

***Trends in the European Investment Fund Industry
in the Third Quarter of 2009***

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EFAMA
The European Fund and Asset Management Association

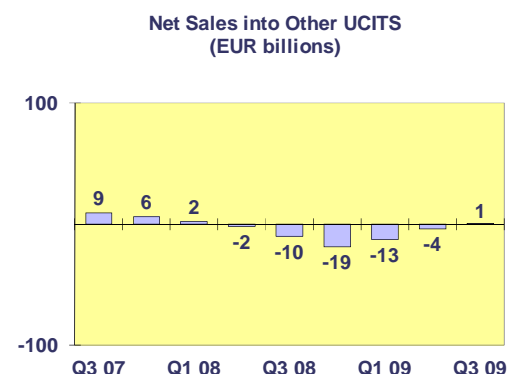
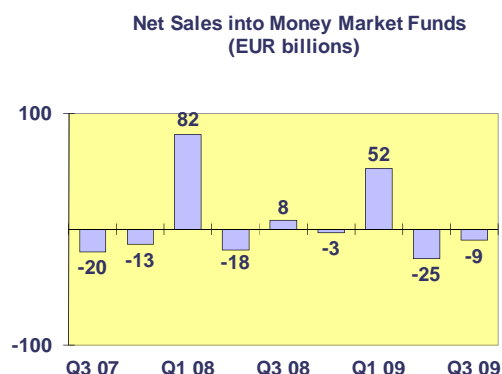
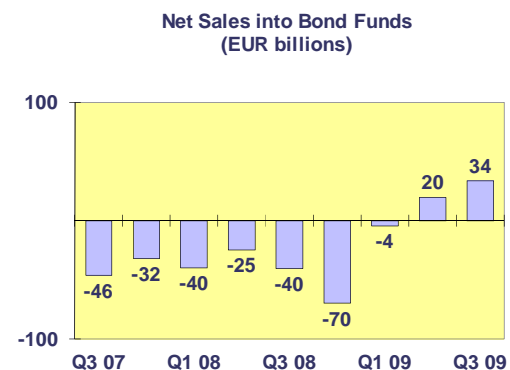
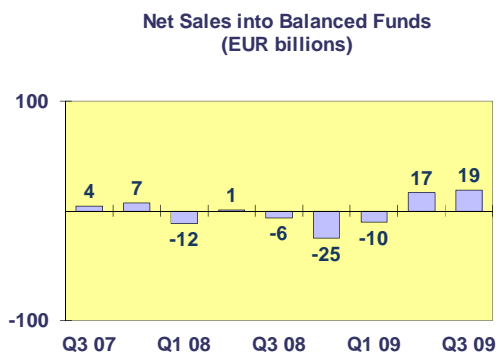
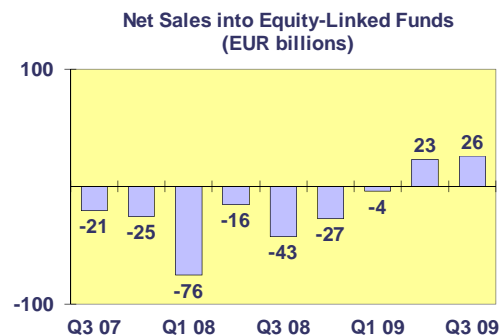
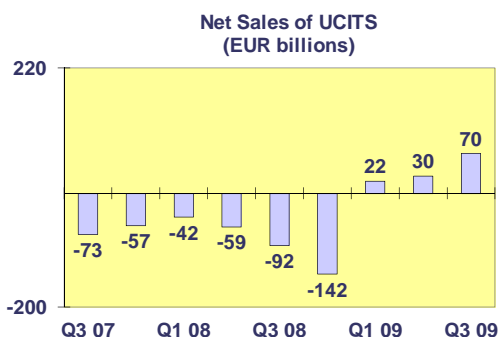
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Trends in the UCITS Market

Net Sales by Investment Type

UCITS enjoyed positive net inflows again in the third quarter of 2009. This happened for the third quarter in a row, confirming the turn-around in net sales of UCITS that started in the first quarter of 2009. Equally importantly, net inflows rose to EUR 70 billion in the third quarter, up from EUR 30 billion in the second quarter. Sustained demand for equity, bond and balanced funds boosted up the recovery, whereas investors continued to retreat from money market funds as short-term interest rates remained exceptionally low and the liquidity and functioning of fixed-income markets continued to improve. In this context, long-term UCITS, i.e. UCITS excluding money market funds, benefited from net inflows of EUR 79 billion in the third quarter, compared to net inflows of EUR 55 billion in the second quarter and net outflows of EUR 30 billion in the first quarter.

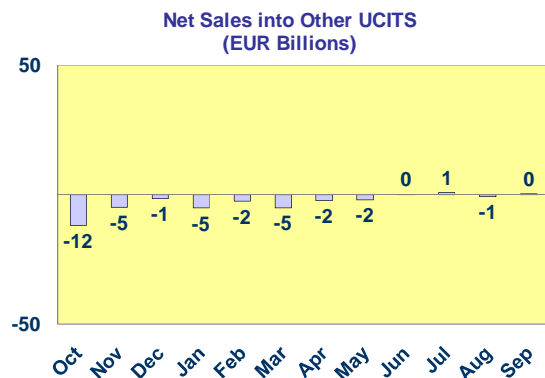
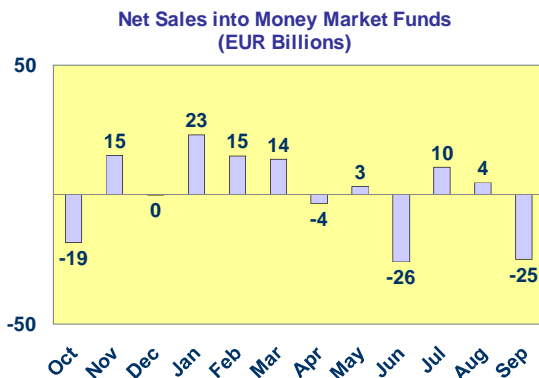
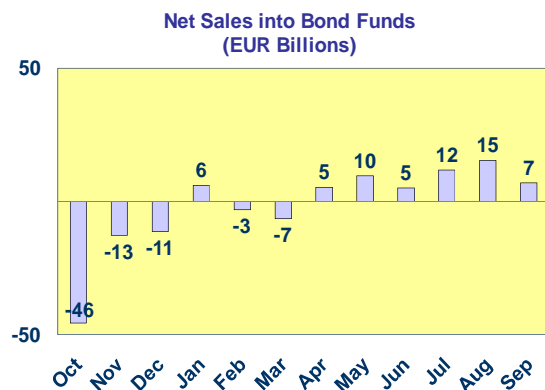
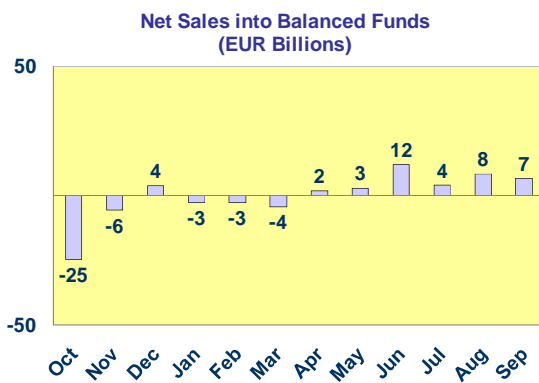
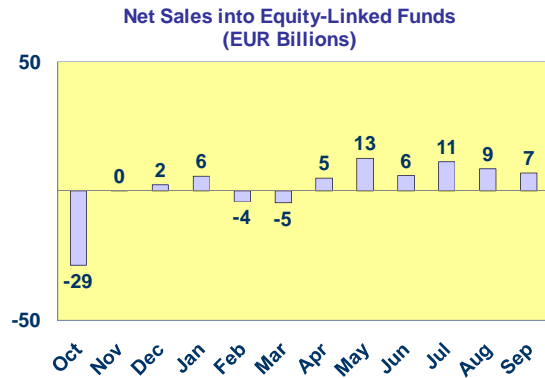
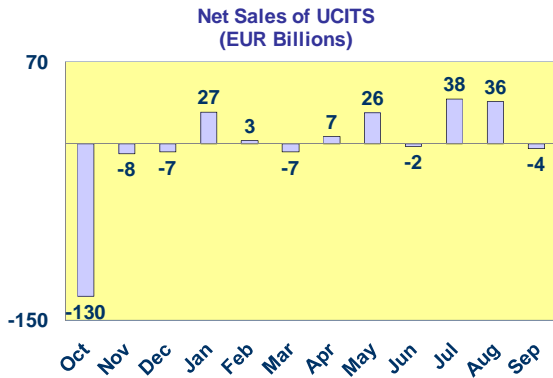
In the period from January to September 2009, total net sales of UCITS reached EUR 122 billion. Low short-term interest rates and stock valuations in conjunction with stronger-than-expected GDP growth and high concentration of financial assets in bank deposits contributed to this positive development.



Trends in the UCITS Market

Net Sales by Investment Type

Looking at the trend in monthly net sales¹, the charts below show that **equity, bond and balanced funds have attracted positive inflows for six months in a row**. On the other hand, inflows into money market funds have declined in recent months in parallel with the rebound of investor confidence in equity and medium and long-term bond investments. Overall, the monthly figures confirm the return of greater optimism about stock markets, global growth recovery and financial market conditions.



¹ Differences in totals between quarterly and monthly net sales reflect differences in the universe of reporting countries.

Trends in the UCITS Market

Net Sales by Country of Domiciliation

Nineteen reporting countries recorded positive net sales in the third quarter of 2009. Net inflows were particularly strong in Luxembourg (EUR 48 billion) and the United Kingdom (EUR 10 billion). Elsewhere in Europe, Italy-domiciled funds recorded positive net inflows for the first time in any quarter since the third quarter of 2005; this positive development suggests that Italian investors are beginning to see again the merits of diversifying their assets and investing in UCITS. Even if the same evolution can be observed in Spain, investor demand was not strong enough to prevent net outflows. In France, the relatively low level of total net inflows reflected sizeable net outflows from money market funds in September, in part reflecting the normal trend of redemptions taking place at the end of each quarter.

During the first nine months of 2009, the strongest level of net inflows was observed in Luxembourg (EUR 52 billion), thanks to strong inflows into bond and equity funds in the third quarter of 2009. France held the second largest share in total net sales in the period from January to September (EUR 36 billion), followed by the United Kingdom (EUR 26 billion) and Switzerland (EUR 8.5 billion).

Table 1. Net Sales of UCITS ⁽¹⁾

| Members | Equity Funds | | Bond Funds | | Balanced Funds | | Money Market Funds | | Other Funds ⁽²⁾ | | Total | |
|----------------|---------------|---------------|---------------|---------------|----------------|---------------|--------------------|---------------|----------------------------|----------------|---------------|----------------|
| | Q3 2009 | YTD | Q3 2009 | YTD | Q3 2009 | YTD | Q3 2009 | YTD | Q3 2009 | YTD | Q3 2009 | YTD |
| Austria | 337 | 662 | -210 | -1,881 | -139 | -647 | -33 | -1,701 | -34 | -339 | -79 | -3,907 |
| Bulgaria | 1 | -1 | 0 | -5 | 0 | -3 | 2 | 2 | 0 | 0 | 3 | -8 |
| Czech Republic | 10 | 21 | -12 | -47 | -1 | -32 | 21 | -203 | -21 | -95 | -4 | -356 |
| Denmark | 904 | 1,657 | 92 | -654 | -40 | -186 | -5 | -6 | 9 | 312 | 961 | 1,124 |
| Finland | 1,056 | 1,842 | 439 | 1,166 | 57 | 97 | 212 | -119 | -9 | 85 | 1,755 | 3,070 |
| France | 800 | 3,000 | 3,600 | 7,200 | 8,700 | 8,700 | -10,100 | 23,900 | -900 | -6,900 | 2,100 | 35,900 |
| Germany | 1,226 | 4,348 | 491 | 1,631 | 897 | 1,186 | -1,711 | -4,436 | 499 | 2,267 | 1,402 | 4,995 |
| Greece | 30 | 32 | 80 | -189 | 102 | 109 | 105 | -631 | 0 | -16 | 318 | -694 |
| Hungary | -48 | -227 | 220 | 109 | -2 | -10 | 256 | 314 | -37 | -194 | 389 | -7 |
| Italy | 114 | -251 | 1,946 | 596 | -954 | -6,335 | 923 | -657 | 0 | 0 | 2,029 | -6,647 |
| Liechtenstein | 1 | -160 | 137 | 389 | 10 | -56 | 950 | 3,311 | 10 | -47 | 1,108 | 3,437 |
| Luxembourg | 16,119 | 23,823 | 23,022 | 30,948 | 7,181 | 11,235 | 3,844 | 2,682 | -2,386 | -16,300 | 47,780 | 52,388 |
| Norway | 838 | 2,169 | 68 | 210 | 65 | 87 | 107 | 760 | -14 | 30 | 1,064 | 3,257 |
| Poland | 209 | 314 | 42 | -124 | -9 | -45 | 142 | 120 | 16 | -3 | 401 | 263 |
| Portugal | 58 | 43 | -29 | -661 | 8 | -89 | 618 | 818 | 157 | 11 | 811 | 121 |
| Romania | 2 | 4 | 50 | 46 | 9 | 13 | 104 | 248 | 3 | 4 | 168 | 315 |
| Slovakia | 8 | 13 | 2 | -7 | 23 | 1 | 56 | 8 | -13 | -145 | 76 | -129 |
| Slovenia | 10 | 5 | 1 | -1 | 5 | -4 | -1 | -2 | 1 | 3 | 14 | 1 |
| Spain | -854 | -5,019 | -233 | -1,260 | 715 | -55 | -1,365 | -4,562 | 0 | 0 | -1,737 | -10,896 |
| Sweden | 1,315 | 3,898 | 468 | 80 | 289 | 637 | -948 | -1,942 | 308 | 452 | 1,432 | 3,126 |
| Switzerland | 77 | 839 | 125 | -29 | 1,037 | 8,223 | -1,840 | -522 | 0 | 0 | -601 | 8,511 |
| Turkey | 8 | 22 | 514 | 866 | 335 | 668 | -458 | 418 | 105 | 189 | 504 | 2,163 |
| United Kingdom | 3,366 | 7,977 | 3,114 | 11,215 | 746 | 1,777 | -233 | -120 | 3,062 | 4,977 | 10,054 | 25,827 |
| Total | 25,589 | 45,011 | 33,926 | 49,598 | 19,031 | 25,272 | -9,354 | 17,681 | 756 | -15,708 | 69,948 | 121,854 |

(1) In EUR millions for EFAMA members for which data are available; (2) including funds of funds, except for France, Germany and Italy for which the funds of funds data are included in the other fund categories; (3) net sales of non-UCITS are included in "other" funds, except net sales of special funds, which are shown in Table 5.

Trends in the UCITS Market

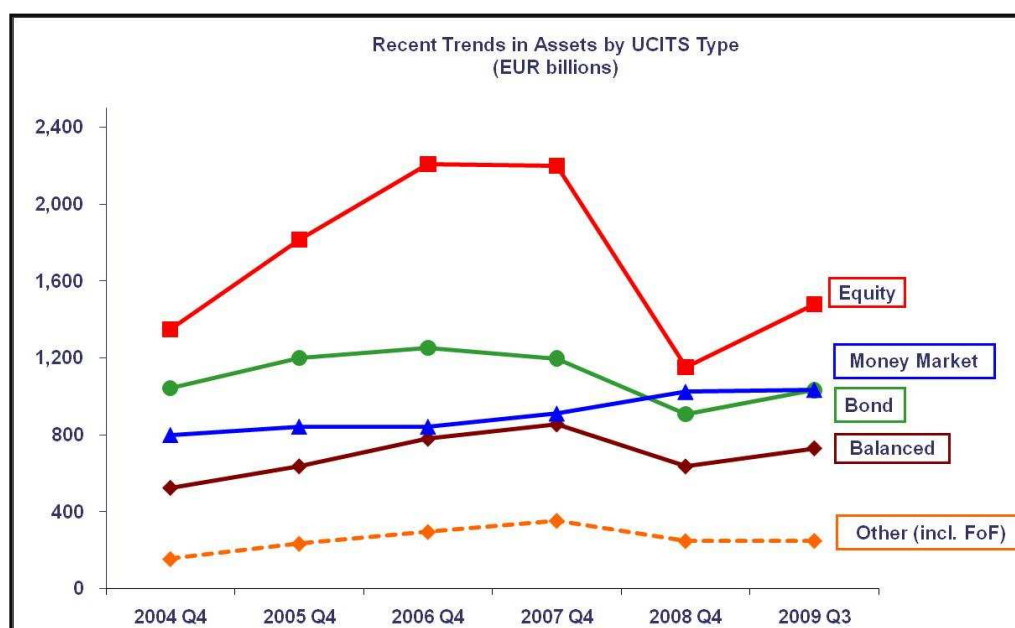
Net Assets by Investment Type

Total net assets of UCITS increased by 7.7 percent in the third quarter to reach EUR 5,157 billion at end September 2009. Equity funds experienced the strongest asset increase (EUR 197 billion or 15 percent). Balanced and bond funds also saw their assets increase by 9 percent and 8 percent, respectively. On the other hand, money market funds saw their assets decline by 1 percent in the third quarter of 2009. Rising stock prices and net inflows pushed the share of equity funds in UCITS assets upwards from 31 percent at end March 2009 to 33 percent at end September.

Since the end of 2008, total assets of UCITS rose by 13.5 percent, or EUR 615 billion. New money invested in UCITS represented 3 percent of UCITS assets at end 2008. Equity funds enjoyed the strongest asset increase (28 percent) followed by bond funds (24 percent). The reduction in the net assets held in funds of funds reflected the reclassification of German-domiciled funds of funds into the other types of funds.

| Table 2. Breakdown of UCITS Assets by Category ⁽¹⁾ | | | | | | |
|---------------------------------------------------------------|--------------|-------------|--------------------------|------------|--------------------------|------------|
| UCITS types | 30/09/2009 | | Change wrt to 30/06/2009 | | Change wrt to 31/12/2008 | |
| | EUR bn | Share | in % ⁽²⁾ | in EUR bn | % chg ⁽³⁾ | in EUR bn |
| Equity | 1,479 | 33% | 15.4% | 197 | 28.3% | 326 |
| Balanced | 730 | 16% | 9.3% | 62 | 14.8% | 94 |
| Total Equity & Balanced | 2,209 | 49% | 13.3% | 260 | 23.5% | 420 |
| Bond | 1,032 | 23% | 7.6% | 73 | 13.8% | 125 |
| Money Market | 1,034 | 23% | -1.1% | -12 | 1.0% | 10 |
| Funds of funds ⁽⁴⁾ | 61 | 1% | 13.1% | 7 | -5.2% | -3 |
| Other | 188 | 4% | 3.9% | 7 | 2.2% | 4 |
| All Funds | 4,524 | 100% | 8.0% | 335 | 14.0% | 556 |
| including Ireland & Netherlands | 5,157 | | 7.7% | 368 | 13.5% | 615 |

(1) Excluding Ireland and Netherlands for which no data breakdown is available. (3) End of September 2009 compared to end 2008.
 (2) End of September 2009 compared to end June 2009. (4) Except funds of funds domiciled in France, Luxembourg, Italy and Germany which are included in the other types of funds.



Trends in the UCITS Market

Net Assets by Country of Domiciliation

Looking at the development in the major fund markets in the third quarter of 2009, all countries experienced asset growth ranging from 1.2 percent in Spain to 11.5 percent in the United Kingdom. The asset increase in the United Kingdom would have been stronger, had the pound sterling not lost 6 percent of its value against the euro. Elsewhere, the asset increase was particularly strong in the Nordic countries, particularly in Sweden and Norway – two countries where the share of equity funds in UCITS assets remained high at end September 2009 (64 percent and 52 percent, respectively) and which benefited from an appreciation of their national currencies. All central European countries except Slovakia enjoyed above-European-average asset growth, reflecting asset price increases and strong inflows, especially in Poland and Hungary. In Southern Europe, Greece and Portugal also enjoyed positive strong asset growth, 11 and 13 percent, respectively.

Twenty-one countries recorded positive asset increase during the first nine months of 2009. The increase was higher than 10 percent in Denmark, Finland, France, Germany, Ireland, Liechtenstein, Luxembourg, Norway, Poland, Romania, Slovenia, Sweden, Switzerland, Turkey and the United Kingdom.

Table 3. Net Assets of the European UCITS Industry

| Members | 30/09/2009 | | 30/06/2009 | | 31/12/2008 | |
|------------------|------------------|-------------|------------------|----------------------|------------------|----------------------|
| | EUR m | Share | EUR m | % chg ⁽¹⁾ | EUR m | % chg ⁽²⁾ |
| Austria | 81,802 | 1.6% | 77,623 | 5.4% | 79,701 | 2.6% |
| Belgium | 87,105 | 1.7% | 79,457 | 9.6% | 87,219 | -0.1% |
| Bulgaria | 170 | 0.0% | 152 | 11.4% | 162 | 4.8% |
| Czech Republic | 4,454 | 0.1% | 4,111 | 8.3% | 4,422 | 0.7% |
| Denmark | 55,161 | 1.1% | 49,635 | 11.1% | 46,891 | 17.6% |
| Finland | 43,734 | 0.8% | 39,073 | 11.9% | 35,029 | 24.9% |
| France | 1,264,105 | 24.5% | 1,203,973 | 5.0% | 1,143,265 | 10.6% |
| Germany | 213,645 | 4.1% | 194,739 | 9.7% | 184,921 | 15.5% |
| Greece | 9,869 | 0.2% | 8,866 | 11.3% | 9,324 | 5.8% |
| Hungary | 7,821 | 0.2% | 6,963 | 12.3% | 7,212 | 8.4% |
| Ireland | 569,697 | 11.0% | 542,560 | 5.0% | 517,702 | 10.0% |
| Italy | 194,200 | 3.8% | 186,202 | 4.3% | 189,400 | 2.5% |
| Liechtenstein | 21,054 | 0.4% | 18,844 | 11.7% | 15,822 | 33.1% |
| Luxembourg | 1,529,019 | 29.6% | 1,398,258 | 9.4% | 1,337,043 | 14.4% |
| Netherlands | 64,100 | 1.2% | 57,300 | 11.9% | 57,000 | 12.5% |
| Norway | 43,865 | 0.9% | 36,937 | 18.8% | 29,517 | 48.6% |
| Poland | 14,907 | 0.3% | 12,362 | 20.6% | 12,794 | 16.5% |
| Portugal | 11,058 | 0.2% | 9,795 | 12.9% | 10,455 | 5.8% |
| Romania | 593 | 0.0% | 397 | 49.2% | 234 | 153.6% |
| Slovakia | 3,084 | 0.1% | 2,953 | 4.4% | 3,107 | -0.8% |
| Slovenia | 1,793 | 0.0% | 1,632 | 9.9% | 1,514 | 18.4% |
| Spain | 188,247 | 3.7% | 186,063 | 1.2% | 194,714 | -3.3% |
| Sweden | 111,196 | 2.2% | 96,703 | 15.0% | 84,642 | 31.4% |
| Switzerland | 117,994 | 2.3% | 108,379 | 8.9% | 98,320 | 20.0% |
| Turkey | 13,685 | 0.3% | 13,071 | 4.7% | 11,221 | 22.0% |
| United Kingdom | 504,936 | 9.8% | 452,759 | 11.5% | 380,462 | 32.7% |
| All Funds | 5,157,294 | 100% | 4,788,808 | 7.7% | 4,542,094 | 13.5% |

(1) End September compared to end June 2009; (2) end September 2009 compared to end 2008.

Trends in the Non-UCITS Market

Net Sales and Assets by Investment Type

Total assets in the non-UCITS market increased by 5.8 percent in the third quarter of 2009 to EUR 1,683 billion. The bulk of the increase was driven by the rise in assets of special funds reserved for institutional investors, which in turn reflected asset appreciation and net inflows. British investment trust and French employees savings schemes also enjoyed strong asset growth.

Since end 2008, total asset of non-UCITS grew by 8.9 percent.

| Table 4. Breakdown of Non-UCITS Assets by Category ⁽¹⁾ | | | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-------|------------|----------------------|------------|----------------------|
| Fund types | 30/06/2009 | | 31/03/2009 | | 31/12/2008 | |
| | EUR bn | Share | EUR bn | % chg ⁽²⁾ | EUR bn | % chg ⁽³⁾ |
| Special / Institutional | 980 | 63% | 919 | 6.6% | 880 | 11.3% |
| German "Spezialfonds" | 694 | 45% | 652 | 6.4% | 635 | 9.3% |
| British investment trusts | 50 | 3% | 45 | 10.7% | 36 | 37.8% |
| French employees savings | 86 | 6% | 77 | 11.8% | 71 | 19.7% |
| Luxembourg "other" funds | 81 | 5% | 77 | 5.5% | 77 | 5.2% |
| Real-estate funds | 204 | 13% | 202 | 1.2% | 201 | 1.7% |
| Other | 150 | 10% | 142 | 5.6% | 151 | -0.8% |
| Total | 1,550 | 100% | 1,461 | 6.1% | 1,416 | 9.4% |
| including Ireland | 1683 | | 1590 | 5.8% | 1546 | 8.9% |
| (1) Excluding Ireland for which no data breakdown is available. (2) End of September 2009 compared to end June 2009. (3) End of September 2009 compared to end 2008. | | | | | | |

| Table 5. Net Sales of Special Funds ⁽¹⁾ | | | | | | | | | |
|---------------------------------------------------------------------|--------|--------|--------|-------|--------|-------|--------|--------|--------|
| Members | 2008 | | | | | 2009 | | | |
| | Q1 | Q2 | Q3 | Q4 | Total | Q1 | Q2 | Q3 | YTD |
| Austria | -196 | -445 | 306 | -332 | -667 | 285 | 2,039 | 1,417 | 3,741 |
| Denmark | 995 | 2,600 | -2,199 | -140 | 1,256 | -912 | -8,108 | -103 | -9,123 |
| Finland | -126 | -287 | -251 | -641 | -1,305 | -227 | -70 | 119 | -178 |
| Germany | 3,705 | 2,760 | 8,806 | 1,704 | 16,975 | 5,318 | -2,436 | 10,084 | 12,966 |
| Hungary | 8 | 92 | 436 | 194 | 730 | 165 | -9 | 197 | 353 |
| Italy | -133 | -156 | -101 | -156 | -546 | 263 | -69 | -19 | 174 |
| Liechtenstein | 100 | 195 | 124 | | 419 | 70 | 51 | 127 | 248 |
| Luxembourg | 11,408 | 6,982 | 8,022 | 2,437 | 28,849 | 4,277 | 9,329 | 1,263 | 14,869 |
| Romania | | | | | 0 | 4 | -1 | 0 | 2 |
| Sweden | 26 | -30 | 9 | 20 | 25 | 23 | 112 | 80 | 216 |
| United Kingdom | 292 | 207 | 236 | 151 | 886 | 11 | 440 | 357 | 807 |
| Total | 16,079 | 11,918 | 15,388 | 3,237 | 46,622 | 9,275 | 1,278 | 13,522 | 24,075 |
| (1) In EUR millions for EFAMA members for which data are available. | | | | | | | | | |

Trends in the European Investment Fund Industry

Net Assets by Country of Domiciliation

The combined assets of the investment fund market in Europe, i.e. the market for UCITS and non-UCITS, increased by 7.2 percent in the third quarter to reach EUR 6,840 billion at end September 2009.

With EUR 5,157 billion invested in UCITS, this segment of the business accounted for 75 percent of the fund market at end September 2009.

Since end 2008, the European investment fund industry saw its assets rise by 12.4 percent, or EUR 752 billion.

| Table 6. Net Assets of the European Investment Fund Industry | | | | | | |
|--------------------------------------------------------------|------------------|---------------|------------------|----------------------|------------------|----------------------|
| Members | 30/09/2009 | | 30/06/2009 | | 31/12/2008 | |
| | EUR m | Share | EUR m | % chg ⁽¹⁾ | EUR m | % chg ⁽²⁾ |
| Austria | 137,342 | 2.0% | 129,156 | 6.3% | 127,729 | 7.5% |
| Belgium | 92,670 | 1.4% | 84,311 | 9.9% | 91,884 | 0.9% |
| Bulgaria | 172 | 0.0% | 155 | 11.4% | 164 | 4.8% |
| Czech Republic | 4,506 | 0.1% | 4,163 | 8.2% | 4,490 | 0.4% |
| Denmark | 103,895 | 1.5% | 94,962 | 9.4% | 97,861 | 6.2% |
| Finland | 51,729 | 0.8% | 45,564 | 13.5% | 41,338 | 25.1% |
| France | 1,430,238 | 20.9% | 1,359,973 | 5.2% | 1,294,865 | 10.5% |
| Germany | 995,217 | 14.5% | 934,795 | 6.5% | 904,899 | 10.0% |
| Greece | 10,923 | 0.2% | 9,859 | 10.8% | 10,424 | 4.8% |
| Hungary | 10,304 | 0.2% | 9,079 | 13.5% | 9,537 | 8.0% |
| Ireland | 702,552 | 10.3% | 671,915 | 4.6% | 647,054 | 8.6% |
| Italy | 249,850 | 3.7% | 240,865 | 3.7% | 252,563 | -1.1% |
| Liechtenstein | 23,066 | 0.3% | 20,651 | 11.7% | 17,800 | 29.6% |
| Luxembourg | 1,773,834 | 25.9% | 1,631,256 | 8.7% | 1,559,653 | 13.7% |
| Netherlands | 76,500 | 1.1% | 69,200 | 10.5% | 67,500 | 13.3% |
| Norway | 43,865 | 0.6% | 36,937 | 18.8% | 29,517 | 48.6% |
| Poland | 20,552 | 0.3% | 17,060 | 20.5% | 17,864 | 15.0% |
| Portugal | 27,448 | 0.4% | 25,234 | 8.8% | 25,058 | 9.5% |
| Romania | 2,248 | 0.0% | 1,839 | 22.2% | 1,701 | 32.2% |
| Slovakia | 3,263 | 0.0% | 3,122 | 4.5% | 3,328 | -2.0% |
| Slovenia | 2,186 | 0.0% | 2,032 | 7.6% | 1,881 | 16.2% |
| Spain | 195,686 | 2.9% | 193,523 | 1.1% | 203,498 | -3.8% |
| Sweden | 113,417 | 1.7% | 97,746 | 16.0% | 86,604 | 31.0% |
| Switzerland | 156,457 | 2.3% | 145,062 | 7.9% | 134,805 | 16.1% |
| Turkey | 16,029 | 0.2% | 15,343 | 4.5% | 13,547 | 18.3% |
| United Kingdom | 596,163 | 8.7% | 535,175 | 11.4% | 442,157 | 34.8% |
| All Funds | 6,840,112 | 100.0% | 6,378,974 | 7.2% | 6,087,723 | 12.4% |
| UCITS | 5,157,294 | 75.4% | 4,788,808 | 7.7% | 4,542,094 | 13.5% |
| Non-UCITS | 1,682,818 | 24.6% | 1,590,166 | 5.8% | 1,545,629 | 8.9% |

(1) End September compared to end June 2009; (2) end September 2009 compared to end 2008.