

## Monthly Mutual Fund Industry Flows: November 2008

Fund redemptions slowed down in November despite continued market declines and volatility. In aggregate, net outflows from stock funds (excluding ETFs) totaled \$29 billion over the month and represented roughly 0.7% of beginning assets (down from October's 1.4% rate).

Fund Industry Overview (Including Open-end ETFs; Excluding VAs)					
	Net New Flows \$B			Assets \$B	Asset Wtd. Return %
	Oct'08	Nov'08	Ytd-11/08	11/08	Nov'08
U.S. Equity	-32.9	0.3	-31.7	2,605	-8.46
Int'l/Global Equity	-23.1	-8.9	-32.3	1,027	-6.05
Hybrid/Allocation	-7.2	-2.4	-24.5	266	-4.82
<b>Equity/Balanced</b>	<b>-63.1</b>	<b>-11.1</b>	<b>-88.5</b>	<b>3,898</b>	--
Taxable Bond	-31.5	-12.0	36.9	1,128	0.11
Tax-Free Bond	-8.5	-1.8	10.1	426	-0.79
<b>Bonds</b>	<b>-39.9</b>	<b>-13.8</b>	<b>47.0</b>	<b>1,553</b>	--
<b>Total Long Term</b>	<b>-103.1</b>	<b>-24.9</b>	<b>-41.4</b>	<b>5,451</b>	--
Taxable Money Mkt	168.4	127.6	479.8	3,143	0.12
Tax-Free Money Mkt	16.2	-2.1	13.6	492	0.08
<b>Money Market</b>	<b>184.6</b>	<b>125.5</b>	<b>493.4</b>	<b>3,635</b>	--
<b>Total Industry</b>	<b>81.6</b>	<b>100.6</b>	<b>451.9</b>	<b>9,086</b>	--

Source: Strategic Insight Simfund MF

**Actively managed equity fund net outflows** totaled an estimated \$33 billion in November. Counterbalancing this redemption activity were net inflows of nearly \$22 billion into index funds and indexed equity ETFs over the month.

**Bond fund** net outflows totaled nearly \$14 billion, primarily within taxable bond programs (most notably from US and Global Corporate bond categories, and multi-sector Strategic Income funds). The bond fund net redemption rate in November was 0.8%, down from 2.3% in October.

**Money market funds** drew a collective \$125 billion (virtually all of it in taxable programs), on top of October's \$185 billion. The recovery of flows into taxable MMFs holding commercial paper continued, with November bringing in nearly \$70 billion into funds of this type. Flows into taxable Treasury and Government/Agency money funds slowed as compared to the prior month.

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