 **Global Market
Intelligence**

FundFlash APAC

June 2020

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

As most APAC markets continued to feel the negative impact of the Covid-19 pandemic in June, China drove net inflows into long-term mutual funds. Overall, active funds led by a wide margin over passive funds and ETFs. China's \$95bn in net inflows for domestic funds in June dwarfed second-ranked India, which garnered \$4bn, as well as Taiwan and Japan, which each saw \$2bn in net inflows.

DISTRIBUTION

Cross-border fund growth in the RIA/IFA/Broker Dealer channel was largely driven by markets like Australia, New Zealand and Taiwan. Banks were the second most-used channel to gather assets followed by the Private Bank/Family Office/HNWI channel.

PRODUCT

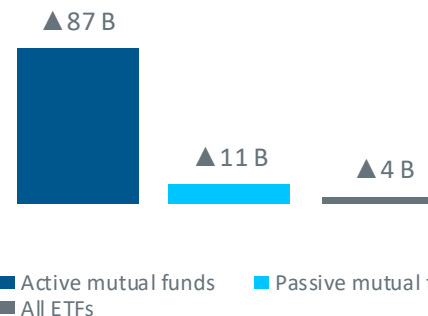
Balanced multi-asset solutions drew the strongest investor demand in June followed by active APAC bond funds and passive APAC bond funds, respectively. Interest in these strategies was underpinned by continuing investor caution amid the pandemic.

COMPETITION

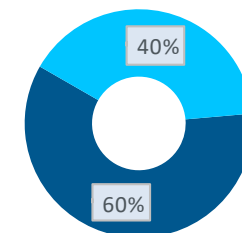
Chinese firms unsurprisingly dominated the master-group rankings during the month, led by CSOP Asset Management with net inflows of \$8.2bn and E Fund Management with \$7.5bn in net inflows.

June OVERVIEW

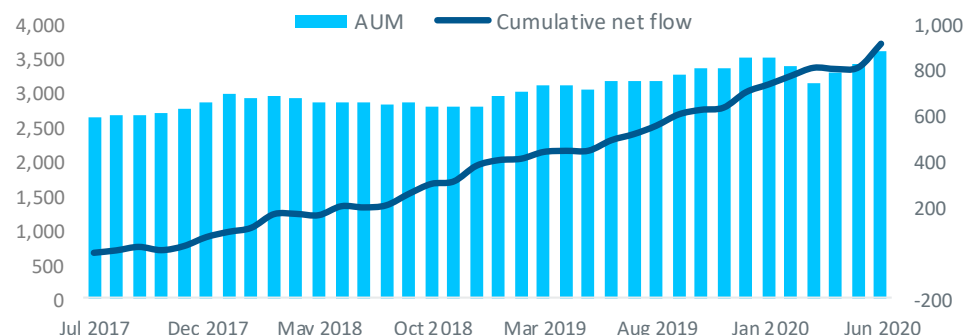
ACTIVE VS PASSIVE FLOW, \$B



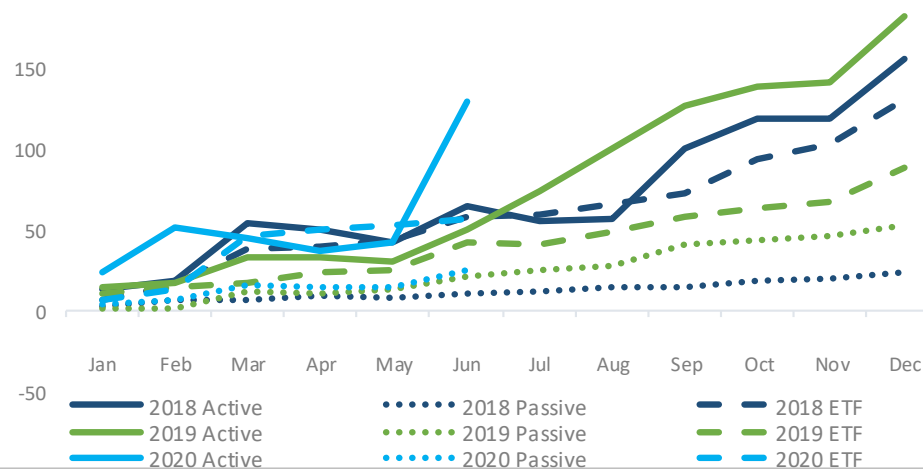
FLOW SENTIMENT, %



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



FLows BY INVESTMENT STYLE AND YEAR - CUMULATIVE



DISTRIBUTION

Cross-border fund growth in the RIA/IFA/Broker Dealer channel was largely driven by markets like Australia, New Zealand and Taiwan. Banks were the second most-used channel to gather assets followed by the Private Bank/Family Office/HNWI channel.

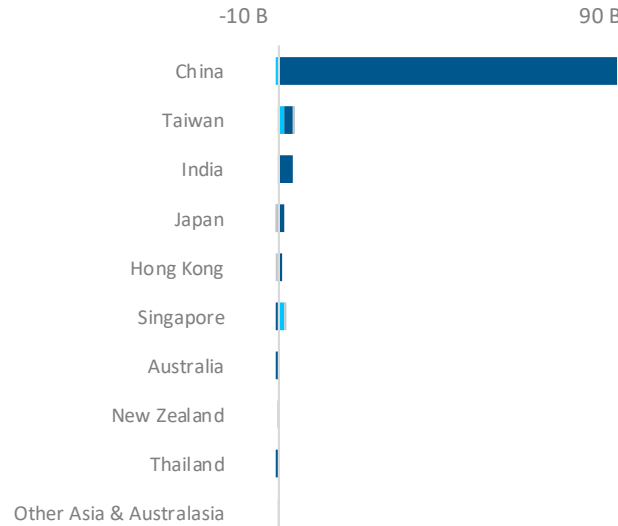
PRODUCT

China fund products led all categories in terms of net inflows in June: active funds, passive funds, ETFs and new launches. Mixed dynamic funds were top-ranked for both active fund net inflows and new launches. Bond CNY strategies led passive funds during the month, while tech and Japan equities were the most popular ETF strategies.

Broadridge data shows that the top fund in terms of net inflows for June was China Southern Growth Pioneer Mixed Fund at \$4.5bn. It was followed by E Fund's Balanced Growth Equity Fund, which saw net inflows of \$3.8bn.

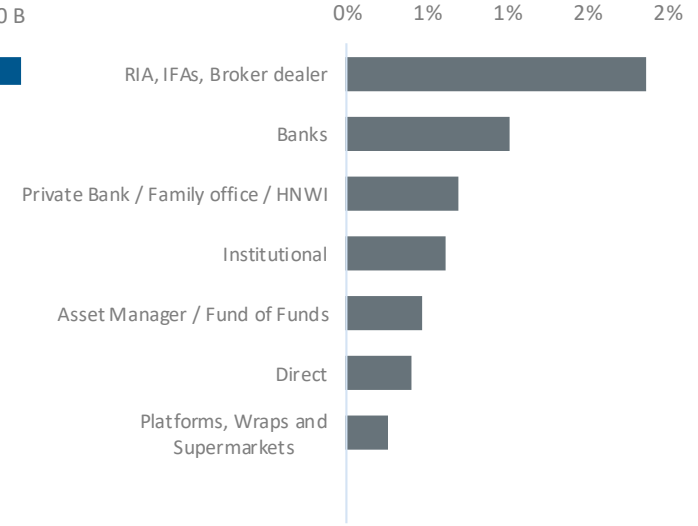
A standout was the China Southern Growth Pioneer Mixed Fund. It is estimated to have attracted RMB30bn (\$4.3bn) on the first day of its IPO. This bettered the rollout of E Fund Management's Balance Growth Equity Fund in May, which raised more than RMB10bn (\$1.4bn) on the first day of its IPO.

LARGEST MARKET NET FLOW, \$B

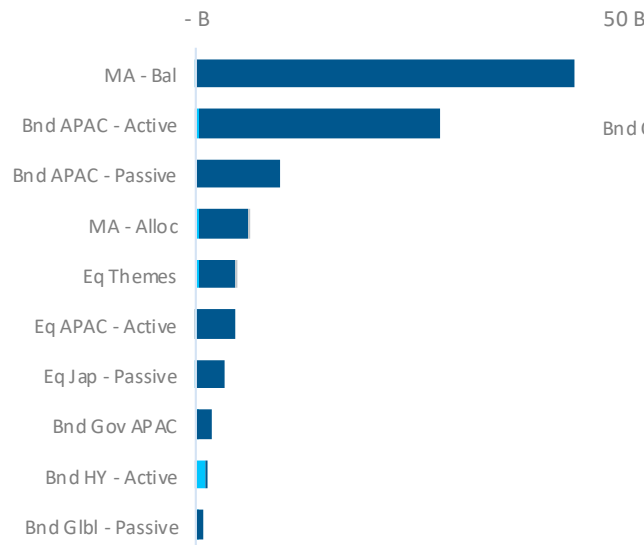


■ Cross-border net flow ■ Domestic net flow ■ Round trip net flow ■ Organic growth

CROSS-BORDER CHANNEL, GROWTH %

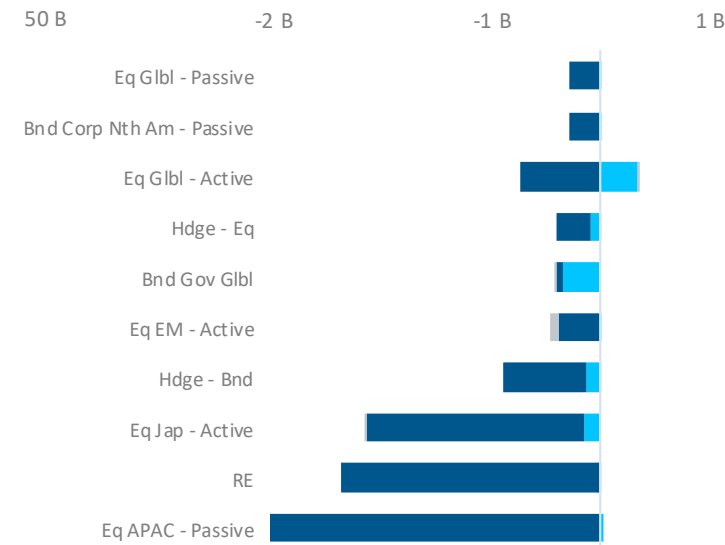


TOP-10 PRODUCT NET FLOW, \$B



■ Cross-border combined net sales ■ Domestic combined net sales ■ Round trip combined net sales

BOTTOM-10 PRODUCT NET FLOW, \$B



For this month’s FundFlash publication, we were able to factor in China monthly data, which is only released after quarter’s end. This provides a clearer picture of monthly flows in the APAC region. The top-10 master groups in terms of net inflows were all from China, led by CSOP, E Fund Management and the ICBC/Credit Suisse joint venture. They showed net inflows of \$8.2bn, \$7.5bn and \$4.1bn, respectively. ICBC/Credit Suisse had the second-ranked new launch for the month in terms of net inflows: ICBCCS High Quality Growth Mixed Fund. It is an actively managed fund, and garnered net inflows of \$1.7bn in June.

Meanwhile, the top passive fund in June in terms of net inflows was Yinhua ChinaBond 1-3 Year ADBC Bond Index Fund at \$2.2bn, and this placed the lesser-known master group, Yinhua, among the top-5 master groups for the month. At the other end of the spectrum, two Korean managers and one Indian manager, Mirae Asset Management, L&T Group and Samsung Group saw the most net outflows in June, at \$720m, \$801m and \$2.1bn, respectively.

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 Net Flow	1 China Southern Growth Pioneer Mixed Fund	CSOP	Mix Dyn	China	Jun 2020	4,540	4,540	
	2 E Fund Balanced Growth Equity Fund	E Fund Management Company	Eq Greater China	China	May 2020	3,812	3,812	
	3 Great Wall TaiLi Pure Bond Fund	Great Wall	Bnd CNY	China	Feb 2020	1,961	1,961	
	4 ICBCCS High Quality Growth Mixed Fund	ICBC / Credit Suisse (JV)	Mix Dyn	China	Jun 2020	1,695	1,695	
	5 China Universal Quality Growth Mixed Fund	China Universal	Mix Dyn	China	May 2020	1,629	1,629	
	6 BOC ShunXing Return One Year Balanced Fund	BlackRock / BOC (JV)	Mix Bal	China	Jun 2020	1,586	1,586	
Top Passive Net Flow	1 Yinhua ChinaBond 1-3 Year ADBC Bond Index Fund	YINHUA	Bnd CNY	China	May 2020	2,163	2,163	
	2 ZhongRong ChinaBond 1-5 Year CDB Bond Index Fund	ZhongRong Fund	Bnd CNY	China	Jun 2020	1,131	1,131	
	3 ICBCCS Bloomberg Barclays China Development Bank 1-3 Year IndexFund	ICBC / Credit Suisse (JV)	Bnd CNY	China	Jun 2020	1,130	1,130	
	4 AXA SPDB ChinaBond 1-3 Year CDB Bond Index Fund	SPDB/AXA (JV)	Bnd CNY	China	Jun 2020	1,125	1,125	
	5 CCB Principal ChinaBond Hubei Province Local Government Bond Index Seed Fund	CCB / Principal (JV)	Bnd CNY	China	Jun 2020	1,010	1,010	
	6 BOSCH ChinaBond 1-3 Year CDB Bond Index Fund	Bosc AM	Bnd CNY	China	Jun 2020	735	735	
Top ETF	1 ChinaAMC CSI New Energy Vehicles Index ETF	China AM	Eq Tech	China	Feb 2020	1,411	1,411	
	2 Nikko Listed Index Fund TOPIX	Sumitomo Mitsui Trust Holdings	Eq Japan	Japan	Dec 2001	50,711	1,315	3%
	3 Nomura Topix Linked Listed Investment	Nomura	Eq Japan	Japan	Jul 2001	109,712	1,282	1%
	4 Nomura Nikkei 225 Index Linked Listed Investment	Nomura	Eq Japan	Japan	Jul 2001	58,462	1,063	2%
	5 Yuanta/P-shares Taiwan Top 50 ETF	Yuanta	Eq Taiwan	Taiwan	Jun 2003	4,003	831	29%
	6 Nomura NF Nikkei 225 Double Inverse IDX Linked ETF	Nomura	Eq Alt Inv/Lev	Japan	Jul 2014	2,987	721	29%
Top Launches	Fund name	Group	Sector	Fund market	Style	AUM, \$m		
	1 China Southern Growth Pioneer Mixed Fund	CSOP	Mix Dyn	China	Active	4,540		
	2 ICBCCS High Quality Growth Mixed Fund	ICBC / Credit Suisse (JV)	Mix Dyn	China	Active	1,695		
	3 BOC ShunXing Return One Year Balanced Fund	BlackRock / BOC (JV)	Mix Bal	China	Active	1,586		
	4 ZhongRong ChinaBond 1-5 Year CDB Bond Index Fund	ZhongRong Fund	Bnd CNY	China	Passive	1,131		
	5 China Life AMP RuiHe Pure Bond 66 Month Regular Open Bond Fund	China Life AMP AM	Bnd CNY	China	Active	1,131		
6 ICBCCS Bloomberg Barclays China Development Bank 1-3 Year IndexFund	ICBC / Credit Suisse (JV)	Bnd CNY	China	Passive	1,130			

THIS REPORT WAS BUILT WITH GLOBAL MARKET INTELLIGENCE

GMI FUNDS

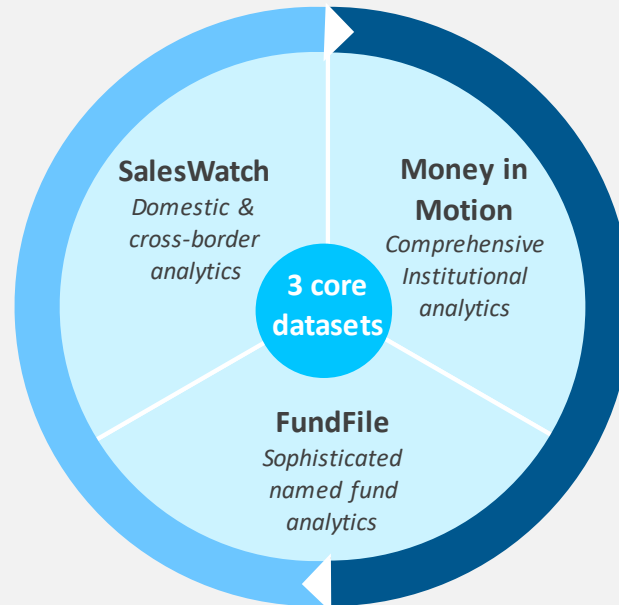
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Americas

APAC

APAC



GMI INSTITUTIONAL

Detailed Global Institutional Market Intelligence across all vehicles

- Institutional assets and flows by product, region and client type
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- True Negotiated Fee analysis
- Named consultant analysis

Americas

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