

IFIC

THE INVESTMENT
FUNDS INSTITUTE
OF CANADA

L'INSTITUT DES FONDS
D'INVESTISSEMENT
DU CANADA

IFIC INDUSTRY OVERVIEW

October 2013



Data for the report was comprised of data from the following companies who report to IFIC:

AEGON Fund Management	Manulife Mutual Funds
AGF Investments Inc.	MD Management Limited
ATB Investment Management Inc.	OceanRock Investments
BMO Financial Group	National Bank Securities
Bridgehouse Asset Managers ⁶	NexGen Financial Limited Partnership
Brickburn Funds Inc.	Norrep Funds
Bullion Management Group Inc.	Northwest & Ethical Investments L.P.
Caldwell Investment Management Ltd.	PIMCO Canada Corp. ⁵
Canoe Financial	RBC Global Asset Management
Capital International Asset Management (Canada), Inc. ⁴	Russell Investment Group
CIBC Asset Management	Scotia Global Asset Management ²
Counsel Portfolio Services Inc.	Sentry Investments
Educators Financial Group Inc.	Standard Life Mutual Funds Ltd.
Fidelity Investments Canada ULC	Stone & Co. Limited
First Trust Portfolios Canada	TD Asset Management
Fonds Desjardins	Tradex Management Inc.
Franklin Templeton	
Gestion Férique	
HSBC Global Asset Management (Canada) Limited	
IA Clarington Investments	
Investors Group Inc.	
Mackenzie Financial Corporation	

and from the following companies providing data to, or estimated by, Investor Economics¹:

A.P.M.	Gatehouse Capital	Management
Acker Finley	GBC	ROI Fund
Aston Hill Asset Management	Goodwood	Sceptre
Barreau du Quebec	Highstreet	SEI Investments Canada
Beutel Goodman	I.A. Michael	Sprott
BluMont Capital	ING Direct Asset Management	Steadyhand
Brigata	Integra Capital	Sun Life Global Investments ³
Capital International	Invesco Trimark	Universal Savings Fund Mgmt.
Castlerock Investments	JovFunds	Value Partners
CC&L Managed Portfolios	Leith Wheeler	Vertex One Asset Management
Chou Associates	Lincluden	Webb Asset Management
CI Investments	Matrix Asset Management Inc.	
Cormel	Middlefield	
Creststreet Asset Management	Montrusco Bolton	
Dimensional Fund Advisors	OceanRock Investments	
Canada	PenderFund Capital Mgmt.	
EdgePoint	PIMCO Canada	
Excel Funds Management Inc.	Pro-Financial	
First Asset	Prosperata	
FMOQ	QE Funds	
Friedberg	Quebec Professionals	
Front Street Capital	REA	
frontierAlt Fund Management	Redwood	
Galileo Funds	Ridgewood Capital Asset	

¹ Investor Economics provides the aggregated totals used in this file. Data is compiled from IFIC and other sources to comprehensively reflect the size and activity of the Canadian Retail Mutual Fund Industry.

² Scotia Asset Management has changed its name to Scotia Global Asset Management and now encompasses all Dynamic Mutual Funds. (Aug 2012)

³ Sun Life Global Investments began reporting in January 2013

⁴ Capital International Asset Management (Canada), Inc. began providing data to IFIC as of February 2013

⁵ PIMCO Canada Corp. began providing data to IFIC as of June 2013

⁶ Brandes Investment Partners has changed its name to Bridgehouse Asset Management as of June 2013

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Highlights

Overall Results for October 2013

- » Industry net sales for October 2013 were \$1.70 billion and year-to-date net sales were \$35.0 billion.
- » Long-term funds' net sales were \$2.04 billion and year-to-date net sales were \$38.2 billion.
- » Money Market funds' net redemptions were \$345.1 million and year-to-date net redemptions were \$3.24 billion.

Results by Broad Asset Class for October 2013

- Balanced funds' net sales in October 2013 totalled \$2.10 billion compared to net sales of \$1.68 billion last month. Year-to-date net sales for balanced funds totalled \$33.7 billion compared to net sales of \$23.0 billion for the same period last year.
- Bond funds' net redemptions in October 2013 totalled \$1.51 billion compared to net redemptions of \$1.36 billion last month. Year-to-date net redemptions for bond funds totalled \$2.55 billion compared to net sales of \$16.3 billion for the same period last year.
- Equity funds' net sales in October 2013 totalled \$1.20 billion compared to net sales of \$910.3 million last month. Year-to-date net sales for equity funds totalled \$4.16 billion compared to net redemptions of \$11.5 billion for the same period last year.

Top Line Metrics

	Net Assets				Net Sales						
	Oct 2013	Sep 2013	Beginning of Year	Oct 2012	Oct 2013	Sep 2013	Oct 2012	YTD	YTD 2012	Last 12 Months	12 Months ending Oct 2012
	Stand-Alone vs. Fund-of-Funds				Stand-Alone vs. Fund-of-Funds						
Stand-Alone Funds	711.5	689.6	645.7	637.1	-122.0	-52.1	172.6	6,461.7	4,881.9	6,763.2	4,127.8
Fund-of-Funds	259.7	250.8	204.0	197.2	1,817.5	1,511.3	1,929.0	28,524.4	21,013.7	32,745.4	23,369.5
	Broad Asset Classes				Broad Asset Classes						
Equity Funds	316.9	302.1	267.2	263.9	1,202.3	910.3	-1,360.1	4,156.5	-11,504.9	1,574.6	-14,741.1
Balanced Funds	464.3	448.9	388.9	380.7	2,095.8	1,682.8	2,162.8	33,697.5	22,985.6	38,085.5	25,062.3
Bond Funds	133.1	132.8	131.5	127.8	-1,508.3	-1,359.1	1,476.6	-2,553.5	16,334.8	154.1	19,541.5
Specialty Funds	29.1	28.5	32.4	31.4	250.7	287.6	385.2	2,926.4	3,426.6	3,815.5	3,758.9
Long-Term Funds Total	943.4	912.2	820.0	803.8	2,040.5	1,521.6	2,664.5	38,226.8	31,242.1	43,629.6	33,621.5
Short-Term Funds	27.9	28.1	29.7	30.5	-345.1	-62.4	-562.8	-3,240.6	-5,346.5	-4,121.0	-6,124.3
Total Industry	971.2	940.4	849.7	834.3	1,695.5	1,459.2	2,101.6	34,986.1	25,895.6	39,508.6	27,497.2

Total mutual fund assets under management (AUM) for October 2013 were \$971.2 billion, compared to \$940.4 billion in the previous month; an increase of \$30.8 billion, or 3.3%. Since October 2012, total mutual fund assets have increased by \$136.9 billion, or 16.4%.

Total net sales for October were \$1.70 billion, and were up compared to net sales of \$1.46 billion for the previous month, and were lower compared to net sales of \$2.10 billion last October.

Long-term fund net sales totalled \$2.04 billion in October, and over the last 12 months ending October 2013 totalled \$43.6 billion.

Money Market fund net redemptions in October were \$345.1 million. Over the last 12 months, Money Market fund net redemptions totalled \$4.12 billion.

Balanced fund net sales totalled \$2.10 billion in October 2013, up from last month's total of \$1.68 billion.

Bond fund net redemptions totalled \$1.51 billion in October; compared to net redemptions of \$1.36 billion for September 2013.

Equity fund net sales totalled \$1.20 billion in October, compared to net sales of \$910.3 million in September 2013.

Fund-of-Fund AUM were \$259.7 billion and net sales totalled \$1.82 billion for October 2013. Stand-Alone funds' AUM were \$711.5 billion and had net redemptions of \$122.0 million for October 2013.

Glossary of Terms

Asset Class

Refers to a broadly defined set of assets, grouped together by similar characteristics within CIFSC categories. An example of an asset class is Domestic Equity, which comprises the CIFSC categories of Canadian Equity, Canadian Focused and Canadian Small Cap (including others).

CIFSC Categories

Refers to a one or more of the investment fund categories established and maintained by the Canadian Investment Funds Standards Committee based on established criteria as defined from time to time. Definitions for each of the CIFSC Categories, and a list of funds included within each category, can be viewed at www.cifsc.org.

Long-term funds

All funds excluding money market funds

Short-term funds

Money Market funds

Net sales

Shown in this report do not include reinvested distributions and are calculated as:

x = gross sales – redemptions + transfers in – transfers out.

% Change

The total percentage change over the period specified. For example, the year-over-year (% change) is the answer to the following equation:

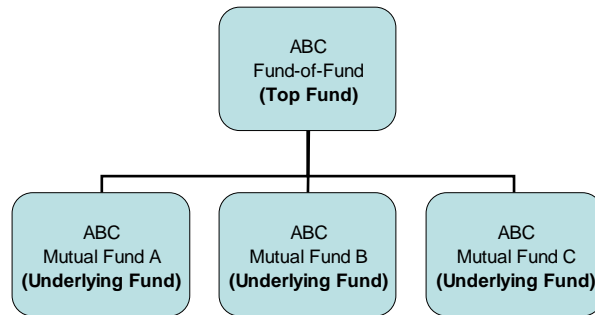
x = 100 x [(Current Assets/ Assets previous year same month) – 1]

Cumulative (as used in Long-Term Funds Overview)

The total net sales or market effect amount over the period specified.

Fund-of-Fund (Fund Wrap)

A mutual fund product or program that is set up to purchase other mutual funds rather than invest directly in underlying securities. It is usually marketed as a 'total solution' product. Both the fund selection and the asset allocation decisions are often made by the fund manager however these decisions can be made by the investor depending on the level of customization available in the program. The investor may own the underlying funds directly or may only own the 'top' fund.



Proprietary Fund-of-Fund

Fund-of-funds that are only invested in underlying mutual funds offered by the same fund company as the top fund. Example, an ABC fund-of-fund invested in ABC underlying funds only.

3rd Party Fund-of-Fund

Fund-of-funds that invest in underlying mutual funds offered by a different fund company than the top fund. Example, an ABC fund-of-fund invested in XYZ underlying funds.

Proprietary & 3rd Party Fund-of-Fund (Mixed Fund-of-Fund)

Fund-of-funds that invest in underlying mutual funds offered by both the same company as the top fund and also by fund companies that are different from the top fund. Example, an ABC fund-of-fund invested in ABC underlying funds and XYZ underlying funds.

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