, followed by equity funds (2.4%, to EUR 235 billion), bond funds (0.4% to EUR 568 billion) and multi-asset funds (0.1% to EUR 1,014 billion).

Institutional AIFs recorded net sales of EUR 57 billion in Q1 2018, up from EUR 39 billion in the last quarter of 2017.

| Institutional AIF types | End Q1 2018 | | Change since end Q4 2017 | |
|-----------------------------|-------------|-------|--------------------------|-----------|
| | EUR bn | Share | in % ⁽¹⁾ | in EUR bn |
| Equity | 235 | 10% | -2.4% | -6 |
| Multi-Asset | 1,014 | 43% | -0.1% | -1 |
| Bond | 568 | 24% | -0.4% | -2 |
| Money Market | 10 | 0.4% | -4.8% | 0 |
| Real Estate ⁽²⁾ | 189 | 8% | 2.9% | 5 |
| Other | 359 | 15% | 2.8% | 10 |
| Total (ex. Ireland) | 2,374 | 100% | 0.3% | 6 |
| Total (inc. Ireland) | 2,891 | | 1.1% | 31 |

(1) End Q1 2018 compared to end Q4 2017. (2) data for Italy estimated on the basis of Q4 2017 data.

| Institutional AIF types | Q1 2018 | Q4 2017 |
|-----------------------------|---------|---------|
| | EUR mn | EUR mn |
| Equity | 983 | 6,122 |
| Multi-Asset | 15,841 | 5,810 |
| Bond | 3,437 | -3,175 |
| Money Market | -378 | 452 |
| Real Estate | 4,721 | 4,139 |
| Other | 9,998 | 20,320 |
| Total (ex. Ireland) | 34,601 | 33,669 |
| Total (inc. Ireland) | 57,244 | 38,903 |

(1) End Q1 2018 compared to end Q4 2017.

Trends in the AIF Market

Net Assets by Country of Domiciliation

Net assets of AIFs decreased 0.4 percent in Q1 2018. Decreases in net assets were observed in 17 domiciles, whereas 9 domiciles saw an increase in net assets.

Among the larger AIF domiciles, the largest net asset growth in Q1 2018 was seen in Ireland (4.6%), followed by Luxembourg (0.4%). Net assets of AIFs domiciled in Netherlands decreased by 2.4%, followed by France and the United Kingdom (1.1%). Elsewhere in Europe, net assets grew strongly in Cyprus (33.2%), Czech Republic (5.8%), Poland (3.2%) and Greece (2.7%).

| Table 11. Net Assets of the European AIF Industry | | | | |
|--|--------------------|---------------|--------------------|----------------------------|
| Members | End Q1 2018 | | End Q4 2017 | |
| | EUR mn | Share | EUR mn | % chg⁽¹⁾ |
| Austria | 99,558 | 1.7% | 100,654 | -1.1% |
| Belgium | 34,743 | 0.6% | 34,793 | -0.1% |
| Bulgaria | 9 | 0.0% | 9 | 0.0% |
| Croatia | 438 | 0.0% | 480 | -8.6% |
| Cyprus | 3,437 | 0.1% | 2,581 | 33.2% |
| Czech Republic | 983 | 0.0% | 928 | 5.8% |
| Denmark | 164,894 | 2.8% | 171,671 | -3.9% |
| Finland | 13,046 | 0.2% | 13,323 | -2.1% |
| France | 1,043,812 | 17.8% | 1,055,247 | -1.1% |
| Germany | 1,665,597 | 28.4% | 1,666,413 | 0.0% |
| Greece | 2,984 | 0.1% | 2,906 | 2.7% |
| Hungary | 18,276 | 0.3% | 18,189 | 0.5% |
| Ireland | 591,852 | 10.1% | 565,569 | 4.6% |
| Italy ² | 60,954 | 1.0% | 64,983 | -6.2% |
| Liechtenstein | 16,959 | 0.3% | 18,263 | -7.1% |
| Luxembourg | 675,655 | 11.5% | 673,169 | 0.4% |
| Malta | 8,007 | 0.1% | 8,089 | -1.0% |
| Netherlands | 787,195 | 13.4% | 806,335 | -2.4% |
| Poland | 42,266 | 0.7% | 40,939 | 3.2% |
| Portugal | 14,189 | 0.2% | 14,252 | -0.4% |
| Romania | 4,300 | 0.1% | 4,289 | 0.2% |
| Slovakia | 1,634 | 0.0% | 1,652 | -1.1% |
| Spain | 68,248 | 1.2% | 69,846 | -2.3% |
| Sweden | 20,804 | 0.4% | 22,916 | -9.2% |
| Switzerland | 101,283 | 1.7% | 99,313 | 2.0% |
| Turkey | 13,965 | 0.2% | 14,656 | -4.7% |
| United Kingdom | 416,818 | 7.1% | 421,322 | -1.1% |
| All Funds | 5,871,905 | 100.0% | 5,892,786 | -0.4% |

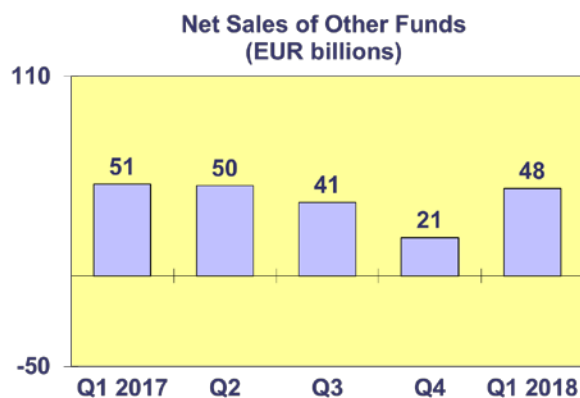
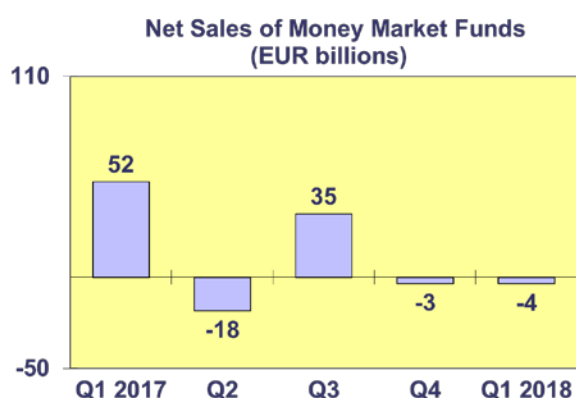
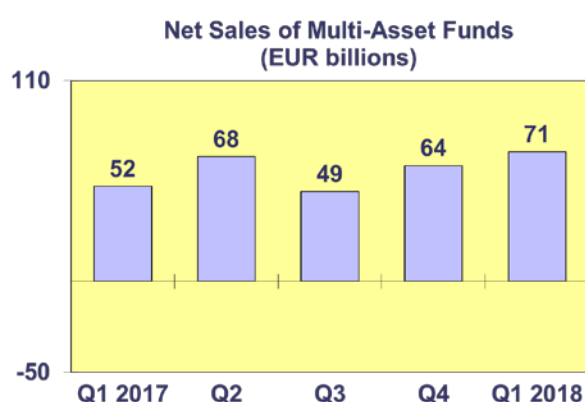
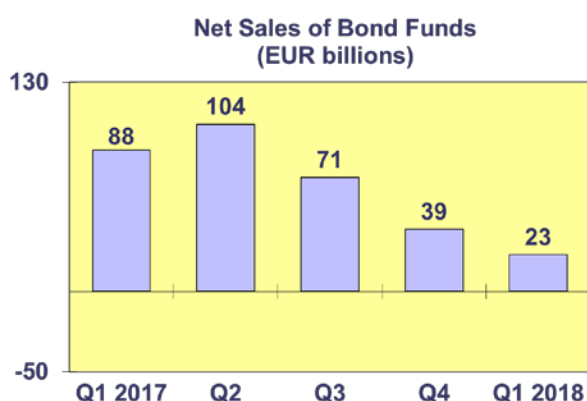
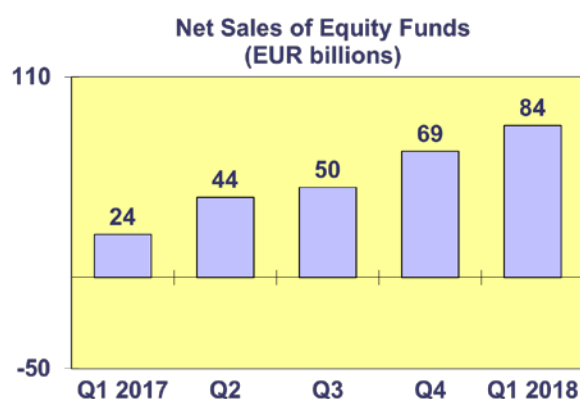
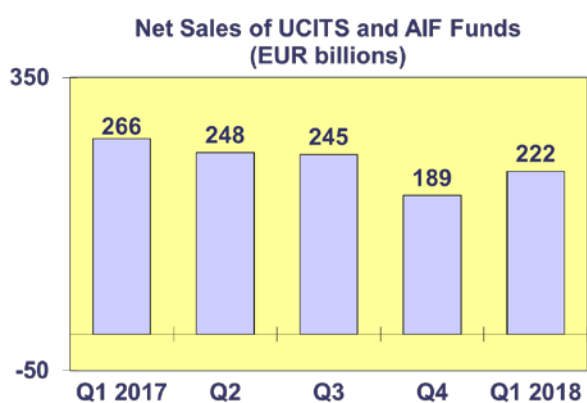
(1) End Q1 2018 compared to end Q4 2017; (2) Includes net assets of closed-ended funds at end 2017.

Trends in the European Investment Fund Industry

Net Sales by Investment Type

The combined net sales of UCITS and AIFs recorded net inflows of EUR 222 billion in Q1 2018, compared to EUR 189 billion in the last quarter of 2017.

Equity funds saw an increase in net inflows, from EUR 69 billion in Q4 2017 to EUR 84 billion in Q1 2018. Net sales of bond funds decreased from EUR 39 billion to EUR 23 billion. Net sales of multi-asset funds totalled EUR 71 billion in Q1 2018, up from EUR 64 billion in the previous quarter. Net sales of money market funds experienced net outflows of EUR 4 billion, compared to net outflows of EUR 3 billion in the last quarter of 2017. Net sales of other funds (including real estate and other funds which do not fit any of the other categories for which information is not available) totalled EUR 48 billion, up from EUR 21 billion in the last quarter of 2017.



Trends in the European Investment Fund Industry

Net Assets by Country of Domiciliation

Total net assets of European investment funds decreased by 0.5% to EUR 15,541 billion at end Q1 2018.

With EUR 9,669 billion invested in UCITS, this segment accounted for 62.2% of total European investment fund assets at end Q1 2018, with the remaining 37.8% (or EUR 5,872 billion) coming from AIF.

| Table 12. Net Assets of the European Investment Fund Industry | | | | |
|--|--------------------|---------------|--------------------|-----------------------------|
| Members | End Q1 2018 | | End Q4 2017 | |
| | EUR mn | Share | EUR mn | % chg ⁽¹⁾ |
| Austria | 180,655 | 1.2% | 182,882 | -1.2% |
| Belgium | 155,035 | 1.0% | 155,255 | -0.1% |
| Bulgaria | 656 | 0.0% | 654 | 0.3% |
| Croatia | 2,917 | 0.0% | 2,966 | -1.6% |
| Cyprus | 3,614 | 0.0% | 2,748 | 31.5% |
| Czech Republic | 11,865 | 0.1% | 11,674 | 1.6% |
| Denmark | 289,755 | 1.9% | 300,824 | -3.7% |
| Finland | 114,376 | 0.7% | 116,254 | -1.6% |
| France | 1,923,502 | 12.4% | 1,929,115 | -0.3% |
| Germany | 2,034,234 | 13.1% | 2,038,192 | -0.2% |
| Greece | 7,931 | 0.1% | 7,834 | 1.2% |
| Hungary | 19,842 | 0.1% | 19,768 | 0.4% |
| Ireland | 2,416,381 | 15.5% | 2,396,089 | 0.8% |
| Italy | 316,497 | 2.0% | 320,767 | -1.3% |
| Liechtenstein | 44,859 | 0.3% | 46,396 | -3.3% |
| Luxembourg | 4,148,898 | 26.7% | 4,159,614 | -0.3% |
| Malta | 10,715 | 0.1% | 10,804 | -0.8% |
| Netherlands | 822,173 | 5.3% | 843,488 | -2.5% |
| Norway | 118,891 | 0.8% | 115,682 | 2.8% |
| Poland | 68,427 | 0.4% | 66,786 | 2.5% |
| Portugal | 23,182 | 0.1% | 23,080 | 0.4% |
| Romania | 9,040 | 0.1% | 9,164 | -1.3% |
| Slovakia | 6,594 | 0.0% | 6,578 | 0.2% |
| Slovenia | 2,610 | 0.0% | 2,657 | -1.8% |
| Spain | 300,810 | 1.9% | 295,265 | 1.9% |
| Sweden | 324,084 | 2.1% | 335,421 | -3.4% |
| Switzerland | 549,621 | 3.5% | 550,799 | -0.2% |
| Turkey | 25,053 | 0.2% | 25,649 | -2.3% |
| United Kingdom | 1,608,486 | 10.4% | 1,647,175 | -2.3% |
| All Funds | 15,540,702 | 100.0% | 15,623,579 | -0.5% |
| UCITS | 9,668,798 | 62.2% | 9,730,792 | -0.6% |
| AIFs | 5,871,905 | 37.8% | 5,892,786 | -0.4% |

(1) End Q1 2018 compared to end Q4 2017.

Trends in the European Investment Fund Industry

Number of Funds by Country of Domiciliation

In Q1 2018, the total number of UCITS funds and AIFs increased by 1%, up to 60,780 funds.

At the end of the first quarter of 2018, UCITS accounted for 32,343 funds or 53.2% of the total number of European funds, while AIF accounted for 28,437 funds (46.8%).

| Table 13. Number of funds in the European Investment Fund Industry | | | | |
|--|---------------|---------------|---------------|---------------|
| Members | End Q1 2018 | | End Q4 2017 | |
| | UCITS | AIF | UCITS | AIF |
| Austria | 981 | 1,042 | 983 | 1,040 |
| Belgium | 702 | 368 | 702 | 368 |
| Bulgaria | 122 | 2 | 117 | 2 |
| Croatia | 97 | 40 | 94 | 39 |
| Cyprus | 24 | 240 | 24 | 223 |
| Czech Republic | 158 | 4 | 158 | 4 |
| Denmark | 637 | 384 | 630 | 383 |
| Finland | 370 | 104 | 365 | 105 |
| France | 3,126 | 7,605 | 3,163 | 7,697 |
| Germany | 2,064 | 4,285 | 1,933 | 4,297 |
| Greece | 176 | 6 | 173 | 7 |
| Hungary | 28 | 555 | 28 | 552 |
| Ireland | 4,292 | 2,590 | 4,265 | 2,566 |
| Italy ⁽¹⁾ | 1,082 | 696 | 1,057 | 543 |
| Liechtenstein | 933 | 550 | 897 | 529 |
| Luxembourg | 10,130 | 4,597 | 10,090 | 4,638 |
| Malta | 112 | 570 | 114 | 574 |
| Netherlands | 100 | 1,713 | 101 | 1,715 |
| Norway | 737 | 0 | 754 | 0 |
| Poland | 327 | 768 | 320 | 567 |
| Portugal | 114 | 262 | 115 | 266 |
| Romania | 78 | 30 | 74 | 22 |
| Slovakia | 67 | 20 | 67 | 20 |
| Slovenia | 100 | 0 | 100 | 14 |
| Spain | 1,850 | 676 | 1,737 | 672 |
| Sweden | 501 | 101 | 525 | 100 |
| Switzerland | 924 | 173 | 929 | 171 |
| Turkey | 393 | 58 | 387 | 53 |
| United Kingdom | 2,118 | 998 | 2,124 | 986 |
| Total | 32,343 | 28,437 | 32,026 | 28,153 |

(1) Includes closed-ended funds at end 2017.