

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, rose by 2.5 percent in July 2016 to stand at EUR 13,690.0 billion¹ at month end. This represents a 2.8 percent increase since the beginning of the year.

At the end of the month, total net assets of UCITS Funds stood at EUR 8,344.1 billion, representing a 2.6 percent increase since end June 2016 and 1.7 percent more than at the end of 2015. Total net assets of AIF registered an increase of 2.3 percent in July 2016 to stand at EUR 5,345.5 billion at month end. Since the beginning of the year, the assets of these Funds rose 4.5 percent.

In July 2016, European Investment Funds recorded positive net sales of EUR 65.5 billion. UCITS Funds experienced net inflows of EUR 49.3 billion while Non-UCITS Funds registered net inflows of EUR 16.2 billion.

In 2016, there has been a net inflow to European Investment Funds amounting to EUR 231.5 billion (net sales of EUR 115.9 billion related to UCITS and net inflows of EUR 115.6 billion to AIF).

	Total Net Assets (July 2016)		Total Net Assets (December 2015)		Growth 2016 (%)	Total Net Sales (EUR billion)	
	EUR billion	% Total	EUR billion	% Total		July 2016	Total 2016
Luxembourg	3,565.8	26.0%	3,506.2	26.3%	1.7%	33.7	48.6
Ireland	1,940.5	14.2%	1,898.8	14.3%	2.2%	-3.2	53.1
Germany	1,848.9	13.5%	1,729.2	13.0%	6.9%	6.7	62.0
France	1,727.3	12.6%	1,682.8	12.6%	2.6%	17.6	34.3
UK	1,407.1	10.3%	1,479.7	11.1%	-4.9%	-2.1	-10.2
Italy	282.8	2.1%	280.7	2.1%	0.8%	2.2	2.8
Spain	256.5	1.9%	254.4	1.9%	0.9%	3.0	4.9
Portugal	20.3	0.1%	22.6	0.2%	-9.8%	-0.1	-0.9
Greece	6.8	0.0%	7.0	0.1%	-3.0%	0.0	-0.2
TOTAL	13,690.0	100.0%	13,320.0	100.0%	2.8%	65.5	231.5

Luxembourgish Funds hold the largest share of European Investment Funds' industry, with total net assets standing at EUR 3,565.8 billion, which represents 26.0 percent of the total.

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

Luxembourg and France recorded the highest net sales, in July 2016, with EUR 33.7 billion and EUR 17.6 billion, respectively. On the opposite, Ireland and the United Kingdom stand out with net outflows amounting to EUR 3.2 billion and to EUR 2.1 billion, respectively.

B. Portuguese Mutual Funds' Market – October 2016²

On October 31, 2016, total net assets of Portuguese Mutual Funds stood at EUR 10,959.8 million, which reflects an increase of 1.0 percent when compared with the previous month. Since end December 2015, total net assets fell by 8.2 percent. During the last 12 months, total net assets fell by 3.3 percent.

In October 2016, Portuguese Mutual Funds recorded subscriptions of EUR 416.8 million, while redemptions amounted to EUR 303.6 million, which resulted in a total inflow of EUR 113.2 million. Total net sales registered in 2016 are negative, reaching a total of EUR 970.8 million.

During the month, there was no new Fund's launch or liquidation. Therefore, the number of active Mutual Funds remained stable at 175.

	October 2016	September 2016	December 2015	October 2015
Total Net Assets (EUR million)	10,959.8	10,851.8	11,938.1	11,335.1
Change (%)*	-	1.0%	-8.2%	-3.3%
Number of Funds	175	175	190	187

* - Change between October 2016 and the month in question.

	October 2016	Since December 2015	Since October 2015
Subscriptions (EUR million)*	416.8	3,671.6	5,207.9
Outflow (EUR million)*	303.6	4,642.4	5,522.2
Redemptions (EUR million)	303.6	4,562.4	5,440.8
Funds' Liquidation (EUR million)	-	79.9	81.5
Net Sales (EUR million)*	113.2	-970.8	-314.3

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

² 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 October 2016, Caixagest was the Management Company with the largest market share, with total net assets standing at EUR 3,557.5 million, which represents 32.5 percent of the total. BPI Gestão de Activos ranks second, with total net assets of EUR 3,027.8 million and a market share of 27.6 percent and IM Gestão de Ativos ranks third, with EUR 1,607.6 million of assets under management and a market share of 14.7 percent.

GNB - SGFIM was the Management Company that registered the highest percentage growth, with a 10.1 percent increase over the previous month (EUR 27.7 million). The largest growth in total net assets belonged to BPI Gestão de Activos that increased EUR 59.1 million (2.0 percent).

Since end December 2015, Invest Gestão de Activos is the Management Company registering the highest percentage growth with 22.8 percent (EUR 3.1 million), while BPI Gestão de Activos is the Management Company with the largest increase in total net assets, with EUR 236.3 million (8.5 percent).

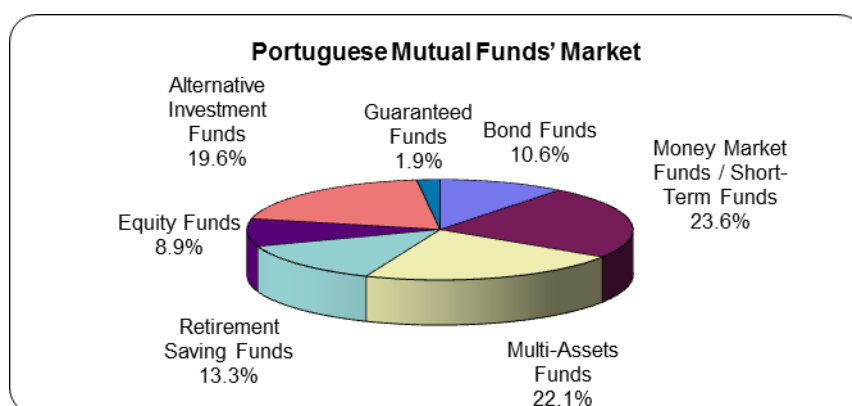
Management Company	October 2016		September 2016		December 2015		Monthly Change (%)	Change Year-to-date (%)
	Million €	Share	Million €	Share	Million €	Share		
Caixagest	3,557.5	32.5%	3,585.1	33.0%	4,185.9	35.1%	-0.8%	-15.0%
BPI Gestão de Activos	3,027.8	27.6%	2,968.7	27.4%	2,791.5	23.4%	2.0%	8.5%
IM Gestão de Ativos	1,607.6	14.7%	1,585.9	14.6%	1,636.0	13.7%	1.4%	-1.7%
Santander Asset Management	1,451.6	13.2%	1,433.6	13.2%	1,574.2	13.2%	1.3%	-7.8%
Crédito Agrícola Gest	383.0	3.5%	375.2	3.5%	382.1	3.2%	2.1%	0.2%
GNB - SGFIM	302.4	2.8%	274.7	2.5%	356.7	3.0%	10.1%	-15.2%
Montepio Gestão de Activos	179.9	1.6%	177.3	1.6%	219.0	1.8%	1.5%	-17.8%
Popular Gestão de Activos	146.7	1.3%	145.7	1.3%	158.6	1.3%	0.7%	-7.5%
Optimize Investment Partners	90.9	0.8%	89.1	0.8%	74.9	0.6%	2.0%	21.3%
Banif Gestão de Activos	54.0	0.5%	54.2	0.5%	373.3	3.1%	-0.5%	-85.5%
Dunas Capital - Gestão de Activos	47.3	0.4%	47.8	0.4%	61.3	0.5%	-0.9%	-22.8%
LYNX Asset Managers	35.7	0.3%	40.5	0.4%	50.4	0.4%	-11.9%	-29.3%
Bankinter Gestão de Ativos	30.3	0.3%	29.8	0.3%	30.9	0.3%	1.5%	-2.2%
MCO2	20.0	0.2%	20.0	0.2%	21.0	0.2%	0.1%	-4.5%
Invest Gestão de Activos	17.0	0.2%	16.1	0.1%	13.8	0.1%	5.2%	22.8%
Patris Gestão de Activos	8.1	0.1%	8.1	0.1%	8.5	0.1%	-0.4%	-4.7%
Total	10,959.8	-	10,851.8	-	11,938.1	-	1.0%	-8.2%

BPI Gestão de Activos was the Management Company that recorded the highest net sales in October 2016, with EUR 57.2 million, followed by IM Gestão de Ativos, with EUR 27.4 million, and by GNB - SGFIM, with EUR 26.9 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 237.0 million, followed by Optimize Investment Partners, with EUR 14.8 million, and by Invest Gestão de Activos, with EUR 3.1 million.

Management Company	Net Sales in October 2016 (EUR Million)	Net Sales since the beginning of the year (EUR Million)
BPI Gestão de Activos	57.2	237.0
IM Gestão de Ativos	27.4	-19.8
GNB - SGFIM	26.9	-50.9
Santander Asset Management	18.9	-108.0
Crédito Agrícola Gest	7.3	-2.9
Montepio Gestão de Activos	2.8	-34.9
Optimize Investment Partners	1.7	14.8
Popular Gestão de Activos	1.7	-10.5
Invest Gestão de Activos	0.7	3.1
Bankinter Gestão de Ativos	0.7	-1.4
LYNX Asset Managers	n.a.	-7.4
Patris Gestão de Activos	0.0	0.0
Banif Gestão de Activos	-0.6	-311.6
Dunas Capital - Gestão de Activos	-0.9	-15.8
Caixagest	-30.5	-662.4
Total	113.2	-970.8

Categories of Funds



Defensive Multi-Assets Funds are the largest category of Funds with the EUR 1,573.2 million of assets under management. PPR Funds ranks second, with EUR 1,461.4 million, followed by Euro Money Market Funds with 1,333.9 million.

Equity Alternative Investment Funds registered the highest percentage growth from the previous month, with 12.9 percent (EUR 0.2 million), while the largest increase in total net assets belonged to Euro Short Term Funds, with EUR 78.7 million (6.7 percent).

Since end December 2015, Equity Alternative Investment Funds is, also, the category that registered the highest relative growth, with a 74.4 percent increase (EUR 0.9 million), while the largest growth in total net assets belonged to Euro Short Term Funds that increased EUR 349.0 million (38.9 percent).

Category of Funds	October 2016		September 2016		December 2015		Monthly Change (%)	Change Year-to-date (%)
	Million €	Share	Million €	Share	Million €	Share		
Defensive Multi-Assets Funds	1,573.2	14.4%	1,572.2	14.5%	1,664.3	13.9%	0.1%	-5.5%
PPR Funds	1,461.4	13.3%	1,435.2	13.2%	1,381.1	11.6%	1.8%	5.8%
Euro Money Market Funds	1,333.9	12.2%	1,369.7	12.6%	1,773.1	14.9%	-2.6%	-24.8%
Euro Short Term Funds	1,246.9	11.4%	1,168.3	10.8%	897.9	7.5%	6.7%	38.9%
Euro Floating Rate Bond Funds	740.7	6.8%	726.5	6.7%	753.5	6.3%	2.0%	-1.7%
Short Term Money Market AIF	549.5	5.0%	548.0	5.0%	558.7	4.7%	0.3%	-1.6%
Money Market AIF	536.8	4.9%	546.6	5.0%	696.4	5.8%	-1.8%	-22.9%
Flexible Funds	507.0	4.6%	513.3	4.7%	593.6	5.0%	-1.2%	-14.6%
Short Term AIF	496.8	4.5%	479.4	4.4%	497.0	4.2%	3.6%	0.0%
Other AIF	469.6	4.3%	469.1	4.3%	565.0	4.7%	0.1%	-16.9%
Euro Bond Funds	355.3	3.2%	352.8	3.3%	346.7	2.9%	0.7%	2.5%
Other International Equity Funds	349.3	3.2%	322.8	3.0%	309.1	2.6%	8.2%	13.0%
Balanced Multi-Assets Funds	260.1	2.4%	265.1	2.4%	299.0	2.5%	-1.9%	-13.0%
E.U., Switzerland and Norway Equity Funds	243.6	2.2%	236.5	2.2%	281.9	2.4%	3.0%	-13.6%
Domestic Equity Funds	174.8	1.6%	174.9	1.6%	220.3	1.8%	-0.1%	-20.7%
North America Equity Funds	150.3	1.4%	150.4	1.4%	172.5	1.4%	-0.1%	-12.9%
Structured Funds	131.4	1.2%	130.2	1.2%	126.2	1.1%	1.0%	4.1%
Guaranteed Funds	81.1	0.7%	81.0	0.7%	158.2	1.3%	0.2%	-48.7%
Aggressive Multi-Assets Funds	77.3	0.7%	78.6	0.7%	88.7	0.7%	-1.7%	-12.9%
Sector Equity Funds	52.2	0.5%	52.3	0.5%	66.4	0.6%	0.0%	-21.3%
International Bond Funds	51.9	0.5%	56.9	0.5%	74.2	0.6%	-8.7%	-30.0%
Bond AIF	42.9	0.4%	44.0	0.4%	315.7	2.6%	-2.5%	-86.4%
Absolute Return AIF	24.2	0.2%	28.4	0.3%	31.1	0.3%	-14.9%	-22.3%
Other Funds	16.3	0.1%	16.5	0.2%	19.8	0.2%	-1.5%	-17.9%
Flexible AIF	15.4	0.1%	15.7	0.1%	27.0	0.2%	-2.1%	-43.2%
Multi-Assets AIF	10.3	0.1%	10.0	0.1%	11.0	0.1%	3.2%	-6.6%
PPA Funds	5.7	0.1%	5.7	0.1%	8.3	0.1%	-1.2%	-31.9%
Equity AIF	2.0	0.0%	1.8	0.0%	1.1	0.0%	12.9%	74.4%
Total	10,959.8	-	10,851.8	-	11,938.1	-	1.0%	-8.2%

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.

Euro Short Term Funds was the category of Funds that attracted most new money in October, registering EUR 78.4 million in net sales. PPR Funds recorded a monthly inflow of EUR 29.8 million and net sales of Other International Equity Funds totaled EUR 23.1 million.

Since December 2015, Euro Short Term Funds were, also, the most demanded by investors, with total net sales of EUR 347.0 million, followed by PPR Funds, with EUR 79.8 million, and by Other International Equity Funds, with EUR 23.7 million.

Category of Funds*	Net Sales in October 2016 (EUR Million)	Net Sales since the beginning of the year (EUR Million)
Euro Short Term Funds	78.4	347.0
PPR Funds	29.8	79.8
Other International Equity Funds	23.1	23.7
Short Term AIF	17.3	-0.6
Euro Floating Rate Bond Funds	13.7	-23.1
Defensive Multi-Assets Funds	12.2	-98.1
E.U., Switzerland and Norway Equity Funds	5.6	-21.7
Euro Bond Funds	4.3	5.9
Short Term Money Market AIF	1.5	-9.2
Other Funds	0.1	-3.9
Equity AIF	0.0	0.0
Structured Funds	0.0	0.0
Multi-Assets AIF	0.0	-2.6
Flexible AIF	0.0	-10.4
Absolute Return AIF	0.0	-0.5
Guaranteed Funds	-0.1	-71.1
Other AIF	-0.1	-112.0
PPA Funds	-0.2	-1.6
Sector Equity Funds	-0.2	-6.1
Aggressive Multi-Assets Funds	-0.8	-9.4
Bond AIF	-1.1	-269.1
North America Equity Funds	-1.7	-21.8
Balanced Multi-Assets Funds	-3.4	-33.8
Domestic Equity Funds	-4.0	-20.9
International Bond Funds	-5.2	-25.2
Money Market AIF	-9.8	-159.9
Flexible Funds	-10.3	-86.0
Euro Money Market Funds	-35.7	-440.4
Total	113.2	-970.8

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

* - In October 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 October 31, 2016³

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

Category of Funds	Assets under management ⁴	Average Return ⁵	Funds ⁶	Management Company	Assets under management ⁷	Annuali. Return ⁸	Risk Class ⁹
Defensive Multi-Assets Funds	1,573.20	-0.17%	Santander Private Defensivo	Santander Asset Management	111.09	0.68%	3
			Montepio Multi Gestão Prudente	Montepio Gestão de Activos	4.36	0.60%	4
PPR Funds	1,461.40	-0.49%	Santander Poupança Prudente FPR	Santander Asset Management	131.74	2.55%	2
			Bankinter PPR Life Path Income (1)	Bankinter Gestão de Ativos	20.51	1.92%	2
Euro Money Market Funds	1,333.88	0.10%	CA Monetário	Crédito Agrícola Gest	134.50	0.14%	1
			Caixagest Liquidez	Caixagest	1,187.96	0.09%	1

Categories with the highest average return⁵:

Category of Funds	Assets under management ⁴	Average Return ⁵	Funds ⁶	Management Company	Assets under management ⁷	Annuali. Return ⁸	Risk Class ⁹
Equity AIF	2.00	73.32%	BPI Brasil Valor - F.I.A.	BPI Gestão de Activos	2.00	73.32%	7
Multi-Assets AIF	10.28	17.24%	Banco BIC Brasil - F.I.A.	Dunas Capital Gestão de Activos	10.28	17.24%	4
Structured Funds	131.45	5.53%	Caixagest Rendimento Oriente - F.I.A.	Caixagest	30.84	7.13%	2
			Caixagest Rendimento Nacional - F.I.A.	Caixagest	100.61	5.05%	2

Funds with the highest return⁸:

Funds	Category of Funds	Management Company	Assets under management ⁷	Annuali. Return ⁸	Risk Class ⁹
BPI Brasil Valor - F.I.A.	Equity AIF	BPI Gestão de Activos	2.00	73.32%	7
BPI Brasil	Flexible Funds	BPI Gestão de Activos	32.36	54.74%	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).

³ - Closed-ended Mutual Funds are not considered in this analysis.

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

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

⁶ - Funds with the highest return within each category.

⁷ - Assets under management by the Fund, in EUR million.

⁸ - Annualized Return of the last 12 months.

⁹ - 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%).