

PRESS RELEASE

EURO AREA INVESTMENT FUND STATISTICS JUNE 2010

In June 2010, the amount outstanding of shares/units issued by euro area investment funds other than money market funds was marginally lower than one quarter earlier in March 2010. This resulted from share/unit prices declining on average, but being partly offset by net issues of shares/units.

The amount outstanding of shares/units issued by euro area investment funds other than money market funds decreased to EUR 5,293 billion in June 2010, from EUR 5,301 billion in March 2010¹. Over the same period, the amount outstanding of shares/units issued by euro area money market funds decreased to EUR 1,167 billion from EUR 1,175 billion.

The transactions in shares/units issued by euro area investment funds other than money market funds amounted to EUR 23 billion in the second quarter of 2010, while the transactions in shares/units issued by money market funds amounted to EUR -48 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 10.0% in June 2010. For the same period, the annual rate of change of shares/units issued by euro area money market funds was -12.3%.

Shares/units issued

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

	2009			2010				
	Q2	Q3	Q4	Q1	Q2	Q2		
						Apr	May	Jun
<u>Investment funds other than money market funds:</u>								
Amount outstanding	4,281	4,739	4,965	5,301	5,293	5,381	5,317	5,293
Transactions	93	186	108	133	23	31	-8	0
Annual growth rate (%)	-	-	8.4	12.0	10.0	12.4	11.8	10.0
<u>Money market funds:</u>								
Amount outstanding	1,269	1,253	1,202	1,175	1,167	1,183	1,190	1,167
Transactions	-22	-5	-60	-43	-48	-2	-17	-30
Annual growth rate (%)	-1.3	0.9	-3.6	-10.1	-12.3	-10.6	-12.0	-12.3

Regarding the assets of euro area investment funds other than money market funds, the annual growth rate of securities other than shares was 10.2% in June 2010, with transactions amounting

¹ Changes in the amount outstanding can be the result of transactions (reflecting mainly the net amount of issues and redemptions), valuation changes (due to market price including exchange rate changes) and reclassifications (e.g. due to re-allocations of entities into or out of the sector). Annual growth rates are calculated on the basis of transactions.

to EUR 3 billion during the second quarter. In the case of shares and other equity the corresponding annual growth rate was 11.7%, with second-quarter transactions of EUR -36 billion. For holdings of investment fund shares/units the annual growth rate was 9.2%, with second-quarter transactions of EUR 8 billion.

In terms of the **breakdown by investment policy**, the annual growth rate of shares/units issued by bond funds was 11.8% in June 2010. The transactions in shares/units issued by bond funds amounted to EUR 17 billion in the second quarter of 2010. The annual growth rate and transactions of equity funds were 11.9% and EUR -20 billion respectively. For mixed funds the corresponding figures were 7.2% and EUR 17 billion.

Regarding the **assets of euro area money market funds**, the annual rate of change of securities other than shares was -9.3% in June 2010, with transactions amounting to EUR -45 billion during the second quarter (within this item, the transactions in securities issued by euro area residents were EUR -34 billion); for deposits and loan claims the annual rate of change was -20.4% and transactions equalled EUR 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.
- In addition to the data for the reference month, this press release incorporates revisions to the data for previous periods.
- The latest data on investment funds can be downloaded from the ECB's Statistical Data Warehouse (<http://sdw.ecb.europa.eu/browse.do?node=17066> and <http://sdw.ecb.europa.eu/browse.do?node=8257806>). More details on the latest investment fund data, together with explanatory notes, 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>).
- Data refer to the changing composition of the euro area, i.e. they relate to those EU Member States that had adopted the euro at the time covered by the statistics.
- The publication of euro area investment fund statistics referring to July 2010, August 2010 and September 2010 is scheduled to take place at 10 a.m. on 17 September 2010, 19 October 2010 and 19 November 2010 respectively.

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Assets and liabilities of euro area investment funds

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

	2010 Q1	2010 Q2				
	Amount outstanding	Amount outstanding	Change in amount outstanding	Transactions	Other changes ¹⁾	Annual growth rate ²⁾
Investment funds other than money market funds						
Assets						
Deposits and loan claims	351	382	30	27	4	0.7
Securities other than shares	2210	2263	53	3	50	10.2
Issued by euro area residents	1463	1441	-22	-27	4	5.3
Issued by non-euro area residents	746	822	76	30	46	21.2
Shares and other equity	1809	1714	-95	-36	-59	11.7
Issued by euro area residents	748	671	-77	-26	-51	4.1
Issued by non-euro area residents	1062	1044	-18	-10	-8	18.1
Investment fund shares/units (incl. money market fund shares)	768	780	13	8	5	9.2
Issued by euro area residents	656	658	2	5	-3	7.8
Issued by non-euro area residents	112	122	10	3	7	18.5
Non-financial assets	233	238	4	1	4	13.1
Other assets	416	435	19	-1	19	2.3
Liabilities						
Investment fund shares/units	5301	5293	-8	23	-30	10.0
Loans and deposits received	113	124	11	12	-2	22.6
Other liabilities	374	395	21	-33	55	-6.3
Total	5788	5812	24	2	23	9.1
Money market funds						
Assets						
Deposits and loan claims	158	165	6	2	4	-20.4
Securities other than shares	960	950	-9	-45	35	-9.3
Issued by euro area residents	582	557	-24	-34	10	-9.9
Issued by non-euro area residents	378	393	15	-10	25	-8.5
Shares and other equity	5	5	0	0	0	-16.9
Money market fund shares/units	62	56	-6	-6	0	-30.3
Other assets	23	23	-1	-1	0	121.2
Liabilities						
Money market fund shares/units	1175	1167	-8	-48	40	-12.3
Loans and deposits received	4	5	0	0	0	31.7
Other liabilities	29	26	-3	-2	-1	41.6
Total	1208	1198	-11	-50	40	-11.3

Figures may not add up due to rounding.

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

2) Annual growth rates 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 growth rates; not seasonally adjusted; amounts outstanding at the end of the period, transactions and other changes during the period)

	2010 Q1	2010 Q2				
	Amount outstanding	Amount outstanding	Change in amount outstanding	Transactions	Other changes ¹⁾	Annual growth rate ²⁾
Breakdown by investment policy³⁾						
Bond funds	1701	1750	48	17	31	11.8
Equity funds	1559	1485	-73	-20	-54	11.9
Mixed funds	1273	1282	9	17	-7	7.2
Real estate funds	250	248	-2	2	-4	11.3
Hedge funds	98	105	7	2	5	16.0
Other funds	421	423	3	5	-2	5.3
Breakdown by type of fund						
Open-end funds	5225	5215	-10	21	-31	10.0
Closed-end funds	75	78	2	2	1	11.1

Figures may not add up due to rounding.

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

2) Annual growth rates 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. 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.