

Performance of investment funds – France • August 2019

Bond fund performance back to its end 2016 level

The annual performance of non-money market funds is +1.6% in August after +1.3% in July. It is explained by the performance of bond funds supported by the decline in long-term rates, followed by that of other funds and mixed funds (+1.9% and +1.6% respectively). Conversely, it falls significantly for equity funds (-0.7%) but the cumulative valuation since the beginning of the year remains positive.

The performance of money market funds remains negative (-0.22% after -0.23%), still deviating from the trend of the 6-month EURIBOR index due to the characteristics of MMF portfolios: longer average maturity, geographical diversification.

Annual performance of Investment Funds by subsectors (a)

(percent, outstanding amounts : EUR billion)

	2016	2017	2018	Jul-19	Aug-19	Net asset Value août-19
NON MONEY MARKET FUNDS	3,2	5,9	-5,2	1,3	1,6	1 291
Equity funds (b)	3,6	11,9	-12,0	-0,5	-0,7	311
of which : ETF (c)	5,6	12,3	-6,1	1,2	2,1	30
Bond funds (b)	2,7	0,6	-0,9	2,5	3,5	292
Mixed Funds (b) (e)	2,6	4,2	-5,9	1,1	1,6	341
Other funds (d) (f)	4,0	6,1	-0,2	1,6	1,9	346
of which employees' savings funds	3,6	6,7	-6,9	-0,1	0,7	136
MONEY MARKET FUNDS	0,02	-0,23	-0,28	-0,23	-0,22	355

Source : Banque de France

(a) Annual performance net of management fees but before deduction of entry and exit fees commissions (cf. methodology).

(b) Except employees' savings funds (which are included in "Others funds")

(c) Exchange Trade Fund

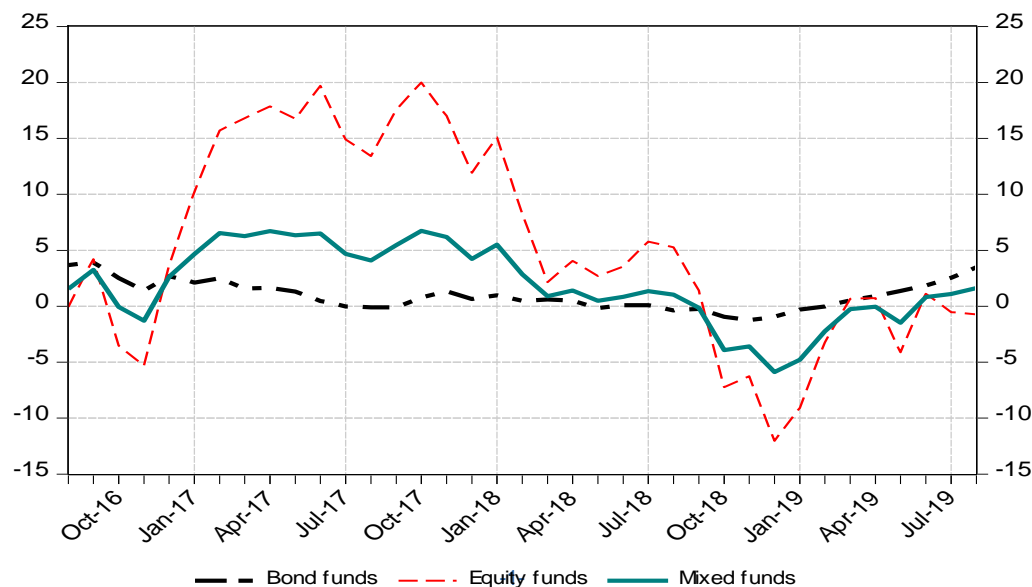
(d) Employees savings funds, real estate funds, Private equity funds, formula-based funds, hedge funds

(e) The term "mixed funds" replaces the term "diversified funds", AMF category that has been deleted since 31/12/2017; the criterion for classification remains the same.

(f) Outstanding amount and performance of real estate funds are taken into account as of June 2016

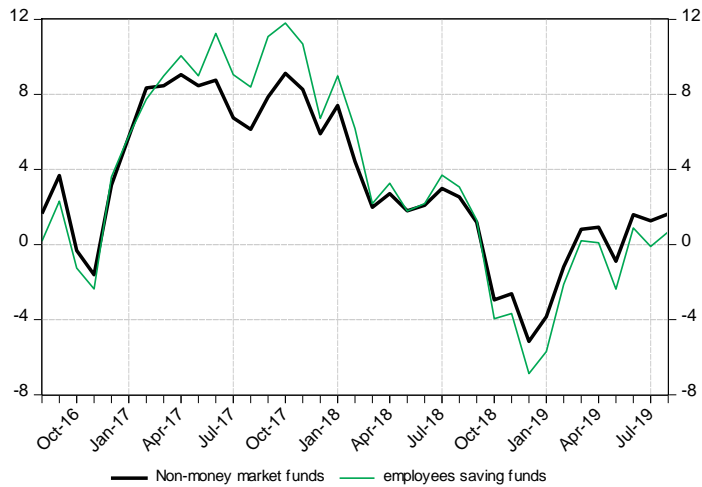
Annual performance of equity, bond and mixed funds

in percent



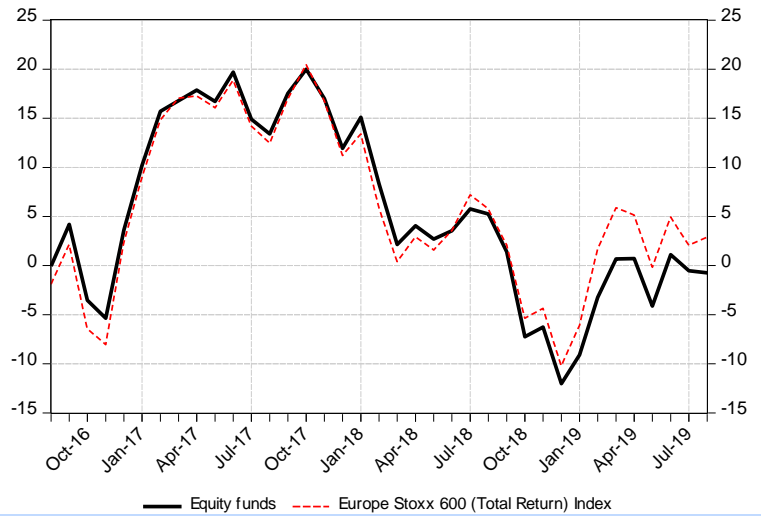
Performance of Non-MMF funds and employees' saving funds (a)

In percent



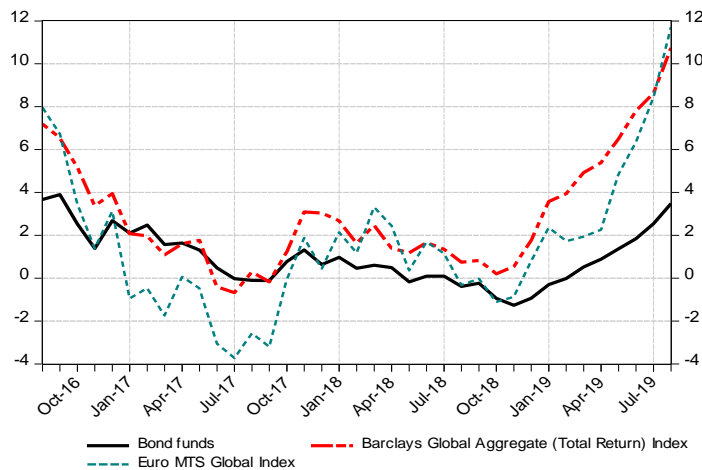
Performance of equity funds (a)

In percent



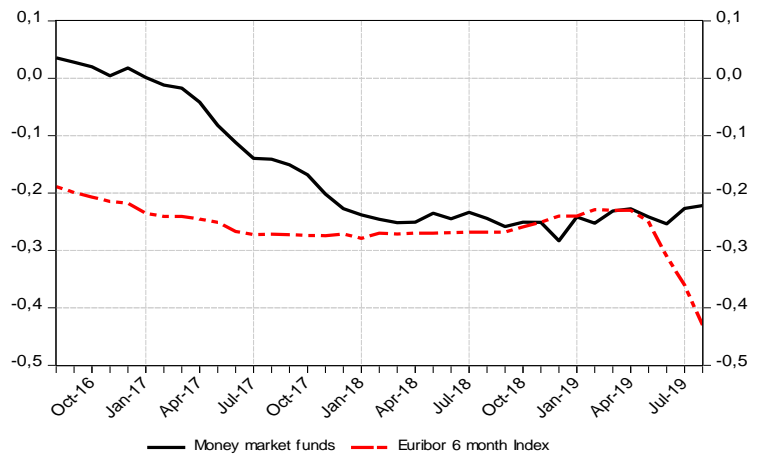
Performance of bonds funds (a)

In percent



Performance of MMF funds (a)

In percent



Source : Banque de France, Barclays, Europerformance

(a) Annual performance net of management fees but before deduction of entry and exit fees commissions (cf. methodology)

Additional information

The different categories of funds under review are defined by the Autorité des Marchés Financiers (AMF – French Financial Markets Authority). The classification of each fund is based on its real risk exposure. The definition of the exposure and the risk thresholds for each category are developed in AMF Instructions 2011-19, 2011-20 and 2011-21.

The **Stoxx 600 index** comprises 600 companies residing in 18 European countries.

The **Barclays index** comprises sovereign and quasi-sovereign bonds, corporate bonds and asset-backed securities. It includes securities denominated in 24 currencies, issued from developed and emerging markets. The rating of the securities is “investment grade” with residual maturity over one year.

The **Euro-MTS Index** is a euro-denominated bond index that measures the performance of the eurozone government bond market across all maturities of the underlying bonds combined.

The performance of the indices is measured by total return (price change and coupons/dividends reinvested). The yield spreads between these indices and the performance of UCIs in France reflect differences in composition and management orientation, in particular the split between highly liquid sovereign bonds issued by major advanced countries, less liquid sovereign bonds or bonds with a higher risk/return profile and bonds issued by private issuers.

