

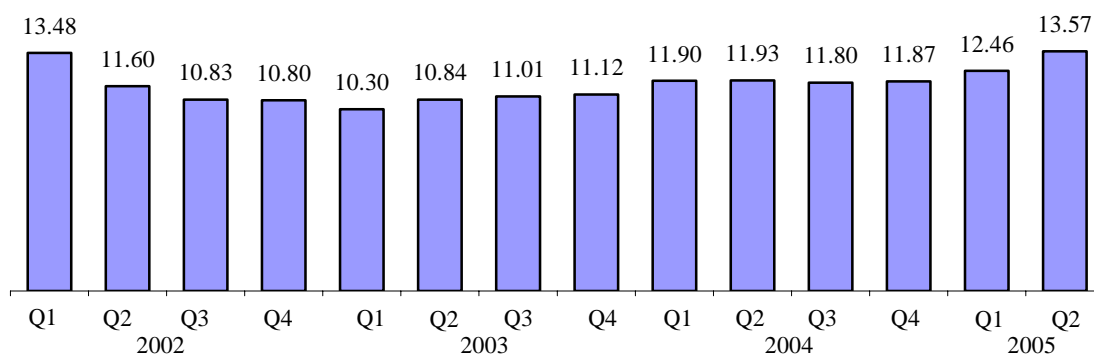
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## Worldwide Investment Fund Assets and Flows Trends in the Second Quarter 2005

**Brussels, 23 November 2005.** Investment fund<sup>1</sup> assets worldwide increased to €13.6 trillion at the end of the second quarter of 2005. Net cash flow to equity, bond, balanced and money market funds worldwide slowed down to €12 billion in the second quarter of 2005 as a result of reduced inflows to equity and bond funds compared with the first quarter. Money market fund flows essentially netted to zero worldwide in the quarter, because outflows in the United States, Greece, Italy and elsewhere were offset by inflows in other countries, especially in France.

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 mutual fund associations. The collection for the first quarter includes statistics from 41 countries.

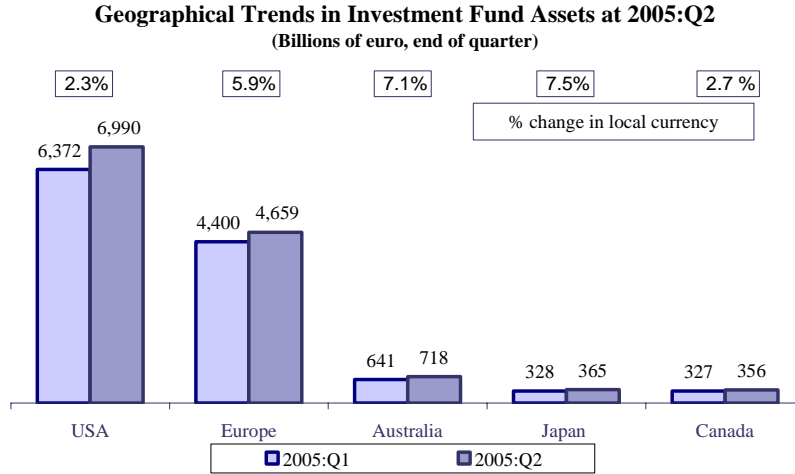
**Worldwide Investment Fund Assets<sup>2</sup>**  
(Trillions of euros, end of quarter)



<sup>1</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>2</sup> Excluding funds-of-funds assets.

Measured in local currency, the American mutual fund market recorded an asset increase of 2.3 percent during the second quarter, whereas UCITS assets increased by 5.9 percent in Europe.<sup>3</sup> Measured in euro terms, total net assets increased in the United States by 9.7 percent, reflecting the appreciation of the U.S. dollar recorded in the second quarter.



**Geographical Trends by Type of Fund, 2005:Q2**  
(Billions of euros, end of quarter)

	USA	Europe (1)	Japan	Canada
<b>Equity</b>	<b>3,699</b>	<b>1,520</b>	<b>239</b>	<b>162</b>
% chg in EUR (2)	10%	6%	15%	6%
% chg in loc. cur. (3)	3%	6%	11%	0%
<b>Bond</b>	<b>1,104</b>	<b>1,153</b>	<b>73</b>	<b>43</b>
% chg in EUR (2)	11%	5%	0%	12%
% chg in loc. cur. (3)	3%	5%	-3%	6%
<b>Money Market</b>	<b>1,543</b>	<b>837</b>	<b>25</b>	<b>33</b>
% chg in EUR (2)	7%	3%	0%	3%
% chg in loc. cur. (3)	-1%	3%	-4%	-3%
<b>Balanced / Mixed</b>	<b>451</b>	<b>572</b>	<b>--</b>	<b>74</b>
% chg in EUR (2)	11%	6%	--	20%
% chg in loc. cur. (3)	4%	6%	--	13%
<b>Funds of Funds</b>	<b>193</b>	<b>61</b>	<b>29</b>	<b>--</b>
% chg in EUR (2)	17%	9%	28%	--
% chg in loc. cur. (3)	9%	9%	24%	--

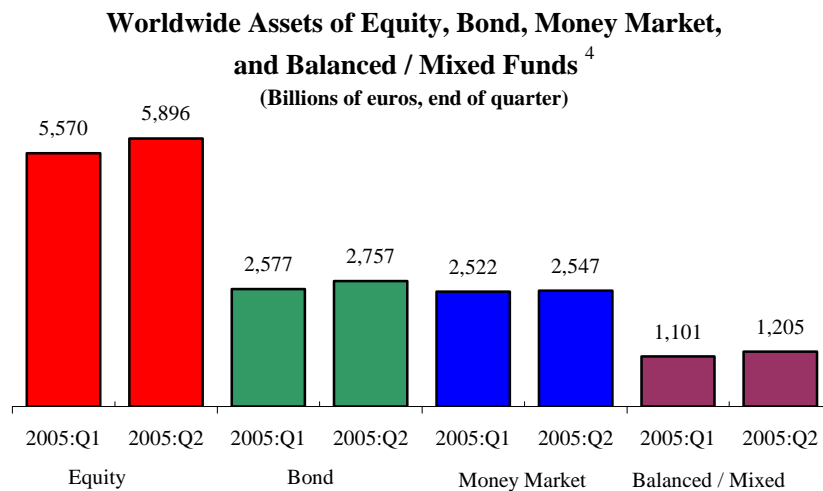
(1) Excluding Ireland for which no data breakdown is available.

(2) 2005:Q2 compared to 2005:Q1.

(3) 2005:Q2 compared to 2005:Q1, using the euro as the local currency for Europe.

<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.

Worldwide assets of equity funds were €5.9 trillion at the end of the second quarter of 2005, 6 percent higher than at March 2005. Bond fund assets, with €2.8 trillion worldwide, increased 7 percent in the second quarter, whereas assets of balanced/mixed funds increased by 9.4 percent. The smallest change occurred in money market fund assets, which edged up a bit (1 percent) to €2.6 trillion in the second quarter of 2005.



Net cash flow to equity, bond, balanced and money market funds worldwide was €12 billion in the second quarter of 2005, compared with €147 billion in the first quarter. Equity fund flows worldwide slowed to €2 billion in the second quarter, compared with €79 billion in the first quarter. However, equity fund inflows remained widespread across regions: the United States reported net inflows of €26 billion, while Europe reported net inflows of €6 billion, and the Asia/Pacific region, €1 billion. Balanced fund flows more than doubled their first quarter pace, rising to €21 billion in the second quarter, largely as a result of sharply reduced outflows in Brazil.

**Net Sales of Investment Funds, 2005:Q2**  
(Billions of euros)

	USA				Europe (1)				World (2)									
	2004		2005		2004		2005		2004		2005							
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4						
<b>Equity</b>	71	32	20	46	40	26	35	20	4	21	28	6	114	63	33	77	79	52
<b>Bond</b>	14	-19	11	13	11	15	27	14	12	21	47	28	46	-10	16	33	76	39
<b>Money Market</b>	-39	-49	-42	7	-33	-9	12	-4	-3	-15	11	8	3	-52	-46	-8	-16	0
<b>Balanced / Mixed</b>	14	10	8	10	12	8	28	-5	2	6	12	13	32	3	11	18	9	21
<b>Total</b>	59	-26	-2	75	30	40	102	24	14	32	98	54	195	4	13	121	147	112

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

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

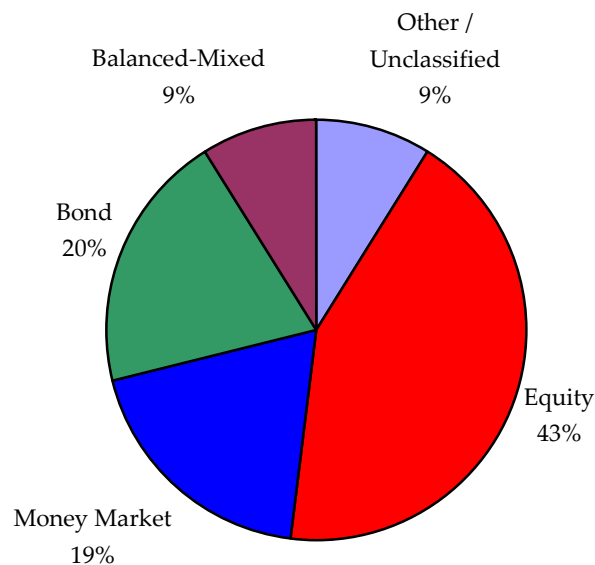
Net sales are new sales plus reinvested dividends less redemptions plus net exchanges.

Net cash flow to bond funds slowed to €39 billion in the second quarter of 2005, about half the first-quarter pace of €76 billion. This development reflected a reduction of net flows in Brazil and a slowdown in net inflows in Europe. At the same time, bond fund flows increased in the United States.

The essentially zero worldwide flow in money market funds occurred as a result of an ongoing outflow in the United States, Italy and Greece that was about offset by inflows reported in other countries, in particular France which reported a net inflow of €12 billion.

At the end of June 2005, assets of equity funds represented 43 percent of all worldwide investment fund assets. The asset share of money market funds was 19 percent, while that of bond funds was 20 percent. Balanced/mixed funds represented 9 percent of the total.<sup>2</sup>

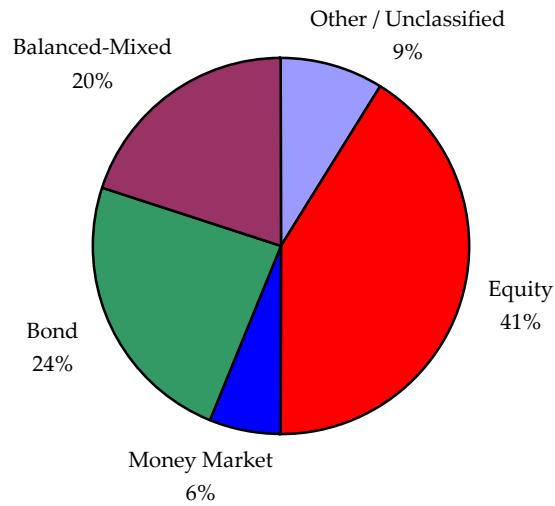
**Composition of Worldwide Investment Fund Assets, 2005:Q2**  
(Percent of total assets, end of quarter)



At the end of June 2005, the number of investment funds worldwide stood at 55,920. By type of fund, 41 percent were equity funds, 24 percent were bond funds, 20 percent were balanced/mixed funds, and 6 percent were money market funds.

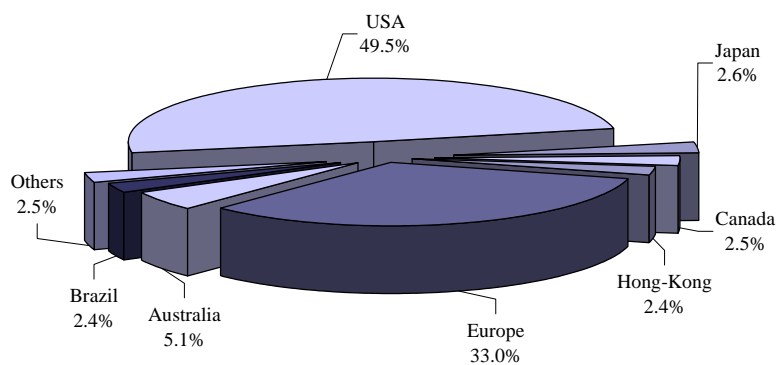
<sup>2</sup> The increase in the share of “other/unclassified” funds from 5 percent at March 2005 to 9 percent at end June 2005 reflects the fact that Australia did not provide a breakdown of assets by type of fund. The same remark applies to the breakdown of the number of investment funds presented in the chart on page 5.

**Composition of Worldwide Investment Funds, 2005:Q2**  
(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, 49.5 percent and 33.0 percent, respectively. Australia, Japan, Canada, Hong-Kong and Brazil follow in this ranking. Taking into account non-UCITS assets, the market share of Europe reached 38.5 percent and that of the U.S. 45.4 percent.<sup>4</sup>

**Worldwide Investment Fund Assets, End 2005:Q2**  
(Market share, end of quarter)



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

**Table 1**  
**TOTAL NET ASSETS, 1999-2005:Q2**  
Billions of U.S. dollars, end of period

ITEM	1999	2000	2001	2002	2003	2004		2005	
						Q3	Q4	Q1	Q2
<b>All Reporting Countries<sup>1</sup></b>	<b>11,762</b>	<b>11,871</b>	<b>11,655</b>	<b>11,324</b>	<b>14,048</b>	<b>14,648</b>	<b>16,165</b>	<b>16,151</b>	<b>16,406</b>
Equity	5,993	5,962	5,134	4,204	5,923	6,350	7,219	7,221	7,129
Bond	2,156	2,077	2,212	2,534	3,047	3,049	3,313	3,341	3,334
Money Market	2,396	2,483	2,986	3,190	3,206	3,215	3,323	3,270	3,080
Balanced/Mixed	967	1,022	942	918	1,198	1,277	1,445	1,427	1,457
Other	192	190	190	229	311	345	398	416	214
<b>Countries Reporting in Every Period<sup>2</sup></b>	<b>11,431</b>	<b>11,452</b>	<b>11,199</b>	<b>10,767</b>	<b>13,300</b>	<b>13,836</b>	<b>15,246</b>	<b>15,231</b>	<b>14,767</b>
Equity	5,828	5,809	5,007	4,084	5,766	6,189	7,031	7,034	6,946
Bond	2,095	2,025	2,152	2,462	2,953	2,961	3,217	3,249	3,237
Money Market	2,390	2,475	2,970	3,159	3,157	3,148	3,254	3,200	3,008
Balanced/Mixed	935	962	888	860	1,128	1,208	1,364	1,347	1,378
Other	183	181	182	202	296	330	380	401	199

Source: EFAMA, ICI and other national investment fund associations.

<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:Q2**  
Billions of U.S. dollars

ITEM	2001	2002	2003	2004				2005		
				Q1	Q2	Q3	Q4	Q1	Q2	
<b>All Reporting Countries<sup>2</sup></b>	<b>904</b>	<b>278</b>	<b>317</b>	<b>248</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>166</b>	<b>215</b>	<b>166</b>
Equity	151	66	283	142	75	40	100	103	65	
Bond	196	130	177	58	-12	19	43	99	49	
Money Market	531	53	-212	5	-58	-57	-10	-21	0	
Balanced/Mixed	8	6	56	40	4	13	24	11	26	
Other	19	23	14	3	13	5	8	22	25	
<b>Countries Reporting in Every Period<sup>3</sup></b>	<b>784</b>	<b>240</b>	<b>165</b>	<b>182</b>	<b>-14</b>	<b>15</b>	<b>124</b>	<b>128</b>	<b>127</b>	
Equity	115	55	250	123	62	31	83	76	59	
Bond	144	121	86	31	-20	20	31	32	35	
Money Market	515	49	-218	-8	-62	-50	-11	-20	5	
Balanced/Mixed	1	10	40	33	5	12	19	33	23	
Other	9	5	6	3	1	2	2	7	6	

Source: EFAMA, ICI and other national investment fund associations.

<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, 1999-2005:Q2**  
End of period

ITEM	1999	2000	2001	2002	2003	2004		2005	
						Q3	Q4	Q1	Q2
<b>All Reporting Countries<sup>1</sup></b>	<b>52,746</b>	<b>51,692</b>	<b>52,849</b>	<b>54,110</b>	<b>54,569</b>	<b>54,990</b>	<b>54,984</b>	<b>55,095</b>	<b>55,920</b>
Equity	22,453	20,381	22,348	22,974	22,688	22,555	22,364	22,796	23,043
Bond	15,474	13,128	12,183	11,619	11,886	13,210	13,309	13,127	13,210
Money Market	6,745	4,692	4,277	4,394	4,974	3,702	3,623	3,618	3,598
Balanced/Mixed	6,375	11,110	11,155	11,228	11,465	11,549	11,603	11,111	11,295
Other	612	1,000	1,195	1,310	1,578	1,919	1,997	2,364	2,659
<b>Countries Reporting in Every Period<sup>2</sup></b>	<b>35,962</b>	<b>39,367</b>	<b>41,620</b>	<b>42,393</b>	<b>41,689</b>	<b>42,181</b>	<b>42,356</b>	<b>42,093</b>	<b>42,530</b>
Equity	15,656	18,637	20,630	20,808	20,018	19,921	19,920	19,971	20,052
Bond	10,867	10,176	9,830	9,946	9,847	9,860	9,961	10,004	10,023
Money Market	2,701	2,786	2,727	2,674	2,652	2,930	2,899	2,901	2,867
Balanced/Mixed	6,149	6,926	7,500	7,723	7,857	8,029	8,095	7,674	7,970
Other	589	842	933	1,242	1,315	1,441	1,481	1,543	1,618

Source: EFAMA, ICI and other national investment fund associations.

<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, 1999-2005:Q2**  
Billions of euros, end of period

ITEM	1999	2000	2001	2002	2003	2004		2005	
						Q3	Q4	Q1	Q2
<b>All Reporting Countries<sup>1</sup></b>	<b>11,683</b>	<b>12,597</b>	<b>13,073</b>	<b>10,798</b>	<b>11,123</b>	<b>11,804</b>	<b>11,868</b>	<b>12,458</b>	<b>13,567</b>
Equity	5,952	6,326	5,759	4,008	4,690	5,118	5,300	5,570	5,896
Bond	2,141	2,204	2,481	2,417	2,413	2,457	2,432	2,577	2,757
Money Market	2,380	2,635	3,349	3,041	2,539	2,591	2,439	2,522	2,547
Balanced/Mixed	960	1,084	1,056	875	948	1,029	1,061	1,101	1,205
Other	191	202	213	218	246	278	292	321	177
<b>Countries Reporting in Every Period<sup>2</sup></b>	<b>11,354</b>	<b>12,152</b>	<b>12,562</b>	<b>10,267</b>	<b>10,530</b>	<b>11,150</b>	<b>11,193</b>	<b>11,749</b>	<b>11,391</b>
Equity	5,789	6,164	5,616	3,894	4,565	4,987	5,162	5,426	5,358
Bond	2,081	2,149	2,414	2,347	2,338	2,386	2,362	2,506	2,497
Money Market	2,373	2,627	3,331	3,013	2,500	2,537	2,389	2,468	2,320
Balanced/Mixed	929	1,020	996	820	893	973	1,002	1,039	1,063
Other	182	192	204	193	234	266	279	310	154

Source: EFAMA, ICI and other national investment fund associations.

<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:Q2**  
Billions of euros

ITEM	2001	2002	2003	2004				2005	
				Q1	Q2	Q3	Q4	Q1	Q2
<b>All Reporting Countries<sup>2</sup></b>	<b>807</b>	<b>297</b>	<b>279</b>	<b>198</b>	<b>18</b>	<b>18</b>	<b>128</b>	<b>164</b>	<b>132</b>
Equity	134	80	245	114	62	33	77	79	52
Bond	175	136	160	46	-10	16	33	76	39
Money Market	473	48	-186	4	-48	-46	-8	-16	0
Balanced/Mixed	7	8	48	32	4	11	19	9	21
Other	17	24	12	2	11	4	6	17	20
<b>Countries Reporting in Every Period<sup>3</sup></b>	<b>699</b>	<b>254</b>	<b>110</b>	<b>149</b>	<b>-11</b>	<b>12</b>	<b>91</b>	<b>99</b>	<b>98</b>
Equity	102	66	171	100	51	25	61	59	46
Bond	128	126	93	25	-16	16	23	25	27
Money Market	460	44	-181	-7	-51	-40	-8	-16	4
Balanced/Mixed	1	13	24	27	4	9	14	25	17
Other	8	6	3	2	1	2	1	6	4

Source: EFAMA, ICI and other national investment fund associations.

<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:Q2**

Countries	Overall Fund Industry			UCITS Market <sup>1</sup>			Non-UCITS Market <sup>2</sup>		
	Number of funds	Net assets in mio euro	Net assets in mio US \$	Number of funds	Net assets in mio euro	Net assets in mio US \$	Number of funds	Net assets in mio euro	Net assets in mio US \$
Austria	2,046	142,546	172,367	1,270	98,768	119,430	776	43,778	52,937
Belgium	1,452	108,618	131,341	1,419	102,974	124,516	33	5,644	6,825
Czech Republic	59	4,068	4,919	59	4,068	4,919	0	0	0
Denmark	575	93,393	112,931	436	53,939	65,223	139	39,454	47,708
Finland	389	40,045	48,423	303	35,027	42,355	86	5,018	6,068
France	11,619	1,204,800	1,456,844	7,847	1,098,800	1,328,669	3,772	106,000	128,175
Germany	6,009	915,289	1,106,767	1,238	242,514	293,248	4,771	672,775	813,519
Greece	275	30,595	36,995	257	29,174	35,277	18	1,421	1,719
Hungary	122	5,980	7,231	100	4,951	5,987	22	1,029	1,244
Ireland	3,725	513,900	621,408	2,115	408,758	494,270	1,610	105,142	127,138
Italy	1,261	402,179	486,315	1,082	376,992	455,859	179	25,187	30,456
Liechtenstein	231	11,323	13,692	213	11,105	13,428	18	218	264
Luxembourg	8,207	1,289,787	1,559,610	7,079	1,185,947	1,434,047	1,128	103,840	125,563
Netherlands	561	91,387	109,258	515	77,223	92,130	46	14,165	17,128
Norway	393	25,372	30,679	393	25,372	30,679	0	0	0
Poland	159	11,173	13,511	136	10,675	12,908	23	498	602
Portugal	300	33,505	40,514	206	24,592	29,736	94	8,913	10,778
Slovakia	93	2,328	2,815	43	2,291	2,771	50	37	44
Spain	2,664	256,941	310,692	2,657	251,441	304,042	7	5,500	6,651
Sweden	498	91,942	111,176	487	90,221	109,096	11	1,721	2,081
Switzerland	523	91,514	110,659	436	77,674	93,923	87	13,840	16,735
Turkey	294	18,501	22,371	258	17,041	20,606	36	1,459	1,765
United Kingdom	2,278	542,789	656,341	1,902	429,573	519,439,4625	376	113,216	136,901,0971
<b>Europe<sup>3</sup></b>	<b>43,733</b>	<b>5,927,975</b>	<b>7,166,859</b>	<b>30,451</b>	<b>4,659,118</b>	<b>5,632,558</b>	<b>13,282</b>	<b>1,268,856</b>	<b>1,534,301</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.