**Newsletter September 2019**

The latest [Morningstar US Fund Flow report](https://www.morningstar.com/lp/fund-flows-direct?con=18776%E2%80%8B%E2%80%8B%E2%80%8B%E2%80%8B%E2%80%8B%E2%80%8B%E2%80%8B&cid=RED_RES0002) highlighted:

* For the entire $19.2trn US fund industry (mutual fund plus ETF but excluding money market) passive now represents 40% of the total and growing. For net flows across all sectors over the year to end August 2019, passive exceeded active by $750bn.
* In the largest sector - the $8.5trn US equity sector - the key milestone of passive assets exceeding active assets was achieved at end August 2019.
	+ Over the last ten years, $1.3trn outflows from active funds and nearly $1.4trn inflows to passive funds.

The [Investment Association (IA) in the UK](https://www.theia.org/industry-policy/research) released its annual review document in September. This reviews the total assets managed by IA members (not just the mutual fund/unit trust space).

* The total European asset management industry manages an estimated €24trn (around £21.5trn). UK IA members represents 37% of this total.
* Total assets managed by IA members £7.7trn (the total UK industry manages an estimated £9.1trn).
	+ 26% of total assets managed on a passive basis up from 16% a decade ago. The trend to passive has been steady but at a slower pace than the US.
	+ In the fund space, about 20% of both equity and bond funds are indexed (trackers). This excludes ETF data so it understates the passive market share in the combined unit trust & ETF space. It is difficult to estimate by how much but the IA indicates that ETFs will be incorporated in future reports.

**Offshore Managed Accounts**

Please contact admin@stylo-investments.com for the information sheets on our standard model portfolio structures.

We can also build bespoke portfolios.

**Onshore (local) Structure**

Also keep in mind our onshore global (asset swap) fund of funds. See fact sheets [here](https://stylo-investments-dot-yamm-track.appspot.com/Redirect?ukey=1kxOJ13KHi_hwydl7WHA7AF51wDNyVth8RxE0rbjEzgA-1415436251&key=YAMMID-25237517&link=https%3A%2F%2Fwww.styloinvestments.com%2Fstylo-unit-trusts%2Ffact-sheets%2F).

**Global Equity Returns Ranked by Region**

FYI, see this [table](https://stylo-investments-dot-yamm-track.appspot.com/Redirect?ukey=1kxOJ13KHi_hwydl7WHA7AF51wDNyVth8RxE0rbjEzgA-1415436251&key=YAMMID-25237517&link=https%3A%2F%2Fwww.styloinvestments.com%2Fglobal-equity-returns%2F) on our website. It shows the Global Equity Returns in $ (and in ZAR) Ranked by Major World Region for different investment periods. Returns for periods longer than 1YR are annualised. The table will update daily.

**About Stylo**

Stylo Investments, a specialist ETF/index manager, is a member of the listed [Anchor Capital Group](https://stylo-investments-dot-yamm-track.appspot.com/Redirect?ukey=1kxOJ13KHi_hwydl7WHA7AF51wDNyVth8RxE0rbjEzgA-1415436251&key=YAMMID-25237517&link=https%3A%2F%2Fanchorcapital.co.za%2F).

We build and manage global portfolios for retirement funds, collective investment schemes, institutions and high net-worth individuals.