

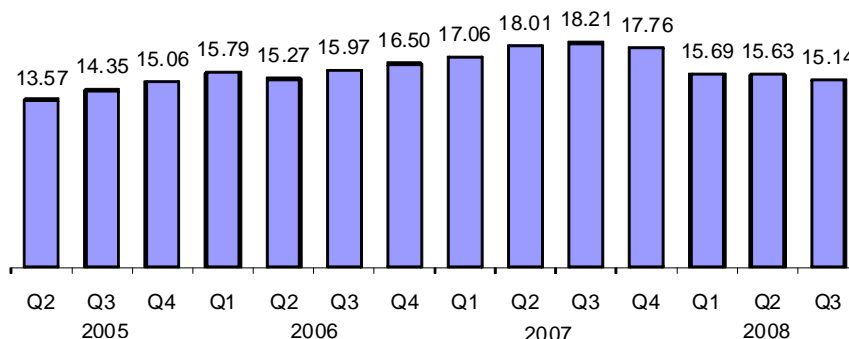
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## Worldwide Investment Fund Assets and Flows Trends in the Third Quarter 2008

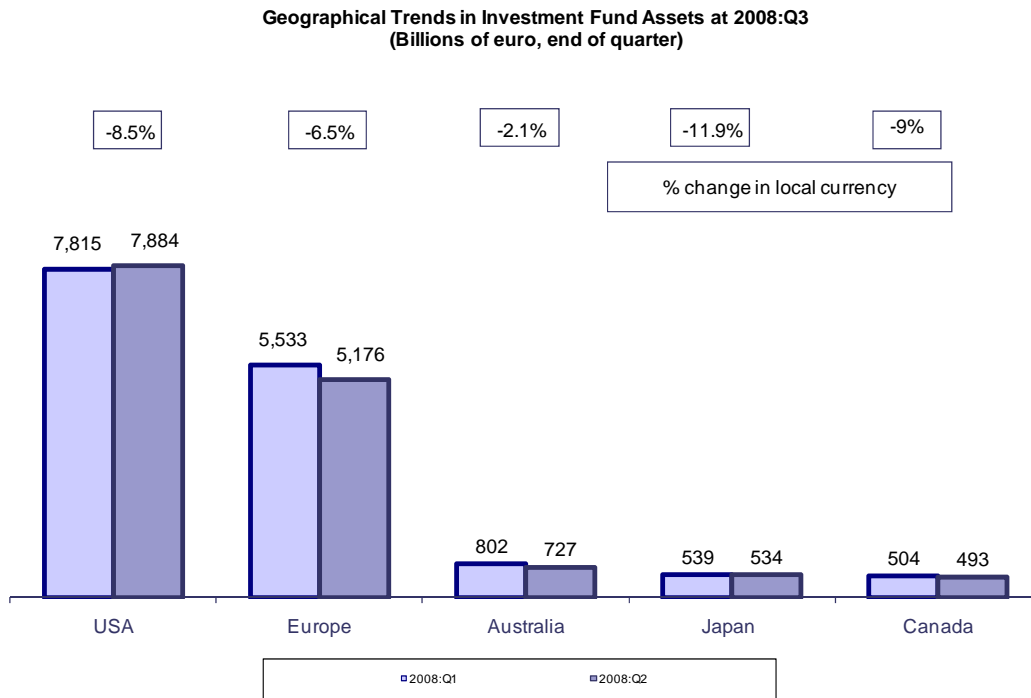
**Brussels, 9 February 2009.** Investment fund assets worldwide decreased by 3.1 percent to €15.1 trillion at the end of the third quarter of 2008. Net cash flow to all funds was negative in the third quarter with €149 billion in outflows, the first worldwide outflows recorded since the third quarter 2002. Long-term funds had net outflows of €167 billion in the third quarter, after registering net inflows of €63 billion in the second quarter. All categories of long term funds experienced outflows. Year-to-date, equity funds have had €169 billion in outflows, bond funds have had €27 billion in outflows and balanced funds have had €16 billion in outflows. Money market funds experienced net inflows of €19 billion in the third quarter, compared to outflows of €45 billion in the second quarter of 2008. Year-to-date money market funds have had €99 billion of net inflows.

The information presented in this report was compiled by EFAMA and the Investment Company Institute on behalf of the International Investment Funds Association, an organization of national investment fund associations. The collection for the third quarter of 2008 includes statistics from 44 countries.

**Worldwide Investment Fund Assets**  
(Trillions of euros, end of quarter)



The decline in assets reported in euro terms was moderated by the strengthening of the dollar. For instance, on a U.S. dollar denominated basis investment fund assets in the United States declined by 8.5 percent in the third quarter 2008, whereas they increased by 1 percent on a euro denominated basis.



**Geographical Trends by Type of Fund, 2008:Q3**  
(Billions of euros, end of quarter)

	USA	Europe (1)	Japan	Canada
<b>Equity</b>	<b>3,466</b>	<b>1,740</b>	<b>355</b>	<b>178</b>
% chg in EUR (2)	-7%	0%	-2%	-8%
% chg in loc. cur. (3)	-15%	0%	-13%	-15%
<b>Bond</b>	<b>1,181</b>	<b>1,064</b>	<b>62</b>	<b>39</b>
% chg in EUR (2)	6%	0%	7%	6%
% chg in loc. cur. (3)	-4%	0%	-5%	-2%
<b>Money Market</b>	<b>2,406</b>	<b>1,014</b>	<b>19</b>	<b>47</b>
% chg in EUR (2)	11%	0%	13%	9%
% chg in loc. cur. (3)	1%	0%	1%	1%
<b>Balanced / Mixed</b>	<b>420</b>	<b>770</b>	<b>--</b>	<b>156</b>
% chg in EUR (2)	-2%	0%	--	0%
% chg in loc. cur. (3)	-11%	0%	--	-8%
<b>Other (4)</b>	<b>411</b>	<b>321</b>	<b>99</b>	<b>73</b>
% chg in EUR (2)	1%	0%	-4%	0%
% chg in loc. cur. (3)	-9%	0%	-15%	-7%

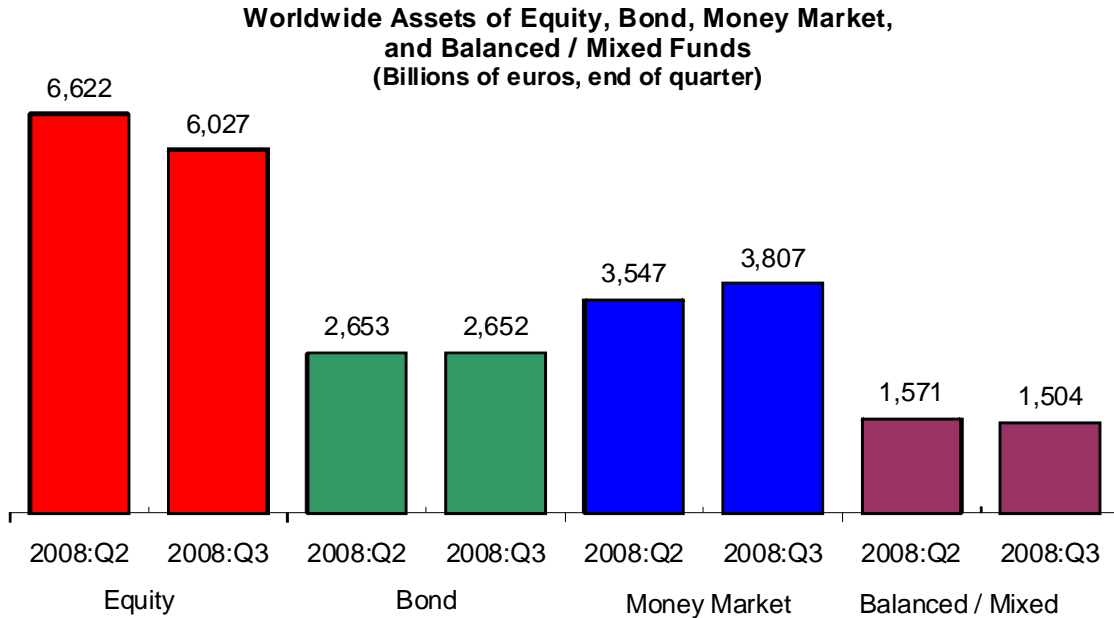
(1) Excluding Ireland for which no data breakdown is available.

(2) 2008:Q3 compared to 2008:Q2.

(3) 2008:Q3 compared to 2008:Q2, using the euro as the local currency for Europe.

(4) Including funds of funds.

On a euro denominated basis, long-term fund assets declined while money market fund assets increased. Assets of equity funds fell by 9 percent, with €6 trillion in assets at the end of the third quarter of 2008. Bonded fund assets declined by 4 percent while bond fund assets remained unchanged in the quarter. Assets of money market funds rose by 7.3 percent to €3.8 trillion at the end of the second quarter.



**Net Sales of Investment Funds**  
(Billions of euros)

	USA							Europe (1)							World (2)						
	2007				2008			2007				2008			2007				2008		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>Equity</b>	54	27	9	35	-24	22	-62	-3	-4	-22	-25	-75	-15	-43	90	77	23	58	-87	18	-100
<b>Bond</b>	44	42	15	23	40	35	16	9	12	-46	-32	-40	-25	-40	53	72	-37	-21	8	9	-44
<b>Money Market</b>	51	74	227	184	225	-41	23	53	26	-20	-13	83	-18	8	102	103	205	173	326	-45	19
<b>Bonded / Mixed</b>	10	7	5	8	3	7	-3	33	28	5	7	-11	2	-6	53	43	17	29	-10	10	-16
<b>Other (3)</b>	28	25	20	30	19	19	6	16	23	23	24	13	-2	10	70	71	53	63	48	26	-7
<b>Total</b>	187	175	275	279	263	43	-19	107	84	-61	-40	-30	-58	-72	368	366	261	302	285	18	-149

(1) For Austria, Bulgaria, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Italy, Liechtenstein, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden, Switzerland and UK.

(2) 34 countries reported in 2007:Q1, 2007:Q2, 2007:Q3 and 2008:Q1; 35 countries in 2007:Q4

36 in 2008:Q2 and 2008:Q3. Assets of reporting countries represented 89 percent of all countries at the end of 2008:Q3.

(3) Including net sales of funds of funds.

Net sales are new sales plus reinvested dividends less redemptions plus net exchanges.

Net cash flow out of investment funds worldwide was €149 billion in the third quarter of 2008. Net outflows into equity funds worldwide were €100 billion in the third quarter, compared to a net inflow of €18 billion in the second quarter of 2008. The United States registered net outflows of €62 billion into equity funds in the third quarter, compared to a net inflow of €22 billion in the second quarter. The pace of net outflows from European equity funds accelerated in the third quarter, with €43 billion in outflows compared to €15 billion in the second quarter. Flows to equity funds in the Asia/Pacific region slowed but remained positive, dropping to €6 billion in the third quarter compared to €10 billion in the second quarter.

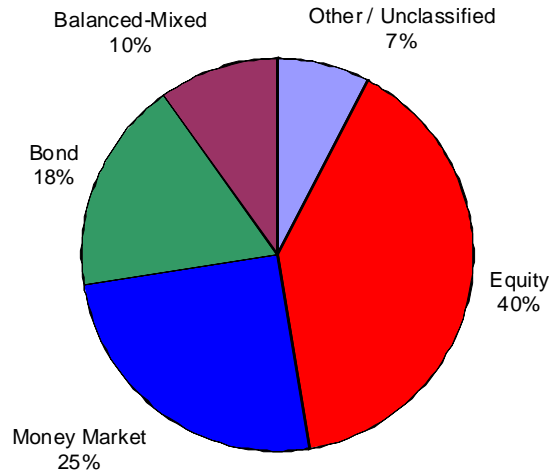
Bond funds experienced €44 billion in net outflows in the third quarter of 2008, compared to net inflows of €9 billion in the second quarter of 2008. Net inflows to bond funds were €16 billion in the United States in the third quarter, down from €35 billion in the second quarter. In contrast Europe continued to experience net outflows from bond funds, with €40 billion in net outflows in the third quarter, compared to net outflows of €25 billion in the second quarter. Bond fund flows turned negative in the Asia/Pacific region, with net outflows of €14 billion in the third quarter, compared to net inflows of €9 billion in the second quarter.

Worldwide outflows from balanced funds rebounded were €16 billion in the third quarter, compared to approximately zero net flows in the first half of the year. Net outflows from balanced funds in the United States were €3 billion in the third quarter, compared to net inflows of €7 billion in the second quarter. European balanced funds experienced net outflows of €6 billion in the third quarter of 2008 compared to net inflows of €2 billion in the second quarter.

Net flows to money market funds were €19 billion in the third quarter of 2008, compared to outflows of €45 billion in the second quarter of 2008. Both the United States and Europe experienced inflows into money market funds, with a combined net flow of €31 billion in the third quarter compared to a combined outflow of €9 billion in the second quarter. Asia/Pacific money market funds registered net outflows of €12 billion in the third quarter after reporting net inflows of €7 billion in the second quarter.

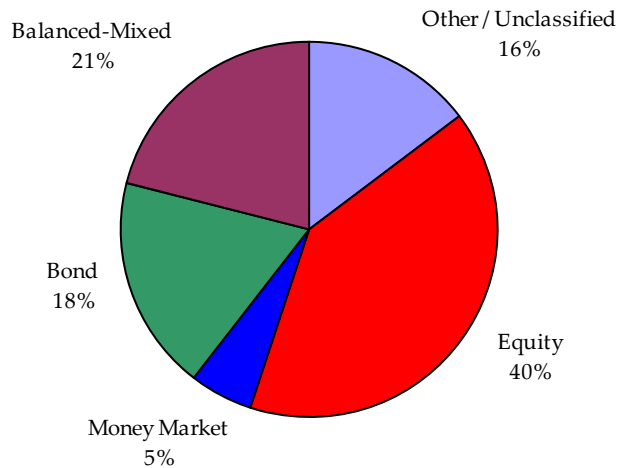
At the end of the third quarter of 2008, 40 percent of worldwide mutual fund assets were held in equity funds. The asset share of bond funds was 18 percent and the asset share of balanced fund was 10 percent. Money market fund assets represented 25 percent of the worldwide total.

**Composition of Worldwide Investment Fund Asset, 2008:Q3**  
(Percent of total assets, end of quarter)

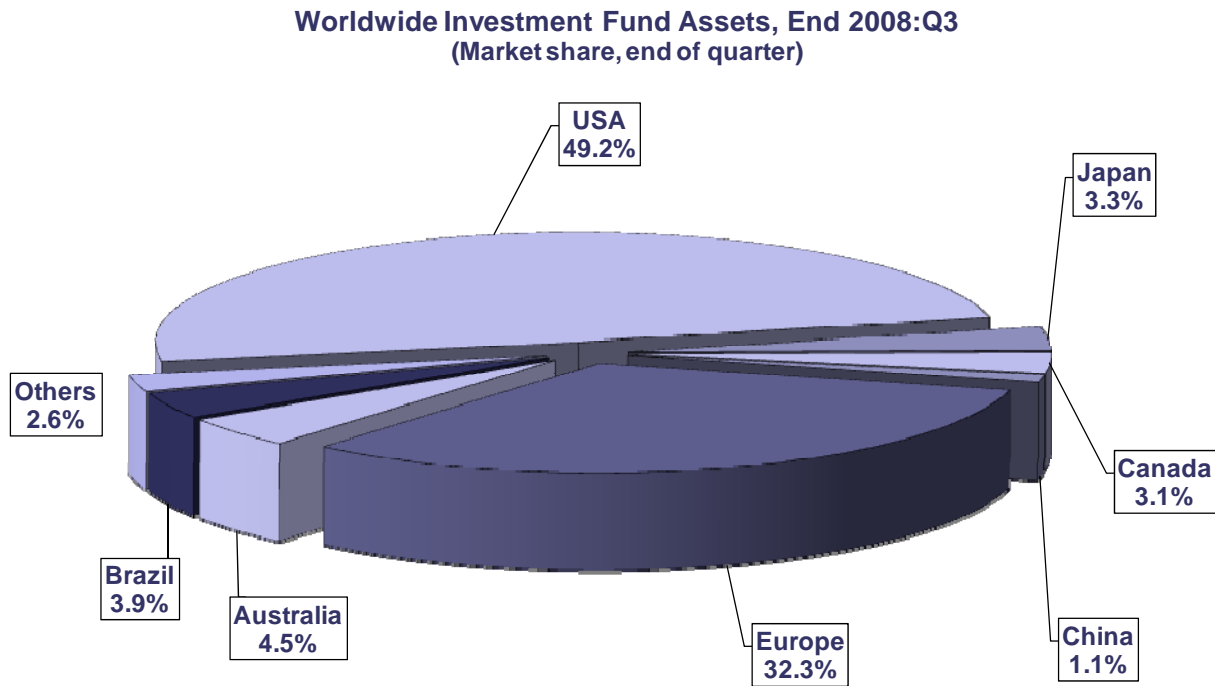


The number of mutual funds worldwide stood at 69,477 at the end of the second quarter of 2008. By type of fund, 40 percent were equity funds, 21 percent were balanced/mixed funds, 18 percent were bond funds, and 5 percent were money market funds.

**Composition of Worldwide Investment Funds, 2008:Q3**  
(Percent of funds, end of quarter)



Looking at the worldwide distribution of investment fund assets, the United States and Europe held the largest share in the world market, 49.2 percent and 32.3 percent, respectively. Australia, Brazil, Japan, Canada and China follow in this ranking. Taking into account non-UCITS assets, the market share of Europe reached 38.7 percent and that of the United States 44.6 percent.<sup>4</sup>



<sup>4</sup> Assets of UCITS and non-UCITS funds in Europe at end September 2008 are provided in Table 6 in annex.

**Table 1**  
**TOTAL NET ASSETS, 2003-2008:Q3**

Billions of U.S. dollars, end of period

ITEM	2003	2004	2005	2006	2007		2008		
					Q3	Q4	Q1	Q2	Q3
<b>All Reporting Countries<sup>1</sup></b>	<b>14,048</b>	<b>16,165</b>	<b>17,771</b>	<b>21,823</b>	<b>25,790</b>	<b>26,151</b>	<b>24,807</b>	<b>24,649</b>	<b>21,661</b>
Equity	5,923	7,219	8,333	10,508	12,541	12,446	10,605	10,437	8,620
Bond	3,047	3,313	3,450	3,871	4,217	4,277	4,221	4,184	3,793
Money Market	3,206	3,323	3,364	3,864	4,663	4,961	5,615	5,591	5,446
Balanced/Mixed	1,198	1,445	1,566	2,049	2,588	2,632	2,495	2,476	2,151
Other	311	398	512	676	861	884	885	975	823
<b>Countries Reporting in Every Period<sup>2</sup></b>	<b>13,300</b>	<b>15,246</b>	<b>16,731</b>	<b>20,333</b>	<b>23,708</b>	<b>23,981</b>	<b>22,697</b>	<b>22,645</b>	<b>19,951</b>
Equity	5,766	7,031	8,123	10,226	11,946	11,827	10,075	9,979	8,240
Bond	2,953	3,217	3,339	3,755	4,068	4,119	4,050	4,018	3,646
Money Market	3,157	3,254	3,289	3,769	4,534	4,812	5,460	5,440	5,298
Balanced/Mixed	1,128	1,364	1,485	1,927	2,324	2,367	2,255	2,260	1,967
Other	296	380	495	656	836	856	857	947	801

Source: National mutual fund associations; European Fund and Asset Management Association provides data for all European countries except Russia.

<sup>1</sup> Components may not sum to total because of rounding or unclassified funds.

<sup>2</sup> Number of countries is 25. Components may not sum to total because of rounding.

**Table 2**  
**NET SALES,<sup>1</sup> 2004-2008:Q3**

Billions of U.S. dollars

ITEM	2004	2005	2006	2007	2007		2008		
					Q3	Q4	Q1	Q2	Q3
<b>All Reporting Countries<sup>2</sup></b>	<b>457</b>	<b>971</b>	<b>1,299</b>	<b>1,538</b>	<b>316</b>	<b>382</b>	<b>394</b>	<b>2</b>	<b>-218</b>
Equity	357	416	534	328	31	84	-132	29	-151
Bond	109	224	108	84	-50	-30	13	14	-66
Money Market	-120	120	366	800	279	250	486	-70	28
Balanced/Mixed	82	108	203	196	23	42	-15	15	-24
Other <sup>3</sup>	29	102	88	130	32	36	41	15	-5
<b>Countries Reporting in Every Period<sup>4</sup></b>	<b>307</b>	<b>671</b>	<b>951</b>	<b>1,212</b>	<b>263</b>	<b>332</b>	<b>361</b>	<b>-27</b>	<b>-142</b>
Equity	298	317	414	315	35	87	-67	31	-118
Bond	62	91	77	73	-26	-6	34	31	-16
Money Market	-131	128	336	728	254	238	416	-85	18
Balanced/Mixed	69	112	102	68	-5	13	-28	-7	-23
Other <sup>3</sup>	8	23	21	28	5	1	5	3	-1

Source: National mutual fund associations; European Fund and Asset Management Association provides data for all European countries except Russia.

<sup>1</sup> Net sales are new sales plus reinvested dividends less redemptions plus net exchanges.

<sup>2</sup> Components may not sum to total because of rounding or unclassified funds.

<sup>3</sup> Including net sales of special funds domiciled in Luxembourg.

<sup>4</sup> Number of countries is 17. Components may not sum to total because of rounding.

**Table 3**  
**NUMBER OF FUNDS, 2003-2008:Q3**

End of period

ITEM	2003	2004	2005	2006	2007		2008		
					Q3	Q4	Q1	Q2	Q3
<b>All Reporting Countries<sup>1</sup></b>	<b>54,569</b>	<b>54,982</b>	<b>56,868</b>	<b>61,855</b>	<b>64,058</b>	<b>66,350</b>	<b>67,220</b>	<b>68,513</b>	<b>69,477</b>
Equity	22,688	22,362	23,264	25,698	26,430	27,319	27,284	27,627	28,091
Bond	11,886	13,309	13,231	13,571	13,380	13,306	12,961	12,662	12,574
Money Market	4,974	3,623	3,536	3,409	3,421	3,452	3,562	3,721	3,704
Balanced/Mixed	11,465	11,603	11,393	12,530	13,127	13,756	13,973	14,390	14,684
Other	1,578	1,997	3,317	4,116	5,169	5,619	6,538	7,144	7,383
<b>Countries Reporting in Every Period<sup>2</sup></b>	<b>41,689</b>	<b>42,354</b>	<b>42,427</b>	<b>45,394</b>	<b>46,730</b>	<b>47,661</b>	<b>47,520</b>	<b>48,031</b>	<b>48,859</b>
Equity	20,018	19,918	20,044	21,805	21,998	22,449	22,156	22,324	22,642
Bond	9,847	9,961	10,004	10,292	10,297	10,241	9,876	9,674	9,717
Money Market	2,652	2,899	2,799	2,663	2,633	2,635	2,724	2,858	2,823
Balanced/Mixed	7,857	8,095	7,857	8,540	9,289	9,737	9,826	10,142	10,578
Other	1,315	1,481	1,723	2,094	2,513	2,599	2,938	3,033	3,099

Source: National mutual fund associations; European Fund and Asset Management Association provides data for all European countries except Romania and Russia.

<sup>1</sup> Components may not sum to total because of unclassified funds.

<sup>2</sup> Number of countries is 23.

**Table 4**  
**TOTAL NET ASSETS, 2003-2008:Q3**

Billions of euros, end of period

ITEM	2003	2004	2005	2006	2007		2008		
					Q3	Q4	Q1	Q2	Q3
<b>All Reporting Countries<sup>1</sup></b>	<b>11,123</b>	<b>11,868</b>	<b>15,064</b>	<b>16,571</b>	<b>18,189</b>	<b>17,764</b>	<b>15,689</b>	<b>15,636</b>	<b>15,144</b>
Equity	4,690	5,300	7,063	7,979	8,844	8,454	6,707	6,621	6,027
Bond	2,413	2,432	2,924	2,940	2,974	2,905	2,669	2,654	2,652
Money Market	2,539	2,439	2,852	2,934	3,289	3,370	3,551	3,547	3,807
Balanced/Mixed	948	1,061	1,328	1,556	1,825	1,788	1,578	1,571	1,504
Other	246	292	434	513	607	600	560	619	576
<b>Countries Reporting in Every Period<sup>2</sup></b>	<b>10,530</b>	<b>11,193</b>	<b>14,183</b>	<b>15,439</b>	<b>16,720</b>	<b>16,290</b>	<b>14,354</b>	<b>14,365</b>	<b>13,949</b>
Equity	4,565	5,162	6,886	7,765	8,425	8,034	6,372	6,330	5,761
Bond	2,338	2,362	2,831	2,851	2,869	2,798	2,561	2,549	2,549
Money Market	2,500	2,389	2,788	2,861	3,197	3,269	3,453	3,451	3,704
Balanced/Mixed	893	1,002	1,259	1,463	1,639	1,608	1,426	1,434	1,375
Other	234	279	420	498	590	582	542	601	560

Source: National mutual fund associations; European Fund and Asset Management Association provides data for all European countries except Russia.

<sup>1</sup> Components may not sum to total because of rounding or unclassified funds.

<sup>2</sup> Number of countries is 25. Components may not sum to total because of rounding.

**Table 5**  
**NET SALES,<sup>1</sup> 2004-2008:Q3**

Billions of euros

ITEM	2004	2005	2006	2007	2007		2008		
					Q3	Q4	Q1	Q2	Q3
<b>All Reporting Countries<sup>2</sup></b>	<b>362</b>	<b>785</b>	<b>1,039</b>	<b>1,126</b>	<b>230</b>	<b>263</b>	<b>263</b>	<b>1</b>	<b>-145</b>
Equity	286	337	430	241	23	58	-88	18	-100
Bond	86	177	88	66	-37	-21	9	9	-44
Money Market	-98	102	288	580	203	173	325	-45	19
Balanced/Mixed	65	88	163	144	17	29	-10	10	-16
Other <sup>3</sup>	24	82	70	94	24	25	28	9	-3
<b>Countries Reporting in Every Period<sup>4</sup></b>	<b>241</b>	<b>543</b>	<b>760</b>	<b>889</b>	<b>192</b>	<b>229</b>	<b>241</b>	<b>-17</b>	<b>-94</b>
Equity	237	257	333	233	25	60	-45	20	-79
Bond	48	71	62	56	-19	-4	23	20	-11
Money Market	-106	108	264	528	185	164	278	-54	12
Balanced/Mixed	55	90	83	51	-4	9	-19	-5	-16
Other <sup>3</sup>	7	19	17	21	4	1	4	2	-1

Source: National mutual fund associations; European Fund and Asset Management Association provides data for all European countries except Russia.

<sup>1</sup> Net sales are new sales plus reinvested dividends less redemptions plus net exchanges.

<sup>2</sup> Components may not sum to total because of rounding or unclassified funds.

<sup>3</sup> Including net sales of special funds domiciled in Luxembourg.

<sup>4</sup> Number of countries is 17. Components may not sum to total because of rounding.



**Table 6**  
**TOTAL NET ASSETS OF THE EUROPEAN INVESTMENT FUND INDUSTRY, End September 2008**

	Overall Fund Industry			UCITS Market <sup>1</sup>			Non-UCITS Market <sup>2</sup>		
	Number of funds	Net assets		Number of funds	Net assets		Number of funds	Net assets	
		in mio euro	in mio US \$		in mio euro	in mio US \$		in mio euro	in mio US \$
Austria	2,325	140,576	201,066	1,576	90,023	128,760	749	50,553	72,305
Belgium	1,924	103,633	148,227	1,888	97,768	139,838	36	5,865	8,389
Bulgaria	73	237	339	73	237	339	0	0	0
Czech Republic	108	6,116	8,748	106	6,047	8,649	2	69	99
Denmark	804	112,324	160,657	505	57,326	81,993	299	54,998	78,664
Finland	529	50,559	72,315	389	42,355	60,580	140	8,205	11,735
France	12,150	1,350,800	1,932,049	8,451	1,204,400	1,722,653	3,699	146,400	209,396
Germany	6,069	964,606	1,379,675	1,949	213,419	305,253	4,120	751,187	1,074,422
Greece	283	16,579	23,714	273	15,470	22,126	10	1,110	1,588
Hungary	391	12,487	17,860	322	9,325	13,337	69	3,162	4,523
Ireland	4,987	733,832	1,049,599	3,041	578,819	827,885	1,946	155,012	221,714
Italy	1,153	282,530	404,103	748	214,529	306,840	405	68,002	97,263
Liechtenstein	504	18,162	25,976	389	16,216	23,194	115	1,945	2,782
Luxembourg	12,234	1,796,696	2,569,814	9,391	1,558,850	2,229,623	2,843	237,846	340,191
Netherlands	522	71,689	102,536	458	59,126	84,568	64	12,563	17,968
Norway	520	39,972	57,172	520	39,972	57,172	0	0	0
Poland	405	25,189	36,028	206	19,167	27,414	199	6,023	8,614
Portugal	514	28,387	40,601	206	14,232	20,357	308	14,154	20,245
Romania	69	2,744	3,925	53	245	350	16	2,500	3,575
Slovakia	123	4,335	6,200	77	4,164	5,955	46	171	245
Slovenia	127	2,616	3,742	121	2,072	2,964	6	544	778
Spain	3,025	224,887	321,655	2,954	215,353	308,019	71	9,534	13,636
Sweden	561	105,077	150,292	546	102,701	146,894	15	2,376	3,398
Switzerland	776	159,021	227,447	579	119,329	170,676	197	39,692	56,771
Turkey	355	16,286	23,294	305	13,638	19,506	50	2,648	3,787
United Kingdom	2,856	569,135	814,034	2,389	480,812	687,706	467	88,323	126,328
<b>Europe <sup>3</sup></b>	<b>53,387</b>	<b>6,838,474</b>	<b>9,781,069</b>	<b>37,515</b>	<b>5,175,594</b>	<b>7,402,652</b>	<b>15,872</b>	<b>1,662,880</b>	<b>2,378,417</b>

Source: EFAMA

<sup>1</sup> In the sense of publicly offered open-end investment funds (transferable securities and money market instruments), including funds-of-funds assets.

<sup>2</sup> In the sense of nationally regulated investment funds for which a classification in terms of market exposure (equity, bond, balanced and money market) is not possible.

<sup>3</sup> Data for Russia are not included in this table.