

STATISTICAL REPORT

April 19, 2021

Classification Definitions: Estimated Long-Term Mutual Fund Flows

Mutual Fund Classification Definitions for the Weekly Estimated Long-Term Flow Report

Classifications are made by reviewing prospectuses for language included in these definitions. A more detailed hierarchy of mutual fund investment objectives is available [here](#).

Equity

Domestic Equity

Large-cap funds invest primarily in companies with large market capitalizations, which are generally more than \$5 billion or in companies with both medium and large market capitalizations.

Mid-cap funds invest primarily in companies with medium market capitalizations, generally ranging from \$1 billion to \$7 billion or in companies with both small and medium market capitalizations.

Small-cap funds invest primarily in companies with small market capitalizations of up to \$2 to 2.5 billion.

Multi-cap funds invest in companies of all market capitalizations or are not limited to companies within specific market capitalizations.

Other domestic equity funds seek capital appreciation by investing in companies in related fields or by employing alternative strategies, such as long/short, market neutral, leveraged, or inverse strategies.

World Equity

Developed market funds invest primarily in equity securities traded worldwide, including funds with a global, international, or regional focus. Also included in this category are funds investing in companies traded worldwide, including emerging markets, while employing a long/short, market neutral, leveraged, or inverse strategy.

Emerging market funds invest primarily in companies based in less-developed countries of the world.

Hybrid

Hybrid funds invest in a mix of equity and debt securities.

Bond

Taxable Bond

Investment grade funds seek current income by investing primarily (80 percent) in investment grade debt securities.

High-yield funds seek current income by investing two-thirds or more of their portfolios in lower-rated corporate bonds (Baa or lower by Moody's and BBB or lower by Standard and Poor's rating services) and floating rate securities.

Government bond funds pursue an objective of high current income by investing in taxable bonds issued, or backed, by the U.S. government, and include mortgage-backed securities.

Multisector bond funds seek to provide high current income for their shareholders by investing predominantly in a combination of domestic fixed-income securities, including mortgage-backed securities and high-yield bonds, may invest up to 25 percent in bonds issued by foreign companies and governments, and funds pursuing long/short, market neutral, leveraged, and inverse strategies.

World bond funds seek current income by investing in debt securities worldwide.

Municipal Bond

Municipal bond funds invest in municipal bonds of a single state or a national mix of municipal bonds.

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