

Jag Alexeyev, Senior Managing Director
Tel: +1 (212) 944-4456, Jag@sionline.com

Daniel Enskat, Managing Director
Tel: +1 (212) 217-6859 Daniel@sionline.com

EMERGING MARKETS ABSORB \$300 BILLION FUND INFLOW

NEW YORK, NY – **Emerging Market equity remains a dominant theme among fund investors around the world, with \$20 billion of net flows during April. In all, more than \$300 billion net went into such strategies worldwide over the past year**, according to Strategic Insight’s Simfund Global databases, which track funds totaling more than \$25 trillion of assets globally.

“Fund flows to Emerging Market equities are still remarkable and continue to impact global liquidity, stock prices, market volatility, and investor decisions. It has thus become a central issue for financial markets and the wealth management industry”, commented Jag Alexeyev, Senior Managing Director and Head of Global Research at Strategic Insight.

Additional highlights:

- Emerging Markets (EM) accounted for half of stock fund flows worldwide during April;
- Outside the U.S., EM funds captured nearly 90% of the month’s equity fund inflow;
- Over 80% of April’s \$20 billion EM fund inflow was contributed by investors across Asia and Europe through local and cross-border international products.

Most of the flows in the past year went into China and Korea stocks, but are now benefiting segments such as Middle East and Africa. Also, gains among EM funds contrast sharply with outflows from some other categories, for example \$140 billion of net redemptions from funds investing in Europe over the past year.

Drawing from preliminary Strategic Insight survey results of global offshore fund distribution, Daniel Enskat, Managing Director and Head of Global Consulting for Strategic Insight, noted: “The increasing demand for Emerging Market expertise and corresponding capacity constraints are leading global distributors to expand their search for local managers and products, for instance in Southeast Asia, India, Russia, Africa, and other new Emerging Markets.”

In Strategic Insight’s analysis, Emerging Market funds include diversified, regional (Latin America, Asia Pacific excluding Japan, Emerging Europe), and country specific funds (China, Korea, India, etc.).

About Strategic Insight

Strategic Insight supports hundreds of fund management companies around the world with analysis, perspective, and data on the industry; its Simfund databases track net flows, assets, performance, fund ratings, and other intelligence on more than 60,000 portfolios and many more fund share classes globally.

Contacts:

Jag Alexeyev
Senior Managing Director
Head of Global Research
Tel: +1 (212) 944-4456
Email: jag@sionline.com

Daniel Enskat
Managing Director
Head of Global Consulting
Tel: +1 (212) 217-6859
Email: daniel@sionline.com

STRATEGIC INSIGHT, 590 Fifth Avenue, New York, NY 10036
www.StrategicInsightGlobal.com

###