
Fund flows bounce back in March: Morningstar

By Editorial Staff Thu, Apr 26, 2018

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In March, investors pulled \$10.5 billion out of U.S. equity passive funds, compared with \$8.4 billion in the previous month. On the active front, investors pulled \$11.0 billion, compared with \$17.7 billion in February, according to Morningstar, Inc.

Highlights from the [report](#) include:

- Taxable-bond and international-equity funds were the leading category groups, with net flows of \$15.9 billion and \$13.3 billion, respectively.
- March's inflows across all category groups were nearly \$13.4 billion, compared with \$7.7 in outflows in February.
- The Morningstar Categories with the highest inflows in March were foreign large-blend, ultra-short bond, and intermediate bond funds with inflows of \$13.5 billion, \$6.0 billion and \$4.8 billion, respectively. On the bottom-flowing list in March, large blend continued to see the most outflows of \$19.0 billion while high-yield bond experienced outflows for the sixth consecutive month.
- Among top U.S. fund families, Vanguard was the leader in net flows with \$14.8 billion in March and approximately \$59.0 billion for the quarter, down from the \$116.5 billion collected in 2017's first quarter, and which represents the fourth consecutive quarter of declining inflows.
- Among all U.S. open-end mutual funds and ETFs, Vanguard Total International Stock Index, which has a Morningstar Analyst Rating of Gold, had the highest inflows of \$5.3 billion. Silver-rated iShares Core MSCI EAFE ETF and Gold-rated Vanguard Total Stock Market Index followed with inflows of \$4.7 billion and \$4.6 billion, respectively. On the bottom-flowing list in March, Gold-rated SPDR S&P 500 ETF had the highest outflows of \$15.0 billion.

Morningstar estimates net flow for mutual funds by computing the change in assets not explained by the performance of the fund and net flow for ETFs by computing the change in shares outstanding.

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