

PRESS RELEASE

EURO AREA INVESTMENT FUND STATISTICS DECEMBER 2011

In December 2011, the amount outstanding of shares/units issued by euro area investment funds other than money market funds was €243 billion higher than one quarter earlier in September 2011. This increase was due to increases in share/unit prices and the statistical reclassification of some money market funds as bond funds, which were partially offset by net redemptions of shares/units.

The **amount outstanding of shares/units issued by euro area investment funds other than money market funds** increased to €5,661 billion in December 2011, from €5,418 billion in September 2011. Over the same period, the amount outstanding of shares/units issued by euro area money market funds decreased to €992 billion from €1,067 billion. These developments are partly explained by statistical reclassification of a number of money market funds as bond funds in December 2011, with the amount involved totalling more than €100 billion (see notes).

Transactions¹ in shares/units issued by euro area investment funds other than money market funds amounted to minus €47 billion in the fourth quarter of 2011, while transactions in shares/units issued by money market funds amounted to €15 billion.

The annual growth rate of shares/units issued by euro area investment funds other than money market funds, calculated on the basis of transactions, was 0.7% in December 2011. For the same period, the annual growth rate of shares/units issued by euro area money market funds was -1.9%.

¹ Transactions in shares/units issued mainly reflect the difference between shares/units issued and those redeemed, but may also include other transactions, such as those resulting from dividend payments received or distributed by the fund.

Shares/units issued

(EUR billions and annual growth rates; not seasonally adjusted; amounts outstanding at the end of the period, transactions during the period)

	2010	2011						
	Q4	Q4						
		Q1	Q2	Q3	Q4	Oct.	Nov.	Dec.
<u>Investment funds other than money market funds:</u>								
Amount outstanding	5,77	5,770	5,790	5,418	5,661	5,52	5,444	5,66
Transactions	81	55	79	-44	-47	-17	-22	-9
Annual percentage	6.8	4.8	5.4	3.0	0.7	2.1	1.4	0.7
<u>Money market funds:</u>								
Amount outstanding	1,10	1,077	1,048	1,067	992	1,04	1,084	992
Transactions	-37	-10	-23	-3	15	-7	21	0
Annual percentage	-10.2	-7.6	-5.7	-6.4	-1.9	-6.1	-4.7	-1.9

Regarding the **assets of euro area investment funds other than money market funds**, the annual growth rate of securities other than shares was 1.3% in December 2011, with transactions amounting to minus €11 billion during the fourth quarter. In the case of shares and other equity the corresponding annual growth rate was -1.8%, with fourth-quarter transactions of minus €26 billion. For holdings of investment fund shares/units the annual growth rate was -0.7%, with fourth-quarter transactions of minus €11 billion.

In terms of the **breakdown by investment policy**, the annual growth rate of shares/units issued by bond funds was 0.9% in December 2011. Transactions in shares/units issued by bond funds amounted to minus €7 billion in the fourth quarter of 2011. The annual growth rate and transactions of equity funds were -1.1% and minus €18 billion respectively. For mixed funds, the corresponding figures were 0.7% and minus €15 billion.

Regarding the **assets of euro area money market funds**, the annual growth rate of securities other than shares was -2.7% in December 2011, with transactions amounting to €18 billion during the fourth quarter (within this item, the transactions in securities issued by euro area residents were minus €4 billion); for deposit and loan claims the annual rate of change was 11.4% and transactions equalled €2 billion.

Notes

- *Money market funds are presented separately in this press release since they are classified in the monetary financial institutions sector within the European statistical framework, while other types of investment fund are classified in the other financial intermediaries sector.*
- *After a transitional period that ended on 31 January 2012, the definition of money market funds for euro area statistical purposes has been brought into line with the criteria applied for supervisory purposes under the guidelines on a common definition of European money market funds issued on 19 May 2010 by the Committee of European Securities Regulators (CESR), the predecessor of European Securities Market Authority (ESMA). This change has led to reclassifications of money market funds and other investment funds.*

- Further predefined tables, statistical data and methodological notes, as well as the advance release calendar, are available in the "Statistics" section of the ECB's website under "Euro area investment fund statistics" (<http://www.ecb.europa.eu/stats/money/funds/html/index.en.html>) and "The balance sheets of monetary financial institutions" (<http://www.ecb.europa.eu/stats/money/aggregates/bsheets/html/index.en.html>).

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Assets and liabilities of euro area investment funds

(EUR billions and annual percentage changes; not seasonally adjusted; amounts outstanding at the end of the period, transactions and other changes during the period)

	2011 Q3	2011 Q4				
	Amount outstanding	Amount outstanding	Change in amount outstanding	Transactions	Other changes ¹⁾	Annual percentage change ²⁾
Investment funds other than money market funds						
Assets						
Deposits and loan claims	421	418	-3	-33	30	5.7
Securities other than shares	2383	2503	120	-11	131	1.3
Issued by euro area residents	1414	1422	9	-1	10	-0.5
Issued by non-euro area residents	969	1081	112	-8	120	4.2
Shares and other equity	1633	1733	100	-26	127	-1.8
Issued by euro area residents	616	637	21	-9	30	-1.3
Issued by non-euro area residents	1017	1096	79	-17	96	-2.0
Investment fund shares/units (incl. money market fund shares)	831	839	8	-11	19	-0.7
Issued by euro area residents	699	709	10	-2	13	-0.1
Issued by non-euro area residents	132	130	-2	-8	6	-4.0
Non-financial assets	230	231	1	2	-1	6.0
Other assets	577	484	-93	-112	20	-8.4
Liabilities						
Investment fund shares/units	5418	5661	243	-47	290	0.7
Loans and deposits received	125	116	-9	-14	5	1.4
Other liabilities	531	432	-99	-130	31	-10.9
Total	6074	6208	135	-191	326	-0.4
Money market funds						
Assets						
Deposits and loan claims	250	201	-49	2	-51	11.4
Securities other than shares	779	757	-22	18	-40	-2.7
Issued by euro area residents	450	431	-19	-4	-15	-9.1
Issued by non-euro area residents	328	326	-3	22	-25	6.7
Shares and other equity	3	1	-2	-2	0	-73.9
Money market fund shares/units	45	38	-7	-6	-1	-22.2
Other assets	24	24	0	0	0	1.7
Liabilities						
Money market fund shares/units	1067	992	-75	15	-90	-1.9
Loans and deposits received	3	2	-1	-1	0	-5.1
Other liabilities	30	27	-4	-2	-2	21.3
Total	1101	1021	-80	12	-92	-1.4

1) Other changes consist of revaluations due to price and exchange rate changes as well as statistical reclassifications.

2) Annual percentage changes are calculated on the basis of transactions.

Investment funds shares/units issued by euro area investment funds other than money market funds

(EUR billions and annual percentage changes; not seasonally adjusted; amounts outstanding at the end of the period, transactions and other changes during the period)

	2011 Q3	2011 Q4				
	Amount outstanding	Amount outstanding	Change in amount outstanding	Transactions	Other changes ¹⁾	Annual percentage change ²⁾
Breakdown by investment policy³⁾						
Bond funds	1786	1921	134	-7	141	0.9
Equity funds	1414	1497	83	-18	100	-1.1
Mixed funds	1388	1403	15	-15	30	0.7
Real estate funds	286	293	6	4	3	9.6
Hedge funds	119	122	3	-1	4	2.6
Other funds	424	425	1	-11	12	0.1
Breakdown by type of fund⁴⁾						
Open-end funds	5328	5575	247	-43	290	0.6
Closed-end funds	89	85	-4	-4	0	2.1
Total	5418	5661	243	-47	290	0.7

1) Other changes consist of revaluations due to price and exchange rate changes as well as statistical reclassifications.

2) Annual percentage changes are calculated on the basis of transactions.

3) The breakdown by investment policy is generally based on the types of asset in which the investment funds primarily invest, usually on the basis of a stated strategy (e.g. if the fund primarily invests in shares and other equity it is allocated to the "equity funds" category). Funds investing in both equity and bonds, without any prevalent policy for either, are allocated to the "mixed funds" category. Hedge funds are classified in line with the statistical definition set out in Guideline ECB/2007/9. In particular, they cover funds with relatively unconstrained investment strategies and few restrictions on the types of financial asset in which they may invest. If a fund cannot be classified as an equity, bond, mixed, real estate or hedge fund, it is included in the residual "other funds" category.

4) The shares/units of open-end funds can be redeemed out of the fund's assets. Closed-end funds are funds with a fixed number of issued shares/units.