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## January 2021 fund flows follow 2020 pattern: Morningstar

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By Editorial Staff    Thu, Feb 18, 2021

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*Taxable-bond funds dominated, with \$79 billion of inflows in January and \$459 billion of inflows over the trailing 12 months, the most by far for any group, Morningstar's latest fund flows report said.*

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Long-term mutual funds and ETFs collected \$95 billion overall in January 2021, according to Morningstar's latest fund flow [report](#). US equity funds saw outflows of \$38 billion during the month, with actively managed funds losing about \$26 billion and passively managed funds losing about \$12 billion.

Among U.S. category groups, taxable-bond funds dominated, with \$79 billion of inflows in January and \$459 billion of inflows over the trailing 12 months, the most by far for any group, the report said.

Investors continued to pour assets into intermediate core bond and intermediate core-plus bond funds, which each saw near-record inflows of more than \$25 billion and \$13 billion, respectively.

Municipal-bond funds saw a record of \$15.9 billion of inflows, potentially in anticipation of increased federal support for cash-strapped municipalities. Sector-equity funds took in \$18 billion for their fourth consecutive month of gains, powered by big flows into financial and clean-energy ETFs.

At the fund level, passive bond funds attracted the largest inflows in January. Vanguard Total Bond Market II Index led with \$6.9 billion of inflows. Ark Innovation ETF joined the top 10 for the second month in a row with \$3 billion of inflows.

Equity funds dominated the list of funds with the biggest outflows, with SPDR S&P 500 ETF seeing nearly \$12 billion of outflows. Other large funds, such as Vanguard Institutional Index and iShares Core S&P 500 ETF, posted multibillion-dollar outflows.

Vanguard led all fund families with \$38 billion of long-term fund inflows during January, with its taxable-bond funds taking in the most among major categories, with \$27 billion. State Street Global Advisors had the month's heaviest outflows at \$5 billion.