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EUROPEAN FUND MARKET REVIEW 2011 EDITION



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EUROPEAN FUND MARKET REVIEW

2011 EDITION

OVERVIEW

“Was it as good for you as it was for me?” 2010 was marked by a stark contrast between the haves and the have-nots in the European funds industry: bonds vs. equities, emerging vs. developed, cross-border vs. domestic, and so on. This review will examine where the money has gone, which markets have been more buoyant, and who has prospered.

After painting the backdrop of recent trends, the foreground will be sketched out with those factors likely to play the biggest part in shaping how the industry evolves from here. Underpinning this report are a series of charts and tables that give a detailed view of the industry and how its constituent parts — the companies, products and markets — vary so dramatically, even as the overarching regulatory framework makes the ‘international’ nature of the European funds business one of its most distinguishing features.

Putting net sales of European funds into an historical context suggests that the industry is still a long way off the inflows achieved in 2005-6. In 2010 net sales reached €170.7bn, below the €200bn mark achieved in 2009, let alone €350bn that was exceeded in both 2005 and 2006. But if we strip away money market products and look at the universe of long-term funds, the picture looks much more encouraging.

KEY DATA:

TOTAL # OF
MASTER GROUPS
1,751

TOTAL # OF COMPANIES
2,685

TOTAL # OF FUNDS
35,264

TOTAL NET ASSETS-2010
€5,495BN

ASSET GROWTH
2009-2010
€602.9BN

ESTIMATED
NET SALES-2010
€170.6BN

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OVERVIEW

For long-term funds, European net sales were €283.1bn, which is not only above the previous year's €246.7bn, but the highest since 2005 (€371.0bn). Exactly where this money has moved to will be looked at next, but before moving on to that it is worth remembering that during the crisis-hit years of 2007 and 2008 some €230bn was moved into money market funds, yet in the two following years only €150bn has been withdrawn from these funds. Even though flows into long-term funds have been impressive in 2010, there is clearly still money on the sidelines with investors remaining cautious about longer term investments, some of whom will also have been burned by the bursting of the tech bubble a decade ago — and this is before considering the money sitting on deposit.

With some 45% of long-term flows moving into bond funds, this was the defining feature of 2010. €126.0bn of net sales for the asset class was the highest since 2005 (€150.3bn), yet there are not many other similarities with previous years' activity in this asset class. Emerging market bond funds generated net sales of €56.2bn (covering global and country-specific funds, but excluding pan-Asian funds). Given that sales for these funds had never before exceeded €20bn, the sheer scale of the shift in activity can be seen. Furthermore this total excludes giants such as the Templeton Global Bond (sales of €13.4bn) where exposure to emerging market debt has clearly boosted performance, and thus sales.

Linking in to the 2010 story is a more fundamental change in the European industry that can be seen when reflecting that through 2007 and 2008 bond funds suffered redemptions of €241.9bn, yet inflows in 2009 and 2010 have still only reached €214.6bn. Even more than this, while pre-crisis activity was dominated by Euro bond funds, by contrast the recent revival, as illustrated above, has been a story of developing economies.

The emerging market story is also crucial for understanding equity fund activity. Of €83.2bn in net sales for the asset class, emerging products attracted €45bn — topping last year's total of €41bn. The five funds generating the greatest net sales over the year provide a useful array that shed light on wider activity in the asset class. Aberdeen, Vanguard and iShares (part of BlackRock) take three different routes for giving their investors exposure to global emerging markets: active management, traditional index tracking, or an exchange traded fund. Franklin Templeton matched its bond success with an equity success story with a slightly different 'take' on the emerging market theme. And finally Carmignac, which has advocated over-weighting emerging markets for many years, found success with a global fund.

FIGURE 1A

BEST-SELLING EQUITY FUNDS IN EUROPE IN 2010

FUND	EQUITY CLASSIFICATION	NET SALES
Templeton Asian Growth	Pacific ex Japan	€4.0BN
Aberdeen Global Emg Markets Equity	Emerging Markets	€3.0BN
Vanguard Emg Markets Stock Index	Emerging Markets	€2.7BN
Carmignac Investissement	Global	€2.3BN
iShares MSCI Emerging Markets	Emerging Markets	€2.1BN

OVERVIEW

These funds, and more generally those funds that drew the strongest support from investors in 2010, also highlight the success of cross-border groups. For Lipper FMI this is represented by the 'international' fund market, i.e. those funds sourcing less than 80% of their assets from a single market and thus really making use of the cross-border passporting that Ucits enables.

Long-term fund sales (i.e. ex-money market) for funds in the International fund market totalled €222.7bn in 2010 and so accounted for 79% of net sales for all European funds. This also sheds light on the types of investors who have been buying funds – generally high net worth and institutional investors who have been more willing to take on risk in the search for returns, while deposit rates remain so low, and have been choosing mutual funds to do this. The size of this appetite is shown by sales for cross-border funds standing at a ten-year high (2005 and 2006 sales were each just over the €180bn mark).

Furthermore, while equity and mixed asset sales were each roughly the same as in 2009, the real difference came with fixed income products. Here cross-border sales leapt by 74% from an already impressive €75bn last year to €130.7bn in 2010. Such an extraordinary level of sales for the asset class, and into a relatively small proportion of funds (the five bond funds highlighted here accounting for 28% of all sales), can surely not be repeated in 2011.

FIGURE 1B

BEST-SELLING BOND FUNDS IN EUROPE IN 2010		
FUND	BOND CLASSIFICATION	NET SALES
Templeton Global Bond	Global Currencies	€13.4bn
Pimco Total Return Bond	USD	€7.8bn
Templeton Global Total Return	Global Currencies	€6.2bn
Pictet Emerging Local Ccy Debt	Emerging Markets	€4.8bn
AXA US Short Duration High Yield	USD Corp. HY	€4.5bn

These trends were duly reflected in those groups that attracted the greatest levels of interest for the year. Franklin Templeton was the most successful group in terms of net sales, achieving inflows of €31.4bn ahead of Allianz (including Pimco) (€20.5bn), both of which were largely due to the scale of flows for these groups' bond funds. In third place was Carmignac Gestion (€16.9bn): so while some in the industry have been waiting for this company to stumble it has not done so, indeed 2011 marks a new dawn with the company's launch into the UK.

Deutsche Bank generated the greatest equity net sales (€8.3bn), although this was primarily due to its db x-trackers ETF range. Among active fund managers, Aberdeen led the way with equity fund sales of €7.1bn, thanks to the success across its Emerging market, Asian and Global products.

OVERVIEW

Some final thoughts. First, the recovery since 2007-8 has been driven by those investors increasingly willing to invest in products with emerging market exposure, most notably cross-border funds. Second, and at the same time, the rise of asset allocation/absolute return funds reveals a slightly different investor appetite, which is directed at funds aiming to avoid following a benchmark into negative territory. These funds generated net sales of €22.9bn in 2010, a 60% rise on last year's activity. While 'absolute return' remains tainted in many countries for the perceived failure of the strategy before the financial crisis, among cross-border and UK domestic groups that have been successful in 2010, this is not the case.

While not ignoring the sceptics that continue to question the very term 'absolute return', it seems more likely that it will be these funds (even if not using the same labels), rather than emerging market products, that will build inflows further through 2011. In other words, absolute return funds will prove themselves to be less of a fad and more of a fundamental change for the industry.

Having said this, emerging market products of different stripes are still likely to find traction for the early months of this year at the very least. Coupled to this, investors' eyes have clearly been opened (or re-opened) to the attractions of emerging markets and this latent interest — for example, with China's economic growth rarely out of the news — is unlikely to disappear.

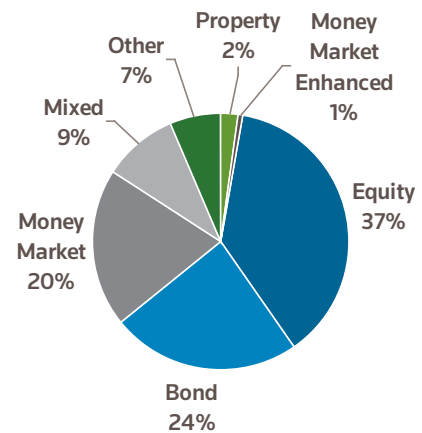
For now, our ears are to the ground listening for the sound of a wider equity revival coming closer. There are certainly optimistic noises coming from Global, US and even European products, at the same time as bond sales have quietened (dropping into the red as emerging market fund sales have been outweighed by developed market redemptions).

Importantly for the industry as a whole continental European banks show no real sign of shifting – or advising – retail clients back into mutual funds, with ETFs generally the biggest selling fund products from these groups, where sales are mainly garnered from institutional investors. Domestic activity in most markets remains limited, with new product launches the most obvious sparks to light this darkness. It will take more than just an uplift in stock markets for this to change.

Finally, while these comments provide an overview of the key trends, the detailed numbers on activity in different markets and for different products can be found in the tables and charts that follow. We hope that you find this report useful — please feel free to get in touch with any feedback or questions!

“Our ears are to the ground listening for the sound of a wider equity revival coming closer.”

FIGURE 2 EUROPEAN ASSETS BY INVESTMENT TYPE (%)



EUROPEAN ASSETS

FIGURE 3 EUROPEAN ASSETS BY MARKET AT DECEMBER 2010 (€BN)

RANK	FUND MARKET	BOND	EQUITY	MIXED	MM	MM ENH	PROPERTY	OTHER	TOTAL	RANK IN '09
1	International	559.0	908.9	124.9	549.1	9.6	4.2	104.2	2,259.8	1
2	United Kingdom	125.9	425.0	81.8	25.7	0.9	18.8	6.6	684.6	3
3	France	70.8	154.3	35.9	332.3	14.2	0.0	65.0	672.5	2
4	Germany	98.8	146.4	76.8	34.4	3.3	80.5	48.7	489.0	4
5	Italy	153.1	67.9	60.7	52.3	0.4	0.0	10.4	344.8	5
6	Switzerland	77.7	81.3	31.5	37.6	0.5	1.1	20.9	250.6	6
7	Sweden	24.2	96.1	20.8	5.4	0.0	0.0	8.5	155.0	8
8	Spain	49.0	12.8	12.8	4.7	0.0	6.1	47.2	132.7	7
9	Belgium	25.2	21.3	24.9	8.0	0.3	0.0	32.7	112.4	9
10	Denmark	36.2	25.9	3.7	0.1	0.0	0.0	0.3	66.3	12
11	Netherlands	18.3	31.6	8.9	0.1	0.0	0.0	2.5	61.3	10
12	Austria	31.8	11.4	6.1	1.7	0.1	2.5	5.1	58.8	11
13	Norway	10.9	31.1	2.4	11.2	0.0	0.0	0.3	56.0	14
14	Finland	16.7	23.6	4.3	7.7	0.3	0.0	2.0	54.6	13
15	Poland	3.3	6.0	7.8	3.7	0.0	0.0	0.7	21.5	16
16	Portugal	3.4	2.3	3.2	2.8	0.0	5.0	0.5	17.3	15
17	Turkey	1.6	0.5	1.2	11.2	0.0	0.0	0.5	15.0	17
18	Hungary	0.7	1.3	0.2	5.1	0.0	1.0	0.9	9.3	20
19	Greece	2.6	2.0	1.2	1.2	0.1	0.0	0.3	7.3	19
20	Czech Republic	1.1	0.7	0.9	2.2	0.3	0.1	2.0	7.2	21
21	Luxembourg	1.2	1.3	2.8	0.4	0.0	0.0	0.0	5.7	18
22	Slovakia	0.7	0.2	0.5	1.7	0.0	0.2	0.2	3.5	22
23	Russia	0.3	2.0	0.6	0.0	0.0	0.0	0.0	2.9	23
24	Slovenia	0.1	1.3	0.6	0.0	0.0	0.0	0.0	2.0	24
25	Croatia	0.2	0.4	0.3	0.9	0.0	0.0	0.0	1.8	25
26	Romania	0.6	0.1	0.1	0.7	0.0	0.0	0.0	1.5	26
27	Liechtenstein	0.4	0.3	0.1	0.0	0.0	0.0	0.0	0.8	27
28	Estonia	0.1	0.3	0.0	0.0	0.0	0.0	0.0	0.3	29
29	Latvia	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.2	30
30	Bulgaria	0.0	0.1	0.1	0.1	0.0	0.0	0.0	0.2	31
31	Malta	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	28
32	Lithuania	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	32
33	Ukraine	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	33
TOTAL EUROPE		1,313.7	2,056.4	515.3	1,100.4	30.0	119.6	359.6	5,495.0	

EUROPEAN ASSET GROWTH

FIGURE 4 EUROPEAN ASSET GROWTH BY MARKET IN 2010 (€BN)

RANK	FUND MARKET	BOND	EQUITY	MIXED	MM	MM ENH	PROPERTY	OTHER	TOTAL	RANK IN '09
1	International	173.1	203.1	27.6	15.0	-0.1	0.0	14.2	433.0	1
2	United Kingdom	25.3	80.2	27.8	6.5	0.2	3.9	2.7	146.5	2
3	Switzerland	12.0	19.2	4.7	-4.7	-0.3	0.0	9.0	40.0	7
4	Germany	0.9	21.4	17.8	-15.4	-2.1	-2.2	6.2	26.7	5
5	Sweden	3.2	14.9	3.8	0.7	0.0	0.0	2.4	25.1	4
6	Norway	3.5	7.1	0.9	0.8	0.0	0.0	-0.1	12.3	8
7	Denmark	4.7	3.7	0.7	0.1	0.0	0.0	-0.0	9.2	10
8	Finland	0.8	5.8	0.6	-0.7	-0.2	0.0	-0.2	6.0	9
9	Poland	1.0	0.9	0.8	1.5	0.0	0.0	0.1	4.3	13
10	Austria	0.0	2.1	0.4	-0.4	-0.0	0.5	0.1	2.7	12
11	Netherlands	-0.6	2.6	0.4	-0.3	0.0	0.0	0.1	2.3	11
12	Hungary	0.0	0.2	0.0	0.7	0.0	0.4	0.2	1.5	16
13	Turkey	0.1	0.2	0.0	0.5	0.0	0.0	0.4	1.3	15
14	Luxembourg	-0.1	0.3	0.8	-0.0	0.0	0.0	-0.0	1.0	19
15	Russia	0.1	0.5	0.1	0.0	0.0	0.0	0.0	0.7	17
16	Romania	0.2	0.0	0.0	0.3	0.0	0.0	0.0	0.6	18
17	Slovakia	0.1	0.0	0.1	-0.0	0.0	0.1	-0.1	0.2	22
18	Liechtenstein	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.2	23
19	Croatia	0.1	0.0	0.0	0.1	0.0	0.0	0.0	0.2	21
20	Slovenia	0.0	0.1	0.0	-0.0	-0.0	0.0	-0.0	0.1	20
21	Czech Republic	0.1	0.1	0.2	-0.1	-0.0	0.0	-0.2	0.1	30
22	Bulgaria	0.0	-0.0	-0.0	0.0	0.0	0.0	-0.0	0.0	26
23	Latvia	0.0	0.0	0.0	-0.0	0.0	0.0	0.0	0.0	25
24	Lithuania	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28
25	Ukraine	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	29
26	Estonia	-0.0	0.0	0.0	-0.0	0.0	0.0	0.0	-0.0	24
27	Malta	0.0	-0.0	0.0	-0.0	0.0	0.0	0.0	-0.0	27
28	Italy	5.8	2.9	5.3	-18.8	-0.0	0.0	2.5	-2.4	6
29	Portugal	-0.7	0.0	0.0	-1.8	-0.0	0.3	-0.2	-2.4	14
30	Greece	-0.7	-0.7	-0.3	-0.6	-0.3	0.0	-0.0	-2.6	31
31	Belgium	-1.6	1.1	3.6	-4.7	-0.2	0.0	-4.7	-6.5	33
32	Spain	-25.2	-0.1	-1.9	-3.1	-0.0	-0.4	1.2	-29.4	32
33	France	-1.5	7.2	1.5	-65.0	-2.0	0.0	-8.2	-67.9	3
TOTAL EUROPE		201.0	373.2	95.1	-89.5	-5.2	2.7	25.5	602.9	

EUROPEAN SALES

FIGURE 5 EUROPEAN MARKET RANKING BY ESTIMATED NET SALES (€M)

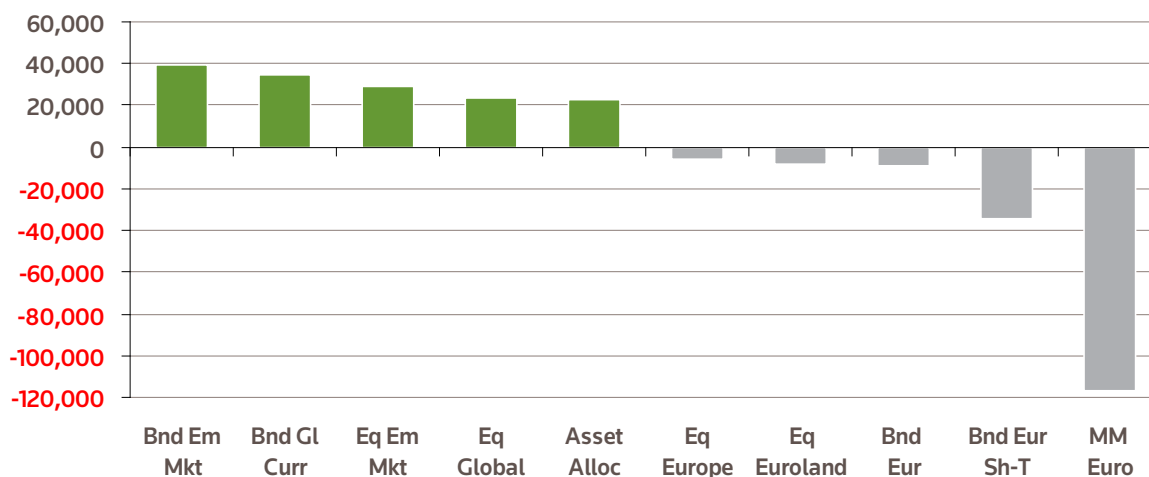
RANK	FUND MARKET	BOND	EQUITY	MIXED	MM	MM ENH	PROPERTY	OTHER	TOTAL	RANK IN '09
1	International	130,723.5	68,938.1	18,576.2	-1,908.9	-228.7	-196.4	4,848.4	220,752.2	1
2	United Kingdom	15,136.9	10,940.7	18,642.2	5,879.7	91.2	1,941.0	2,097.7	54,729.3	2
3	Norway	2,826.4	799.5	506.1	223.1	0.0	0.0	-107.5	4,247.6	6
4	Switzerland	2,783.1	5,176.5	69.0	-8,520.3	-355.8	-21.6	4,178.6	3,309.4	7
5	Sweden	183.4	1,305.3	277.6	-13.0	0.0	0.0	1,406.0	3,159.3	4
6	Germany	-333.8	2,786.0	14,653.3	-15,055.2	-2,130.3	-2,132.7	5,343.8	3,131.2	31
7	Denmark	2,917.0	-767.9	515.0	92.8	0.0	0.0	-29.6	2,727.3	26
8	Poland	761.5	-91.7	-125.7	1,278.0	15.4	0.0	70.8	1,908.2	13
9	Hungary	-0.6	3.0	-3.1	618.4	16.0	338.9	268.2	1,240.8	10
10	Luxembourg	-104.9	42.9	623.5	-43.7	0.0	0.0	0.3	518.0	25
11	Romania	193.7	19.6	-0.8	277.7	12.3	0.0	8.9	511.4	11
12	Slovakia	107.0	33.5	89.6	-37.4	1.6	56.9	23.2	274.4	15
13	Turkey	-79.4	139.2	-109.5	-178.3	0.0	20.4	446.0	238.5	9
14	Finland	-178.9	1,417.7	302.8	-875.9	-193.3	0.0	-250.0	222.3	5
15	Croatia	77.1	-6.2	0.7	84.0	0.0	0.0	0.0	155.6	16
16	Liechtenstein	14.8	53.5	34.5	3.8	0.0	0.0	12.4	119.0	17
17	Slovenia	24.8	33.6	8.6	-1.8	-0.8	0.0	-0.7	63.7	18
18	Bulgaria	4.0	-0.7	-0.8	23.5	0.0	0.0	-0.1	25.8	19
19	Latvia	9.4	4.6	2.9	-6.1	0.0	0.0	0.0	10.7	21
20	Lithuania	3.1	-2.1	0.6	0.1	4.4	0.0	0.0	6.0	23
21	Ukraine	1.0	2.3	-5.2	1.1	0.0	0.0	0.0	-0.7	22
22	Malta	0.0	-0.1	16.1	-26.9	0.0	0.0	0.0	-10.9	20
23	Russia	85.9	-78.0	-46.7	7.1	0.0	0.0	4.2	-27.3	27
24	Czech Republic	38.6	63.0	67.8	-287.3	-57.0	20.4	114.5	-40.1	28
25	Estonia	3.7	-24.6	0.0	-20.5	0.0	0.0	0.0	-41.4	24
26	Austria	-1,206.4	156.1	131.6	-343.8	-14.9	427.8	-98.2	-947.7	29
27	Netherlands	-428.0	-700.7	154.4	-27.6	4.7	0.0	-43.8	-1,041.0	12
28	Greece	-388.3	-53.3	-49.0	-628.1	-293.2	0.0	-32.0	-1,443.9	30
29	Portugal	-527.2	24.7	-53.1	-1,788.5	-3.5	195.9	14.4	-2,137.3	8
30	Belgium	-2,527.1	1.8	2,435.9	-4,711.8	-227.6	0.0	-2,169.3	-7,198.2	33
31	Italy	3,160.1	-3,055.2	3,540.0	-20,115.5	-23.9	0.0	2,462.0	-14,032.5	14
32	Spain	-24,510.9	-313.9	-408.6	-3,348.2	-3.6	-35.7	2,272.8	-26,348.1	32
33	France	-2,775.7	-3,691.9	309.3	-62,950.1	-1,330.3	-1.0	-2,981.8	-73,421.6	3
TOTAL EUROPE		125,993.6	83,154.9	60,155.3	-112,399.8	-4,717.6	614.0	17,859.2	170,659.6	

ALL-SECTOR RANKING

FIGURE 6 TOP 25 SECTORS IN EUROPE (€M)

RANK	RANK '09	FUND SECTOR	ENS '10
1	8	Bonds Emerging Markets	39,188.0
2	17	Bonds Global Currencies	34,294.2
3	3	Equities Emerging Markets	29,356.6
4	2	Equities Global	23,319.2
5	5	Asset Allocation	22,927.8
6	4	Mixed Assets Balanced	19,145.3
7	23	Bonds USD Corp. High Yield	19,033.9
8	50	Mixed Assets Conservative	13,247.0
9	21	Bonds Flexible	10,592.9
10	12	Equities Pacific ex Japan	10,202.9
11	20	Bonds Global High Yield	9,883.1
12	28	Bonds USD	9,603.7
13	41	Fund of Funds Asset Allocation	7,326.7
14	7	Commodity	6,892.6
15	72	Bonds Asian Currencies	6,517.4
16	196	Money Market GBP	5,703.5
17	1	Bonds EUR Corp. Inv. Grade	5,639.1
18	52	Protected Fund	5,614.3
19	24	Bonds EUR Corp. High Yield	5,130.9
20	34	Mixed Assets Dynamic	4,804.6
21	174	Fund of Funds Conservative	4,674.2
22	22	Bonds USD Corp. Inv. Grade	4,466.0
23	48	Fund of Funds Bonds	4,394.9
24	56	Fund of Funds Balanced	4,304.5
25	39	Equities Germany	3,445.1
		REST	-113,633.0
		TOTAL	196,075.4

FIGURE 7 TOP AND BOTTOM FIVE SECTORS



FUNDS OF FUNDS

FIGURE 8 EXTERNAL FUNDS OF FUNDS ASSETS (€BN)

FUND MARKET	DEC-10
1 France	74.3
2 United Kingdom	42.0
3 Germany	39.5
4 International	30.6
5 Italy	20.1
6 Spain	13.7
7 Switzerland	12.6
8 Austria	9.0
9 Sweden	7.4
10 Belgium	6.1
REST	10.5
TOTAL	265.7

FIGURE 9 MARKET SHARE OF EXTERNAL FOF ASSETS (€M)

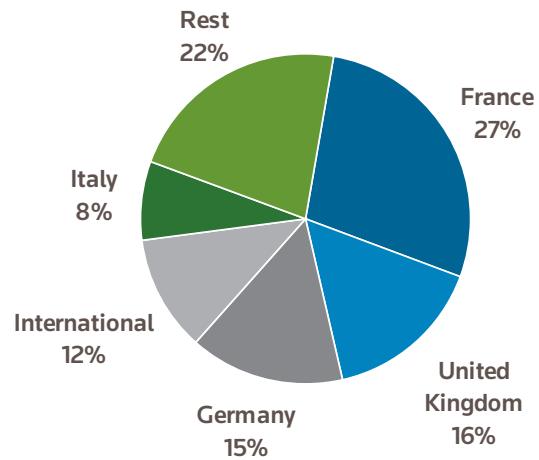
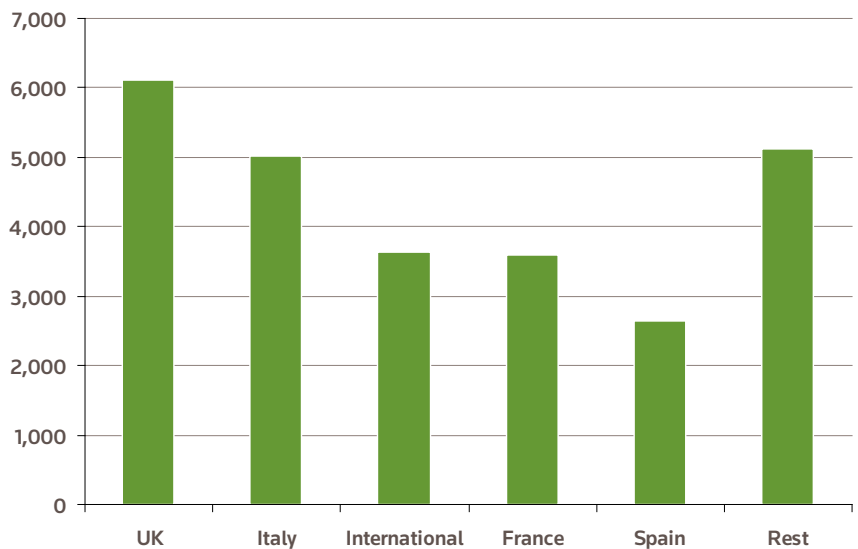


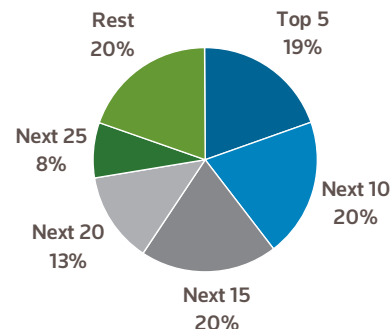
FIGURE 10 EXTERNAL FUNDS OF FUNDS SALES

FUND MARKET	ENS 2010 (€M)
1 United Kingdom	6,113.9
2 Italy	5,007.4
3 International	3,643.5
4 France	3,599.7
5 Spain	2,651.0
6 Sweden	1,851.5
7 Belgium	1,063.7
8 Switzerland	822.6
9 Netherlands	594.2
10 Germany	492.0
REST	298.5
TOTAL	26,137.9

FIGURE 11 MARKET SHARE OF EXTERNAL FOF SALES (€M)

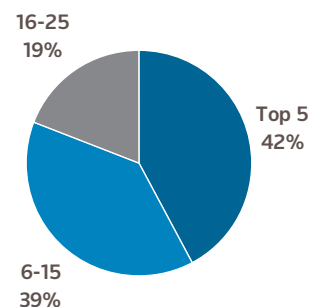


PAN-EUROPEAN MASTER GROUPS ASSETS

FIGURE 13 MARKET SHARE OF LEADING MASTER GROUPS

FIGURE 12 TOP 25 EUROPEAN MASTER GROUPS BY ASSETS IN 2010 (€M)

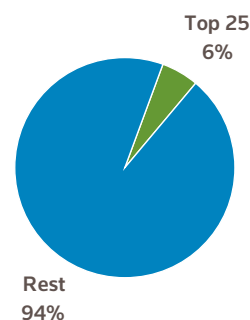
RANK	RANK '09	MASTER GROUP	NATIONALITY	# FUNDS	DEC-10
1	1	BlackRock	US	371	268,534.5
2	4	Amundi	FR	884	232,099.5
3	2	BNP Paribas	FR	1,391	203,324.1
4	3	JP Morgan	US	213	190,779.6
5	5	Deutsche/DWS	DE	834	189,914.6
6	6	UBS	CH	550	147,328.9
7	9	Allianz/Pimco	DE	592	133,365.0
8	10	Intesa SP	IT	372	109,465.1
9	12	Fidelity	BM	200	107,165.3
10	11	HSBC	UK	474	105,581.3
11	14	Cr Suisse	CH	446	99,640.7
12	8	Natixis	FR	296	96,961.4
13	15	Union	DE	251	94,766.5
14	19	Lloyds/SWIP	UK	190	94,001.6
15	13	AXA	FR	374	93,661.6
16	29	Fr Templeton	US	86	93,069.2
17	18	Schroders	UK	162	90,915.3
18	17	Pioneer	IT	369	90,440.6
19	16	Deka	DE	364	88,738.9
20	23	BNY Mellon	US	170	77,190.4
21	24	Goldman Sachs	US	81	76,515.0
22	22	Pictet	CH	198	68,657.8
23	20	Prudential/M&G	UK	119	67,892.4
24	27	Invesco	US	144	67,193.2
25	31	Swisscanto	CH	263	66,147.5
TOTAL TOP 25				9,394	2,953,350.0
REST				20,316	2,541,643.8
TOTAL				29,710	5,494,993.8

PAN-EUROPEAN MASTER GROUPS SALES

FIGURE 15 MARKET SHARE OF LEADING MASTER GROUPS BY SALES

FIGURE 14 TOP 25 EUROPEAN MASTER GROUPS BY SALES IN 2010 (€M)

RANK	RANK '09	MASTER GROUP	NATIONALITY	# FUNDS	ENS '10
1	8	Fr Templeton	US	88	31,371.8
2	1609	Allianz/Pimco	DE	678	17,908.8
3	3	Carmignac	FR	15	16,873.3
4	20	HSBC	UK	510	12,654.2
5	14	Goldman Sachs	US	84	10,519.1
6	2	Schroders	UK	165	9,268.7
7	4	Deutsche/DWS	DE	941	9,216.6
8	13	GAM Holding	CH	250	9,159.8
9	1	BlackRock	US	386	8,782.3
10	16	Lloyds/SWIP	UK	204	8,750.3
11	6	Prudential/M&G	UK	121	8,479.0
12	1604	Ignis	UK	39	7,197.1
13	9	Nordea	SE	268	7,082.1
14	26	Fidelity	BM	202	7,011.9
15	56	Standard Life	UK	72	6,995.5
16	22	Investec	SA	75	5,773.4
17	18	Cr Suisse	CH	509	5,679.1
18	61	Bank Delen	BE	36	4,130.5
19	1502	Aberdeen	UK	130	3,775.4
20	24	First State	AU	40	3,697.9
21	102	Pictet	CH	203	3,571.1
22	98	AXA	FR	411	3,549.9
23	1626	BNY Mellon	US	179	3,544.6
24	7	RBC/BlueBay	CA	38	3,402.8
25	17	Lombard Odier	CH	128	3,379.8
TOTAL TOP 25				5,772	211,775.1
REST				26,354	-41,115.5
TOTAL				32,126	170,659.6

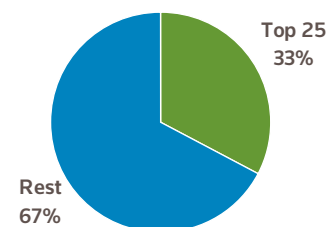
PAN-EUROPEAN FUND LEADERS ASSETS

FIGURE 17 MARKET SHARE OF LARGEST 25 FUNDS

FIGURE 16 TOP 25 FUNDS BY ASSETS (€M)

RANK	RANK '09	MASTER GROUP	NAT	FUND NAME	DOMICILE	TYPE	ASSETS DEC '10
1	1	Carmignac	FR	Carmignac Patrimoine	FR	Mix	27,994.0
2	2	Fr Templeton	US	Templeton Global Bond Fund	LX	Bnd	26,747.2
3	14	Allianz/Pimco	DE	Pimco Funds - Total Return Bond Fund	IE	Bnd	15,561.0
4	9	BlackRock	US	BlackRock Global Funds - World Mining Fund	LX	Eq	12,663.3
5	23	Fr Templeton	US	Templeton Asian Growth Fund	LX	Eq	12,646.0
6	3	Invesco	US	Invesco Perpetual High Income	UK	Eq	12,027.2
7	16	AXA	FR	AllianceBernstein - Global High Yield Portfolio	LX	Bnd	11,587.6
8	4	Deka	DE	Deka-ImmobilienEuropa	DE	Prop	11,132.8
9	7	RBC	CA	BlueBay - Investment Grade Bond Fund	LX	Bnd	10,963.7
10	8	BlackRock	US	BlackRock Global Funds - Global Allocation Fund	LX	Mix	10,913.9
11	95	Fr Templeton	US	Templeton Global Total Return Fund	LX	Bnd	10,271.3
12	6	Commerzbank	DE	HausInvest	DE	Prop	9,960.2
13	20	Carmignac	FR	Carmignac Investissement	FR	Eq	9,683.6
14	12	Invesco	US	Invesco Perpetual Income	UK	Eq	9,439.2
15	5	Pioneer	IT	Pioneer Monetario Euro	IT	Bnd	8,889.7
16	11	Fidelity	BM	Fidelity Funds - European Growth Fund	LX	Eq	8,540.6
17	17	Orbis	BM	Orbis Global Equity	BM	Eq	8,157.0
18	132	Standard Life	GB	Standard Life Global Absolute Return Strategy	UK	Mix	8,082.8
19	27	Prudential/M&G	GB	M&G Recovery Fund	UK	Eq	7,686.3
20	15	Union	DE	Unilmmo: Europa	DE	Prop	7,401.6
21	42	Prudential/M&G	GB	M&G Global Basics Fund	UK	Eq	7,314.9
22	63	Allianz/Pimco	DE	Pimco Funds - Global Investment Grade Credit	IE	Bnd	7,209.1
23	177	AXA	FR	AXA IM FIIS - US Short Duration High Yield	LX	Bnd	7,202.5
24	39	JP Morgan	US	JPMorgan Funds - Emerging Markets Equity Fund	LX	Eq	7,076.0
25	26	Union	DE	UniGlobal	DE	Eq	7,018.7
TOTAL TOP 25							276,170.0
REST							4,579,475.2
TOTAL EUROPE							4,855,645.2

Note: Excludes money market funds and funds of funds.

PAN-EUROPEAN FUND LEADERS SALES

FIGURE 19 MARKET SHARE OF BEST-SELLING 25 FUNDS

FIGURE 18 TOP 25 FUNDS BY ESTIMATED NET SALES (€M)

RANK	RANK '09	MASTER GROUP	NAT	FUND NAME	DOMICILE	TYPE	ENS '10
1	6	Fr Templeton	US	Templeton Global Bond Fund	LX	Bnd	13,370.8
2	1	Carmignac	FR	Carmignac Patrimoine	FR	Mix	9,845.8
3	5	Allianz/Pimco	DE	Pimco Funds - Total Return Bond Fund	IE	Bnd	7,752.1
4	61	Fr Templeton	US	Templeton Global Total Return Fund	LX	Bnd	6,180.4
5	32	Standard Life	GB	Standard Life Global Absolute Return Strategy	UK	Mix	5,117.5
6	73	Pictet	CH	Pictet - Emerging Local Currency Debt	LX	Bnd	4,803.9
7	631	AXA	FR	AXA IM FIIS - US Short Duration High Yield	LX	Bnd	4,495.5
8	28	Fr Templeton	US	Templeton Asian Growth Fund	LX	Eq	4,034.2
9	7	AXA	FR	AllianceBernstein - Global High Yield Portfolio	LX	Bnd	3,809.5
10	N/A	Union	DE	UIL Special-Bond-Ptf Special-Bonds-1	LX	Bnd	3,490.7
11	8	Carmignac	FR	Carmignac Sécurité	FR	Bnd	3,462.5
12	148	GAM Holding	CH	Julius Baer Multibond - Absolute Return Bond Fund	LX	Bnd	3,197.8
13	13	Allianz	DE	Pimco Funds - Global Investment Grade Credit	IE	Bnd	3,063.2
14	56	Aberdeen	GB	Aberdeen Global Emerging Markets Equity Fund	LX	Eq	3,013.6
15	45	Vanguard	US	Vanguard - Emerging Markets Stock Index Fund	IE	Eq	2,744.3
16	15	Schroders	GB	Schroder ISF-Emerging Markets Debt Absolute Return	LX	Bnd	2,396.3
17	78	Fidelity	BM	Fidelity Funds - US High Yield Fund	LX	Bnd	2,396.2
18	62	Fr Templeton	US	Templeton Emerging Markets Bond Fund	LX	Bnd	2,375.2
19	9	Carmignac	FR	Carmignac Investissement	FR	Eq	2,317.0
20	799	Allianz/Pimco	DE	Pimco Funds - Unconstrained Bond Fund	IE	Bnd	2,305.9
21	75	GAM Holding	CH	Julius Baer Multibond - Local Emerging Bond Fund	LX	Bnd	2,243.8
22	141	BNY Mellon	US	Newton Real Return	UK	Mix	2,158.7
23	81	Intesa SP	IT	Fonditalia Core 1	LX	Mix	2,122.8
24	74	BlackRock	US	iShares® - iShares MSCI Emerging Markets	IE	Eq	2,056.0
25	589	Fr Templeton	US	Templeton Asian Bond Fund	LX	Bnd	1,985.4
TOTAL TOP 25							100,738.9
REST							207,736.3
TOTAL							308,475.1

Note: Excludes money market funds and funds of funds.

PRODUCT THEMES

ABSOLUTE/TOTAL RETURN

FIGURE 20 TOP 10 MASTER GROUPS BY ASSETS (€M)

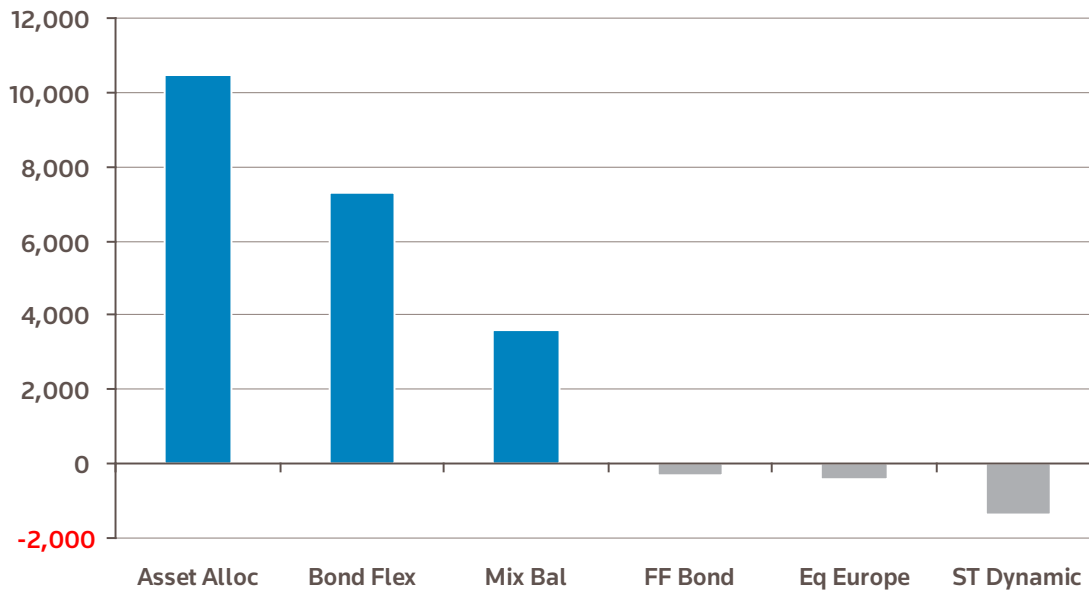
RANK	MASTER GROUP	NAT	DEC-09	DEC-10
1	GAM Holding	CH	5,569.0	11,349.9
2	Amundi	FR	9,175.8	10,767.8
3	Schroders	GB	6,326.5	10,584.3
4	Standard Life	GB	2,491.0	8,082.8
5	JP Morgan	US	7,907.5	8,008.1
6	BNY Mellon	US	3,131.5	5,716.5
7	Pioneer	IT	4,910.9	4,099.2
8	BNP Paribas	FR	4,211.2	3,956.7
9	Intesa SP	IT	3,313.5	3,708.7
10	BlackRock	US	2,495.0	3,604.0
TOTAL TOP 10			49,532.0	69,877.8
TOTAL			112,468.3	145,818.9

FIGURE 21 TOP 10 MASTER GROUPS BY SALES (€M)

RANK	MASTER GROUP	NAT	ENS '10
1	GAM Holding	CH	5,342.0
2	Standard Life	GB	5,117.5
3	Schroders	GB	3,375.6
4	BNY Mellon	US	2,152.0
5	Amundi	FR	1,979.4
6	Ruffer LLP	GB	1,785.2
7	UBI	IT	1,390.1
8	Baring	US	961.6
9	HSBC	GB	946.2
10	BlackRock	US	868.2
TOTAL TOP 10			23,917.8
TOTAL			28,336.1

PRODUCT THEMES

ABSOLUTE/TOTAL RETURN

FIGURE 22 TOP & BOTTOM THREE SECTORS (€M)

FIGURE 23 TOP 10 FUNDS BY SALES (€M)

RANK	MASTER GROUP	FUND NAME	ENS '10
1	Standard Life	Standard Life Global Absolute Return Strategy	5,117.5
2	GAM Holding	Julius Baer Multibond - Absolute Return Bond Fund	3,197.8
3	Schroders	Schroder ISF-Emerging Markets Debt Absolute Return	2,396.3
4	BNY Mellon	Newton Real Return	2,158.7
5	JP Morgan	JPMorgan Funds - Income Opportunity Fund	1,717.9
6	Amundi	Amundi Funds Volatility Euro Equities	1,613.3
7	UBI	UBI Pramerica Total Return Prudente 1	1,463.5
8	Ruffer LLP	CF Ruffer Total Return	1,009.1
9	Baring	Baring Dynamic Asset Allocation Fund	1,006.8
10	Ruffer LLP	CF Ruffer Absolute Return	774.4
TOTAL TOP 10			20,455.2
TOTAL			30,303.7

PRODUCT THEMES

RESPONSIBLE INVESTMENT

FIGURE 24 TOP 10 MASTER GROUPS BY ASSETS (€M)

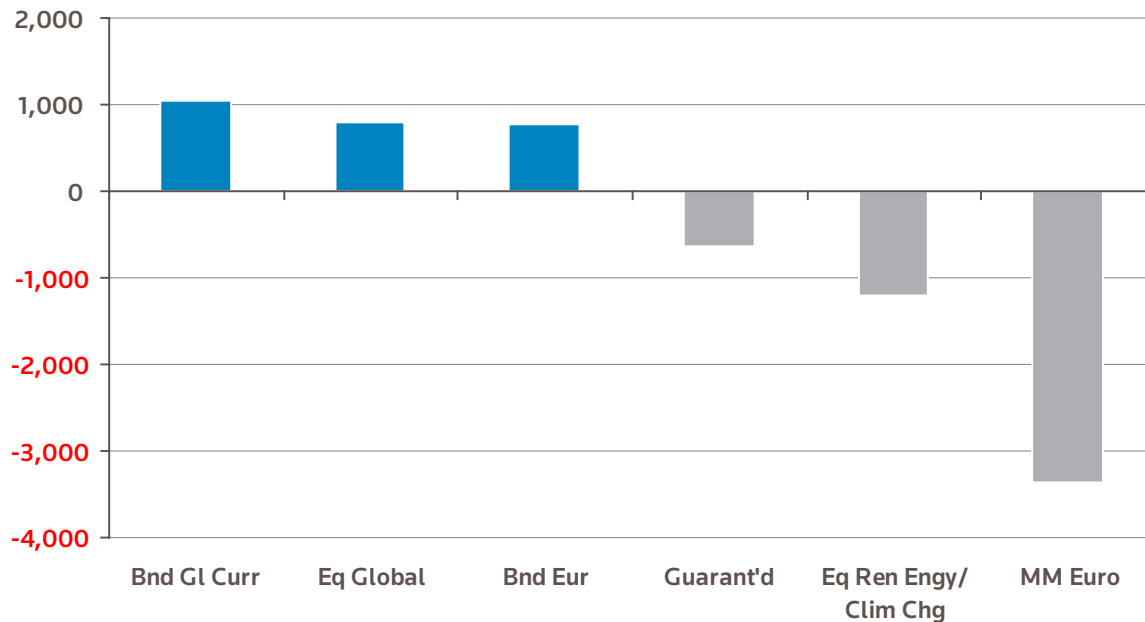
RANK	MASTER GROUP	NAT	DEC 09	DEC 10
1	Natixis	FR	11,965.3	9,781.2
2	Amundi	FR	9,049.7	9,227.0
3	KBC	BE	4,546.9	4,287.8
4	BNP Paribas	FR	4,832.3	4,060.4
5	Aviva	GB	3,144.9	3,563.6
6	Pictet	CH	3,113.1	3,264.5
7	Allianz/Pimco	DE	3,835.0	3,105.5
8	Swisscanto	CH	2,573.3	3,076.9
9	Dexia	BE	3,303.7	2,797.0
10	BlackRock	US	3,045.1	2,429.7
TOTAL TOP 10			49,409.3	45,593.8
TOTAL			88,777.5	92,662.6

FIGURE 25 TOP 10 MASTER GROUPS BY SALES (€M)

RANK	MASTER GROUP	NAT	ENS '10
1	Storebrand	NO	1,137.4
2	SEB	SE	265.2
3	Aviva	GB	232.9
4	Vanguard	US	213.3
5	Vontobel	CH	213.3
6	Swisscanto	CH	177.5
7	Cr Agricole	FR	154.4
8	First State	AU	142.7
9	AG2R	FR	133.9
10	Bank Sarasin	CH	133.3
TOTAL TOP 10			2,804.0
TOTAL			-2,018.1

PRODUCT THEMES

RESPONSIBLE INVESTMENT

FIGURE 26 TOP & BOTTOM THREE SECTORS (€M)

FIGURE 27 TOP 10 FUNDS BY SALES (€M)

RANK	MASTER GROUP	FUND NAME	ENS '10
1	Storebrand	Storebrand Global Stat	804.1
2	Amundi	Amundi Tréso ISR	781.6
3	AXA	Label Euro Obligations	223.9
4	Vanguard	Vanguard SRI European Stock	213.3
5	Storebrand	Storebrand Norge Institusjon	201.7
6	Aviva	Aviva ISR Court Terme	186.7
7	SEB	SEB Fund 3 - SEB Ethical Global Fund	175.5
8	MACIF	Macif Trésorerie Semestrielle ISR	165.8
9	AXA	AXA WF - Framlington Eurozone RI	140.1
10	GAM Holding	ZIF Aktien Nachhaltigkeit Global	130.5
TOTAL TOP 10			3,023.2
TOTAL			-1,793.9

Note: Data includes both RI screened and extended funds.

PRODUCT THEMES

EXCHANGE TRADED FUNDS

FIGURE 28 TOP 10 MASTER GROUPS BY ASSETS (€M)

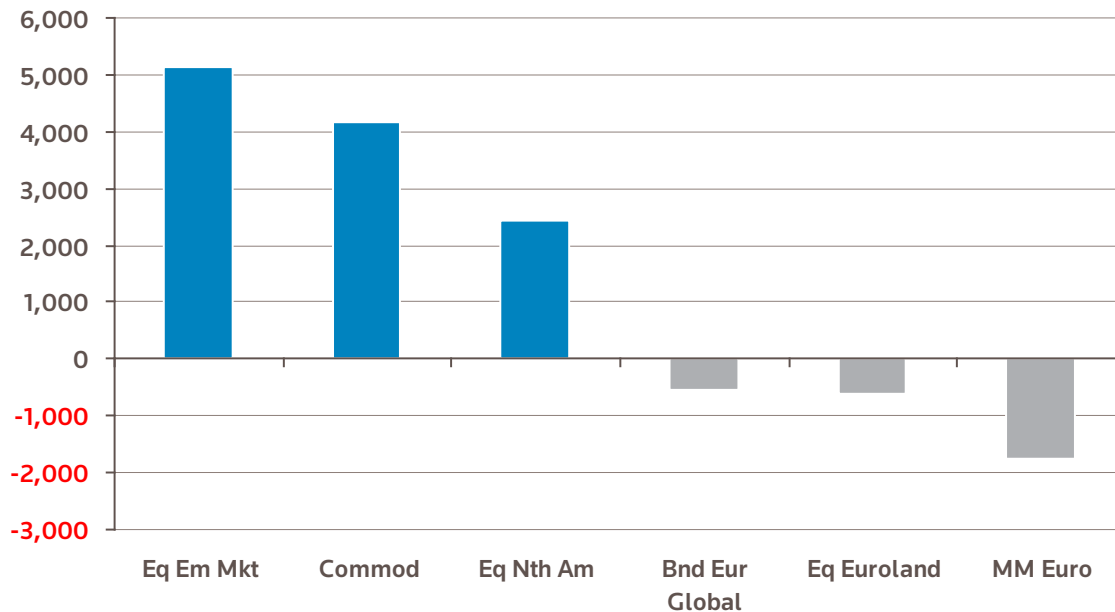
RANK	MASTER GROUP	NAT	DEC 09	DEC 10
1	BlackRock	US	59,321.1	75,056.1
2	Soc Gen/Lyxor	FR	32,379.6	39,134.6
3	Deutsche/DWS	DE	27,715.7	37,180.2
4	Cr Suisse	CH	6,719.7	11,666.0
5	Swisscanto	CH	4,679.7	8,868.3
6	Commerzbank	DE	4,310.0	6,271.8
7	Deka	DE	4,730.8	5,029.0
8	Amundi	FR	3,088.6	4,882.9
9	UBS	CH	2,505.4	4,785.0
10	BNP Paribas	FR	4,275.4	4,179.8
TOTAL TOP 10			149,726.0	197,053.9
TOTAL			163,188.5	215,826.1

FIGURE 29 TOP 10 MASTER GROUPS BY SALES (€M)

RANK	MASTER GROUP	NAT	ENS '10
1	BlackRock	US	9,405.5
2	Deutsche/DWS	DE	6,512.1
3	Soc Gen/Lyxor	FR	4,582.4
4	Cr Suisse	CH	3,181.8
5	UBS	CH	1,849.3
6	Swisscanto	CH	1,623.4
7	Amundi	FR	1,520.8
8	Commerzbank	DE	1,468.2
9	Source	US	1,342.1
10	GAM Holding	CH	944.4
TOTAL TOP 10			32,429.9
TOTAL			32,978.2

PRODUCT THEMES

EXCHANGE TRADED FUNDS

FIGURE 30 TOP & BOTTOM THREE SECTORS (€M)

FIGURE 31 TOP 10 FUNDS BY SALES (€M)

RANK	MASTER GROUP	FUND NAME	ENS '10
1	BlackRock	iShares® - MSCI Em Mkts	2,056.0
2	Swisscanto	ZKB Gold ETF	1,296.6
3	Deutsche/DWS	X-Trackers MSCI Emg Mkts TRN Index ETF	1,258.3
4	BlackRock	iShares DAX® (DE)	1,204.8
5	Deutsche/DWS	DB X-Trackers DJ Dax ETF	875.2
6	Soc Gen/Lyxor	Lyxor ETF DJ Euro Stoxx 50	849.6
7	Deutsche/DWS	DB X-Trackers Stoxx® 600 ETF	792.7
8	GAM Holding	Precious Metals - Physical Gold	721.9
9	Soc Gen/Lyxor	Lyxor ETF MSCI Emerging Markets	710.5
10	BlackRock	iShares eb.rexx® Gvt Germany 1.5-2.5	694.1
TOTAL TOP 10			10,459.7
TOTAL			32,978.2

PRODUCT THEMES

EMERGING MARKETS

FIGURE 32 TOP 10 MASTER GROUPS BY ASSETS (€M)

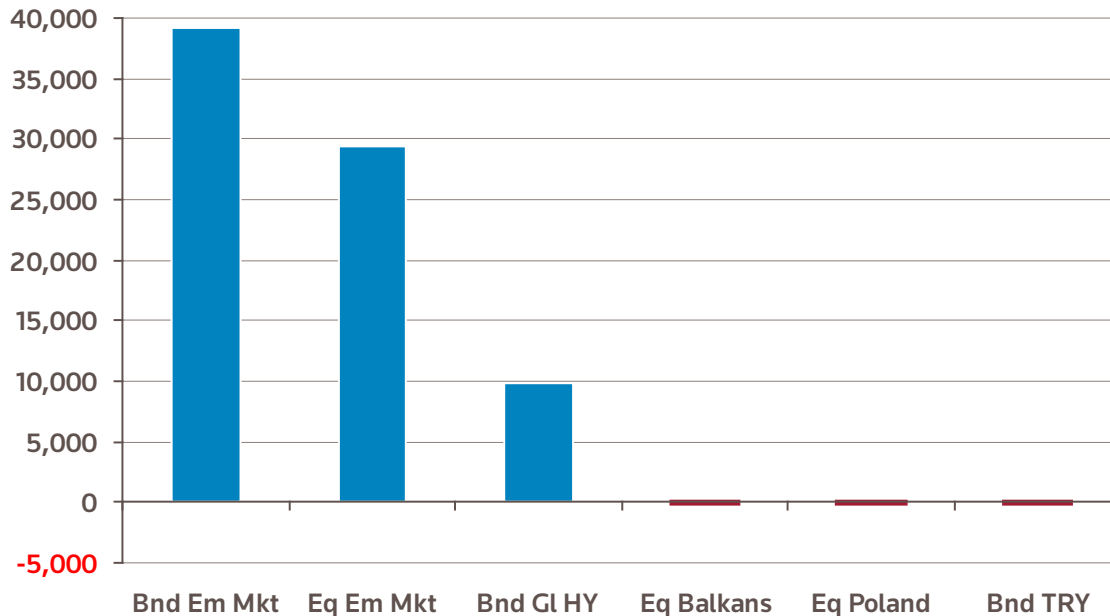
RANK	MASTER GROUP	NAT	DEC 09	DEC 10
1	BlackRock	US	16,199.0	27,914.1
2	JP Morgan	US	16,356.9	25,190.5
3	Schroders	GB	15,917.9	24,059.7
4	Fr Templeton	US	10,431.9	19,312.0
5	Fidelity	BM	12,243.9	18,003.8
6	HSBC	GB	12,952.8	17,286.5
7	Aberdeen	GB	7,176.5	16,761.2
8	Deutsche/DWS	DE	11,077.9	16,298.6
9	AXA	FR	9,678.0	15,880.0
10	Pictet	CH	5,915.1	14,552.0
TOTAL TOP 10			117,949.8	195,258.5
TOTAL			346,132.2	530,306.3

FIGURE 33 TOP 10 MASTER GROUPS BY SALES (€M)

RANK	MASTER GROUP	NAT	ENS '10
1	BlackRock	US	7,144.2
2	Pictet	CH	6,930.3
3	Fr Templeton	US	5,814.2
4	Schroders	GB	5,345.7
5	Aberdeen	GB	5,016.0
6	AXA	FR	4,477.4
7	JP Morgan	US	4,162.9
8	GAM Holding	CH	4,046.4
9	Allianz/Pimco	DE	3,224.3
10	Investec	ZA	2,911.1
TOTAL TOP 10			49,072.5
TOTAL			100,686.6

PRODUCT THEMES

EMERGING MARKETS

FIGURE 34 TOP & BOTTOM THREE SECTORS (€M)

FIGURE 35 TOP 10 FUNDS BY SALES (€M)

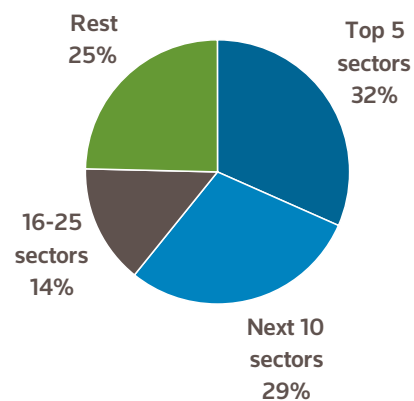
RANK	MASTER GROUP	FUND NAME	ENS '10
1	Pictet	Pictet - Emerging Local Currency Debt	4,803.9
2	AXA	AllianceBernstein - Gl High Yield Portfolio	3,809.5
3	Aberdeen	Aberdeen Global Emerging Markets Equity Fund	3,013.6
4	Vanguard	Vanguard Emerging Markets Stock Index	2,744.3
5	Schroders	Schroder ISF-Emg Markets Debt Abs Rtrn	2,396.3
6	Fr Templeton	Templeton Emerging Markets Bond Fund	2,375.2
7	GAM Holding	Julius Baer Multibond - Local Emerging Bond Fund	2,243.8
8	BlackRock	iShares® - MSCI Em Mkts	2,056.0
9	Fr Templeton	Templeton Asian Bond Fund	1,985.4
10	Allianz/Pimco	Pimco Funds - Emerging Local Bond Fund	1,768.0
TOTAL TOP 10			27,195.9
TOTAL			100,686.6

PRODUCT DEVELOPMENT

NEW FUNDS BY SECTOR

FIGURE 36 TOP 25 SECTORS OF NEW FUNDS (€M)

RANK	FUND SECTOR	# FUNDS	ENS '10
1	Guaranteed Fund	275	17,970.7
2	Money Market EUR	30	11,177.3
3	Asset Allocation	191	7,059.8
4	Bonds EUR	110	6,430.2
5	Bonds Global Currencies	70	6,376.0
6	Bonds EUR Corp. Inv. Grade	50	5,741.8
7	Mixed Assets Balanced	165	5,355.4
8	Equities Global	158	5,216.4
9	Fund of Funds Guaranteed	61	5,137.1
10	Protected Fund	124	4,607.6
11	Bonds Emerging Markets	60	4,511.8
12	Mixed Assets Conservative	55	4,388.4
13	Bonds Speciality	17	4,311.3
14	Bonds GBP Corporate Investment Grade	8	2,935.6
15	Fund of Funds Conservative	31	2,832.3
16	Speciality	58	2,817.9
17	Equities Emerging Markets	73	2,696.0
18	Equities Euroland	57	2,376.0
19	Equities Europe	67	2,188.3
20	Fund of Funds Asset Allocation	80	2,100.4
21	Equities North America	46	1,926.9
22	Commodity	57	1,861.6
23	Convertible Bonds & Options	26	1,843.4
24	Mixed Assets Dynamic	65	1,810.9
25	Bonds GBP	18	1,803.6
TOP 25 SECTORS		2,078	115,476.7
TOTAL		3,179	155,408.4

FIGURE 37 MARKET SHARE OF LEADING SECTORS OF NEW FUNDS


CROSS-BORDER PROGRESS

GROUP WINNERS

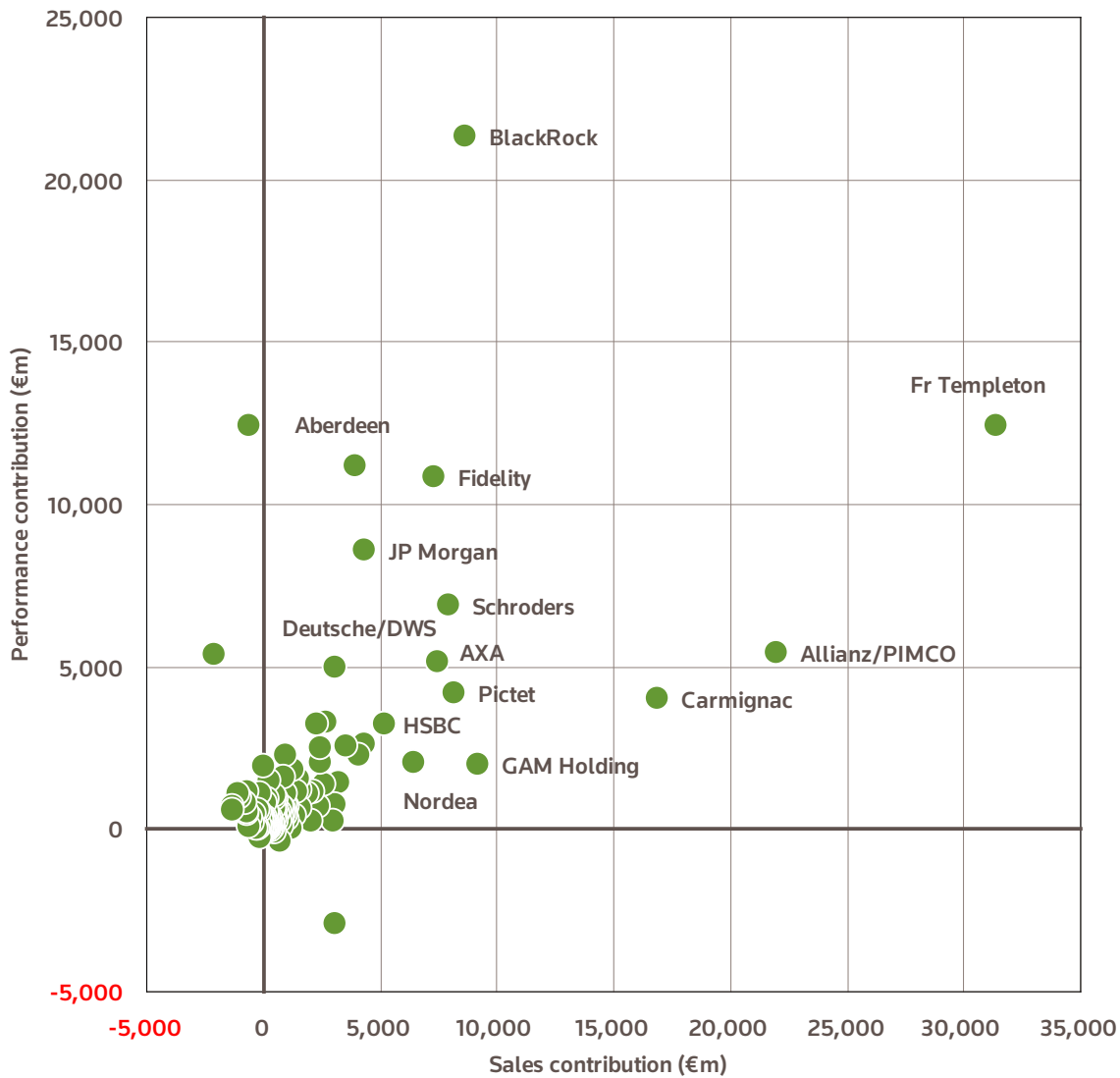
FIGURE 38 TOP 25 INTERNATIONAL GROUPS BY ESTIMATED NET SALES IN 2010 (€M)

RANK	MASTER GROUP	NATIONALITY	# FUNDS	ASSETS DEC '10	ENS '10
1	Fr Templeton	US	74	92,278.8	31,427.0
2	Allianz/Pimco	DE	80	59,145.8	21,959.4
3	Carmignac	FR	14	51,304.4	16,892.2
4	GAM Holding	CH	115	25,067.3	9,191.7
5	BlackRock	US	323	174,246.3	8,648.5
6	Pictet	CH	148	37,138.5	8,209.5
7	Schroders	GB	97	58,706.0	7,976.5
8	AXA	FR	183	52,994.7	7,464.4
9	Fidelity	BM	130	66,541.9	7,329.5
10	Nordea	SE	68	20,037.0	6,414.2
11	HSBC	GB	136	28,641.7	5,218.0
12	Goldman Sachs	US	76	22,116.9	4,368.1
13	JP Morgan	US	150	58,493.2	4,360.8
14	Amundi	FR	262	27,391.2	4,088.0
15	Aberdeen	GB	75	33,205.3	3,903.0
16	Soc Gen/Lyxor	FR	184	40,148.9	3,514.7
17	Investec	ZA	39	10,794.1	3,198.5
18	Cr Suisse	CH	217	16,893.4	3,104.5
19	Deutsche/DWS	DE	333	60,110.4	3,100.7
20	Wellington	US	30	6,524.0	3,040.5
21	Bank Delen	BE	5	5,570.4	2,974.5
22	Vanguard	US	27	24,805.4	2,702.4
23	RBC/BlueBay	CA	29	19,900.6	2,624.0
24	Comgest	FR	20	11,155.9	2,453.6
25	First State	AU	31	12,660.8	2,413.0
TOP 25				1,015,872.8	176,577.4
TOTAL			8,189	1,710,780.4	222,661.1

CROSS-BORDER PROGRESS

GROUP WINNERS

FIGURE 39 GROUP POSITIONING BY SALES AND PERFORMANCE CONTRIBUTION TO ASSET GROWTH



CROSS-BORDER PROGRESS

FOREIGN SHARE OF SALES

FIGURE 40 NET SALES OF FOREIGN GROUPS BY MARKET IN 2010 - EQUITY ONLY (€M)

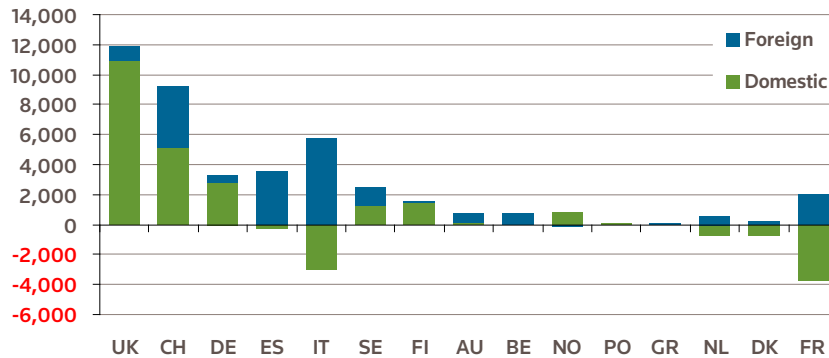


FIGURE 41 NET SALES OF FOREIGN GROUPS BY MARKET IN 2010 - BOND ONLY (€M)

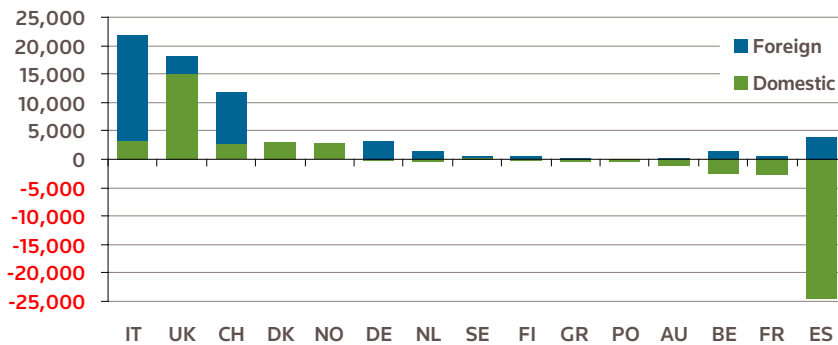
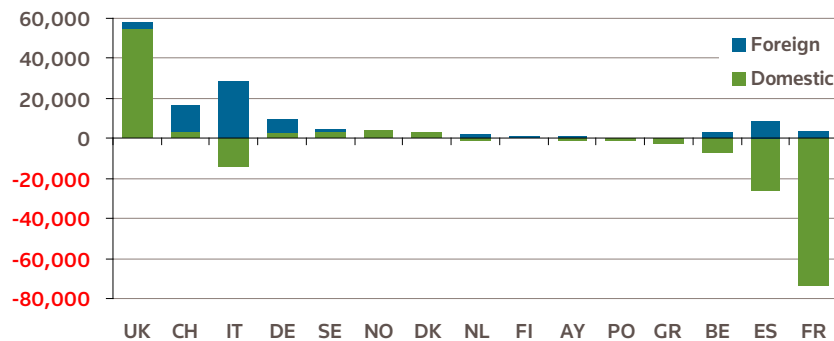


FIGURE 42 NET SALES OF FOREIGN GROUPS BY MARKET IN 2010 - ALL FUNDS (€M)



1. Foreign activity is actual sales as measured by the Lipper FMI SalesWatch Confidential Service.
 2. The 45 members are estimated to account for 75-80% of the total cross-border sales activity.

CROSS-BORDER PROGRESS FOREIGN SHARE OF ASSETS

FIGURE 43 FOREIGN FUNDS' SHARE OF ASSETS BY REGION

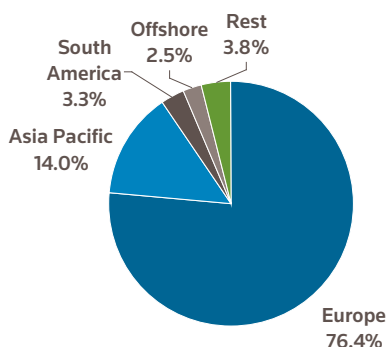


FIGURE 44 MARKET SHARE OF TOP FIVE MARKETS FOR FOREIGN ASSETS

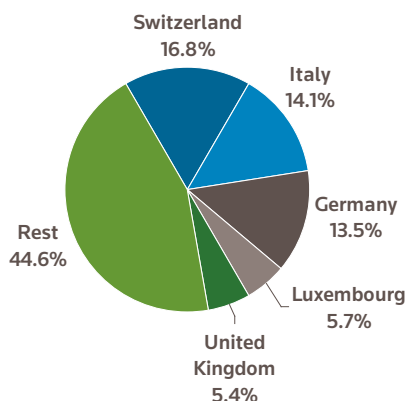


FIGURE 45 FOREIGN FUNDS' SHARE OF ASSETS IN EUROPE (€M)

COUNTRY	2009	2010	GROWTH %
Switzerland	75,986.5	109,549.0	44.2
Italy	56,565.7	92,050.7	62.7
Germany	70,717.6	88,083.9	24.6
Luxembourg	31,751.3	37,426.6	17.9
United Kingdom	28,682.5	35,198.5	22.7
France	21,397.4	31,101.7	45.4
Spain	19,867.3	29,250.6	47.2
Netherlands	19,517.5	22,753.8	16.6
Sweden	8,654.0	12,551.5	45.0
Belgium	9,231.7	12,448.6	34.8
TOP 10		470,414.9	
REST		154,087.5	

1. Assets of cross-border funds domiciled in Europe sold in at least five markets globally.
2. Actual asset data contributed by 41 group members of the Lipper FMI AssetWatch service. Assets are estimated to account to 45% of all cross border-fund assets.

CROSS-BORDER PROGRESS

DOMESTIC VS. FOREIGN SECTORS

FIGURE 46 TOP 5 DOMESTIC AND FOREIGN SECTORS IN THE MAJOR MARKETS (€M)

FRANCE				
	DOMESTIC	ENS '10	FOREIGN	ENS '10
1	FF Guaranteed	3,523.9	Bonds Global Currencies	Confidential
2	Equities Speciality	2,124.8	Bonds Emerging Markets	
3	FF Asset Allocation	665.3	Equities Emerging Markets	
4	Equities Europe Sm/Mid Cap	659.8	Bonds USD Corp. High Yield	
5	Asset Allocation	621.0	Convertible Bonds & Options	

GERMANY				
	DOMESTIC	ENS '10	FOREIGN	ENS '10
1	Mixed Conservative	5,659.9	Bonds Global Currencies	Confidential
2	Asset Allocation	5,078.7	Mixed Assets Balanced	
3	Mixed Balanced	3,406.6	Bonds Emerging Markets	
4	Equities Global	3,229.5	Equities Emerging Markets	
5	Bonds Speciality	3,124.6	Asset Allocation	

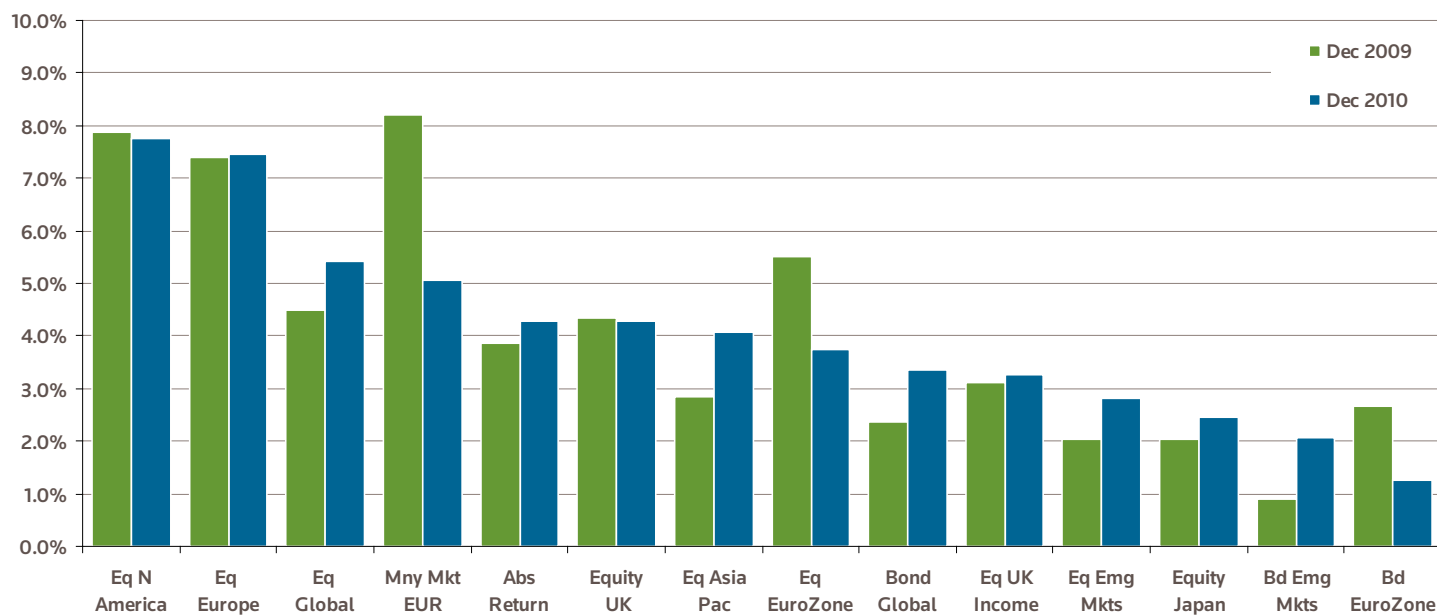
ITALY				
	DOMESTIC	ENS '10	FOREIGN	ENS '10
1	Bonds Flexible	4,041.8	Bonds Global Currencies	Confidential
2	Asset Allocation	3,274.0	Bonds Emerging Markets	
3	Bonds EUR Corp. Inv. Grade	3,253.8	Mixed Assets Balanced	
4	FF Asset Allocation	2,442.0	Bonds EUR Corp. Inv. Grade	
5	Bonds Emerging Markets	2,135.1	Bonds EUR Short-Term	

SPAIN				
	DOMESTIC	ENS '10	FOREIGN	ENS '10
1	Guaranteed	2,142.5	Mixed Assets Balanced	Confidential
2	FF Asset Allocation	1,276.4	Bonds Emerging Markets	
3	FF Conservative	451.3	Bonds EUR Short-Term	
4	Bonds Flexible	430.5	Equities North America	
5	FF Bonds	313.3	Equities Emerging Markets	

UK				
	DOMESTIC	ENS '10	FOREIGN	ENS '10
1	Asset Allocation	9,248.2	Bonds Global Currencies	Confidential
2	Equities Global	5,878.6	Bonds Emerging Markets	
3	Bonds Global Currencies	4,732.5	Equities Emerging Markets	
4	Mixed Balanced	4,229.2	Bonds Flexible	
5	FF Balanced	3,801.1	Equities Pacific ex Japan	

Note: Excludes money market funds

FUNDS OF FUNDS' HOLDINGS

FIGURE 47 SECTOR ALLOCATION OF THIRD PARTY FUNDS OF FUNDS

FIGURE 48 MOST POPULAR INVESTMENTS FOR THIRD PARTY FUNDS OF FUNDS

RANK	FUND	NO. FOFS INVESTING	ASSETS FROM FOFS (€M)
1	First State Asia Pacific Leaders	162	663.2
2	Alken European Opportunities	151	347.0
3	BlackRock GF World Gold	150	139.9
4	M&G Global Basics	147	280.8
5	Magellan	143	219.1
6	Julius Baer BF Absolute Return	138	156.8
7	Robeco US Premium Equities	124	279.0
8	M&G Recovery	118	546.2
9	BlackRock GF World Mining	111	484.2
10	Franklin Mutual European	109	208.3
11	Carmignac Investissement	107	157.3
12	FAST - Europe	106	188.3
13	Aberdeen Global Emg Markets Equity	98	299.6
14	OYSTER European Opportunities	96	232.7
15	Amundi Volatility Euro Equities	96	184.6

FOOTNOTES

1. All data as at 31 December 2010 unless otherwise stated.
2. 'International' fund market. Lipper FMI defines an International fund as a fund that sources less than 80% of its assets from any single country. Some fund groups have domestic and international funds.
3. 'Domestic' fund market. If a fund sources more than 80% of its assets from a single country then the fund is allocated to that market regardless of its domicile.
4. Funds of funds have been excluded from all charts and tables (to avoid double-counting) unless otherwise stated. Therefore a market total is the sum of all the investment categories excluding the three funds of funds categories (in-house, ex-house and hedge).
5. The investment category 'other' includes a variety of different product categories. For most markets, especially Belgium, Spain and France, the figure comprises guaranteed funds, but there are also derivatives, commodities and other speciality funds in the 'other' category.
6. Property funds are open-ended property funds only.
7. Master group. Analysis that aggregates the European mutual fund assets under the umbrella of their parent company name.
8. ENS stands for estimated net sales.
9. ETFs are included in Lipper FMI's database on mutual funds, but this excludes exchange-traded commodity products that are not mutual funds.
10. References to foreign activity relate to actual sales as measured by Lipper FMI's SalesWatch confidential service. The 45 SalesWatch members are estimated to account for 75-80% of total cross-border sales activity.
11. Funds of funds holdings data based on analysis of 2,000 European-domiciled third party funds of funds.

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