
Outflows from global equity funds continues: TrimTabs

By Editorial Staff Thu, Jun 21, 2018

Despite the harsh rhetoric about China from President Trump, China-focused equity funds are on track for their sixteenth consecutive monthly inflow.

Demand for equity funds that invest primarily outside of the U.S. has been gradually diminishing since January, and flows have turned outright negative in June, according to TrimTabs, a research firm.

Global equity funds have shed \$6.8 billion this month through Friday, June 15, putting them on track for their highest monthly outflow since at least September 2016.

Global equity funds have trailed their U.S. counterparts in four of the first six months of the year. They are down 0.9% year-to-date, while U.S. equity funds have gained 5.6%.

Breaking flows down, global equity mutual funds have lost an estimated \$2.1 billion in June, on track for their first outflow in 15 months. Global equity ETFs shed \$4.3 billion in May, their first outflow in 1½ years, and they have redeemed an additional \$4.8 billion in June.

All major international regions have had outflows this month except for China, even though Chinese stocks have made no headway for months. China equity ETFs have added \$400 million (1.9% of assets) in June, with inflows on all but one trading day, even though they are up a scant 0.2% month-to-date.

Despite the harsh rhetoric about China from President Trump since he took office, China-focused equity funds are on track for their sixteenth consecutive monthly inflow.

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