

SINGAPORE FUND FLOWS SUMMARY

QUARTER END ANALYSIS

March 31, 2015

LIPPER

imas
INVESTMENT MANAGEMENT
ASSOCIATION OF SINGAPORE



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Total Net Fund Inflow Rallied,

Bond Funds Continued A Significant Net Outflow In 1Q2015

- Unit trusts registered for sale in Singapore, in aggregate, registered a net inflow of S\$598.94 million in 1Q2015, a 491.72% increase compared to last quarter.
- Mixed-asset funds posted S\$703.29 million and continued its leading position of net inflow in 1Q2015, while bond funds suffered S\$499.19 million net outflow in the period.
- The total inflow of capital in 1Q2015 soared 27.67% to S\$7,165.07 million, while the total outflow of capital rose by 19.14% to S\$6,566.13 million.
- Equity funds continued beating other fund asset types and rallied 48.76% to S\$3,203.98 million capital inflow in 1Q2015.
- The capital outflow of equity funds soared 30.79% to S\$2,725.40 million in 1Q2015, while bond funds recorded a capital outflow S\$1,986.48 million, soared 18.21% for the period.
- Mixed-asset funds capital inflow rallied 27.13% to S\$1,720.82 million in 1Q2015, while its capital outflow rose by 7.06% to S\$1,017.53 million for the period.

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1. Fund Flow Overview for Q1 2015

Table 1 Estimated Fund Flow by Major Asset Classes for Q1 2015(\$\$ Million)

Asset Class	Inflows			Outflows			Net Flows
	CPF	Non-CPF	Total	CPF	Non-CPF	Total	
Alternatives	0.00	0.18	0.18	0.00	2.11	2.11	-1.93
Bond	0.59	1,486.70	1,487.29	1.59	1,984.90	1,986.48	-499.19
Commodity	0.00	2.13	2.13	0.00	7.46	7.46	-5.33
Equity	93.82	3,110.16	3,203.98	133.61	2,591.79	2,725.40	478.58
Mixed Assets	17.61	1,703.21	1,720.82	28.54	988.99	1,017.53	703.29
Money Market	0.00	750.68	750.68	0.00	827.16	827.16	-76.48
Total	112.02	7,053.05	7,165.07	163.74	6,402.39	6,566.13	598.94

NB: Non-CPF numbers may include flows into/from the 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.

For there're different assets types in alternatives, the total net flows of bond type has included Absolute Return USD Medium. Equity type has included part of Absolute Return Other and Mixed-Assets has included part of Absolute Return Other and Absolute Return USD High.

Mixed-Assets include Target Maturity Funds.

Source: Lipper, a Thomson Reuters company

Based on data submitted by participating IMAS members (see Appendix A), the various authorised and recognised unit trusts registered for sale in Singapore, in aggregate, registered a net inflow of S\$598.94 million in 1Q2015, 491.72% increase compared with a net inflow of S\$101.22 million in 4Q2014. By asset-type fund group, bond funds continued suffering the biggest net outflow of S\$499.19 million, while Mixed-asset funds enjoyed net inflows of S\$703.29 million and was still the most popular asset type of fund 1Q2015. Equity funds continued showing net inflow of S\$478.58 million in 1Q2015, rallied 583.97% compared with 4Q2014.

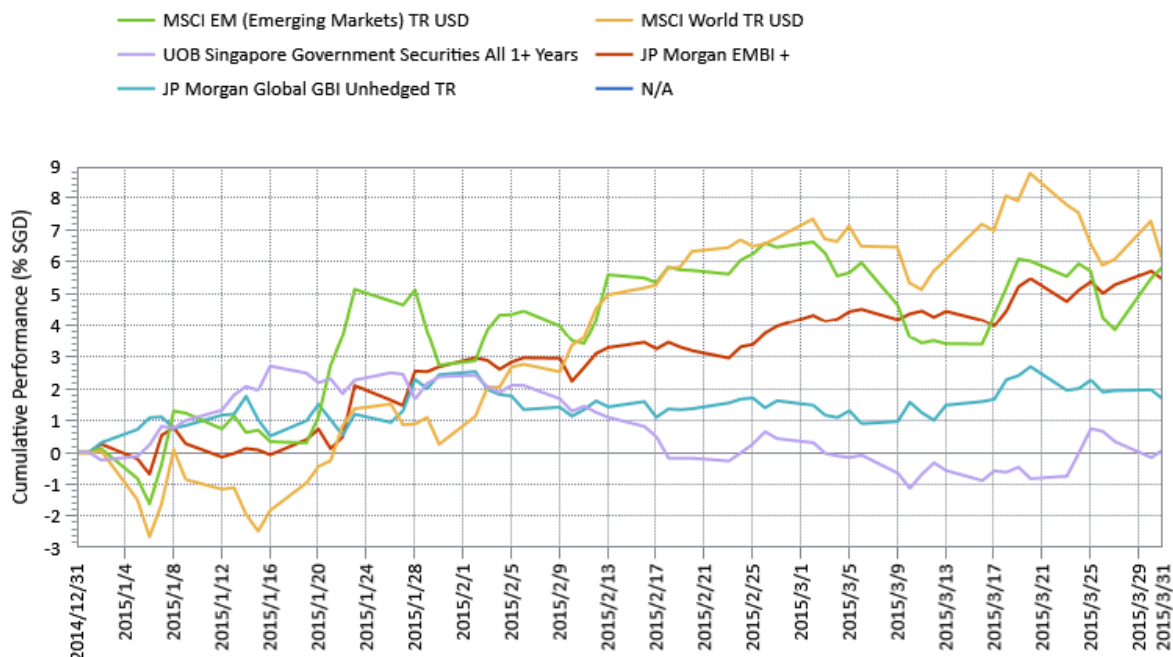
On a quarterly basis, the capital inflow for equity funds soared 48.76% from S\$2,153.85 million in 4Q2014 to S\$3,203.98 million in 1Q2015. It accounted for 44.72% of the overall capital(S\$7,165.07 million) inflow into the unit trusts in 1Q2015. The capital outflow of equity funds also soared 30.79% from S\$2,083.87 million in 4Q2014 to S\$2,725.40 million in 1Q2015.

The capital inflow for bond funds raised 12.54% to S\$1,487.29 million, which accounted for 20.76% of the overall capital inflow. Meanwhile, bond funds recorded a capital outflow of S\$1,986.48 million for 1Q2015, rallying 18.21% compared last quarter.

Mixed-asset funds capital inflow soared 27.13% from S\$1,353.55 million in 4Q2014 to S\$1,720.82 million in 1Q2015, which accounted for 24.02% of the overall capital inflow. The capital outflow of mixed-asset funds raised 7.06% from S\$950.39 million in 4Q2014 to S\$1,017.53 million in 1Q2015.

The total inflow of capital for 1Q2015 soared 27.67% from 4Q2014's S\$5,612.35 million to S\$7,165.07 million, while the total outflow of capital in 1Q2015 also rallied 19.14% from S\$5,511.13 million in 1Q2014 to S\$6,566.13 million.

Figure 1 Performance of Key Technical Indicators during 1Q 2015



Source: Lipper, a Thomson Reuters company

Table 2 Ten Top Fund Sector Inflow and Outflow by Lipper Global Classification for Q4 2014(\$\$ Million)

Inflows			Outflows		
	Lipper Global Classification	Fund Flow		Lipper Global Classification	Fund Flow
1	Money Market SGD	609.15	1	Money Market SGD	678.81
2	Equity Asia Pacific Ex Japan	565.86	2	Bond Global	663.43
3	Bond Global	526.40	3	Equity Asia Pacific Ex Japan	488.14
4	Mixed Asset EUR Bal - Global	492.58	4	Equity Europe	394.74
5	Equity Europe	404.73	5	Mixed Asset USD Bal - US	354.40
6	Equity Global Income	404.25	6	Bond USD High Yield	344.72
7	Equity China	400.28	7	Bond Global High Yield	267.85
8	Mixed Asset SGD Balanced	389.25	8	Equity China	245.36
9	Mixed Asset USD Bal - US	380.66	9	Mixed Asset SGD Balanced	224.77
10	Equity Europe Income	339.28	10	Equity Global	199.41

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

Source: Lipper, a Thomson Reuters company

2. Equity Fund Flow Analysis

Most of Global key equity markets posted positive return in Q1 2015. The MSCI World Index soared 2.45% (in U.S.dollar terms) in Q1 2015, while it slid 1.12% in Q4 2014. For U.S market, besides Dow Jones Industrial Index slightly fell 0.26%, the NASDAQ and S&P 500 soared 3.48% and 0.44%, respectively, for the period. Motivated by European Central Bank's quantitative easing, most of key core European equity markets posted an impressive performance in Q1 2015. Xetra DAX and CAC 40 Index rallied 22.03% and 17.81%, respectively, while FTSE 100 Index soared 3.15%. (all in local currencies). China was still the best performing Asia single market and China Shanghai Composite Index continued rallying 15.87% in Q1 2015.

For all funds registered for sale in Singapore and contributed fund flows by participating IMAS members, 21 of the 63 LGC-(Lipper Global Classification) type equity fund groups posted a net capital inflow and 39 LGC-type equity fund groups posted net capital outflow for the quarter. Among all Equity types, Equity Global Income, Equity Europe Income and Equity China gained the largest fund net inflows of S\$287.35, S\$246.44 and S\$154.93 million, respectively, while Equity Global posted the biggest outflows of S\$89.91 million.

Among all equity fund groups investing in all seven different regions and sectors, LGC-type equity fund groups that invest in Europe stopped bleeding and gained the biggest capital net inflow of S\$256.25 million of equity funds, while Middle East/Other region posted the biggest net capital outflow of S\$6.54 million for the period.

Table 3 Ten Top and Bottom Equity Fund Classification by Net Flow for Q1 2015(in S\$ Million)

Equity Sector	Net Flows
Equity Global Income	287.35
Equity Europe Income	246.44
Equity China	154.93
Equity Asia Pacific Ex Japan	77.72
Equity Japan	33.39
Equity India	27.23
Equity Sector Healthcare	20.49
Equity Europe	9.99
Equity US	8.75
Equity Sector Financials	5.19
Equity MENA	-4.59
Equity Sector Real Est As Pac	-4.86
Equity Taiwan	-5.12
Equity Asia Pacific Sm&Mid Cap	-18.75
Equity Thailand	-22.33
Equity Emerging Mkts Asia	-28.24
Equity Greater China	-56.66
Equity Emerging Mkts Global	-74.21
Equity Singapore	-79.28
Equity Global	-89.91

Source: Lipper, a Thomson Reuters company

Table 4 Estimated Equity Fund Flow by Broad Geographical Classifications for Q1 2015(in S\$ Million)

Geographical Classification	
Asia-Pacific	86.31
Europe	256.25
Global	122.48
Latin America	-1.23
North America	9.10
Middle East/Other	-6.54
Sector	13.95
Total	480.32

Source: Lipper, a Thomson Reuters company

The total net number is slightly different from table 1 for it doesn't include Alternatives which belongs to equity type.

3. Bond and Money Market Fund Flow Analysis

The Citigroup WGBI slid 2.51% in the quarter (in USD). The ten-year Treasury ended at 1.934% in the first quarter versus 2.174% at the end of Q4 2014.

There were 8 of 25 LGC (Lipper Global Classification)-type bond fund groups recorded a net capital inflow for 1Q2015. The top 3 leading LGC-type bond fund groups were: Bond SGD(+S\$114.77 million), Bond Asia Pacific HC(+S\$70.08 million) and Bond USD Short Term (+S\$60.36 million). As for money market funds, both Money Market USD and Money Market SGD recorded a net outflow for the period.

Table 5 Net Flow into Bond and Money Market Funds for Q1 2015(in S\$ Million)

Bond Funds	Net Flows	Money Market Funds	Net Flows
Bond SGD	114.77	Money Market SGD	-69.67
Bond Asia Pacific HC	70.08	Money Market USD	-6.81
Bond USD Short Term	60.36		
Bond Europe	40.99		
Bond USD Corporates	14.19		
Bond CNY	10.58		
Bond GBP	1.00		
Bond EUR Corporates	0.37		
Bond Emerging Markets Other	-0.13		
Bond EUR	-0.19		
Bond USD Mortgages	-0.27		
Bond Global Corporates	-0.44		
Bond Europe High Yield	-0.95		
Bond Other Hedged	-1.58		
Bond EUR High Yield	-2.44		
Bond Emrg Mkts Global LC	-6.40		
Bond Convertibles Global	-8.47		
Bond Global Inflation Linked	-9.69		
Bond Emerging Mkts Glb Corp	-15.05		
Bond USD	-21.53		
Loan Participation Funds	-21.57		
Bond Asia Pacific LC	-28.37		
Bond Emrg Mkts Global HC	-68.12		
Bond Global	-137.03		
Bond Global High Yield	-168.61		
Total Bond Funds	-469.26	Total Money Market Funds	-76.48

Source: Lipper, a Thomson Reuters company

The total net number is slightly different from table 1 for it doesn't include Alternatives which belongs to bond type.

4. Mixed-Asset Funds Flows Analysis

Total net flow in asset-allocation products including mixed-asset funds and target maturity fund posted a positive flow of S\$700.99 million in 1Q2015. The increase in the net capital inflow of this fund category was attributed mainly to mixed-asset balanced funds, which brought it to become the most popular asset type for the period.

Table 6 Net Flow of Mixed-Asset and Other Funds for Q1 2015(S\$ Million)

Funds	Net Flows
Aggressive	-10.17
Balanced	536.01
Flexible	175.54
Conservative	1.29
Target Maturity	-1.68
Total Mixed-Asset	700.99
Absolute Return	-29.66
Alternative	-1.41
Commodity	-5.33
Protected	-0.84
Subtotal Other Assets	-37.24

Source: Lipper, a Thomson Reuters company

The total net number is slightly different from table 1 for it doesn't include Alternatives which belongs to Mixed-Assets type.

5. Outlook

The U.S. economy only grew an anemic 0.2% in the first quarter, much lower than expectations because of strong dollar impact. The trade deficit surged in March to its highest level since late 2008. Employment growth has also slowed, though the jobless rate held steady at 5.5%. Those results were awkward for US policy makers and the US Federal Reserve has kept its target interest rate at a record low. It is expected the U.S. Fed is likely to slow down its decision for interest rate hike. On the contrary, with European Central Bank's (ECB) quantitative easing and several central banks' cutting official interest rate, many global equity markets were motivated by hot money flows. However, it also triggered some concerns about its real effect on Eurozone economy. Investors need to pay more attention to ongoing Greece issue and the progress of Eurozone economy recovery.

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

6.2 Appendix B Net Fund Flow by Lipper Global Classification for Q1 2015(\$\$ Million)

Lipper Global Classification	CPF Net Flow	Non-CPF Net Flow
Absolute Return Other	-0.03	-13.27
Absolute Return USD High		0.00
Absolute Return USD Low		-15.02
Absolute Return USD Medium		-0.74
Alternative Credit Focus		-0.26
Alternative Global Macro		-1.15
Bond Asia Pacific HC		70.08
Bond Asia Pacific LC	-0.78	-27.59
Bond CNY		10.58
Bond Convertibles Global		-8.47
Bond Emerging Markets Other		-0.13
Bond Emerging Mkts Glb Corp		-15.05
Bond Emrg Mkts Global HC		-68.12
Bond Emrg Mkts Global LC		-6.40
Bond EUR		-0.19
Bond EUR Corporates		0.37
Bond EUR High Yield		-2.44
Bond Europe		40.99
Bond Europe High Yield		-0.95
Bond GBP		1.00
Bond Global	-0.13	-136.90
Bond Global Corporates		-0.44
Bond Global High Yield		-168.61
Bond Global Inflation Linked		-9.69
Bond Other Hedged	-0.05	-1.53
Bond SGD	-0.03	114.80
Bond USD		-21.53
Bond USD Corporates		14.19
Bond USD High Yield		-290.75
Bond USD Mortgages		-0.27
Bond USD Short Term		60.36
Commodity Agriculture		-0.82
Commodity Blended		-2.30

Commodity Precious Metals		-2.22
Equity ASEAN	-0.28	4.17
Equity Asia Pacific	-0.33	-7.50
Equity Asia Pacific Ex Japan	-12.57	90.29
Equity Asia Pacific Sm&Mid Cap	-0.65	-18.10
Equity Australia		-0.48
Equity Brazil		-0.18
Equity China	2.69	152.23
Equity Emerging Mkts Asia	-0.47	-27.76
Equity Emerging Mkts Europe	-0.12	-1.01
Equity Emerging Mkts Global	-3.64	-70.56
Equity Emerging Mkts Latin Am		-1.06
Equity Emerging Mkts Other		-1.81
Equity Emrg Mkts Glb Sm&Md Cap		0.20
Equity Europe	-7.47	17.47
Equity Europe ex UK		-0.07
Equity Europe Income		246.44
Equity Europe Sm&Mid Cap		0.62
Equity EuroZone		-0.00
Equity France		-0.01
Equity Frontier Markets		-0.14
Equity Germany		-1.35
Equity Global	-5.35	-84.56
Equity Global Income	0.58	286.77
Equity Global Sm&Mid Cap		-0.95
Equity Greater China	-2.61	-54.05
Equity Hong Kong	0.08	-0.97
Equity Iberia		-0.06
Equity India	1.86	25.37
Equity Indonesia	0.86	2.77
Equity Italy		-0.77
Equity Japan	-1.92	35.31
Equity Japan Income		4.56
Equity Japan Sm&Mid Cap		-1.13
Equity Korea	-0.25	-2.41
Equity Malaysia	-0.16	-2.60
Equity Malaysia/Singapore	-0.39	-3.08
Equity MENA		-4.59
Equity Philippines		0.13
Equity Russia		2.81

Equity Sector Biotechnology	-0.57	-1.34
Equity Sector Consumer Discret		-0.48
Equity Sector Energy		-0.14
Equity Sector Financials	-0.07	5.26
Equity Sector Gold&Prec Metals	0.35	2.36
Equity Sector Healthcare	-0.81	21.30
Equity Sector Information Tech	-1.29	-2.68
Equity Sector Materials		-0.30
Equity Sector Real Est As Pac	-0.54	-4.32
Equity Sector Real Est Europe	-0.35	2.12
Equity Sector Real Est Global	-0.80	-2.32
Equity Sector Telecom Srvcs		-1.40
Equity Singapore	-8.46	-70.82
Equity Switzerland		-0.13
Equity Taiwan	-0.25	-4.87
Equity Thailand	-0.40	-21.93
Equity UK		-0.08
Equity US	3.59	5.16
Equity US Income		-0.21
Equity US Small & Mid Cap		0.55
Equity Vietnam		10.42
Loan Participation Funds		-21.57
Mixed Asset EUR Bal - Europe		-18.08
Mixed Asset EUR Bal - EuroZone		1.09
Mixed Asset EUR Bal - Global		415.67
Mixed Asset Other Balanced		-45.37
Mixed Asset Other Conservative		0.00
Mixed Asset Other Flexible	-0.13	-4.58
Mixed Asset SGD Aggressive	-0.20	-2.61
Mixed Asset SGD Balanced	-7.70	172.18
Mixed Asset SGD Conservative	-0.05	1.33
Mixed Asset USD Aggressive		-7.36
Mixed Asset USD Bal - Global	-2.04	-6.00
Mixed Asset USD Bal - US		26.26
Mixed Asset USD Flex - Global	-0.05	180.30
Money Market SGD		-69.67
Money Market USD		-6.81
Protected	-0.01	-0.83
Target Maturity MA USD 2020		0.00

Source: Lipper, a Thomson Reuters company

6.3 Appendix C CPF Fund Flow by Lipper Global Classification for Q1 2015(\$\$ Million)

Rank	Lipper Global Classification	CPF Inflow
1	Equity Asia Pacific Ex Japan	29.65
2	Mixed Asset SGD Balanced	15.08
3	Equity China	13.89
4	Equity US	13.86
5	Equity Europe	8.25
6	Equity India	4.51
7	Equity Global Income	4.34
8	Equity Greater China	4.24
9	Equity Global	3.84
10	Equity Singapore	2.68

Source: Lipper, a Thomson Reuters company

Rank	Lipper Global Classification	CPF Outflow
1	Equity Asia Pacific Ex Japan	42.22
2	Mixed Asset SGD Balanced	22.78
3	Equity Europe	15.72
4	Equity China	11.20
5	Equity Singapore	11.14
6	Equity US	10.27
7	Equity Global	9.18
8	Equity Greater China	6.85
9	Equity Emerging Mkts Global	4.69
10	Mixed Asset USD Bal - Global	4.46

Source: Lipper, a Thomson Reuters company