



**International Institutional Investor Series :
The Future Fund Manager (IIIS 2019)**

*Roundtable Session 3 : Battle of The Asset Classes
“The New Dynamics in the Battle of the Asset Classes”*

25th June 2019

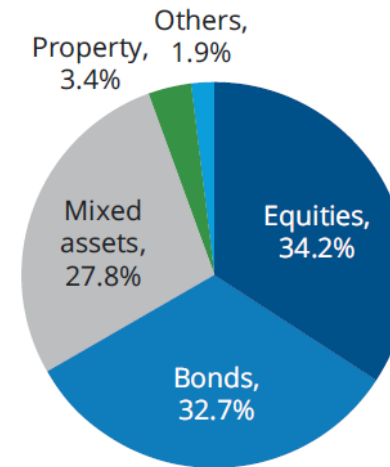


- Mixed assets saw a positive turnaround in their new flows in April, as outflows of US\$3.2 billion in March turned to inflows of US\$1.1 billion. Australia, which dominates marketshare, received the highest flows, at US\$1.5 billion.
- Equities had the biggest outflows among the asset categories in April, with net redemption of US\$5.3 billion. Accounting for 34.7% of the market, Japan contributed greatly to the outflows, at US\$4.0 billion.

Asian Long-Term Mutual Fund Assets Under Management by Asset Class, April 2019 (US\$ billions)

Analyst Note : Data excludes money market funds and funds of funds

Asset Class	AUM
Equities	\$1,061.0
Bonds	1,013.8
Mixed assets	861.1
Property	104.8
Others	60.3



Asian Long-Term Mutual Fund Net New Flows by Asset Class, February – April 2019 and March 2019 YTD (US\$ billions)

Asset Class	Feb-19	Mar-19	Apr-19	Apr-19 YTD
Equities	-\$4.1	-\$2.1	-\$5.3	-\$7.5
Bonds	6.9	31.2	8.0	53.9
Mixed assets	-3.5	-3.2	1.1	-9.9
Property	0.7	0.8	0.3	1.9
Others	-0.2	-0.1	-0.3	-0.9

Top-5 Asian Long-Term Mutual Fund Markets by Net New Flows of Selected Asset Classes, April 2019 (US\$ billions)

Equities			Bonds		
Rank	Fund Market	NNF	Rank	Fund Market	NNF
1	India	\$0.6	1	Taiwan	\$2.1
2	Australia	0.3	2	Japan	1.9
3	Indonesia	0.2	3	Korea	1.5
4	Philippines	-0.02	4	Thailand	1.2
5	Malaysia	-0.05	5	India	0.8
	<i>Others</i>	<i>-6.4</i>		<i>Others</i>	<i>0.5</i>
	Total	-\$5.3		Total	\$8.0

Mixed Assets			Alternatives		
Rank	Fund Market	NNF	Rank	Fund Market	NNF
1	Australia	\$1.5	1	Australia	\$0.2
2	Korea	0.1	2	Japan	0.1
3	Thailand	0.03	3	Taiwan	0.03
4	Indonesia	-0.003	4	Singapore	0.001
5	Malaysia	-0.01	5	Malaysia	-0.0005
	<i>Others</i>	<i>-0.5</i>		<i>Others</i>	<i>-0.3</i>
	Total	\$1.1		Total	\$0.04

Investment trends

ON BALANCE, HOW HAS YOUR CLIENTS' ATTITUDE TO INVESTMENT RISK CHANGED OVER THE PAST 12 MONTHS?

Risk Appetite

	AFRICA	ASIA	AUSTRALASIA	EUROPE	LATIN AMERICA	MIDDLE EAST	NORTH AMERICA	RUSSIA & CIS	GLOBAL AVERAGE
BECOME LESS RISK AVERSE	22%	42%	30%	23%	40%	29%	26%	21%	29%
NO CHANGE	20%	19%	36%	38%	20%	32%	32%	37%	29%
BECOME MORE RISK AVERSE	57%	39%	34%	38%	40%	39%	41%	42%	42%

HOW PREPARED ARE GOVERNMENTS AND CENTRAL BANKS AROUND THE WORLD FOR A FINANCIAL CRISIS COMPARED WITH 10 YEARS AGO?

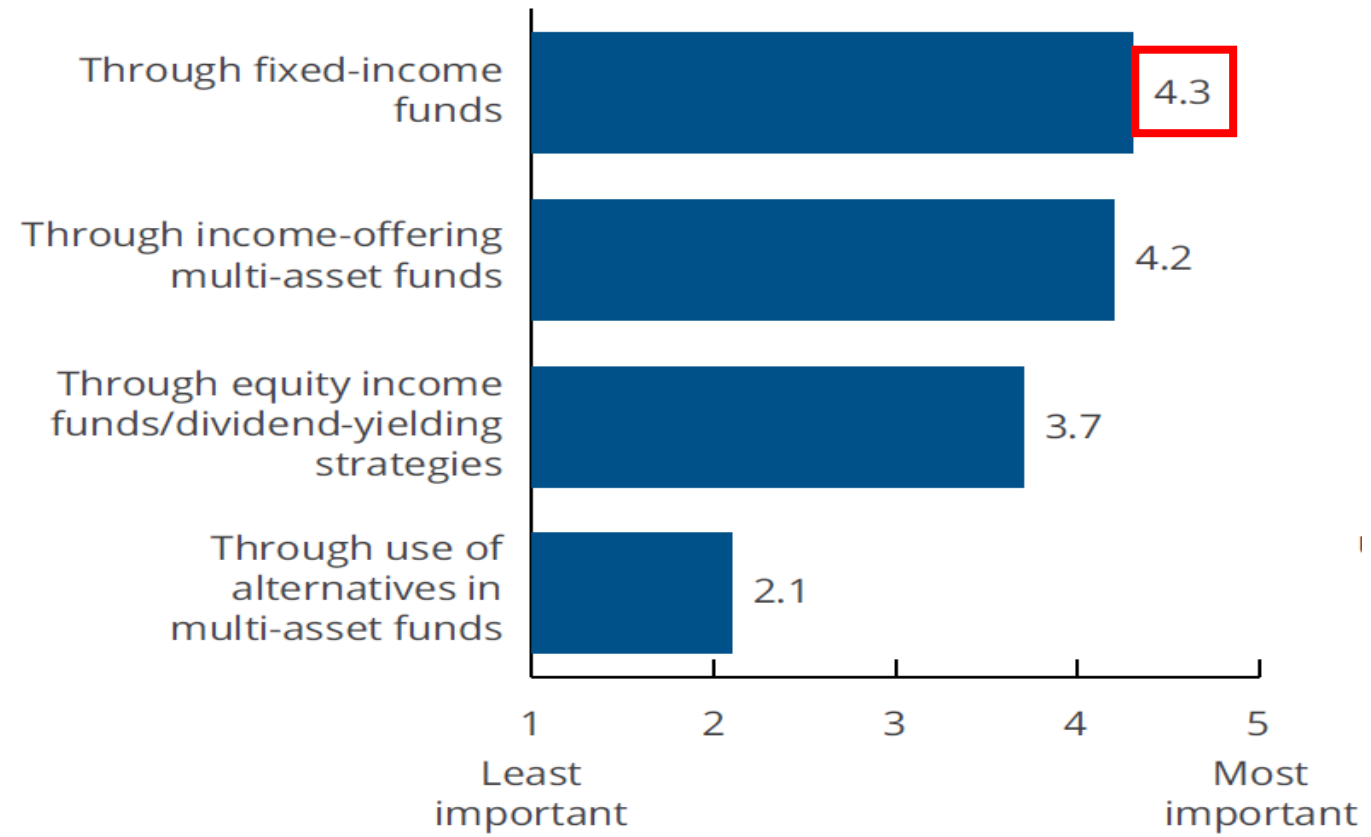
Central Bank's Readiness for a Financial Crisis

	AFRICA	ASIA	AUSTRALASIA	EUROPE	LATIN AMERICA	MIDDLE EAST	NORTH AMERICA	RUSSIA & CIS	GLOBAL AVERAGE
MORE PREPARED	67%	70%	81%	67%	60%	78%	68%	63%	69%
NO CHANGE	7%	15%	6%	21%	30%	11%	26%	32%	19%
LESS PREPARED	26%	15%	13%	12%	10%	11%	6%	5%	12%

Source : Knight Frank.com, The Wealth Report 2019, 13th Edition

Asia ex-Japan Asset Managers' Views on How They Intend to Meet the Income Needs of Investors, 2019

Income-offering multi-asset funds are ranked highly as a strategy to meet income needs



Source: Asian Monthly Product Trends, June 2019 Edition, Issue #88 (The Cerulli Edge)



RHB

THANK YOU

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