

Vanguard tops mutual fund flow charts in October

By Kerry Pechter Thu, Nov 14, 2013

Vanguard gathered just over \$6 billion in the quarter (\$60 billion YTD) to lead all fund companies. American Funds, PIMCO, Columbia and Janus all saw outflows of more than \$10 billion each, according to Morningstar data.

U.S.-equity mutual funds enjoyed their highest monthly inflow since January, gathering \$10.5 billion in October 2013. International-equity funds did even better—leading all category groups with inflows of \$12.2 billion, according to Morningstar, Inc.

Total mutual fund inflows, at \$17.8 billion for the month, were tempered by continued outflows from taxable- and municipal-bond funds tempered overall inflows. Morningstar estimates net flow by computing the change in assets not explained by the performance of the fund.

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Highlights from Morningstar's [report](#) on mutual fund flows:

- Active U.S.-equity funds had strong monthly inflows for only the third time in 2013, failing to fulfill expectations of a “great rotation” into active strategies after years of passive-fund flow dominance.
- But outflows from active equity funds are only \$15.3 billion for the year to date, compared with outflows of \$131.5 billion in 2012.
- Foreign large blend was the top category for inflows; equity categories took the top three spots in terms of inflow by category.
- October was the first month since March that bank loan, nontraditional bond, or world bond did not lead all categories in flows, and the first time in more than a year that the bank-loan category wasn't in the top five.
- Inflation-protected bond funds lost \$4.8 billion in October. The average fund in the category has lost 5.9% year to date.
- Vanguard dominated inflows at the provider level in October, collecting new \$6 billion overall and inflows of \$2.1 billion for Vanguard Total Stock Market Index Fund.
- Vanguard's market share of mutual fund assets stands at 17.5%, up from 15.6% three years ago. American Funds' market share has fallen to 10% from 12% over the same period. PIMCO's share has dropped to 5.1 percent after peaking at 6.1 percent in late 2012.

Click [here](#) for more information about Morningstar Asset Flows.

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