
Trim Tabs notes 'Powell put'

By Editorial Staff *Thu, Jan 31, 2019*

'After pulling record sums from equity mutual funds in December, mom and pop investors have turned into net buyers in January,' according to new data from the West Coast research firm.

“The Powell put and lots of dovish central bank chatter seem to have reassured retail investors, who are adding money to U.S. equity mutual funds for the first month in almost four years,” said David Santschi, Director of Liquidity Research at TrimTabs Investment Research.

After pulling record sums from equity mutual funds in December, mom and pop investors have turned into net buyers in January. U.S equity mutual funds and global equity mutual funds lost a combined \$89.7 billion in December, the highest monthly outflow on record.

Inflows this month have reached an estimated \$7.6 billion, putting this month’s inflow on track to be the highest since February 2016. U.S. equity mutual funds alone have taken in an estimated \$3.4 billion in January, set for their first monthly inflow since February 2015.

Flows of equity exchange-traded funds have turned flat to negative this month. U.S. equity ETFs have shed \$14.3 billion, putting them on track for their first monthly outflow since June 2018 and their biggest monthly outflow since at least February 2018. Global equity ETFs have issued \$3.2 billion, set for their lowest monthly inflow since at least October 2018.

© 2019 RIJ Publishing LLC. All rights reserved.