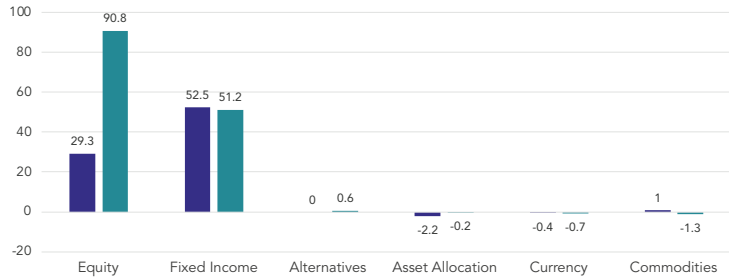


ETF Fund Flows Q2

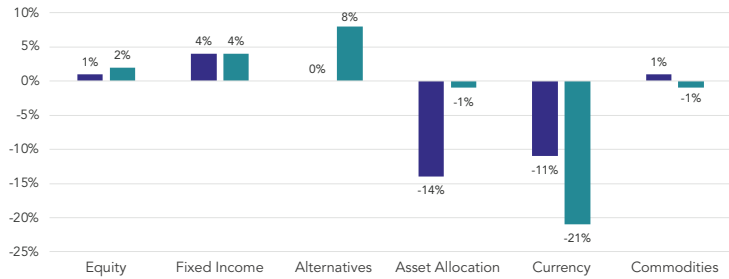


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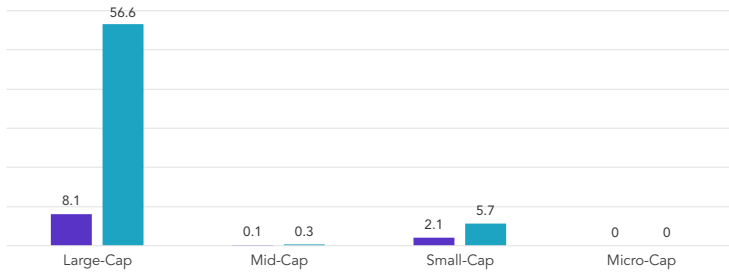
Total Flows (\$B)



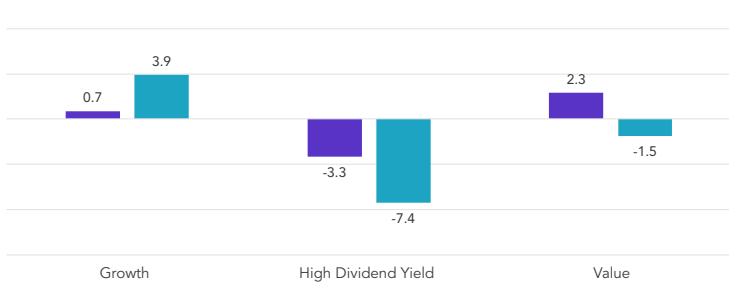
Flows Relative to AUM



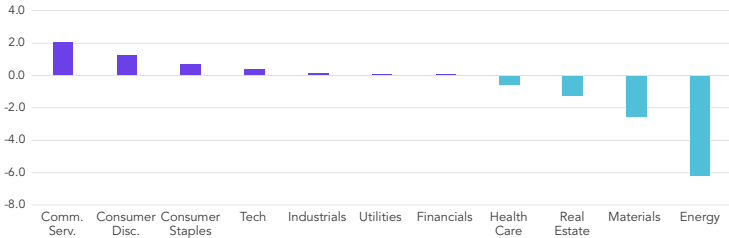
Flows by Cap (\$B)



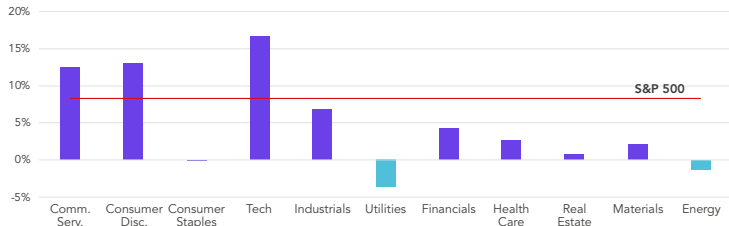
Flows by Style (\$B)



Sector Flows (\$B)



Price Change of Comparable S&P 500 Sector



- Total ETF flows grew nearly 75% compared to Q1 following strong performances in Tech, Consumer Discretionary, and Communications Services sectors. Q1 earnings and guidance was generally better than expected, while soft-landing expectations were supported by payroll growth and positive CPI prints.
- U.S. Equities led the charge in Q2 with more than triple the inflows seen over the previous quarter. These inflows plus stock performance amounted to an 8% increase in equity ETF assets quarter over quarter.
- Fixed income remained strong but relatively flat compared to Q1, meaning investors were generally deploying already available liquidity into stocks rather than pulling from other investments.

- Large Cap funds benefited the most from equity flows growth, while the Small-Cap space also saw a slight increase.
- When applicable, investors heavily favored growth and continued to pivot out of value names. Yield names were in the red from a flows perspective after the strongest performance of the three in Q1.
- These results can mostly be attributed to outperformance in mega-cap tech, led by NVDA (+52.3%), META (+35.4%), TSLA (+26.1%), AMZN (+26.1%), and MSFT (+18.1%)

- Sector flows generally followed performance, particularly in top gainers Communication Services and Consumer Discretionary, with Energy on the other end.
- Tech inflows could be considered lower than expected given performance. This demonstrates that investors have been contently holding in these names rather than sizing up, while also likely benefiting from their contribution to general equity funds.
- Utilities funds were the worst performers in the market but managed a small uptick in inflows, which further suggests that the pullbacks in yield funds came from other sectors. Both energy stocks and fund flows suffered last quarter due to falling oil and gas prices and ongoing fears of an economic slowdown.

About EQ Ownership Intelligence

<https://equiniti.com/us/public/governance-proxy-ownership-services/ownership-intelligence>

Contact Us

C: 212.269.5550

E: newbusiness@equiniti.com