View from the Observation Deck

1. Investors directing capital into mutual funds and exchange traded funds (ETFs) continued to favor passive investing over active management on a massive scale for the 12-month period ended 9/30/18.

2. Passive mutual funds and ETFs reported net inflows totaling $510.1 billion, compared to net outflows totaling $58.8 billion for those actively managed.

3. The two asset classes garnering the largest amount of net inflows for the 12-month period ended 9/30/18 were Taxable Bond at $279.2 billion and International Equity at $146.2 billion.

4. The two active categories garnering more interest from investors than their passive counterparts were Municipal Bond and Commodities.

5. We intend to monitor net flows moving forward.

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The chart is for illustrative purposes only and not indicative of any actual investment.

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