

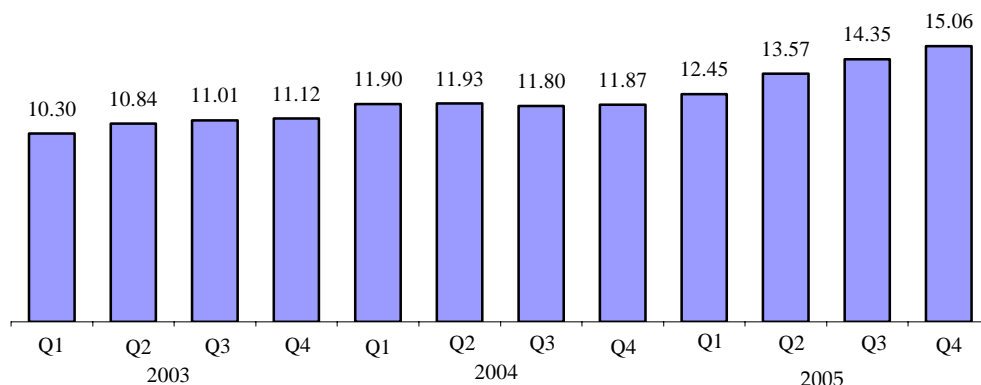
*This release and additional tables  
of international statistics are  
available on efama's website  
([www.efama.org](http://www.efama.org))*

## Worldwide Investment Fund Assets and Flows<sup>1</sup>

### Trends in the Fourth Quarter 2005

**Brussels, 11 May 2006.** Investment fund<sup>2</sup> assets worldwide increased 2.8 percent to €15.06 trillion, at the end of the fourth quarter of 2005. Net cash flow to all funds worldwide remained robust, registering €281 billion in the fourth quarter of 2005. Fourth-quarter inflows to equity funds nearly doubled to reach €137 billion. The pace of money market funds inflows also accelerated, reaching €68 billion worldwide, primarily due to sizeable inflows in the United States. For the year as a whole, net cash flow to all funds worldwide was more than the double the amount of inflows in 2004 (€90 billion, compared with €421 billion), with Europe pulling in €378 billion in new investments. Including estimates for Ireland and Belgium, for which no official net sales data are available, net inflows reached €430 billion in 2005 in Europe, compared with €385 billion in the United States.

**Worldwide Investment Fund Assets<sup>3</sup>**  
(Trillions of euros, end of quarter)



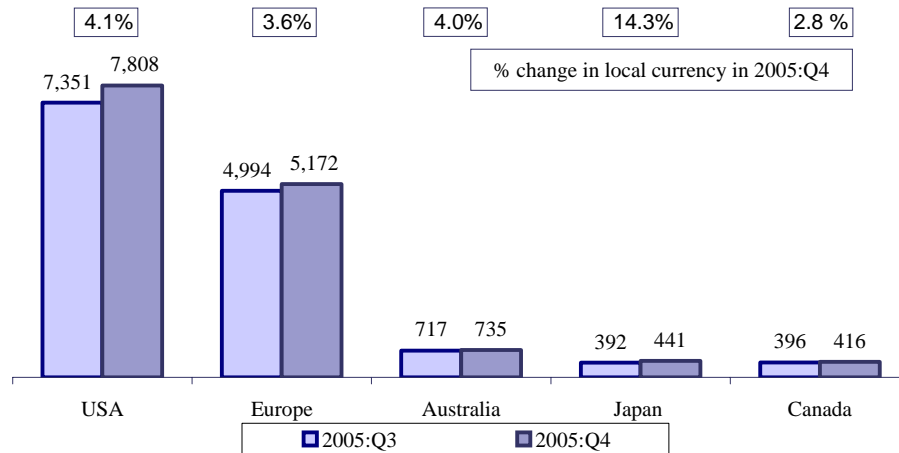
<sup>1</sup> The information presented in this report was compiled by EFAMA and the Investment Company Institute on behalf of the International Investment Funds Association, an organization of national investment fund associations. The collection for the fourth quarter includes statistics from 41 countries.

<sup>2</sup> "Investment fund" is used in this statistical release in the sense of publicly offered open-end fund investing in transferable securities and money market funds, which refers to "mutual fund" in the U.S. and "UCITS" in EFAMA's statistics on the European investment fund industry.

<sup>3</sup> Excluding funds-of-funds assets.

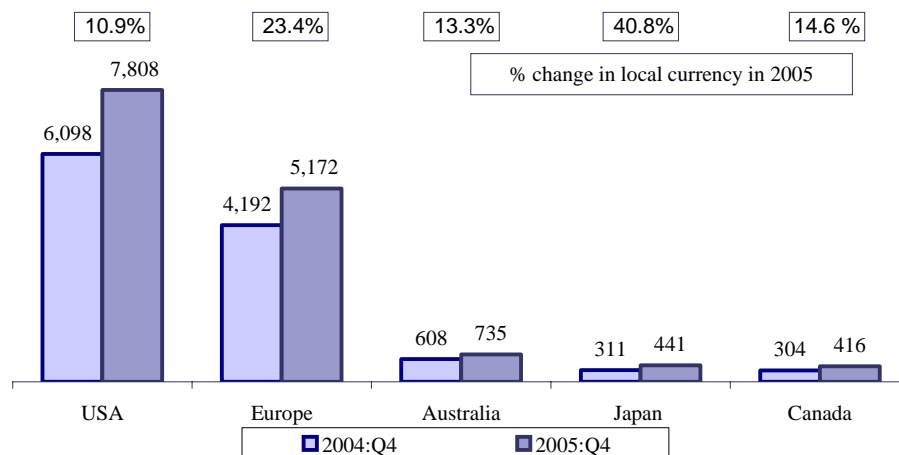
Measured in local currency, and taking into account funds of funds, the growth of fund assets was slightly stronger in the United States than in Europe<sup>3</sup> in the fourth quarter of 2005 (4.1 percent compared to 3.6 percent). Measured in euro terms, total net assets increased in the United States by 6.2 percent, reflecting the appreciation of the U.S. dollar recorded in the fourth quarter.

**Geographical Trends in Investment Fund Assets**  
(Billions of euro, end of quarter)



The total result for 2005 was a 10.9 percent increase in the U.S. mutual fund market measured in local currency, whereas UCITS assets increased by 23.4 percent in Europe. The other markets in the world also showed strong growth, with a remarkable 40.8 percent increase in Japan reflecting a 48.8 percent increase in equity fund assets.

**Geographical Trends in Investment Fund Assets**  
(Billions of euro, end of quarter)



<sup>3</sup> In this release, to ensure consistency with EFAMA European statistics, Europe is defined as regrouping Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Liechtenstein, Luxembourg, Netherlands, Norway, Poland, Portugal, Slovakia, Spain, Sweden, Switzerland, Turkey and the United Kingdom.

## Geographical Trends by Type of Fund, 2005:Q4

(Billions of euros, end of quarter)

	USA	Europe (1)	Japan	Canada
<b>Equity</b>	<b>4,188</b>	<b>1,824</b>	<b>294</b>	<b>178</b>
% chg in EUR (2)	6%	8%	15%	0%
% chg in loc. cur. (3)	4%	8%	17%	2%
<b>Bond</b>	<b>1,151</b>	<b>1,189</b>	<b>83</b>	<b>47</b>
% chg in EUR (2)	2%	-2%	5%	0%
% chg in loc. cur. (3)	0%	-2%	6%	4%
<b>Money Market</b>	<b>1,730</b>	<b>842</b>	<b>22</b>	<b>34</b>
% chg in EUR (2)	9%	-1%	-5%	0%
% chg in loc. cur. (3)	7%	-1%	-4%	-1%
<b>Balanced / Mixed</b>	<b>481</b>	<b>636</b>	<b>--</b>	<b>84</b>
% chg in EUR (2)	3%	4%	--	0%
% chg in loc. cur. (3)	1%	4%	--	4%
<b>Funds of Funds</b>	<b>259</b>	<b>78</b>	<b>42</b>	<b>--</b>
% chg in EUR (2)	19%	10%	21%	--
% chg in loc. cur. (3)	16%	10%	23%	--

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

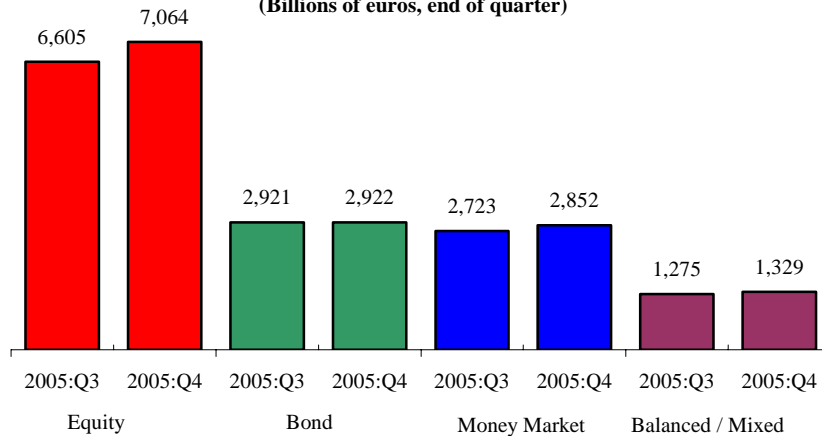
(2) 2005:Q4 compared to 2005:Q3.

(3) 2005:Q4 compared to 2005:Q3, using the euro as the local currency for Europe.

Worldwide assets of equity funds were €7.1 trillion at the end of the fourth quarter of 2005, growing 6.9 percent over the quarter. Net cash flow to equity funds worldwide increased to €137 billion in the fourth quarter, compared to €72 billion in the third quarter. The United States reported net inflows of €54 billion into equity funds, up from €24 billion in the previous quarter, while Europe reported an increase in net inflows from €39 billion to €48 billion. The Asian/Pacific region reported a striking 234 percent increase in net inflows into equity funds to €32 billion, reflecting an increase of €19 billion in Japan to €24 billion. Assets of balanced/mixed funds increased by 4.2 percent in the fourth quarter of 2005, with reported net inflows of €29 billion.

## Worldwide Assets of Equity, Bond, Money Market, and Balanced / Mixed Funds

(Billions of euros, end of quarter)



Bond fund assets worldwide remained stable at €2,922 billion. This result reflected a fall in the net inflows to bond funds in the United States to €9 billion in the fourth quarter, as well as net outflows in Europe, due to the switch of assets from dedicated UCITS of €32 billion to an in-house managed portfolio, as part of the launch of the Banque Postale in France.

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

	USA								Europe <sup>(1)</sup>								World <sup>(2)</sup>							
	2004				2005				2004				2005				2004				2005			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Equity</b>	71	32	20	46	40	26	24	54	35	20	4	21	28	6	39	48	114	63	33	77	79	52	72	137
<b>Bond</b>	14	-19	11	13	11	15	23	9	27	14	12	21	47	28	44	-16	46	-10	16	33	76	39	73	-12
<b>Money Market</b>	-39	-49	-42	7	-33	-9	34	92	12	-4	-3	-15	11	8	15	-17	3	-52	-46	-8	-16	0	49	68
<b>Balanced / Mixed</b>	14	10	8	10	12	8	6	5	28	-5	2	6	12	13	21	16	32	3	11	18	8	21	30	29
<b>Other <sup>(3)</sup></b>	12	10	9	12	13	13	14	28	5	11	4	6	13	18	25	20	22	25	17	23	37	40	50	58
<b>Total</b>	71	-16	6	87	43	53	101	188	107	35	18	38	111	72	144	50	218	29	30	144	184	152	273	281

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

(2) 30 countries reported in 2004 Q1, 31 in 2004:Q2, 30 in 2004:Q3, 31 in 2004:Q4, 32 in 2005 Q1, in 2005 Q2, in 2005:Q3 and in 2005:Q4.

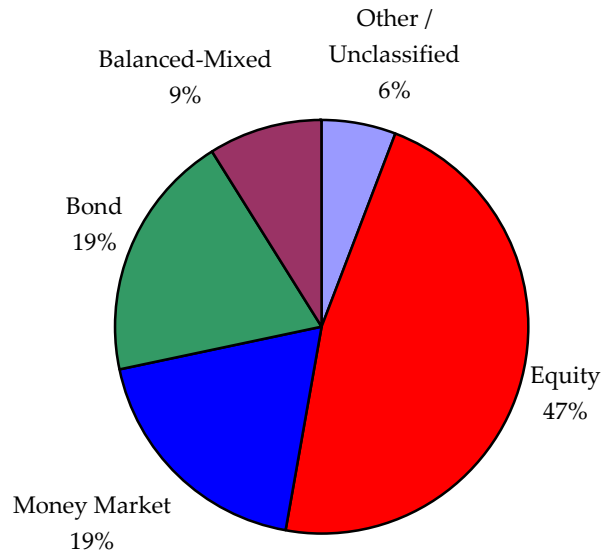
Net sales are new sales plus reinvested dividends less redemptions plus net exchanges.

(3) Other funds, including funds of funds.

Money market fund assets worldwide increased by 4.7 percent in the fourth quarter of 2005, holding €2.8 trillion worldwide at the end of the fourth quarter. Money market funds garnered an inflow of €68 billion worldwide, the second quarter of strongly positive net cash flow following a two-and-a-half year period of primarily net outflows. The United States reported inflows of €92 billion, more than accounting for the inflow to money funds worldwide. Money market fund flows in Europe reversed in the fourth quarter, registering an outflow of €17 billion after registering an inflow of €15 billion in the third quarter. The Asian/Pacific region reported outflows of €5 billion in the fourth quarter.

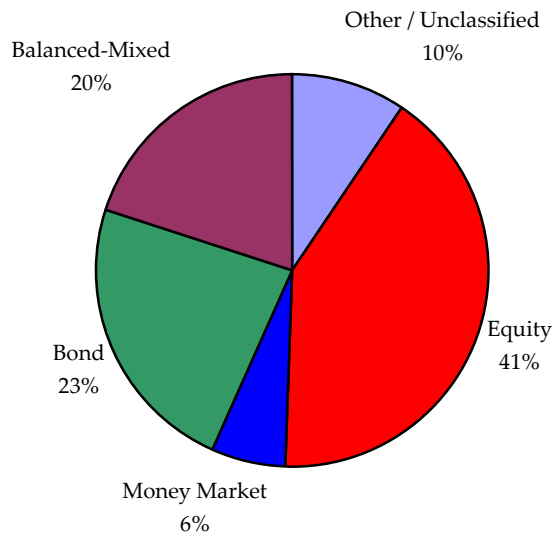
At the end of December 2005, assets of equity funds represented 47 percent of all worldwide investment fund assets. The asset share of bond and money market funds was 19 percent each. Balanced/mixed funds represented 9 percent of the total.

**Composition of Worldwide Investment Fund Assets, 2005:Q4**  
(Percent of total assets, end of quarter)



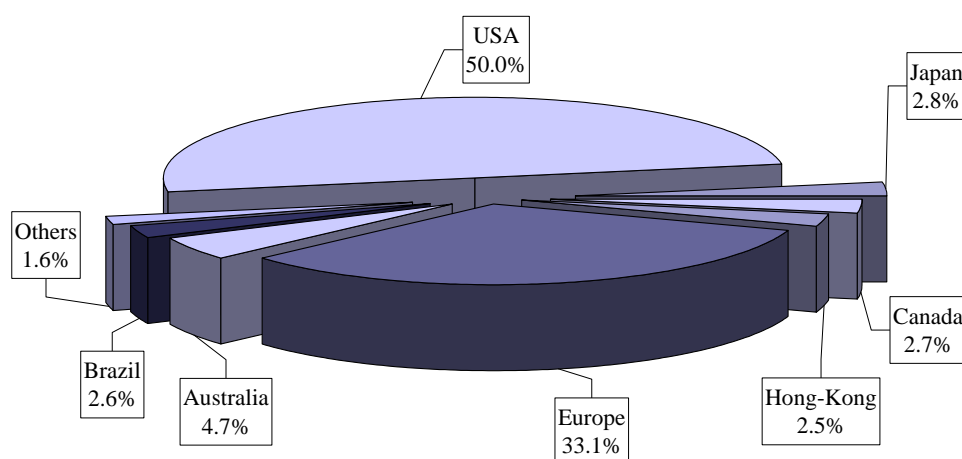
At the end of December 2005, the number of investment funds worldwide stood at 56,863. By type of fund, 41 percent were equity funds, 23 percent were bond funds, 20 percent were balanced/mixed funds, and 6 percent were money market funds.

**Composition of Worldwide Investment Funds, 2005:Q4**  
(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, 50 percent and 33.1 percent, respectively. Australia, Japan, Canada, Brazil and Hong-Kong follow in this ranking. Taking into account non-UCITS assets, the market share of Europe reached 38.6 percent and that of the U.S. 45.9 percent.<sup>4</sup>

**Worldwide Investment Fund Assets, End 2005:Q4**  
(Market share, end of quarter)



<sup>4</sup> Assets of UCITS and non-UCITS funds in Europe at end December 2005 are provided in Table 6 in annex.

**Table 1**  
**TOTAL NET ASSETS, 2000-2005:Q4**  
 Billions of U.S. dollars, end of period

ITEM	2000	2001	2002	2003	2004	2005			
						Q1	Q2	Q3	Q4
<b>All Reporting Countries<sup>1</sup></b>	<b>11,871</b>	<b>11,655</b>	<b>11,324</b>	<b>14,048</b>	<b>16,165</b>	<b>16,151</b>	<b>16,368</b>	<b>17,285</b>	<b>17,771</b>
Equity	5,962	5,134	4,204	5,923	7,219	7,221	7,384	7,953	8,333
Bond	2,077	2,212	2,534	3,047	3,313	3,341	3,397	3,517	3,448
Money Market	2,483	2,986	3,190	3,206	3,323	3,270	3,202	3,279	3,364
Balanced/Mixed	1,022	942	918	1,198	1,445	1,427	1,455	1,535	1,568
Other	190	190	229	311	398	416	436	481	512
<b>Countries Reporting in Every Period<sup>2</sup></b>	<b>11,452</b>	<b>11,199</b>	<b>10,767</b>	<b>13,300</b>	<b>15,246</b>	<b>15,231</b>	<b>15,428</b>	<b>16,284</b>	<b>16,732</b>
Equity	5,809	5,007	4,084	5,766	7,031	7,034	7,201	7,753	8,123
Bond	2,025	2,152	2,462	2,953	3,217	3,249	3,299	3,411	3,339
Money Market	2,475	2,970	3,159	3,157	3,254	3,200	3,129	3,202	3,289
Balanced/Mixed	962	888	860	1,128	1,364	1,347	1,377	1,452	1,485
Other	181	182	202	296	380	401	422	466	495

Source: National mutual fund associations; EFAMA provides data for all European countries except Romania and Russia.

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

<sup>2</sup> Number of countries is 26. Components may not sum to total because of rounding.

**Table 2**  
**NET SALES,<sup>1</sup> 2001-2005:Q4**  
 Billions of U.S. dollars

ITEM	2001	2002	2003	2004	2004	2005			
					Q4	Q1	Q2	Q3	Q4
<b>All Reporting Countries<sup>2</sup></b>	<b>904</b>	<b>278</b>	<b>317</b>	<b>457</b>	<b>166</b>	<b>215</b>	<b>166</b>	<b>305</b>	<b>287</b>
Equity	151	66	283	357	100	103	65	87	163
Bond	196	130	177	109	43	99	49	89	-14
Money Market	531	53	-212	-120	-10	-21	0	59	81
Balanced/Mixed	8	6	56	82	24	11	26	37	35
Other	19	23	14	29	8	22	25	32	22
<b>Countries Reporting in Every Period<sup>3</sup></b>	<b>784</b>	<b>240</b>	<b>165</b>	<b>307</b>	<b>124</b>	<b>128</b>	<b>127</b>	<b>205</b>	<b>214</b>
Equity	115	55	250	298	83	76	59	61	124
Bond	144	121	86	62	31	32	35	56	-33
Money Market	515	49	-218	-131	-11	-20	5	53	91
Balanced/Mixed	1	10	40	69	19	33	22	30	27
Other	9	5	6	8	2	7	6	6	5

Source: National mutual fund associations; EFAMA provides data for all European countries except Romania and 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> Number of countries is 18. Components may not sum to total because of rounding.

**Table 3**  
**NUMBER OF FUNDS, 2000-2005:Q4**  
 End of period

ITEM	2000	2001	2002	2003	2004	2005			
						Q1	Q2	Q3	Q4
<b>All Reporting Countries<sup>1</sup></b>	<b>51,692</b>	<b>52,849</b>	<b>54,110</b>	<b>54,569</b>	<b>54,984</b>	<b>55,095</b>	<b>55,919</b>	<b>56,095</b>	<b>56,863</b>
Equity	20,381	22,348	22,974	22,688	22,364	22,796	23,043	23,050	23,284
Bond	13,128	12,183	11,619	11,886	13,309	13,127	13,213	13,225	13,177
Money Market	4,692	4,277	4,394	4,974	3,623	3,618	3,598	3,569	3,536
Balanced/Mixed	11,110	11,155	11,228	11,465	11,603	11,111	11,291	11,181	11,422
Other	1,000	1,195	1,310	1,578	1,997	2,364	2,659	3,017	3,317
<b>Countries Reporting in Every Period<sup>2</sup></b>	<b>39,367</b>	<b>41,620</b>	<b>42,393</b>	<b>41,689</b>	<b>42,356</b>	<b>42,093</b>	<b>42,529</b>	<b>42,377</b>	<b>42,429</b>
Equity	18,637	20,630	20,808	20,018	19,920	19,971	20,052	19,952	20,044
Bond	10,176	9,830	9,946	9,847	9,961	10,004	10,026	10,076	10,006
Money Market	2,786	2,727	2,674	2,652	2,899	2,901	2,867	2,831	2,799
Balanced/Mixed	6,926	7,500	7,723	7,857	8,095	7,674	7,966	7,850	7,857
Other	842	933	1,242	1,315	1,481	1,543	1,618	1,668	1,723

Source: National mutual fund associations; EFAMA 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 24.

**Table 4**  
**TOTAL NET ASSETS, 2000-2005:Q4**  
 Billions of euros, end of period

ITEM	2000	2001	2002	2003	2004	2005			
						Q1	Q2	Q3	Q4
<b>All Reporting Countries<sup>1</sup></b>	<b>12,597</b>	<b>13,073</b>	<b>10,798</b>	<b>11,123</b>	<b>11,868</b>	<b>12,458</b>	<b>13,537</b>	<b>14,354</b>	<b>15,064</b>
Equity	6,326	5,759	4,008	4,690	5,300	5,570	6,107	6,605	7,064
Bond	2,204	2,481	2,417	2,413	2,432	2,577	2,809	2,921	2,922
Money Market	2,635	3,349	3,041	2,539	2,439	2,522	2,648	2,723	2,852
Balanced/Mixed	1,084	1,056	875	948	1,061	1,101	1,204	1,275	1,329
Other	202	213	218	246	292	321	361	399	434
<b>Countries Reporting in Every Period<sup>2</sup></b>	<b>12,152</b>	<b>12,562</b>	<b>10,267</b>	<b>10,530</b>	<b>11,193</b>	<b>11,749</b>	<b>11,901</b>	<b>12,561</b>	<b>12,906</b>
Equity	6,164	5,616	3,894	4,565	5,162	5,426	5,555	5,980	6,266
Bond	2,149	2,414	2,347	2,338	2,362	2,506	2,545	2,631	2,576
Money Market	2,627	3,331	3,013	2,500	2,389	2,468	2,414	2,470	2,537
Balanced/Mixed	1,020	996	820	893	1,002	1,039	1,062	1,120	1,145
Other	192	204	193	234	279	310	325	360	382

Source: National mutual fund associations; EFAMA provides data for all European countries except Romania and Russia.

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

<sup>2</sup> Number of countries is 26. Components may not sum to total because of rounding.

**Table 5**  
**NET SALES,<sup>1</sup> 2001-2005:Q4**  
 Billions of euros

ITEM	2001	2002	2003	2004	2004	2005			
					Q4	Q1	Q2	Q3	Q4
<b>All Reporting Countries<sup>2</sup></b>	<b>807</b>	<b>297</b>	<b>279</b>	<b>362</b>	<b>128</b>	<b>164</b>	<b>132</b>	<b>250</b>	<b>242</b>
Equity	134	80	245	286	77	79	52	72	137
Bond	175	136	160	86	33	76	39	73	-12
Money Market	473	48	-186	-98	-8	-16	0	49	68
Balanced/Mixed	7	8	48	65	19	9	20	30	29
Other	17	24	12	24	6	17	20	27	19
<b>Countries Reporting in Every Period<sup>3</sup></b>	<b>699</b>	<b>254</b>	<b>110</b>	<b>241</b>	<b>91</b>	<b>99</b>	<b>98</b>	<b>158</b>	<b>165</b>
Equity	102	66	171	237	61	59	46	47	96
Bond	128	126	93	48	23	25	27	43	-25
Money Market	460	44	-181	-106	-8	-16	4	41	70
Balanced/Mixed	1	13	24	55	14	25	17	23	21
Other	8	6	3	7	1	6	4	4	4

Source: National mutual fund associations; EFAMA provides data for all European countries except Romania and 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> Number of countries is 18. Components may not sum to total because of rounding.



Table 6

## TOTAL NET ASSETS OF THE EUROPEAN INVESTMENT FUND INDUSTRY, End 2005:Q4

Countries	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	2,088	156,697	184,856	1,307	107,961	127,361	781	48,736	57,494
Belgium	1,501	116,239	137,128	1,468	109,839	129,577	33	6,400	7,551
Czech Republic	62	4,728	5,578	62	4,728	5,578	0	0	0
Denmark	624	106,434	125,560	471	63,744	75,199	153	42,689	50,360
Finland	429	44,668	52,694	333	38,497	45,415	96	6,171	7,279
France	11,536	1,270,600	1,498,927	7,758	1,155,100	1,362,671	3,778	115,500	136,255
Germany	5,971	965,543	1,139,051	1,269	262,365	309,512	4,702	703,178	829,539
Greece	269	28,299	33,384	258	27,944	32,966	11	355	418
Hungary	135	7,082	8,354	108	5,474	6,458	27	1,607	1,896
Ireland	3,798	583,275	688,090	2,127	463,035	546,242	1,671	120,240	141,847
Italy	1,237	410,078	483,769	1,035	381,889	450,514	202	28,189	33,255
Liechtenstein	256	13,215	15,589	234	12,783	15,080	22	432	510
Luxembourg	8,497	1,525,208	1,799,288	7,222	1,386,611	1,635,785	1,275	138,597	163,503
Netherlands	561	95,768	111,379	515	79,984	92,758	46	15,784	18,620
Norway	419	34,010	40,122	419	34,010	40,122	0	0	0
Poland	188	15,877	18,730	154	15,015	17,713	34	862	1,016
Portugal	323	36,451	43,001	202	26,208	30,917	121	10,243	12,083
Slovakia	97	2,740	3,232	50	2,709	3,196	47	31	36
Spain	2,679	275,073	324,504	2,672	268,597	316,863	7	6,477	7,641
Sweden	507	105,587	124,561	496	103,787	122,438	11	1,800	2,124
Switzerland	642	116,705	137,677	526	100,782	118,892	116	15,923	18,785
Turkey	306	20,200	23,830	268	18,436	21,749	38	1,764	2,081
United Kingdom	2,217	634,649	748,695	1,883	502,920	593,294.6965	334	131,729	155,400.5572
<b>Europe <sup>3</sup></b>	<b>44,342</b>	<b>6,569,124</b>	<b>7,747,997</b>	<b>30,837</b>	<b>5,172,419</b>	<b>6,100,303</b>	<b>13,505</b>	<b>1,396,706</b>	<b>1,647,694</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 Romania and Russia are not included in this table.