

## Recent trends in the Investment Fund's Industry

### A. European Investment Funds' Market

The combined assets of the Investment Fund market in Europe, i.e. the market for UCITS Funds and AIF, increased by 1.8 percent in May 2016 to stand at EUR 13,519.4 billion<sup>1</sup> at month end. This represents a 1.5 percent decrease since the beginning of the year.

At the end of the month, total net assets of UCITS Funds stood at EUR 8,290.2 billion, representing a 1.9 percent increase since end April 2016 and 1.0 percent more than at the end of 2015. Total net assets of AIF enjoyed an increase of 1.6 percent in May 2016 to stand at EUR 5,229.2 billion at month end. Since the beginning of the year, the assets of these Funds increased by 2.2 percent.

In May 2016, European Investment Funds recorded positive net sales of EUR 52.0 billion. UCITS Funds experienced net inflows of EUR 41.1 billion while AIF registered net inflows of EUR 10.9 billion.

In 2016, there has been a net inflow to European Investment Funds amounting to EUR 151.8 billion (net sales of EUR 76.9 billion related to UCITS and net inflows of EUR 74.9 billion to AIF).

	Total Net Assets (May 2016)		Total Net Assets (December 2015)		Growth 2016 (%)	Total Net Sales (EUR billion)	
	EUR billion	% Total	EUR billion	% Total		May 2016	Total 2016
Luxembourg	3,488.0	25.8%	3,506.2	26.3%	-0.5%	4.6	13.8
Ireland	1,918.5	14.2%	1,898.8	14.3%	1.0%	29.1	31.3
Germany	1,792.8	13.3%	1,729.2	13.0%	3.7%	8.0	45.0
France	1,713.8	12.7%	1,682.8	12.6%	1.8%	-0.8	36.9
UK	1,470.2	10.9%	1,479.7	11.1%	-0.6%	1.1	-0.8
Italy	278.9	2.1%	280.7	2.1%	-0.6%	0.7	0.1
Spain	253.6	1.9%	254.4	1.9%	-0.3%	1.3	1.5
Portugal	20.8	0.2%	22.6	0.2%	-7.9%	-0.1	-0.6
Greece	7.0	0.1%	7.0	0.1%	-0.2%	0.0	-0.2
<b>TOTAL</b>	<b>13,519.4</b>	<b>100.0%</b>	<b>13,320.0</b>	<b>100.0%</b>	<b>1.5%</b>	<b>52.0</b>	<b>151.8</b>

Luxembourgish Funds hold the largest share of European Investment Funds' industry, with total net assets standing at EUR 3,488.0 billion, which represents 25.8 percent of the total.

Ireland and Germany recorded the highest net sales, in May 2016, with EUR 29.1 billion and EUR 8.0 billion, respectively. On the opposite, France and Portugal stand out with net outflows in May amounting to EUR 0.8 billion and to EUR 0.1 billion, respectively.

<sup>1</sup> Source: The last information disclosed by EFAMA refers to the end of May 2016. Includes UCITS and AIF (including Real Estate Funds).

## B. Portuguese Mutual Funds' Market – July 2016<sup>2</sup>

On July 31, 2016, total net assets of Portuguese Mutual Funds stood at EUR 10,795.0 million, which reflects a increase of 0.1 percent when compared with the previous month. Since end December 2015, total net assets fell by 9.6 percent. During the last 12 months, total net assets fell, also, by 5.5 percent.

In July 2016, Portuguese Mutual Funds recorded subscriptions of EUR 286.2 million, while redemptions amounted to EUR 381.9 million. There was also an outflow of € 6.7 million that derived from the liquidation of the Fund “Fundo de Gestão Passiva – F.I.A.”. Therefore, there was a total outflow of EUR 388.6 million, which resulted in monthly net redemptions of EUR 102.4 million. Total net sales registered in 2016 are, also, negative, reaching a total of EUR 1 132.9 million.

During the month there was no new Fund's launch and, as mentioned above, the Fund “Fundo de Gestão Passiva – F.I.A.”. was liquidated. Taking into account the mentioned liquidation process, since March 2016, the amounts managed by this Fund are not considered. Therefore, the number of active Mutual Funds, included in this publication, remained stable at 181.

	July 2016	June 2016	December 2015	July 2015
Total Net Assets (EUR million)	10,795.0	10,788.3	11,937.6	11,422.9
Change (%)*	-	0.1%	-9.6%	-5.5%
Number of Funds	181	181	190	192

\* - Change between July 2016 and the month in question.

	July 2016	Since December 2015	Since July 2015
Subscriptions (EUR million)*	286.2	2,454.2	5,329.0
Outflow (EUR million)*	388.6	3,587.1	5,735.3
Redemptions (EUR million)	381.9	3,507.2	5,610.6
Funds' Liquidation (EUR million)	6.7	79.9	124.7
Cross-border mergers (EUR million)	-	-	0.0
Regulatory Changes (EUR million)	-	-	0.0
Net Sales (EUR million)*	-102.4	-1,132.9	-406.3

\* - In July 2016 the values of subscriptions and redemptions of the Funds managed by LYNX Asset Managers were not included since they are not available yet.

<sup>2</sup> The data presented does not include information of the Fund EuroBox which was liquidated in April 2016. Additionally, since March 2016, the figures do not include information about “Fundo de Gestão Passiva”, which was liquidated in July 2016.

## Management Companies

In July 2016, Caixagest was the Management Company with the largest market share, with total net assets standing at EUR 3,629.9 million, which represents 33.6 percent of the total. BPI Gestão de Activos ranks second, with total net assets of EUR 2,878.3 million and a market share of 26.7 percent and IM Gestão de Ativos ranks third, with EUR 1,584.1 million of assets under management and a market share of 14.7 percent.

Invest Gestão de Activos was the Management Company that registered the highest percentage growth, with a 5.0 percent increase over the previous month (EUR 0.7 million). The largest growth in total net assets belonged to BPI Gestão de Activos that increased EUR 51.8 million (1.8 percent).

Since end December 2015, Optimize Investment Partners is the Management Company registering the highest percentage growth with 15.0 percent (EUR 11.2 million), while BPI Gestão de Activos is the Management Company with the largest increase in total net assets, with EUR 86.8 million (3.1 percent).

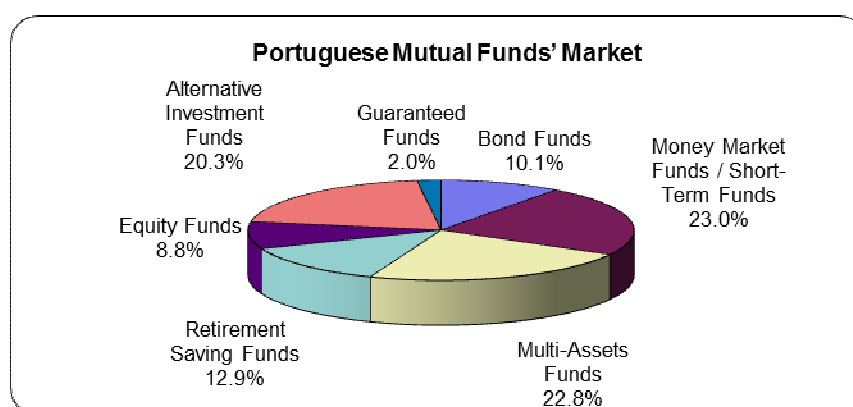
Management Company	July 2016		June 2016		December 2015		Monthly Change (%)	Change Year-to-date (%)
	Million €	Share	Million €	Share	Million €	Share		
Caixagest	3,629.9	33.6%	3,697.6	34.3%	4,185.9	35.1%	-1.8%	-13.3%
BPI Gestão de Activos	2,878.3	26.7%	2,826.5	26.2%	2,791.5	23.4%	1.8%	3.1%
IM Gestão de Ativos	1,584.1	14.7%	1,586.6	14.7%	1,636.0	13.7%	-0.2%	-3.2%
Santander Asset Management	1,433.4	13.3%	1,425.8	13.2%	1,573.7	13.2%	0.5%	-8.9%
Crédito Agrícola Gest	348.2	3.2%	334.3	3.1%	382.1	3.2%	4.2%	-8.9%
GNB - SGFIM	287.3	2.7%	293.1	2.7%	356.7	3.0%	-2.0%	-19.5%
Montepio Gestão de Activos	182.3	1.7%	182.5	1.7%	219.0	1.8%	-0.1%	-16.7%
Popular Gestão de Activos	145.3	1.3%	138.7	1.3%	158.6	1.3%	4.7%	-8.4%
Optimize Investment Partners	86.1	0.8%	83.1	0.8%	74.9	0.6%	3.6%	15.0%
Banif Gestão de Activos	56.8	0.5%	57.0	0.5%	373.3	3.1%	-0.4%	-84.8%
Dunas Capital - Gestão de Activos	48.7	0.5%	48.9	0.5%	61.3	0.5%	-0.6%	-20.6%
LYNX Asset Managers	41.5	0.4%	41.9	0.4%	50.4	0.4%	-1.0%	-17.7%
Barclays Wealth Managers Portugal	30.0	0.3%	29.9	0.3%	30.9	0.3%	0.5%	-3.0%
MCO2	20.1	0.2%	20.2	0.2%	21.0	0.2%	-0.4%	-4.3%
Invest Gestão de Activos	15.2	0.1%	14.4	0.1%	13.8	0.1%	5.0%	9.7%
Patris Gestão de Activos	8.1	0.1%	8.0	0.1%	8.5	0.1%	1.2%	-4.5%
Total	10,795.0	-	10,788.3	-	11,937.6	-	0.1%	-9.6%

BPI Gestão de Activos was the Management Company that recorded the highest net sales in July 2016, with EUR 29.6 million, followed by Crédito Agrícola Gest, with EUR 11.8 million, and by Popular Gestão de Activos, with EUR 3.0 million.

Since end December 2015, BPI Gestão de Activos is, also, the Management Company with the largest inflows, with total net sales amounting to EUR 92.2 million, followed by Optimize Investment Partners, with EUR 10.2 million, and by Invest Gestão de Activos, with EUR 1.4 million.

Management Company	Net Sales in July 2016 (EUR Million)	Net Sales since the beginning of the year (EUR Million)
BPI Gestão de Activos	29.6	92.2
Crédito Agrícola Gest	11.8	-37.1
Popular Gestão de Activos	3.0	-11.8
Optimize Investment Partners	0.9	10.2
Invest Gestão de Activos	0.1	1.4
LYNX Asset Managers	n.a.	-6.1
Patris Gestão de Activos	0.0	0.0
Barclays Wealth Managers Portugal	-0.2	-1.8
Dunas Capital - Gestão de Activos	-0.6	-13.9
Montepio Gestão de Activos	-3.2	-33.1
Banif Gestão de Activos	-8.4	-308.4
GNB - SGFIM	-9.0	-65.2
Santander Asset Management	-13.6	-127.4
IM Gestão de Ativos	-20.4	-48.5
Caixagest	-92.4	-583.5
<b>Total</b>	<b>-102.4</b>	<b>-1,132.9</b>

## Categories of Funds



Defensive Multi-Assets Funds are the largest category of Funds with the EUR 1,580.1 million of assets under management. Euro Money Market Funds ranks second, with EUR 1,447.7 million, followed by PPR Funds with 1,395.4 million.

Equity Alternative Investment Funds registered the highest percentage growth from the previous month, with 11.1 percent (EUR 0.2 million), while the largest increase in total net assets belonged to Euro Short Term Funds, with EUR 40.6 million (4.1 percent).

Since end December 2015, Equity Alternative Investment Funds is, also, the category that registered the highest relative growth, with a 44.7 percent increase (EUR 0.5 million), while the largest growth in total net assets belonged to Euro Short Term Funds that increased EUR 135.0 million (15.0 percent).

Category of Funds	July 2016		June 2016		December 2015		Monthly Change (%)	Change Year-to-date (%)
	Million €	Share	Million €	Share	Million €	Share		
Defensive Multi-Assets Funds	1,580.1	14.6%	1,578.3	14.6%	1,664.3	13.9%	0.1%	-5.1%
Euro Money Market Funds	1,447.7	13.4%	1,521.0	14.1%	1,773.1	14.9%	-4.8%	-18.4%
PPR Funds	1,395.4	12.9%	1,378.9	12.8%	1,381.1	11.6%	1.2%	1.0%
Euro Short Term Funds	1,033.0	9.6%	992.3	9.2%	897.9	7.5%	4.1%	15.0%
Euro Floating Rate Bond Funds	704.5	6.5%	697.5	6.5%	753.5	6.3%	1.0%	-6.5%
Money Market AIF	561.3	5.2%	569.0	5.3%	696.4	5.8%	-1.4%	-19.4%
Short Term Money Market AIF	560.6	5.2%	555.5	5.1%	558.7	4.7%	0.9%	0.3%
Flexible Funds	529.5	4.9%	533.5	4.9%	593.6	5.0%	-0.7%	-10.8%
Short Term AIF	492.6	4.6%	501.2	4.6%	497.0	4.2%	-1.7%	-0.9%
Other AIF	477.0	4.4%	476.8	4.4%	565.0	4.7%	0.0%	-15.6%
Euro Bond Funds	321.4	3.0%	319.7	3.0%	346.7	2.9%	0.6%	-7.3%
Other International Equity Funds	291.4	2.7%	289.7	2.7%	279.5	2.3%	0.6%	4.3%
Balanced Multi-Assets Funds	270.7	2.5%	267.6	2.5%	299.0	2.5%	1.1%	-9.5%
E.U., Switzerland and Norway Equity Funds	237.8	2.2%	232.0	2.2%	281.9	2.4%	2.5%	-15.7%
Domestic Equity Funds	181.9	1.7%	172.6	1.6%	219.9	1.8%	5.4%	-17.3%
North America Equity Funds	154.1	1.4%	151.8	1.4%	172.5	1.4%	1.5%	-10.7%
Structured Funds	128.9	1.2%	128.1	1.2%	126.2	1.1%	0.6%	2.1%
Guaranteed Funds	85.8	0.8%	85.0	0.8%	158.2	1.3%	0.9%	-45.8%
Aggressive Multi-Assets Funds	79.5	0.7%	77.7	0.7%	88.7	0.7%	2.4%	-10.4%
International Bond Funds	56.5	0.5%	56.2	0.5%	74.2	0.6%	0.5%	-23.9%
Sector Equity Funds	52.9	0.5%	52.0	0.5%	66.4	0.6%	1.7%	-20.3%
Bond AIF	46.8	0.4%	46.5	0.4%	315.7	2.6%	0.6%	-85.2%
Other Funds	42.8	0.4%	42.8	0.4%	49.4	0.4%	0.1%	-13.4%
Absolute Return AIF	28.6	0.3%	28.7	0.3%	31.1	0.3%	0.0%	-8.0%
Flexible AIF	16.6	0.2%	17.0	0.2%	27.0	0.2%	-2.6%	-38.7%
Multi-Assets AIF	9.9	0.1%	9.6	0.1%	11.0	0.1%	2.5%	-10.3%
PPA Funds	6.1	0.1%	5.9	0.1%	8.3	0.1%	3.2%	-27.0%
Equity AIF	1.7	0.0%	1.5	0.0%	1.1	0.0%	11.1%	44.7%
Total	10,795.0	-	10,788.3	-	11,937.6	-	0.1%	-9.6%

Notes: Series adjusted due to the change of some funds' classification.

PPR Funds – Retirement Saving Funds; PPA Funds – Equity Saving Funds; AIF – Alternative Investment Funds.



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Euro Short Term Funds was the category of Funds that attracted most new money in July, registering EUR 39.9 million in net sales. Short Term Money Market Alternative Investment Funds recorded a monthly inflow of EUR 5.0 million and net sales of Euro Floating Rate Bond Funds totaled EUR 3.2 million.

Since December 2015, Euro Short Term Funds were, also, the most demanded by investors, with total net sales of EUR 133.7 million, followed by PPR Funds, with EUR 11.8 million, and by Other International Equity Funds, with EUR 2.3 million.

Category of Funds*	Net Sales in July 2016 (EUR Million)	Net Sales since the beginning of the year (EUR Million)
Euro Short Term Funds	39.9	133.7
Short Term Money Market AIF	5.0	1.8
Euro Floating Rate Bond Funds	3.2	-57.3
PPR Funds	2.2	11.8
Euro Bond Funds	0.2	-29.7
Equity AIF	0.0	-0.1
Structured Funds	0.0	0.0
Multi-Assets AIF	0.0	-2.6
Other AIF	0.0	-103.3
Absolute Return AIF	0.0	-0.4
Guaranteed Funds	0.0	-67.4
Flexible AIF	-0.1	-9.0
PPA Funds	-0.2	-1.3
Sector Equity Funds	-0.5	-5.2
International Bond Funds	-0.6	-19.9
Aggressive Multi-Assets Funds	-1.0	-7.3
Domestic Equity Funds	-1.2	-14.4
Other Funds	-1.3	-9.8
North America Equity Funds	-2.4	-17.7
Balanced Multi-Assets Funds	-3.3	-24.0
E.U., Switzerland and Norway Equity Funds	-4.2	-23.5
Bond AIF	-7.1	-265.0
Money Market AIF	-7.8	-135.4
Other International Equity Funds	-8.6	2.3
Short Term AIF	-8.6	-4.6
Flexible Funds	-9.4	-59.3
Defensive Multi-Assets Funds	-23.3	-98.8
Euro Money Market Funds	-73.4	-326.4
Total	-102.4	-1 132.9

Note: Series adjusted due to the change of some funds' classification.

\* - In July 2016 the values of subscriptions and redemptions of the Funds managed by LYNX Asset Managers were not included since they are not available yet.

## Fund's performance during the 12 month period ending on July 31, 2016<sup>3</sup>

Categories with the largest assets under management on July 31, 2016:

Category of Funds	Assets under management <sup>4</sup>	Average Return <sup>5</sup>	Funds <sup>6</sup>	Management Company	Assets under management <sup>7</sup>	Annuali. Return <sup>8</sup>	Risk Class <sup>9</sup>
Defensive Multi-Assets Funds	1,580.05	-0.76%	Santander Private Defensivo	Santander Asset Management	108.25	0.54%	3
			Santander Select Defensivo	Santander Asset Management	202.48	0.28%	3
Euro Money Market Funds	1,447.72	0.14%	CA Monetário	Crédito Agrícola Gest	142.28	0.25%	1
			Caixagest Liquidez	Caixagest	1,293.18	0.13%	1
PPR Funds	1,395.38	-1.39%	Santander Poupança Prudente FPR	Santander Asset Management	120.97	3.49%	2
			BPI Reforma Segura PPR	BPI Gestão de Activos	473.99	0.79%	2

Categories with the highest average return<sup>5</sup>:

Category of Funds	Assets under management <sup>4</sup>	Average Return <sup>5</sup>	Funds <sup>6</sup>	Management Company	Assets under management <sup>7</sup>	Annuali. Return <sup>8</sup>	Risk Class <sup>9</sup>
Equity AIF	1.66	14.52%	BPI Brasil Valor - F.I.A.	BPI Gestão de Activos	1.66	14.52%	7
Other AIF	477.04	6.78%	Caixagest Infraestruturas - F.I.A.	Caixagest	100.36	15.78%	4
			Caixagest Private Equity - F.I.A.	Caixagest	113.74	6.29%	4
Multi-Assets AIF	9.87	6.43%	Banco BIC Brasil - F.I.A.	Dunas Capital Gestão de Activos	9.87	6.43%	5

Funds with the highest return<sup>8</sup>:

Funds	Category of Funds	Management Company	Assets under management <sup>7</sup>	Annuali. Return <sup>8</sup>	Risk Class <sup>9</sup>
Caixagest Infraestruturas - F.I.A.	Other AIF	Caixagest	100.36	15.78%	4
BPI Brasil Valor - F.I.A.	Equity AIF	BPI Gestão de Activos	1.66	14.52%	7

The yields published represent past data, and do not constitute a guarantee of future returns, since the value of the units may increase or decrease in accordance with the level of risk, which varies between 1 (minimum risk) and 7 (maximum risk).

<sup>3</sup> - Closed-ended Mutual Funds are not considered in this analysis.

<sup>4</sup> - Assets under management by all the Funds of the Category, in EUR million.

<sup>5</sup> - Average return weighted by the total net assets of each Fund in the previous month.

<sup>6</sup> - Funds with the highest return within each category.

<sup>7</sup> - Assets under management by the Fund, in EUR million.

<sup>8</sup> - Annualized Return of the last 12 months.

<sup>9</sup> - Class Risk in the last 12 months (Based on the registered volatilities and in accordance with the following classes: 1 – 0% to 0,5%; 2 – 0,5% to 2%; 3 – 2% to 5%; 4 – 5% to 10%; 5 – 10% to 15%; 6 – 15% to 25% and 7 – Greater than 25%).