
ETF traders dumped U.S. equities but not global: TrimTabs

By Editorial Staff Thu, Feb 15, 2018

"Contrarians should consider favoring U.S. equities over non-U.S. equities now," the alert from the Los Angeles-based investment research firm said.

"Volatility returned with a vengeance just days after the global elite toasted buoyant markets and strengthening economies in Davos. The flows of U.S. equity funds and global equity funds diverged dramatically amid the mayhem," said a media alert from TrimTabs this week.

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U.S. equity ETFs were dumped at a record pace. U.S. equity ETFs had outflows on each of the first six trading days of February totaling \$29.7 billion (1.5% of assets). The six-day outflow surpassed the previous record of \$24.4 billion (2.7% of assets) in February 2014.

But global equity ETFs were not sold amid the carnage, issuing \$1.3 billion (0.2% of assets) in February. These funds suffered no selling even though they plunged 8.2%, nearly as much as the 9.0% decline of their U.S.-focused counterparts.

Bond ETFs have issued \$1.6 billion (0.3% of assets) in February even though they are down 1.7% year-to-date. ETF traders are evidently taking the losses of bond funds this year in stride.

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