

VIDEO

October 25, 2019

Focus on Funds: 2019 Fund Investment Trends

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The latest data show money market funds and bond funds are drawing strong investor interest, while equity funds are experiencing outflows. In the October 25, 2019, edition of *Focus on Funds*, ICI Senior Director of Industry and Financial Analysis Shelly Antoniewicz offers a quick breakdown of the trends and what's behind them.

Transcript

Stephanie Ortvals-Tibbs, ICI director of media relations: What are the investment megatrends in the fund industry for 2019? I'm talking with Senior Director of Industry and Financial Analysis Shelly Antoniewicz about what the data show.

Shelly Antoniewicz, ICI senior director of industry and financial analysis: We're actually on about the same pace as where we were at this point in 2018—so not much difference there in terms of the aggregate amount of flows coming in.

Ortbals-Tibbs: Let's talk about equity in particular.

Antoniewicz: The US stock market being up almost 18 percent year-to-date, we've actually had very modest outflows from domestic stock funds this year. And that has also bled over into US investors' desire to invest in foreign or international funds as well. So we've seen outflows from international funds so far this year.

Ortbals-Tibbs: Is the picture any different then on the bond side? Because one would think that if that's what you're seeing on the equity side, that perhaps then bonds is where money's going.

Antoniewicz: We have extremely strong inflows into bond funds, but I don't know if that's related to what is occurring in the equity market at all. We have had sustained inflows into bond funds for the last 10 years, and we do believe that is primarily being driven by the demographics in the US.

Ortbals-Tibbs: Let's turn to a third category where there's a lot going on, and that's money market funds.

Antoniewicz: And that is where a lot of money is going. So we've had over \$300 billion come in to money market funds so far this year—equity investors, they might be looking at the equity market and saying, “You know what, I just want to take a little pause and see how the global outlook's going to, you know, shake out here.”

And they're putting more money into money market funds. We see it on the institutional side as well as on the retail side.

Additional Resources

- [Weekly Estimated Flow Report](#)
- [Monthly Exchange-Traded Fund Assets](#)
- [2019 Investment Company Fact Book](#)

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