

## ETF Market Flows Analysis

*data as of end April 2022*

### YTD Overview

**Global exchange-traded funds (ETFs) gained €281bn during the first four months of the year. In April, however, these strategies gained close to €23bn – around a fifth of the €109bn added the previous month.** This reflected concerns over the impact of the war in Ukraine, rising inflation and the cost-of-living crisis.

Year-to-date equity ETFs gained €206bn but allocation to this asset class slowed sharply in April when it gained only €4.5bn. There were net outflows over these four weeks of €12.4bn in the US while European UCITS ETFs in-flows remained positive for this month gaining €9.5bn. For the first four months of the year global fixed income ETFs attracted €52.4bn with government debt the most popular strategy gaining €42.3bn. In April, allocations to fixed income outpaced those to equity adding €15.9bn.

### European Flows YTD highlights

#### Equities

**European UCITS regional equity ETFs gained €37.9bn in the first four months adding almost €9bn in April.** World indices remained the most popular gaining €21.7bn and North American strategies added €12.6bn. Investors withdrew €2.8bn and €2.3bn from Eurozone and Japanese equities respectively. In April, however, investors added €7bn to world indices and only €706m to North American strategies whilst they withdrew €1bn from Eurozone indices. Although the overall trend for March and April was positive, there was some volatility with flows flattening out then reversing at the beginning of March, reflecting concerns about the war in Ukraine. But in-flows then resumed a similar pace seen at the beginning of the year.

Year-to-date sector strategies gained €7.6bn with climate the most popular strategy gaining €2.6bn. Energy was the second most popular adding €1.9bn. Investors withdrew €718m from consumer discretionary. These trends reflect the impact of higher energy costs on consumer spending. Investors allocated €5.5bn to smart beta strategies with value proving the most popular, gaining €3.8bn in the first four months of the year. In April, however, investors withdrew €200m from this strategy – around half of what was withdrawn in March. Yield was the second most popular strategy gaining €3bn for the first four months of the year with investors adding €837m to this ETF product in April.

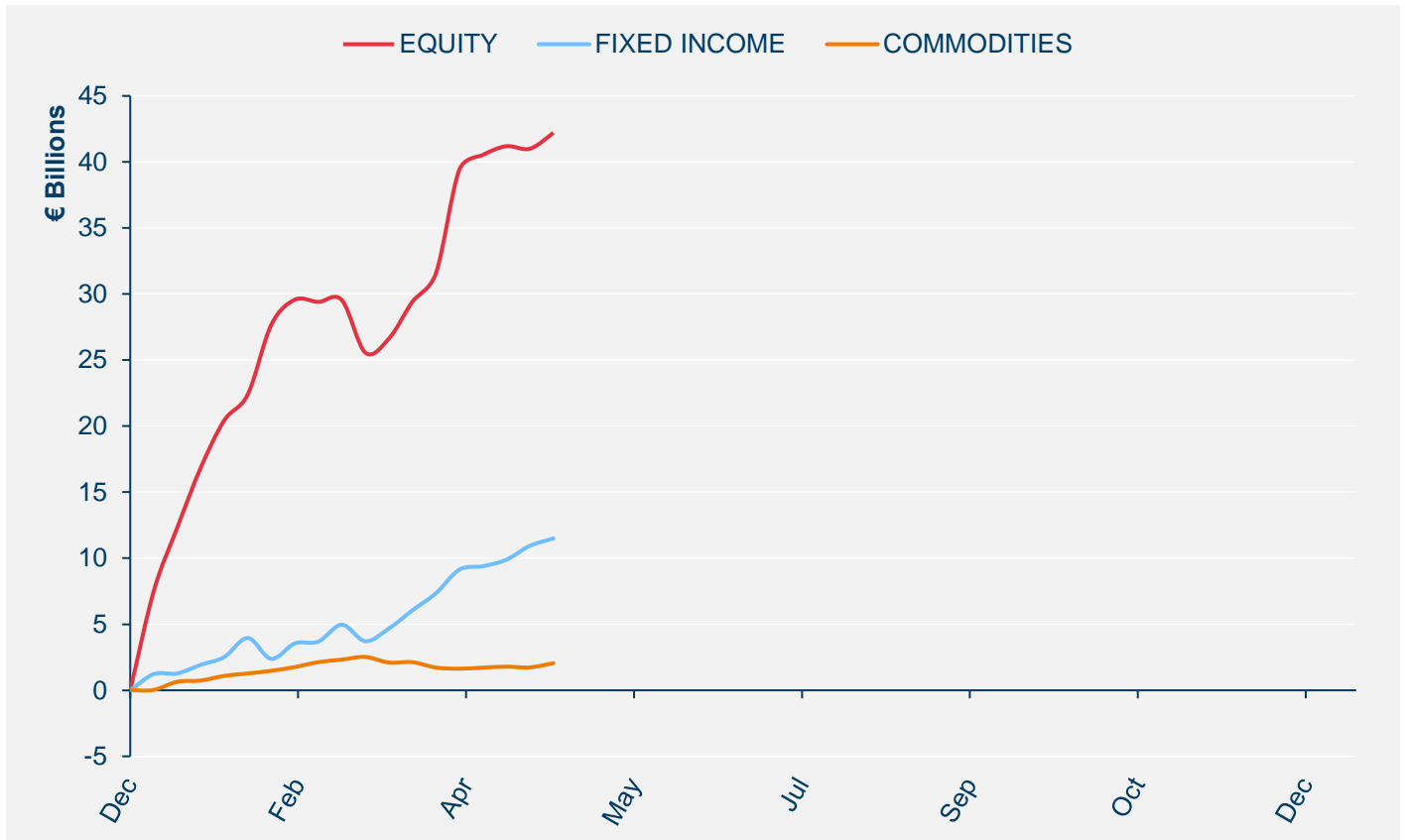
While in-flows into equity ESG strategies continued, the momentum slowed. Year-to-date in-flows were €10.4bn but in April flows were €1.4bn, a slight slowing on the €1.5bn gains in March. ESG World indices gained €3.9bn for the first four months of the year while ESG North America gained €4.0bn. But in April ESG World gained €933m compared with only €202m for ESG North America, reflecting the recent decline in this region's popularity.

#### Fixed Income

**Year-to-date investors allocated €6.3bn to European UCITS government debt ETFs with US government debt exposure the most popular asset class.** USA mid, long and broad gained €4.0bn, €856m and €797m. Allocations to sovereign fixed income accelerated in April, with investors adding €2bn compared with €1.3bn the previous month, reflecting a move away from riskier assets. Since the beginning of the year, investors withdrew €2.9bn from Chinese government bonds, withdrawing €1.9bn in the month of April, perhaps reflecting concerns about the continued impact of Covid on the nation.

**Corporate debt gained €3bn year-to-date** with investors allocating €3.3bn to US corporates and withdrawing €1.2bn and €935m from Eurozone high yield and investment grade respectively. Floating rates corporate debt gained €1.4bn as investors looked to benefit from the rising rate environment. In April, investors allocated a little bit less than €1.3bn to corporate bonds. Finally, year-to-date fixed income ESG strategies gained €6bn with €2bn allocated to USA corporate and €1 to Eurozone corporate.

## European cumulative flows - 2022 YTD



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Source: Bloomberg Finance LP - Amundi ETF

Net flows calculations presented in this document are based on European primary market data, over the latest business week. Amundi ETF Internal Database - each of the database is allocated by Amundi AM to a classification based on its underlying exposure

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### Information reputed exact as of May 2022

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