

Morningstar DirectSM U.S. Asset Flows Update

Morningstar Manager Research 15 January 2015

Data through Dec. 31, 2014
U.S. Mutual Funds and Exchange-
Traded Products

Alina Lamy
Senior Analyst
Markets Research
+1 312-384-3924
alina.lamy@morningstar.com

Taxable-Bond Outflows High Again in December; Passive U.S. Equity Still Strong

New year, new trends in asset flows? Not so much. Even though we've said goodbye to 2014, December's estimated flow data is similar to previous months. U.S. equity funds once again experienced outflows on the active side (although smaller than in November) and inflows on the passive side. Overall in 2014, active U.S. equity funds lost \$98.4 billion, and passive U.S. equity funds received \$166.6 billion.

The active taxable-bond Morningstar Category Group was heavily impacted by PIMCO-related events during the last few months of the year. After high estimated outflows in September and October, it seemed things were about to turn around in November, when numbers showed a small positive flow into active taxable-bond funds. However, the picture once again looked bleak in December, with investors withdrawing an estimated \$23.0 billion from this category.

When looking at the one-year numbers, passive flows exceeded active ones for all equity category groups, as well as for taxable bonds. For other category groups, such as allocation, municipal bond, and alternative, investors appeared to still favor active management.

Estimated Net Flows*	Active			Passive		
	Dec 2014	1 Year	Assets	Dec 2014	1 Year	Assets
\$Mil			\$Bil			\$Bil
U.S. Equity	(6,944)	(98,358)	3,663	35,400	166,616	2,289
Sector Equity	2,200	21,152	384	16,046	48,066	345
International Equity	(5,243)	54,357	1,484	8,525	89,808	700
Allocation	(1,162)	41,611	1,203	549	4,757	53
Taxable Bond	(22,990)	(17,184)	2,271	11,501	104,792	651
Municipal Bond	4,368	28,207	563	339	3,740	17
Alternative	(2,336)	16,660	156	(207)	3,636	44
Commodities	(1,692)	(2,180)	29	492	(1,283)	57
All Long Term	(33,824)	44,265	9,753	72,645	420,142	4,156
Money Market	73,582	7,608	2,514			

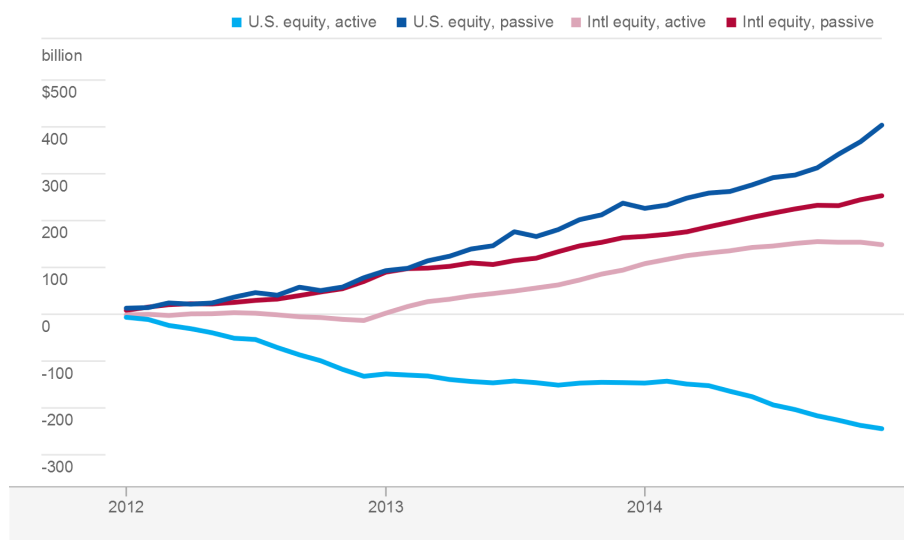
*Includes liquidated and merged funds.

Source: Morningstar Direct Asset Flows.

International-equity funds, overall, continued to receive inflows in December, although some outflows occurred from diversified emerging-markets funds.

Active U.S. equity experienced outflows for the 10th consecutive month, and passive U.S. equity experienced inflows for the 11th consecutive month. In fact, when stepping away from monthly numbers and looking at cumulative flows during the past three years, the pattern is becoming even more evident, with passive U.S. equity surpassing all other equity categories and active U.S. equity on the decline. International equity has done well on both the active and passive side, although passive funds have had higher cumulative flows.

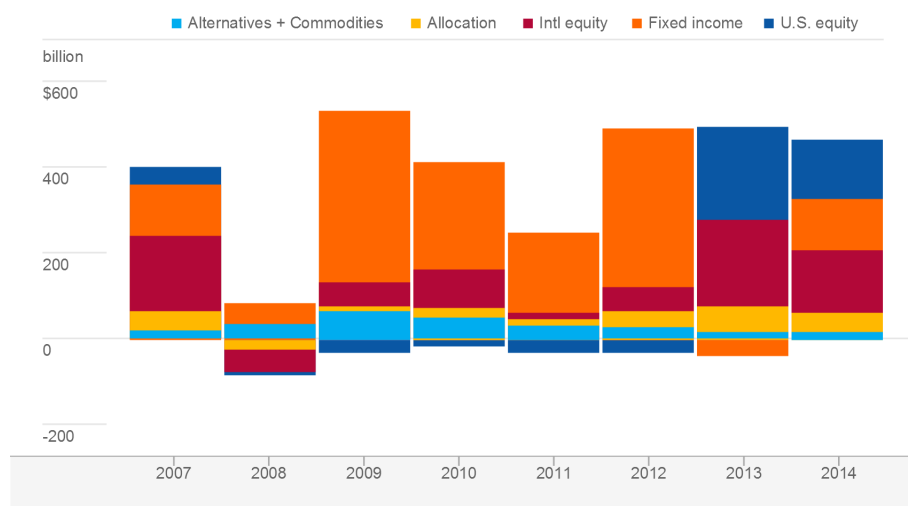
Exhibit 1. Cumulative Flows for U.S. and International Equity Funds Since 2012, Active Versus Passive



On the fixed-income side, active taxable bonds were still in negative territory after months of large PIMCO-driven outflows (except a small inflow in November). These outflows may not be representative of the category in general, but they certainly go a long way to show how diminished investor confidence can have far-reaching repercussions. Passive taxable-bond funds experienced inflows for the 13th consecutive month.

In terms of annual flows by Morningstar Category Group, fixed-income funds received the great majority of investor money from 2009 to 2012 amid the flight-to-safety trend that followed the crisis. Investors didn't regain confidence in stocks until 2013, when U.S. and international-equity flows exceeded fixed-income flows once again. Flows were fairly balanced in 2014, with international-equity funds leading the way and U.S. equity funds not far behind.

Exhibit 2. Annual Flows by Category Group Since 2007



Source: Morningstar Direct Asset Flows

U.S. and Foreign Large Blend Continue to Attract Strongest Flows

Large blend and foreign large blend have been attracting strong flows for the past few months, with the largest portion going, once again, into passive funds. As far as equity funds are concerned, it would seem that not only do investors prefer passive strategies, but also a middle-of-the-road approach in the form of blend funds, as opposed to funds focusing predominantly on growth or value.

The lagging categories in December reflected two broad factors that weighed on investors' minds. On the one hand, uncertainty about future movements of U.S. interest rates may have caused outflows from high-yield-bond, bank-loan, and short-government funds. On the other hand, concerns about the international economic climate, oil prices, a stronger dollar, and the situation in Russia probably steered investors away from emerging-markets funds.

Top- and Bottom-Flowing Categories in December

Estimated Net Flows* \$Mil	Active			Passive		
	Dec 2014	1 Year	Assets \$Bil	Dec 2014	1 Year	Assets \$Bil
Leading						
Large Blend	538	(3,912)	714	27,599	109,412	1,464
Intermediate-Term Bond	3,251	(19,227)	734	9,395	52,920	320
Foreign Large Blend	(1,353)	33,056	389	10,597	59,734	316
Consumer Cyclical	38	(819)	4	3,957	2,441	20
Financial	140	(459)	8	3,757	4,166	37
Lagging						
High-Yield Bond	(9,498)	(17,510)	267	131	1,563	34
Bank Loan	(6,596)	(20,359)	116	(356)	(317)	6
Diversified Emerging Mkts	(2,008)	11,615	229	(2,714)	648	160
Short Government	(662)	(1,278)	28	(2,353)	1,130	16
Large Growth	(1,786)	(43,314)	1,201	(1,206)	2,166	160

*Excludes money market and funds of funds.

Top 10 U.S. Fund Families

Estimated Net Flows \$Mil	Active			Passive		
	Dec 2014	1 Year	Assets \$Bil	Dec 2014	1 Year	Assets \$Bil
Vanguard	556	18,199	754	28,898	200,833	1,921
Fidelity Investments	238	(23,409)	1,067	3,249	20,072	182
American Funds	(400)	345	1,167			
BlackRock/iShares	889	15,799	212	10,696	83,943	767
T. Rowe Price	(75)	9,874	431	(297)	1,292	27
SPDR State Street Global Advisors	34	140	1	25,781	34,336	454
Franklin Templeton Investments	(2,380)	657	444			
PIMCO	(26,940)	(150,021)	385	(399)	(415)	5
J.P. Morgan	4,862	27,984	256	(127)	(288)	8
Dimensional Fund Advisors				1,502	27,702	250

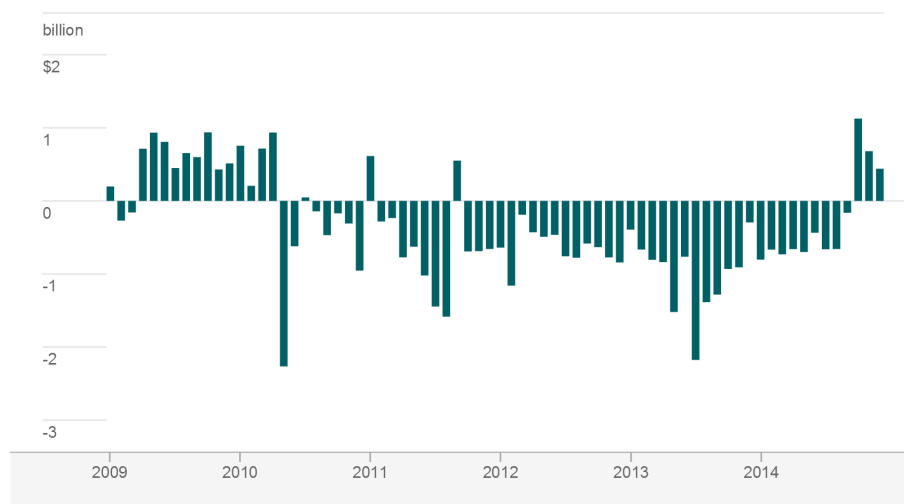
After a comparably milder loss in November, PIMCO once again suffered a massive \$27.3 billion outflow in December. PIMCO Total Return PTTRX accounted for \$18.1 billion of that outflow.

On the passive side, Vanguard was still the most popular provider in terms of one-year flows, followed closely by iShares. SPDR State Street Global Advisors almost caught up with Vanguard in December, though, as its SPDR S&P 500 ETF SPY received the largest inflow among passive funds for the second month in a row.

On the active side, J.P. Morgan attracted the largest flows during the past year through its advisor-sold active funds. Ironically, the runner-up on the active side, in terms of one-year flows, was Vanguard.

Janus, with Bill Gross now on board, has been enjoying inflows after a long period of consistent outflows. Gross' new fund, Janus Global Unconstrained Bond JUCAX, attracted \$1.3 billion in assets during the past three months. However, a recent [article from *The Wall Street Journal*](#) suggested that most of that money may have come from Gross himself.

Exhibit 3. Janus Firm-Level Monthly Fund Flows



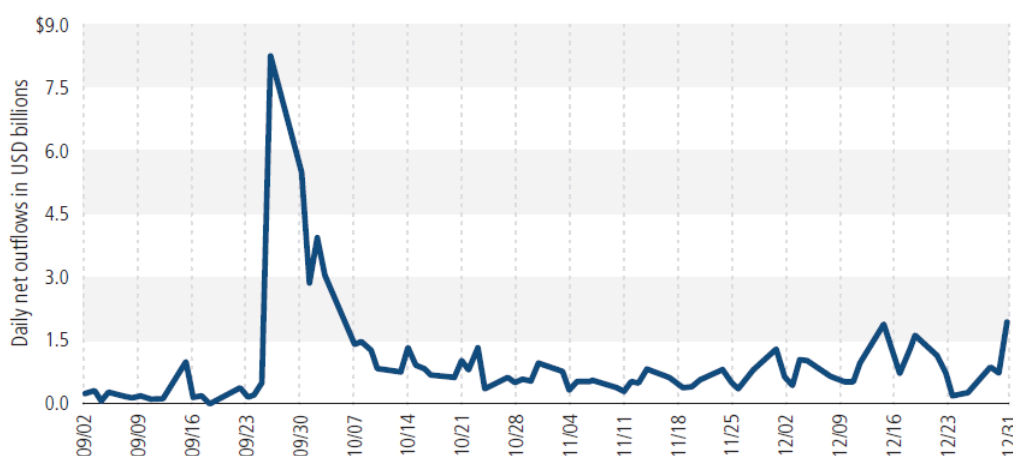
Source: Morningstar Direct Asset Flows

PIMCO’s Outflows High Once Again

As reported in PIMCO’s [press release](#), PIMCO Total Return outflows have remained slower than the peak rate in late September and early October (Gross’ departure occurred on Sept. 26). However, outflows are still occurring, and, what’s even more worrisome, they increased in magnitude again in December.

Exhibit 4. PIMCO Total Return Daily Flows

Flows from Total Return Fund peaked on September 26th and have slowed sharply since



NOTE: the chart is being provided on a limited-time basis to illustrate the substantially reduced pace of outflows from the Total Return Fund.

Flows (\$ bil)	September	October	November	December	Total
PIMCO Total Return	(17.9)	(32.3)	(9.7)	(18.1)	(78.0)
PIMCO	(26.4)	(49.4)	(12.8)	(27.3)	(115.9)

PIMCO lost \$150 billion in 2014—a 29% decrease in assets. Outflows from PIMCO Total Return alone amounted to \$78 billion in the space of only four months.

In addition to PIMCO Total Return, one more PIMCO fund ended up in the bottom-flowing five in December: PIMCO Fundamental Advantage Absolute Return Strategy PFATX. Although a much smaller fund than PIMCO Total Return, the outflow it suffered was substantial for its size.

Neutral-rated MainStay Marketfield MFLDX can be found among the bottom-flowing five funds for the third consecutive month, as it continued to display poor performance relative to its category—long-short equity—in the alternative universe.

Bottom-Flowing Active and Passive Funds

Estimated Net Flows \$Mil	Dec 2014	1 Year	Assets Dec 2014 \$Mil	Assets Dec 2013 \$Mil
Active Funds				
PIMCO Total Return	(18,114)	(102,914)	143,358	237,264
MainStay Marketfield	(2,566)	(7,838)	9,140	19,341
Templeton Global Bond	(1,569)	(1,682)	69,138	71,022
PIMCO Fundamental Advtg Abs Ret Strat	(1,514)	(689)	2,456	3,147
JPMorgan Strategic Income Opps	(1,499)	(194)	24,050	24,283
Passive Funds				
PowerShares QQQ	(3,637)	(11,431)	40,449	45,338
iShares Short Treasury Bond	(2,458)	298	3,109	2,811
iShares MSCI Emerging Markets	(2,168)	(5,341)	32,188	40,123
SEI S&P 500 Index (SIMT)	(846)	(2,276)	797	2,739
iShares MSCI Japan	(801)	1,441	14,533	13,986

Top-Flowing Active and Passive Funds

Estimated Net Flows \$Mil	Dec 2014	1 Year	Assets Dec 2014 \$Mil	Assets Dec 2013 \$Mil
Active Funds				
Metropolitan West Total Return Bond	7,194	24,331	51,171	25,267
Dodge & Cox Income	2,382	13,239	39,128	24,654
JPMorgan Global Research Enh Index	1,961	3,398	5,451	1,993
PIMCO Worldwide L/S Fdmtl Strat	1,656	1,656	1,656	
Prudential Total Return Bond	1,588	3,455	6,335	2,699
Passive Funds				
SPDR S&P 500 ETF	17,193	21,899	215,908	174,850
Vanguard Total Intl Stock Index	4,708	27,194	134,442	113,539
Vanguard Total Bond Market Index	4,056	22,705	136,673	108,115
Vanguard Total Stock Market Index	3,557	35,866	383,003	307,332
Consumer Discret Sel Sector SPDR	2,540	1,809	9,647	7,563

On the active side, Gold-rated Metropolitan West Total Return Bond MWTIX and Gold-rated Dodge & Cox Income DODIX attracted the largest amounts of fixed-income investor money for the third month in a row. On the passive side, SPDR S&P 500 ETF and three Vanguard funds attracted the strongest inflows in December.

Note: The figures in this report were compiled on Jan. 13, 2014, and reflect only the funds that had reported net assets by that date. The figures in both the commentary and the extended tables are survivorship-bias-free.

Also note that this report includes both mutual funds and exchange-traded funds, while past commentaries excluded ETFs. The decision to include ETFs and to split some of the data tables into active and passive groups was based on the fact that ETFs now account for a significant share of assets and flows. In addition, a large share of the flows to mutual funds during the past several years have gone to passive investments, often within retirement savings accounts. These flows may not be completely representative of incremental investment decisions.

Important methodology note: Morningstar computes flows using the approach that is standard in the industry: Estimated net flow is the change in assets not explained by the performance of the fund. Our method assumes that flows occur uniformly over the course of the month. Adjustments for mergers are performed automatically. When liquidated funds are included, the final assets of the fund are counted as outflows. Reinvested dividends are not counted as inflows. We use fund-level reinvestment rates to improve accuracy in this respect. We make ad hoc adjustments for unusual corporate actions such as reverse share splits, and we overwrite our estimates with actual flows if managers are willing to provide the data to us. Please click [here](#) for a full explanation of our methodology.



22 West Washington Street
Chicago, IL 60602 USA

© Morningstar 2014. All Rights Reserved. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869.

Fund Flows

Monthly Market Summary: US Open-end & ETF ex MM ex FoF Including merged and liquidated funds

Effective Date
12-31-2014

Morningstar Categories Ranked by Current TNA (\$Mil)

Rank	Name	Estimated Net Flow (\$mil)				Total Net Assets (\$bil)			Total Return		
		1-Mo	QTD	YTD	1-Yr	12-2014	Mkt Sh %	12-2013	Mkt Sh %	1-Mo	YTD
1	Large Blend	28,157	63,168	105,470	105,470	2,178	15.68	1,885	14.60	(0.34)	22.75
2	Large Growth	(3,000)	(6,035)	(41,156)	(41,156)	1,351	9.73	1,267	9.82	(1.67)	24.09
3	Intermediate-Term Bond	12,645	15,484	33,667	33,667	1,050	7.56	976	7.56	(0.18)	10.86
4	Large Value	2,439	7,975	18,538	18,538	1,005	7.23	909	7.04	(0.07)	22.74
5	Foreign Large Blend	9,272	22,585	92,810	92,810	704	5.07	668	5.17	(6.68)	(8.48)
6	Moderate Allocation	1,185	3,716	12,584	12,584	571	4.11	515	3.99	(1.84)	9.17
7	World Stock	2,666	2,659	12,828	12,828	403	2.90	384	2.97	(4.13)	5.45
8	Diversified Emerging Mkts	(4,721)	(4,714)	12,253	12,253	388	2.80	388	3.00	(10.22)	(6.82)
9	World Allocation	(1,391)	(3,598)	9,330	9,330	338	2.43	325	2.51	(2.80)	3.26
10	Short-Term Bond	(526)	1,240	16,849	16,849	323	2.32	305	2.36	(0.63)	2.33
11	High Yield Bond	(9,349)	(2,192)	(15,838)	(15,838)	301	2.17	318	2.47	(3.17)	1.81
12	Mid-Cap Growth	(682)	(3,685)	(13,691)	(13,691)	298	2.14	302	2.34	(1.44)	13.67
13	Mid-Cap Blend	771	2,831	11,787	11,787	294	2.11	260	2.01	0.69	17.65
14	Small Blend	1,709	3,841	330	330	268	1.93	263	2.04	4.41	9.65
15	Foreign Large Growth	(866)	(3,928)	(5,850)	(5,850)	268	1.93	305	2.36	(6.73)	(6.99)
16	Mid-Cap Value	147	(1,500)	(746)	(746)	243	1.75	234	1.81	1.49	22.51
17	Conservative Allocation	(25)	2,778	17,524	17,524	225	1.62	200	1.55	(2.53)	8.54
18	World Bond	(589)	2,084	13,313	13,313	204	1.47	189	1.46	(2.46)	1.99
19	Small Growth	(1,165)	(2,861)	(11,863)	(11,863)	186	1.34	200	1.55	4.08	4.97
20	Multisector Bond	(478)	1,064	14,737	14,737	179	1.29	159	1.23	0.10	3.63
21	Nontraditional Bond	(2,231)	(2,953)	22,777	22,777	150	1.08	129	1.00	(1.27)	(1.16)
22	Health	2,437	5,826	13,794	13,794	148	1.07	106	0.82	0.13	53.34
23	Muni National Interm	2,166	5,375	16,298	16,298	148	1.06	124	0.96	0.58	14.04
24	Foreign Large Value	(444)	1,320	12,897	12,897	143	1.03	142	1.10	(7.99)	(11.69)
25	Real Estate	1,479	3,563	12,378	12,378	141	1.01	101	0.78	2.74	55.81
26	Small Value	80	25	(445)	(445)	122	0.88	120	0.93	3.96	9.05
27	Bank Loan	(6,952)	(13,676)	(20,677)	(20,677)	122	0.88	144	1.12	(2.24)	1.62
28	Muni National Short	817	1,744	7,590	7,590	117	0.84	108	0.84	(0.36)	2.15
29	Corporate Bond	1,070	2,948	9,566	9,566	111	0.80	94	0.73	(0.35)	13.62
30	Intermediate Government	(433)	91	(4,454)	(4,454)	102	0.73	101	0.79	(0.05)	8.87
31	Inflation-Protected Bond	(40)	(1,213)	(2,494)	(2,494)	97	0.70	98	0.76	(2.53)	4.51
32	Muni National Long	476	919	(823)	(823)	84	0.61	77	0.60	1.84	25.12
33	Ultrashort Bond	(599)	1,153	7,586	7,586	84	0.60	76	0.59	(0.23)	0.81
34	Technology	952	1,384	4,107	4,107	78	0.56	66	0.51	(1.04)	26.77
35	Emerging Markets Bond	(2,375)	(3,768)	(2,941)	(2,941)	75	0.54	79	0.62	(7.34)	(0.89)

Fund Flows

Monthly Market Summary: US Open-end & ETF ex MM ex FoF Including merged and liquidated funds

Effective Date
12-31-2014

Morningstar Categories Ranked by Current TNA (\$Mil)

Rank	Name	Estimated Net Flow (\$mil)				Total Net Assets (\$bil)				Total Return	
		1-Mo	QTD	YTD	1-Yr	12-2014	Mkt Sh %	12-2013	Mkt Sh %	1-Mo	YTD
36	High Yield Muni	845	2,093	9,426	9,426	74	0.53	57	0.44	1.56	28.99
37	Long/Short Equity	(288)	(3,341)	6,416	6,416	55	0.40	50	0.39	(0.63)	5.14
38	Europe Stock	894	(2,130)	7,128	7,128	52	0.37	51	0.39	(7.43)	(12.20)
39	Global Real Estate	202	594	3,225	3,225	49	0.35	42	0.33	(1.46)	20.55
40	Energy Limited Partnership	446	2,899	16,145	16,145	49	0.35	33	0.25	(8.65)	11.91
41	Financial	3,897	3,369	3,707	3,707	45	0.33	38	0.30	1.44	12.33
42	Short Government	(3,016)	597	(156)	(156)	44	0.32	44	0.34	(0.39)	1.51
43	Equity Energy	3,158	4,209	7,090	7,090	42	0.31	42	0.33	(6.47)	(35.07)
44	Natural Resources	(915)	(3,881)	(5,296)	(5,296)	42	0.31	53	0.41	(4.73)	(20.47)
45	Commodities Precious Metals	(675)	(2,762)	(3,187)	(3,187)	42	0.30	47	0.36	0.91	(12.78)
46	Multialternative	1,717	3,005	10,179	10,179	40	0.29	30	0.23	(0.39)	3.65
47	Utilities	2,506	3,728	6,150	6,150	40	0.28	29	0.22	1.85	37.42
48	Commodities Broad Basket	(1,504)	(1,386)	(1,428)	(1,428)	39	0.28	51	0.39	(16.60)	(40.64)
49	Muni California Long	128	366	468	468	38	0.27	34	0.26	1.46	24.30
50	Miscellaneous Region	(1,518)	(3,917)	633	633	36	0.26	40	0.31	(10.06)	(15.72)
51	Tactical Allocation	(38)	(609)	1,166	1,166	34	0.25	33	0.25	(1.54)	4.50
52	Aggressive Allocation	462	498	1,808	1,808	34	0.24	30	0.23	(4.10)	9.25
53	Japan Stock	(302)	2,480	2,518	2,518	32	0.23	31	0.24	(2.06)	(3.55)
54	Foreign Small/Mid Growth	(345)	(968)	465	465	32	0.23	34	0.27	(1.61)	(5.40)
55	Market Neutral	(2,832)	(3,757)	626	626	31	0.22	30	0.23	(0.25)	(0.88)
56	Pacific/Asia ex-Japan Stk	(113)	388	(357)	(357)	29	0.21	28	0.22	(5.25)	7.81
57	Preferred Stock	227	2,144	4,818	4,818	28	0.20	22	0.17	(0.43)	22.57
58	Foreign Small/Mid Blend	(125)	101	4,017	4,017	25	0.18	22	0.17	(3.27)	(10.52)
59	Long Government	855	2,206	9,194	9,194	24	0.17	12	0.09	4.60	46.16
60	Muni New York Long	(6)	(81)	(797)	(797)	24	0.17	23	0.17	1.34	22.90
61	Consumer Cyclical	3,995	4,191	1,622	1,622	24	0.17	21	0.16	0.17	12.03
62	Industrials	266	(11)	459	459	23	0.16	21	0.16	0.17	14.89
63	Long-Term Bond	446	(119)	1,724	1,724	22	0.16	17	0.13	2.33	29.81
64	China Region	(242)	122	(37)	(37)	22	0.16	21	0.17	0.42	8.95
65	Muni Single State Long	(42)	(91)	(1,007)	(1,007)	21	0.15	21	0.16	0.60	10.23
66	Convertibles	(214)	(303)	2,697	2,697	21	0.15	18	0.14	(0.43)	16.68
67	Foreign Small/Mid Value	(210)	(285)	2,253	2,253	21	0.15	20	0.16	(3.89)	(12.14)
68	Trading-Leveraged Equity	618	988	(1,493)	(1,493)	20	0.15	20	0.15	(7.12)	21.21
69	Consumer Defensive	541	3,037	4,353	4,353	20	0.15	14	0.11	(2.19)	22.19
70	Equity Precious Metals	(780)	(588)	869	869	17	0.12	19	0.15	0.04	(24.69)

Fund Flows

Monthly Market Summary: US Open-end & ETF ex MM ex FoF Including merged and liquidated funds

Effective Date
12-31-2014

Morningstar Categories Ranked by Current TNA (\$Mil)

Rank	Name	Estimated Net Flow (\$mil)				Total Net Assets (\$bil)				Total Return	
		1-Mo	QTD	YTD	1-Yr	12-2014	Mkt Sh %	12-2013	Mkt Sh %	1-Mo	YTD
71	Managed Futures	175	716	2,336	2,336	15	0.11	12	0.09	2.26	12.52
72	Muni California Intermediate	244	619	2,140	2,140	15	0.10	12	0.09	0.99	16.79
73	Diversified Pacific/Asia	(234)	3	(529)	(529)	13	0.09	14	0.11	(4.52)	(2.98)
74	Muni Single State Intern	16	23	(326)	(326)	13	0.09	12	0.10	0.42	6.85
75	Muni Single State Short	13	(170)	(262)	(262)	11	0.08	11	0.08	0.06	3.45
76	Multicurrency	(421)	(244)	(631)	(631)	11	0.08	12	0.09	(1.30)	(2.76)
77	Muni Pennsylvania	(11)	(48)	(326)	(326)	9	0.07	9	0.07	0.62	10.14
78	India Equity	287	1,024	3,082	3,082	8	0.06	4	0.03	(6.23)	78.89
79	Trading-Inverse Equity	(555)	(1,436)	2,066	2,066	7	0.05	8	0.06	7.38	(33.87)
80	Latin America Stock	(681)	(812)	(113)	(113)	7	0.05	9	0.07	(18.42)	(29.20)
81	Muni New Jersey	(23)	(47)	(294)	(294)	7	0.05	7	0.05	0.65	10.11
82	Muni Massachusetts	35	61	32	32	7	0.05	6	0.05	0.59	9.21
83	Target Date 2016-2020	(177)	(139)	64	64	7	0.05	6	0.05	(1.42)	7.59
84	Target Date 2026-2030	(175)	(87)	249	249	7	0.05	6	0.05	(0.72)	14.40
85	Communications	2	(11)	(109)	(109)	6	0.05	6	0.05	(6.55)	1.86
86	Trading-Inverse Debt	(616)	(1,192)	363	363	6	0.04	9	0.07	(3.75)	(39.07)
87	Miscellaneous Sector	63	(18)	712	712	5	0.04	5	0.04	(4.95)	(2.97)
88	Muni New York Intermediate	12	47	(22)	(22)	5	0.04	5	0.04	1.01	14.88
89	Target Date 2036-2040	(153)	(86)	151	151	5	0.03	4	0.03	(1.77)	12.42
90	Muni Ohio	14	12	(155)	(155)	5	0.03	5	0.03	0.63	8.76
91	Bear Market	(656)	(1,286)	(1,660)	(1,660)	5	0.03	7	0.06	1.10	(29.18)
92	Muni Minnesota	24	44	3	3	4	0.03	4	0.03	0.57	8.58
93	Volatility	(369)	138	1,239	1,239	4	0.03	2	0.02	11.92	(23.35)
94	Target Date 2021-2025	21	77	276	276	3	0.02	3	0.02	(3.26)	8.65
95	Commodities Energy	1,140	1,830	1,431	1,431	3	0.02	3	0.02	(19.12)	(37.09)
96	Retirement Income	(90)	(78)	(97)	(97)	3	0.02	3	0.02	(0.98)	5.56
97	Target Date 2046-2050	(6)	54	242	242	2	0.01	2	0.01	(4.07)	8.92
98	Target Date 2031-2035	18	73	289	289	2	0.01	2	0.01	(3.72)	8.85
99	Commodities Agriculture	(121)	(144)	(243)	(243)	2	0.01	2	0.02	(2.47)	(4.20)
100	Trading-Leveraged Commodities	836	1,610	1,811	1,811	2	0.01	1	0.01	(19.44)	(64.12)
101	Trading-Miscellaneous	2	106	123	123	2	0.01	1	0.01	(1.27)	(2.97)
102	Single Currency	(114)	(167)	(1,011)	(1,011)	1	0.01	2	0.02	(1.98)	(6.85)
103	Target Date 2041-2045	11	55	200	200	1	0.01	1	0.01	(4.03)	8.87
104	Target Date 2011-2015	(9)	(17)	(57)	(57)	1	0.01	1	0.01	(2.71)	7.99
105	Trading-Inverse Commodities	(55)	(428)	(610)	(610)	1	0.01	1	0.01	23.10	53.86

Fund Flows

Monthly Market Summary: US Open-end & ETF ex MM ex FoF Including merged and liquidated funds

Effective Date
12-31-2014

Morningstar Categories Ranked by Current TNA (\$Mil)

Rank Name	Estimated Net Flow (\$mil)				Total Net Assets (\$bil)				Total Return	
	1-Mo	QTD	YTD	1-Yr	12-2014	Mkt Sh %	12-2013	Mkt Sh %	1-Mo	YTD
106 Trading-Leveraged Debt	20	254	501	501	1	0.01	0	0.00	5.57	68.68
107 Target Date 2000-2010	(11)	(27)	(136)	(136)	1	0.01	1	0.01	0.52	5.46
108 Commodities Industrial Metals	(39)	(107)	(36)	(36)	0	0.00	0	0.00	(4.73)	(8.72)
109 Target Date 2051 +	13	38	113	113	0	0.00	0	0.00	0.67	16.76
110 Commodities Miscellaneous	0	0	0	0	0	0.00	0	0.00	2.64	49.88
Top 10	46,726	102,481	273,173	273,173	8,311	59.83	7,620	59.03	—	—
All	39,067	116,676	464,242	464,242	13,891	100.00	12,910	100.00	—	—

Top Fund Families Ranked by Current TNA (\$Mil)

Rank Name	Estimated Net Flow (\$mil)				Assets Under Management (\$bil)			
	1-Mo	QTD	YTD	1-Yr	12-2014	Mkt Sh %	12-2013	Mkt Sh %
1 Vanguard	29,454	75,083	219,032	219,032	2,674	19.25	2,266	17.55
2 Fidelity Investments	3,487	5,429	(3,337)	(3,337)	1,249	8.99	1,163	9.01
3 American Funds	(400)	201	345	345	1,167	8.40	1,102	8.54
4 iShares	10,191	39,389	80,826	80,826	756	5.45	660	5.11
5 T. Rowe Price	(372)	(411)	11,166	11,166	458	3.30	417	3.23
6 SPDR State Street Global Advisors	25,816	37,672	34,434	34,434	455	3.28	392	3.03
7 Franklin Templeton Investments	(2,380)	(2,781)	657	657	444	3.20	431	3.34
8 PIMCO	(27,339)	(89,540)	(150,436)	(150,436)	390	2.81	529	4.10
9 JPMorgan	4,735	6,960	27,696	27,696	263	1.90	225	1.75
10 Dimensional Fund Advisors	1,502	6,277	27,706	27,706	250	1.80	217	1.68
11 BlackRock	1,393	9,318	18,826	18,826	223	1.60	197	1.53
12 OppenheimerFunds	(954)	(2,559)	1,785	1,785	197	1.42	193	1.49
13 Dodge & Cox	3,478	11,740	25,755	25,755	185	1.33	151	1.17
14 MFS	551	1,899	12,079	12,079	172	1.23	152	1.18
15 Columbia	(737)	(2,333)	(10,101)	(10,101)	161	1.16	165	1.28
16 Invesco	(557)	(647)	(1,330)	(1,330)	149	1.07	141	1.09
17 Advanced Series Trust	(466)	(1,279)	(3,377)	(3,377)	124	0.89	123	0.95
18 John Hancock	980	2,071	9,667	9,667	117	0.84	103	0.80
19 Wells Fargo Advantage	456	374	2,463	2,463	115	0.83	109	0.84
20 Principal Funds	(1,565)	(528)	4,284	4,284	111	0.80	100	0.78
21 Lord Abbett	(2,091)	(934)	(189)	(189)	107	0.77	104	0.80
22 Janus	440	2,247	(3,230)	(3,230)	105	0.76	101	0.79
23 Goldman Sachs	(1,326)	(780)	14,744	14,744	102	0.73	85	0.65
24 American Century Investments	(333)	(94)	(3,968)	(3,968)	101	0.73	97	0.75
25 Hartford Mutual Funds	(249)	(908)	(4,934)	(4,934)	93	0.67	93	0.72

Fund Flows

Monthly Market Summary: US Open-end & ETF ex MM ex FoF Including merged and liquidated funds

Effective Date
12-31-2014

Top Fund Families Ranked by Current TNA (\$Mil)

Rank	Name	Estimated Net Flow (\$mil)				Assets Under Management (\$bil)			
		1-Mo	QTD	YTD	1-Yr	12-2014	Mkt Sh %	12-2013	Mkt Sh %
26	Voya	(379)	(2,120)	(6,964)	(6,964)	91	0.65	91	0.71
27	Legg Mason	2,401	4,926	8,203	8,203	89	0.64	75	0.58
28	PowerShares	(3,294)	(2,270)	(6,779)	(6,779)	89	0.64	87	0.68
29	SEI	608	815	3,765	3,765	84	0.60	75	0.58
30	Oakmark	(1,273)	(1,321)	7,840	7,840	82	0.59	73	0.56
31	TIAA-CREF Mutual Funds	380	2,108	7,389	7,389	82	0.59	70	0.54
32	Harbor	(831)	(2,338)	(2,038)	(2,038)	81	0.58	84	0.65
33	Putnam	40	557	5,934	5,934	76	0.55	66	0.51
34	MainStay	(3,727)	(6,849)	(6,591)	(6,591)	75	0.54	81	0.62
35	GMO	(711)	(438)	2,905	2,905	74	0.53	73	0.57
36	First Eagle	(429)	(941)	2,292	2,292	74	0.53	71	0.55
37	Prudential Investments	1,372	2,141	4,417	4,417	73	0.53	66	0.51
38	Eaton Vance	(1,315)	(2,963)	(7,975)	(7,975)	72	0.52	78	0.60
39	Ivy Funds	(1,747)	(4,256)	(2,943)	(2,943)	66	0.48	71	0.55
40	Federated	(335)	767	3,491	3,491	63	0.45	57	0.44
41	Dreyfus	(676)	(1,075)	(1,336)	(1,336)	62	0.45	61	0.47
42	Nuveen	796	1,764	5,607	5,607	61	0.44	51	0.39
43	AllianceBernstein	534	987	4,473	4,473	60	0.43	55	0.42
44	Metropolitan West Funds	7,387	18,206	25,528	25,528	60	0.43	33	0.25
45	Natixis Funds	571	2,554	7,419	7,419	59	0.42	50	0.38
46	USAA	155	664	2,153	2,153	56	0.40	51	0.39
47	Thornburg	(557)	(2,002)	(9,505)	(9,505)	53	0.38	64	0.50
48	Northern Funds	(499)	238	1,128	1,128	50	0.36	49	0.38
49	Deutsche Asset & Wealth Mngt	(291)	(168)	(924)	(924)	49	0.36	47	0.37
50	DoubleLine	2,065	5,795	10,140	10,140	48	0.34	35	0.27
Top 10		44,694	78,278	248,090	248,090	8,107	58.36	7,402	57.33
Top 50		43,961	110,646	368,193	368,193	11,895	85.63	10,928	84.65
Other		(4,894)	6,669	92,162	92,162	1,996	14.37	1,860	14.41
All		39,067	117,315	460,355	460,355	13,891	100.00	12,788	99.06

Fund Flows

Monthly Market Summary: US Open-end & ETF ex MM ex FoF Including merged and liquidated funds

Effective Date
12-31-2014

Asset Classes

Name	Estimated Net Flow (\$mil)				Assets Under Management (\$bil)				
	1-Mo	QTD	YTD	1-Yr	12-2014	Mkt Sh %	12-2013	Mkt Sh %	
US Equity	28,456	63,759	68,225	68,225	5,945	42.79	5,440	42.14	
Sector Equity	18,247	28,291	69,207	69,207	729	5.25	595	4.61	
International Equity	3,319	13,927	143,997	143,997	2,181	15.70	2,160	16.73	
Allocation	(580)	2,346	46,401	46,401	1,255	9.03	1,150	8.91	
Taxable Bond	(11,346)	5,088	87,672	87,672	2,915	20.99	2,763	21.40	
Municipal Bond	4,707	10,865	31,947	31,947	581	4.18	513	3.97	
Alternative	(2,537)	(5,032)	20,256	20,256	199	1.43	186	1.44	
Commodities	(1,200)	(2,568)	(3,464)	(3,464)	86	0.62	103	0.80	
All Long Term	39,067	116,676	464,242	464,242	13,891	100.00	12,910	100.00	

Morningstar Ratings

Name	Estimated Net Flow (\$mil)				Total Net Assets (\$bil)				
	1-Mo	QTD	YTD	1-Yr	12-2014	Mkt Sh %	12-2013	Mkt Sh %	
★★★★★	22,897	70,370	222,303	222,303	1,918	13.80	1,602	12.41	
★★★★	17,559	50,592	225,633	225,633	5,954	42.87	5,367	41.57	
★★★	(3,057)	(9,700)	(610)	(610)	4,294	30.91	4,132	32.01	
★★	(5,532)	(17,314)	(64,236)	(64,236)	967	6.96	1,016	7.87	
★	(6,504)	(7,988)	(12,470)	(12,470)	185	1.33	204	1.58	
Not Rated	13,704	30,716	93,622	93,622	573	4.12	589	4.56	
Total	39,067	116,676	464,242	464,242	13,891	100.00	12,910	100.00	