

# A Snapshot Of Equity Fund Flows

## Net Estimated Equity Fund Flows by Style/Market Cap (As of 5/31/20)

Categories	YTD Flows (\$Millions)	12-Month Flows (\$Millions)
Large Blend	-12,900	41,088
Large Growth	-11,846	-58,190
Large Value	-21,741	-25,153
Mid-Cap Blend	-2,718	-5,893
Mid-Cap Growth	-6,688	-12,410
Mid-Cap Value	-9,909	-18,891
Small Blend	-5,498	-6,477
Small Growth	-6,862	-12,597
Small Value	1,215	-1,277
Foreign Large Blend	25,662	53,744
Foreign Large Growth	599	4,207
Foreign Large Value	-5,612	-13,434

Source: Morningstar. Includes open-end mutual funds and exchange-traded funds.

## View from the Observation Deck

1. Today's blog post is intended to be an FYI of sorts in that we simply want to show how investors have been positioning their capital with respect to equity style and market capitalization (cap).
2. Year-to-date through 5/31/20, only three of the categories in the table (Foreign Large Blend, Foreign Large Growth & Small Value) registered net inflows, with the lion's share of the capital flowing to Foreign Large Blend.
3. For the 12-month period ended 5/31/20, once again, only three categories (Large Blend, Foreign Large Blend & Foreign Large Growth) reported net inflows, with Large Blend and Foreign Large Blend garnering nearing all of the money.
4. When you factor in the bear market in stocks in Q1'20, it is understandable that the year-to-date equity fund flows are predominantly negative, so the 12-month flows may be helpful in lending some additional perspective on investor sentiment.
5. Despite the significant net outflows from most stock fund and exchange-traded fund (ETF) categories year-to-date, the S&P 500 Index and most major stock indices have rebounded notably since stocks bottomed on 3/23/20.
6. As of the close on 6/15/20, the S&P 500 Index stood 9.44% below its all-time high (3,386.15) set on 2/19/20, according to Bloomberg. Keep in mind, the index plunged 33.92% from 2/19/20-3/23/20.
7. The most recent money manager survey from Bank of America revealed that 78% of those managers polled believe the stock market is currently overvalued, according to Bloomberg. That is the highest percentage since 1998. A little over one out two managers think we are experiencing a bear market rally.

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

*The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory framework. Financial professionals are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.*