



EUROPEAN CENTRAL BANK

EUROSYSTEM

11 December 2009

## PRESS RELEASE

### EURO AREA INVESTMENT FUND STATISTICS SEPTEMBER 2009

*This is the first release of the ECB's new harmonised euro area statistics on investment funds resident in the euro area. Compared with the previously published quarterly statistics, the new statistics provide fully harmonised, complete, detailed and timely information at a monthly frequency. For more information please refer to the explanatory notes available on the ECB website<sup>1</sup>.*

*In the third quarter of 2009, the euro area investment fund sector increased by 10.6% as compared to the second quarter, from EUR 4.3 to 4.7 trillion. This development mainly resulted from sizeable increases in the prices of assets held by the investment funds and to a somewhat lesser extent from their large net sales of shares or units (net inflows due to transactions<sup>2</sup>).*

**The amount outstanding of shares/units issued by euro area investment funds other than money market funds increased to EUR 4,730 billion at end-September 2009**, from EUR 4,277 billion in June 2009.<sup>3</sup> Over the same period, the amount outstanding of shares/units issued by euro area money market funds decreased to EUR 1,256 billion from EUR 1,272 billion.

---

<sup>1</sup> The explanatory notes for investment funds other than money market funds can be found at [http://www.ecb.europa.eu/stats/pdf/money/aggregates/if\\_explanatorynotes.pdf](http://www.ecb.europa.eu/stats/pdf/money/aggregates/if_explanatorynotes.pdf), and for money market funds at [http://www.ecb.europa.eu/stats/pdf/money/aggregates/mmf\\_explanatorynotes.pdf](http://www.ecb.europa.eu/stats/pdf/money/aggregates/mmf_explanatorynotes.pdf).

<sup>2</sup> The inflows include sizeable, specific purchases of investment fund shares by two Dutch pension funds amounting to more than EUR 97 billion in July 2009 and about EUR 70 billion in June 2009. For more information on these transactions, please refer to <http://www.dnb.nl/en/news-and-publications/news-and-archive/statistische-nieuwsberichten/dnb224751.jsp>.

<sup>3</sup> Changes in amount outstanding can be the result of transactions (reflecting mainly the sales and redemptions of investment fund shares or units), valuation changes (due to market price or exchange rate changes) and reclassifications (e.g. due to re-allocations of entities into or out of the sector).

### Shares/units issued

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

	2008	2009					
	Q4	Q1	Q2	Q3	Q3		
					Jul.	Aug.	Sep.
<u>Investment funds other than</u>							
<u>money market funds:</u>							
Amount outstanding	4,035	3,905	4,277	4,730	4,528	4,633	4,730
Transactions	-	-23	93	180	128	28	24
<u>Money market funds:</u>							
Amount outstanding	1,253	1,310	1,272	1,256	1,288	1,288	1,256
Transactions	-4	43	-22	-5	18	7	-29

The transactions in shares/units issued by euro area investment funds other than money market funds amounted to EUR 180 billion during the quarter ending in September 2009. Since end-December 2008, these net inflows due to transactions have amounted to EUR 250 billion, corresponding to 6.2% of the amount outstanding at end-December 2008. The transactions in shares/units issued by money market funds amounted to EUR -5 billion during the third quarter of 2009, and to EUR 16 billion over the first three quarters of 2009. This equals 1.3% of the amount outstanding at end-December 2008.

Regarding the assets of euro area investment funds other than money market funds, the amount outstanding of securities other than shares was EUR 1,998 billion at end-September 2009, which equals an increase of 17% since December 2008. Transactions during the third quarter amounted to EUR 69 billion. In the case of shares and other equity the corresponding amount outstanding was EUR 1,543 billion (an increase of 33% since end-2008), with third-quarter transactions of EUR 109 billion. For holdings of investment fund shares/units the amount outstanding was EUR 681 billion (10% more than at the end of 2008), with third-quarter transactions of EUR 10 billion.

In terms of the breakdown by investment policy of euro area investment funds other than money market funds, shares/units issued by bond funds stood at EUR 1,531 billion at end-September 2009, accounting for 32% of the total amount outstanding of investment fund shares/units. The transactions in shares/units issued by bond funds amounted to EUR 57 billion during the third quarter of 2009. The corresponding amount outstanding of equity funds shares/units was EUR 1,345 billion (28% of

the total) and transactions were EUR 104 billion. For mixed funds, the respective amounts were EUR 1,165 billion (25% of the total) and EUR 21 billion.

Regarding the **assets of euro area money market funds**, the amount outstanding of securities other than shares was EUR 1,004 billion at end-September 2009 (of which EUR 390 billion was issued by non-euro area residents), with transactions amounting to EUR 15 billion during the third quarter. The amount of deposit and loan claims outstanding was EUR 183 billion and transactions equalled EUR -16 billion. For holdings of money market fund shares/units, the amount outstanding was EUR 75 billion and transactions were EUR -5 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 funds are classified in the Other Financial Intermediaries sector.

The latest data on investment funds can be downloaded from the ECB's Statistical Data Warehouse (<http://sdw.ecb.europa.eu>). 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 October, November and December 2009 is scheduled to take place at 10 am on 6 January 2010, 20 January 2010 and 22 February 2010, respectively.

**European Central Bank**

Directorate Communications, Press and Information Division

Kaiserstrasse 29, D-60311 Frankfurt am Main

Tel.: +49 69 1344 7455, Fax: +49 69 1344 7404

Internet: <http://www.ecb.europa.eu>

**Reproduction is permitted provided that the source is acknowledged.**

## Assets and liabilities of euro area investment funds

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

	2009 Q2	2009 Q3			
	Amount outstanding	Amount outstanding	Change in amount outstanding	Transactions	Other changes <sup>1)</sup>
<b>Investment funds other than money market funds</b>					
<b>Assets</b>					
Deposits and loan claims	378	349	-29	-9	-20
Securities other than shares	1873	1998	125	69	56
Issued by euro area residents	1294	1383	90	46	43
Issued by non-euro area residents	579	614	35	22	13
Shares and other equity	1252	1543	291	109	182
Issued by euro area residents	566	700	134	32	102
Issued by non-euro area residents	685	842	157	77	80
Investment fund shares/units (incl. money market fund shares)	628	681	53	10	43
Issued by euro area residents	540	593	52	12	41
Issued by non-euro area residents	88	88	1	-2	3
Non-financial assets	201	197	-3	-3	0
Other assets	379	384	5	-11	16
<b>Liabilities</b>					
Investment fund shares/units	4277	4730	453	180	273
Loans and deposits received	99	96	-2	1	-3
Other liabilities	334	326	-9	-16	7
<b>Total</b>	<b>4710</b>	<b>5152</b>	<b>442</b>	<b>165</b>	<b>277</b>
<b>Money market funds</b>					
<b>Assets</b>					
Deposits and loan claims	200	183	-18	-16	-2
Securities other than shares	998	1004	6	15	-9
Issued by euro area residents	602	614	12	10	2
Issued by non-euro area residents	396	390	-6	6	-11
Shares and other equity	5	5	0	0	0
Money market fund shares/units	80	75	-5	-5	0
Other assets	10	7	-3	-3	0
<b>Liabilities</b>					
Money market fund shares/units	1272	1256	-16	-5	-12
Held by euro area money holding sector <sup>2)</sup>	742	739	-3	-4	1
Loans and deposits received	3	5	2	2	0
Other liabilities	18	13	-5	-6	1
<b>Total</b>	<b>1294</b>	<b>1274</b>	<b>-20</b>	<b>-9</b>	<b>-11</b>

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) The euro area money holding sector comprises households, non-financial corporations, financial corporations which are not Monetary Financial Institutions, as well as state and local governments and social security funds.

## Investment funds shares/units issued by euro area investment funds other than money market funds

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

	2009 Q2	2009 Q3			
	Amount outstanding	Amount outstanding	Change in amount outstanding	Transactions	Other changes <sup>1)</sup>
<b>Breakdown by investment policy<sup>2)</sup></b>					
Bond funds	1426	1531	105	57	49
Equity funds	1078	1345	267	104	163
Mixed funds	1093	1165	72	21	51
Real estate funds	221	219	-2	-1	0
Hedge funds	79	77	-2	-3	1
Other funds	381	393	12	3	9
<b>Breakdown by type of fund</b>					
Open-end funds	4209	4665	455	182	273
Closed-end funds	68	65	-2	-2	0

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) 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 instrument 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 units or shares of open-end funds can be repurchased or redeemed out of the fund's assets. Closed-end funds are funds with a fixed number of issued shares whose shareholders have to buy or sell existing shares to enter or leave the fund.