

SINGAPORE FUND FLOWS SUMMARY

QUARTER-END ANALYSIS
JUNE 30, 2020

**Total Fund Flows Turned Net Inflows;
Equity End Its Consecutive Quarter's Net Outflows But Posted Net Inflows**

- Unit trusts registered for sale in Singapore reported net inflows of S\$1,802.28 million for Q2 2020, ended its last quarter's net outflows.
- Equity funds ended its 7th consecutive quarters' net outflows trend since Q3 2018 and turned quarterly net inflows of S\$445.17 million. Bond funds, also turned into quarters' net inflows records of S\$1,082.43 million for Q2 2020.
- The total inflows of capital for Q2 2020 compared to Q1 2020 plunged 34.87%, to S\$8,837.99 million, while the total outflows of capital also slid 56.06%, to S\$7,035.71 million, for the period.
- Equity funds' inflows for Q2 2020 fell 18.44%, to S\$2,215.54 million, while bond funds' inflows also slid 49.09%, to S\$2,930.59 million, for the period.
- Outflows from equity funds for Q2 2020 slid 49.91%, to S\$1,770.37 million, and bond funds recorded outflows of S\$1,848.16 million.
- Mixed-asset funds' inflows for Q2 2020 plunged 65.18%, to S\$858.88 million, and their outflows also plunged 80.12%, to S\$784.69 million, for the period.

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1. Fund Flows Overview for Q2 2020

Table 1 Estimated Fund Flows by Major Asset Classes for Q2 2020 (\$\$ Million)

Asset Class	Inflows			Outflows			Net Flows
	CPF	Non-CPF	Total	CPF	Non-CPF	Total	
Alternatives	0.00	36.37	36.37	0.00	34.31	34.31	2.06
Bond	2.71	2,927.89	2,930.59	2.15	1,846.02	1,848.16	1,082.43
Commodity	0.00	1.29	1.29	0.00	0.54	0.54	0.75
Equity	13.21	2,202.33	2,215.54	22.39	1,747.98	1,770.37	445.17
Mixed Assets	0.37	858.51	858.88	1.37	783.33	784.69	74.18
Money Market	0.00	2,795.31	2,795.31	0.00	2,597.63	2,597.63	197.68
Total	16.29	8,821.70	8,837.99	25.91	7,009.80	7,035.71	1,802.28

NB: Non-CPF numbers may include flows into/from Supplementary Retirement Scheme (SRS) accounts as well as selected sophisticated funds distributed by participating IMAS members. Total net flows in the table may differ because of rounding of numbers.

Because there are different asset types of alternatives funds, the total net flows of the bond type include Absolute Return USD Medium. The equity type includes part of Absolute Return Other, and the mixed-asset type includes part of Absolute Return Other and Absolute Return USD High. Mixed-asset includes Target Maturity Funds.

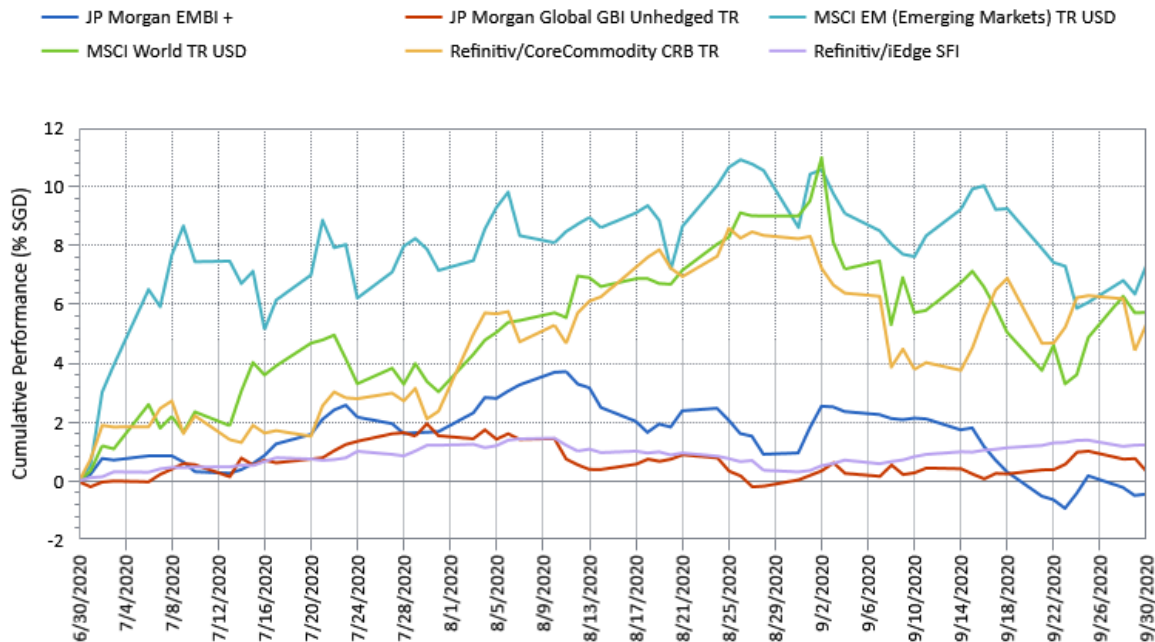
Source: Refinitiv Lipper

Based on the data submitted by the participating Investment Management Association of Singapore (IMAS) members (see Appendix A), the various authorized and recognized unit trusts registered for sale in Singapore had turned from net inflows to net inflows (\$\$1,802.28 million in aggregate) for Q2 2020. Breaking down the data by asset type, all asset types of funds posted inflows for the period. Bond funds posted the highest net inflows of \$S 1,082.43 million during the quarter.

On a quarterly basis, inflows for equity funds fell 18.44% to \$S2,215.54 million for Q2 2020. The outflows of equity funds slid 49.91% to \$S1,770.37 million for Q2 2020. The inflows for bond funds plunged 49.09% to \$S2,930.59 million for Q2 2020. Meanwhile, bond funds recorded outflows of \$S1,848.16 million for Q2 2020, sliding 71.12% compared with previous quarter. Mixed-asset funds' inflows plunged 65.18% for Q2 2020. The outflows of mixed-asset funds also plunged 80.12% to \$S784.69 million for Q2 2020.

The total inflows for Q2 2020 fell from \$13,569.56 million for Q1 2020 to \$S8,837.99 million, and the total outflows of capital plunged from \$S16,010.93 million for Q1 2020 to \$S7,035.71 million for Q2 2020.

Figure 1 Performance of Key Technical Indicators During Q2 2020



Source: Refinitiv Lipper

Table 2 Ten Top Fund Sectors' Inflows and Outflows by Lipper Global Classification for Q2 2020 (\$\$ Million)

Inflows			Outflows		
	Lipper Global Classification	Fund Flow		Lipper Global Classification	Fund Flow
1	Money Market SGD	1,840.49	1	Money Market SGD	1,726.57
2	Money Market USD	954.82	2	Money Market USD	871.04
3	Bond Global USD	834.15	3	Bond Global USD	613.51
4	Bond SGD	741.13	4	Bond SGD	376.73
5	Bond Asia Pacific HC	459.04	5	Equity Global	207.34
6	Equity Global	313.27	6	Equity Asia Pacific ex Japan	202.39
7	Bond USD	299.27	7	Mixed Asset USD Flex - Global	191.38
8	Equity Sector Information Tech	263.75	8	Mixed Asset USD Bal - US	183.15
9	Mixed Asset EUR Bal - Global	256.87	9	Bond Asia Pacific HC	180.28
10	Equity Asia Pacific ex Japan	206.41	10	Mixed Asset EUR Bal - Global	177.47

Note: Lipper Global Classifications are created only when there are a minimum of 10 representative products with a similar investment mandate. Fund groupings not meeting this requirement are categorized in an equivalent category where appropriate or are placed in "Other."

Source: Refinitiv Lipper

2. Equity Fund Flows Analysis

All global equity markets rebounded sharply after Q1's big hit for Q2 2020. The MSCI World Index rallied by 19.54% (in U.S.-dollar terms) for Q2 2020, while it plunged 20.93% for Q1 2020. US NASDAQ Composite CR and Brazil BOVESPA (Ibovespa) TR index all posted over 30% while Singapore Straits Times CR and Hang Seng CR HKD only delivered 4.38% and 3.49%, respectively. In Europe, Xetra DAX TR, CAC 40 CR and FTSE 100 CR rallied 23.90%, 12.28% and 8.78%, respectively. In Asia, Korea, Taiwan, Thailand and India's market key benchmarks soared 20.16%, 19.71%, 18.93% and 18.49%, respectively.

28 of the 60 Lipper Global Classification (LGC)-type equity fund groups posted net inflows for the quarter, while rest of 32 fund groups posted net outflows. Among all equity types, Equity Singapore, Equity Sector Information Tech and Equity Global posted the largest net inflows: S\$123.67, S\$123.30 and S\$105.92 million, respectively. Equity Korea, Equity Sector Gold&Prec Metals and Equity Sector Real Est Global posted the biggest net outflows of S\$51.46, S\$41.31 and S\$21.24 million, respectively.

Among the equity fund groups investing in the seven different regions and sectors, LGC-type equity fund groups investing in Asia-Pacific posted the largest net inflows (S\$172.64 million) for the period.

Table 3 Ten Top and Bottom Equity Fund Classifications by Net Flows for Q2 2020 (in S\$ Million)

Equity Sector	Net Flows
Equity Singapore	123.67
Equity Sector Information Tech	123.30
Equity Global	105.92
Equity Sector Energy	65.99
Equity China	63.55
Equity Greater China	49.71
Equity Sector Healthcare	41.62
Equity Emerging Mkts Latin Am	36.24
Equity Emerging Mkts Global	29.58
Equity Sector Financials	18.31
Equity Emerging Markets Global Small & Mid-Cap	-4.57
Equity Indonesia	-5.33
Equity Sector Real Est Asia Pacific	-6.20
Equity Europe Income	-7.63
Equity Asia Pacific Sm&Mid Cap	-9.42
Equity Frontier Markets	-13.94
Equity Japan	-20.63
Equity Sector Real Est Global	-21.24
Equity Sector Gold&Prec Metals	-41.31
Equity Korea	-51.46

Source: Refinitiv Lipper

Table 4 Estimated Equity Fund Flows by Broad Geographical Classifications for Q2 2020 (in S\$ Million)

Geographical Classification	
Asia-Pacific	172.64
Europe	-4.88
Global	126.60
Latin America	36.58
North America	-0.23
Middle East/Other	-14.44
Sector	182.52
Total	498.81

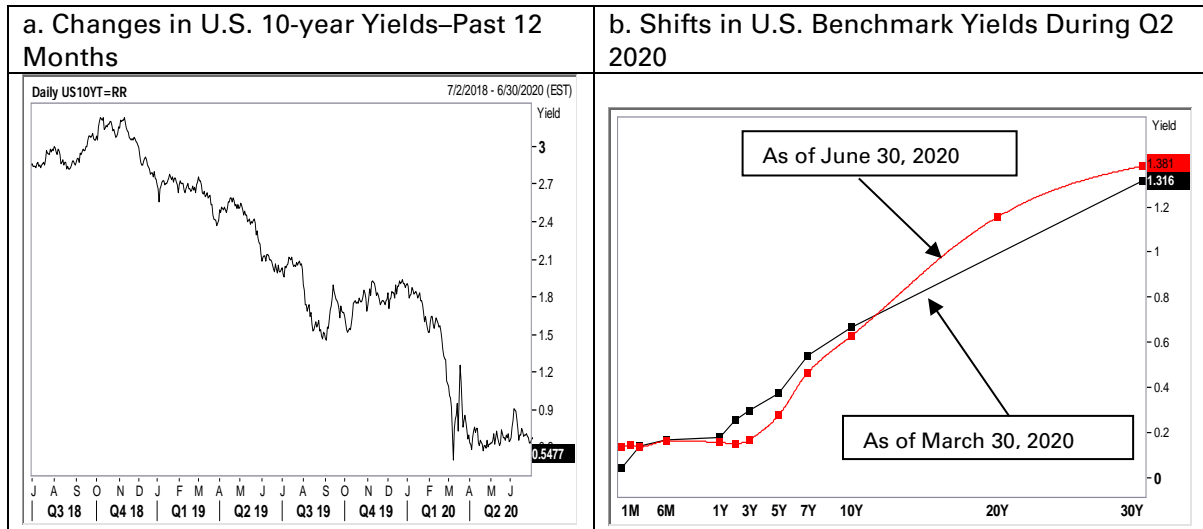
Source: Refinitiv Lipper

The total net number is slightly different from Table 1 because it doesn't include alternatives that belong to the equity type.

3. Bond and Money Market Fund Flows Analysis

The FTSE WGBI rose 2.04% for the quarter (in USD). The ten-year Treasury yield ended at 0.653% for the second quarter of 2020 versus 0.699% at the end of Q1 2020.

Figure 1 U.S. Government Bond Market Movements



Source: Refinitiv

Among bond groups, 18 of 31 posted net inflows for Q2 2020. Bond SGD, Bond Asia Pacific HC and Bond Global USD recorded net inflows of S\$364.40, S\$278.76, and S\$220.64 million, respectively. Bond Emerging Markets Global LC, Loan Participation Funds and Bond Europe posted the largest net outflows—S\$42.25, 23.83 and 9.19 million, respectively. For the money market fund groups, Money Market USD and SGD all posted net inflows, while Money Market EUR posted slightly net outflows for the period.

Table 5 Net Flows into Bond and Money Market Funds for Q2 2020 (in S\$ Million)

Bond Funds	Net Flows	Money Market Funds	Net Flows
Bond SGD	364.40	Money Market EUR	-0.02
Bond Asia Pacific HC	278.76	Money Market SGD	113.92
Bond Global USD	220.64	Money Market USD	83.78
Bond USD	164.90		
Bond Global Corporates USD	114.12		
Bond Global LC	18.75		
Bond CNY	15.06		
Bond Global Short Term	9.50		
Bond Global Corporates LC	5.28		
Bond USD High Yield	3.65		
Bond Global Inflation Linked	2.96		
Bond USD Short Term	2.53		
Bond Convertibles Global	0.69		
Bond USD Corporates	0.65		
Bond EUR Short Term	0.27		
Bond Asia Pacific LC	0.19		
Bond Europe High Yield	0.16		
Bond Global GBP	0.02		
Bond EMU Government	-0.07		
Bond Global EUR	-0.10		
Bond Emerging Markets Global Corporates	-0.14		
Bond Emerging Markets Other	-0.15		
Bond EUR Corporates	-0.17		
Bond EUR High Yield	-4.81		
Bond Global High Yield USD	-5.31		
Bond USD Government	-7.06		
Bond Emerging Markets Global HC	-7.07		
Bond USD Mortgages	-7.59		
Bond Europe	-9.19		
Loan Participation Funds	-23.83		
Bond Emerging Markets Global LC	-42.25		
Total Bond Funds	1,094.79	Money Market USD	197.68

Source: Refinitiv Lipper

The total net number is slightly different from Table 1 because it doesn't include alternatives that belong to the bond type.

4. Mixed-Asset Fund Flows Analysis

Total net flows into asset allocation products, including mixed-asset funds and target maturity funds (not including absolute return funds), posted net inflows of S\$62.85 million for Q2 2020. The majority for the inflows were attributed to balanced funds.

Table 6 Net Flows of Mixed-Asset and “Other” Funds for Q2 2020 (\$\$ Million)

Funds	Net Flows
Aggressive	2.66
Balanced	125.55
Flexible	-51.92
Conservative	-12.84
Target Maturity	-0.60
Total Mixed-Asset	62.85
Absolute Return	-66.33
Alternative	2.06
Commodity	0.75
Subtotal Other Assets	-63.52

Source: Refinitiv Lipper

The total net number is slightly different from Table 1 because it doesn't include alternatives that belong to the mixed-asset type.

5. Outlook

The coronavirus outbreak, which has led to countrywide lockdowns globally, has done extreme damage to the global economy. The International Monetary Fund (IMF) has sharply lowered its forecasts for global growth this year by an additional 1.9%, compared to its forecast in April, and it now expects global GDP to shrink by 4.9% in 2020. The COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than previously forecast. The U.S. economy suffered its worst period ever in the second quarter, with GDP falling a historic 32.9%. Neither the Great Depression nor the Great Recession nor any other slump over the past two centuries have ever caused such a sharp drain on the economy. The world is now facing a resurgence of covid-19 cases as the pandemic continues to accelerate. Moreover, tensions between China and the U.S. escalated further this year over a variety of issues, from the origins of the coronavirus outbreak, to their rivalry over the South China Sea, and the passing of a controversial national security law in Hong Kong. Global financial markets continue experiencing significant volatility and risk.

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6.1 Appendix A—Data Sources

Data and analyses are based on information provided by the following IMAS members:

- 1 Aberdeen Asset Management Asia Limited
- 2 AllianceBernstein (Singapore) Ltd.
- 3 Allianz Global Investors Singapore Limited
- 4 Amundi Singapore Limited
- 5 APS Asset Management Pte Ltd
- 6 BlackRock (Singapore) Limited
- 7 Deutsche Asset Management (Asia) Limited
- 8 Eastspring Investments (Singapore) Limited
- 9 FIL Investment Management (Singapore) Limited
- 10 First State Investments (Singapore)
- 11 Henderson Global Investors (Singapore) Limited
- 12 JPMorgan Asset Management (Singapore) Limited
- 13 Lion Global Investors Limited
- 14 Nikko Asset Management Asia Limited
- 15 NN Investment Partner (S) Ltd
- 16 Phillip Capital Management (S) Ltd
- 17 PIMCO Asia Pte Ltd
- 18 PineBridge Investments Singapore Limited
- 19 Schroder Investment Management (Singapore) Ltd
- 20 Singapore Unit Trusts Limited
- 21 Singapore Consortium Investment Management Ltd
- 22 Templeton Asset Management Ltd
- 23 UBS Global Asset Management (Singapore) Ltd
- 24 UOB Asset Management Ltd
- 25 Western Asset Management Company Pte Ltd

6.2 Appendix B—Net Fund Flows by Lipper Global Classification for Q2 2020 (\$\$ Million)

	Lipper Global Classification	CPF Net Flow	Non-CPF Net Flow
1	Absolute Return Bond LC	0.00	-16.44
2	Absolute Return Bond USD	0.00	4.22
3	Absolute Return Other	-0.85	-53.26
4	Alternative Credit Focus	0.00	-1.12
5	Alternative Equity Market Neutral	0.00	2.28
6	Alternative Global Macro	0.00	7.42
7	Alternative Long/Short Equity Europe	0.00	-0.03
8	Alternative Multi Strategies	0.00	-6.49
9	Bond Asia Pacific HC	-0.12	278.88
10	Bond Asia Pacific LC	0.00	0.19
11	Bond CNY	0.00	15.06
12	Bond Convertibles Global	0.00	0.69
13	Bond Emerging Markets Global Corporates	0.00	-0.14
14	Bond Emerging Markets Global HC	0.00	-7.07
15	Bond Emerging Markets Global LC	0.00	-42.25
16	Bond Emerging Markets Other	0.00	-0.15
17	Bond EMU Government	0.00	-0.07
18	Bond EUR Corporates	0.00	-0.17
19	Bond EUR High Yield	0.00	-4.81
20	Bond EUR Short Term	0.00	0.27
21	Bond Europe	0.00	-9.19
22	Bond Europe High Yield	0.00	0.16
23	Bond Global Corporates LC	0.00	5.28
24	Bond Global Corporates USD	0.00	114.12
25	Bond Global EUR	0.00	-0.10
26	Bond Global GBP	0.00	0.02
27	Bond Global High Yield USD	0.00	-5.31
28	Bond Global Inflation Linked	0.00	2.96
29	Bond Global LC	0.38	18.37
30	Bond Global Short Term	0.46	9.05
31	Bond Global USD	0.00	220.64
32	Bond SGD	-0.15	364.55

33	Bond USD	0.00	164.90
34	Bond USD Corporates	0.00	0.65
35	Bond USD Government	0.00	-7.06
36	Bond USD High Yield	0.00	3.65
37	Bond USD Mortgages	0.00	-7.59
38	Bond USD Short Term	0.00	2.53
39	Commodity Agriculture	0.00	-0.03
40	Commodity Blended	0.00	0.78
41	Equity ASEAN	-0.05	4.21
42	Equity Asia Pacific	0.00	-1.99
43	Equity Asia Pacific ex Japan	-0.76	4.78
44	Equity Asia Pacific Sm&Mid Cap	0.04	-9.46
45	Equity Australia	0.00	-0.49
46	Equity Brazil	0.00	0.34
47	Equity China	0.20	63.35
48	Equity Emerging Markets Global Small & Mid-Cap	0.00	-4.57
49	Equity Emerging Mkts Asia	-0.03	-3.81
50	Equity Emerging Mkts Europe	0.00	3.93
51	Equity Emerging Mkts Global	-0.14	29.72
52	Equity Emerging Mkts Latin Am	0.00	36.24
53	Equity Emerging Mkts Other	0.00	0.09
54	Equity Europe	-0.33	0.73
55	Equity Europe ex UK	0.00	-0.81
56	Equity Europe Income	0.00	-7.63
57	Equity Europe Sm&Mid Cap	0.00	-0.25
58	Equity EuroZone	0.00	-0.85
59	Equity France	0.00	0.32
60	Equity Frontier Markets	0.00	-13.94
61	Equity Germany	0.00	0.13
62	Equity Global	0.62	105.30
63	Equity Global Income	-0.74	-3.58
64	Equity Global Sm&Mid Cap	0.00	-0.00
65	Equity Greater China	-0.24	49.95
66	Equity Hong Kong	0.00	-0.10
67	Equity Iberia	0.00	-0.02
68	Equity India	0.68	14.71

69	Equity Indonesia	0.18	-5.51
70	Equity Italy	0.00	-0.00
71	Equity Japan	-0.10	-20.53
72	Equity Japan Income	0.26	3.04
73	Equity Japan Sm&Mid Cap	-0.06	-2.27
74	Equity Korea	-0.00	-51.45
75	Equity Malaysia	-0.03	-0.41
76	Equity MENA	0.00	-0.58
77	Equity Philippines	0.00	-0.40
78	Equity Russia	0.00	-0.03
79	Equity Sector Biotechnology	-0.28	8.02
80	Equity Sector Communication Services	0.00	-0.18
81	Equity Sector Energy	0.00	65.99
82	Equity Sector Financials	-0.01	18.32
83	Equity Sector Gold&Prec Metals	-0.02	-41.28
84	Equity Sector Healthcare	-0.08	41.70
85	Equity Sector Industrials	0.00	0.01
86	Equity Sector Information Tech	-1.33	124.63
87	Equity Sector Materials	0.00	-3.47
88	Equity Sector Real Est Asia Pacific	-7.07	0.88
89	Equity Sector Real Est Europe	0.00	-0.08
90	Equity Sector Real Est Global	0.05	-21.29
91	Equity Singapore	1.62	122.05
92	Equity Switzerland	0.00	0.01
93	Equity Taiwan	0.00	0.03
94	Equity Thailand	0.11	0.27
95	Equity Theme - Agribusiness	0.00	-0.17
96	Equity Theme - Alternative Energy	0.00	-0.98
97	Equity Theme - Infrastructure	0.00	0.25
98	Equity Theme - Natural Resources	0.00	-1.07
99	Equity UK	0.00	-0.09
100	Equity US	-0.79	2.75
101	Equity US Income	0.00	0.00
102	Equity US Sm&Mid Cap	0.00	-2.18
103	Equity Vietnam	0.00	4.87
104	Guaranteed	0.00	11.67
105	Loan Participation Funds	0.00	-23.83

106	Mixed Asset EUR Agg - Global	0.00	-0.00
107	Mixed Asset EUR Bal - Europe	0.00	-0.22
108	Mixed Asset EUR Bal - Global	0.00	79.39
109	Mixed Asset EUR Cons - Europe	0.00	-1.85
110	Mixed Asset EUR Cons - Global	0.00	-3.28
111	Mixed Asset EUR Flex - Europe	0.00	0.05
112	Mixed Asset Other Balanced	0.00	-5.04
113	Mixed Asset Other Flexible	-0.01	-2.15
114	Mixed Asset SGD Aggressive	0.00	2.50
115	Mixed Asset SGD Balanced	-0.28	62.01
116	Mixed Asset SGD Conservative	-0.10	-6.85
117	Mixed Asset USD Aggressive	0.00	0.16
118	Mixed Asset USD Bal - Global	-0.43	-8.99
119	Mixed Asset USD Bal - US	0.00	-0.89
120	Mixed Asset USD Conservative	0.00	-0.76
121	Mixed Asset USD Flex - Global	0.00	-49.80
122	Money Market EUR	0.00	-0.02
123	Money Market SGD	0.00	113.92
124	Money Market USD	0.00	83.78
125	Target Maturity Other	-0.18	-0.42

Source: Refinitiv Lipper

6.3 Appendix C—CPF Fund Flows by Lipper Global Classification for Q2 2020 (\$\$ Million)

Rank	Lipper Global Classification	CPF Inflow
1	Equity US	3.20
2	Equity Singapore	2.67
3	Equity Asia Pacific ex Japan	2.14
4	Equity Global	1.57
5	Bond Global Short Term	1.20
6	Equity India	1.03
7	Bond Global LC	0.83
8	Equity China	0.63
9	Bond SGD	0.62
10	Equity Global Income	0.53

Source: Refinitiv Lipper

Rank	Lipper Global Classification	CPF Outflow
1	Equity Sector Real Est Asia Pacific	7.07
2	Equity US	3.99
3	Equity Asia Pacific ex Japan	2.90
4	Equity Sector Information Tech	1.33
5	Equity Global Income	1.28
6	Equity Singapore	1.05
7	Equity Global	0.95
8	Absolute Return Other	0.85
9	Bond SGD	0.77
10	Bond Global Short Term	0.74

Source: Refinitiv Lipper