
Vanguard again leads monthly active and passive inflows: Morningstar

By Editorial Staff Fri, Apr 15, 2016

Vanguard's 28.9 billion net inflow for the month was higher than inflows for the other nine largest fund companies combined. All active fund providers but American Funds and BlackRock sustained outflows.

Estimates of U.S. mutual fund and exchange-traded fund (ETF) asset flows for March 2016 were reported by Morningstar Inc. this week. Taxable-bond funds had their highest monthly intake, \$31.9 billion, since January 2013, when they collected \$32.6 billion.

Highlights from Morningstar's [report](#) about U.S. asset flows in March:

Fixed-income flows began favoring passive strategies in 2013 and have become more volatile since then, when the Federal Reserve announced its decision to begin tapering off its asset purchases. The passive share of fixed-income assets increased from 19% in 2013 to 27% as of the end of March.

Intermediate-term bond, high-yield bond, and corporate bond were the top asset-gathering fixed-income categories in March for the second consecutive month.

Vanguard once again led active and passive flows at the provider level in March, and its \$28.9 billion net inflow for the month was higher than inflows for the other nine largest fund companies by assets under management combined. With the exception of American Funds and BlackRock, all other active fund providers sustained outflows.

Manager changes were responsible for investor redemptions from the two active funds with the greatest monthly outflows: Ivy Asset Strategy, which has a Morningstar Analyst Rating of Neutral, and Virtus Emerging Markets Opportunities, which has a Bronze Analyst Rating, had outflows of \$1.5 billion and \$1.2 billion, respectively.

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.

To view the complete report, please visit .