
Investors keeping selling US equity funds

By Editorial Staff Thu, Apr 5, 2018

TrimTabs says U.S. equity funds lost a net \$63.3 billion in 1Q2018, the second-highest quarterly outflow on record, while global equity funds received a net \$63.9 billion.

Though the performances of U.S. equity funds and global equity funds were almost identical, their flows diverged widely in the first quarter. Even U.S.-focused funds suffered near record outflows, while funds focused outside the U.S. attracted plenty of fresh cash, according to TrimTabs research.

U.S. equity mutual funds and exchange-traded funds lost \$63.3 billion last quarter, the second-highest quarterly outflow on record. U.S. equity ETFs issued just \$11.3 billion, the second-lowest inflow in the past eight quarters, while U.S. equity mutual fund outflows remained relentless, totaling \$74.6 billion.

Global equity funds had strong inflows for a fourth consecutive quarter—a three-quarter high of \$63.9 billion—even though they didn't significantly outperform their U.S.-focused counterparts. Global equity funds were down 0.5% on average, while U.S. equity funds declined 0.7%.

Demand for bond funds was heavy despite continuing losses. Retail investors dominated the buying. Bond MFs received \$61.8 billion, commensurate with recent quarters, but bond ETF inflows dropped to \$13.5 billion, the lowest level in five quarters.

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