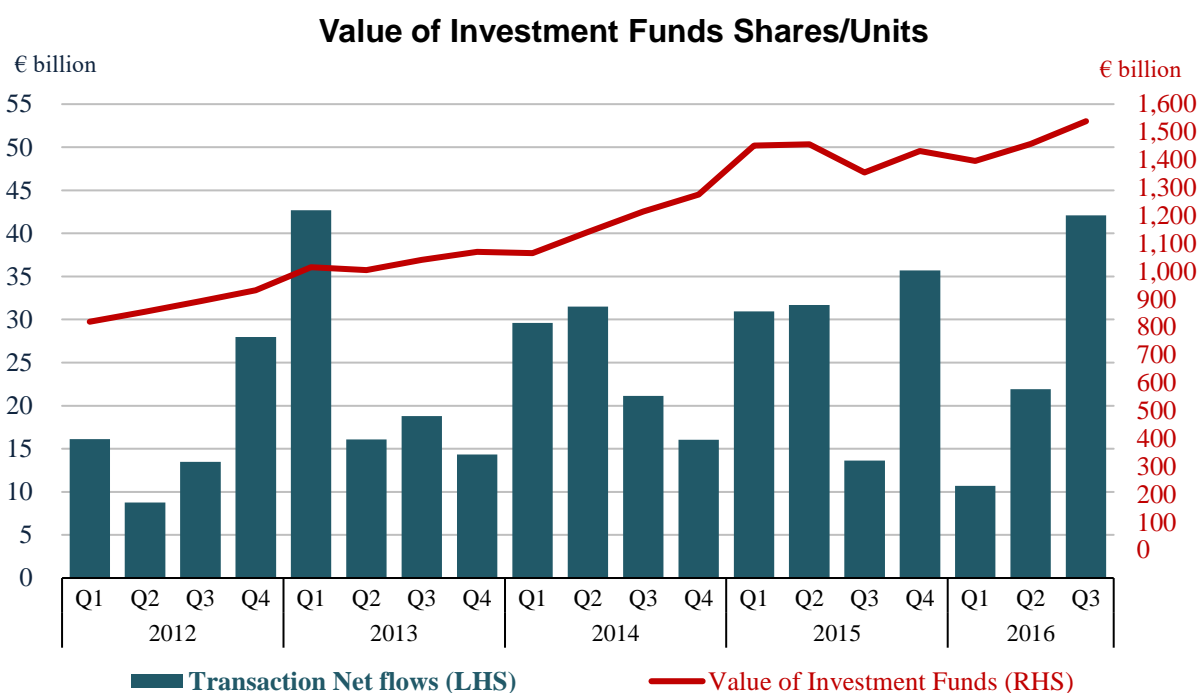


### *Investment Funds – Q3 2016*

#### **Key Points**

- The net asset value of investment funds (IFs) resident in Ireland increased by 5.6 percent (€81 billion) over the third quarter of 2016, reaching €1,538 billion. The total value of assets held by IFs increased by €83 billion to €1,867 billion;
- The third quarter saw strong investor inflows to IFs, amounting to €42 billion, continuing the general trend of recent quarters. Portfolio revaluations were strongly positive, at €39 billion, reflected in both debt and equity holdings;
- Exchange traded funds (ETFs) domiciled in Ireland had total assets of €282 billion at end Q3 2016. ETFs have grown by 61 percent in the last two years up from €176 billion in Q3 2014.

The net asset value of investment funds (IFs) resident in Ireland increased by 5.6 percent (€81 billion) over the third quarter of 2016 reaching €1,538 billion. This was due to positive revaluations of €39 billion, coupled with strong inflows of €42 billion during the quarter continuing the positive trend which began in Q1 2012. Bond funds had the largest net transaction inflows of €18 billion. IFs total assets stood at €1,867 million at end-Q3 2016.



Source: Investment Funds Statistics, Central Bank of Ireland.

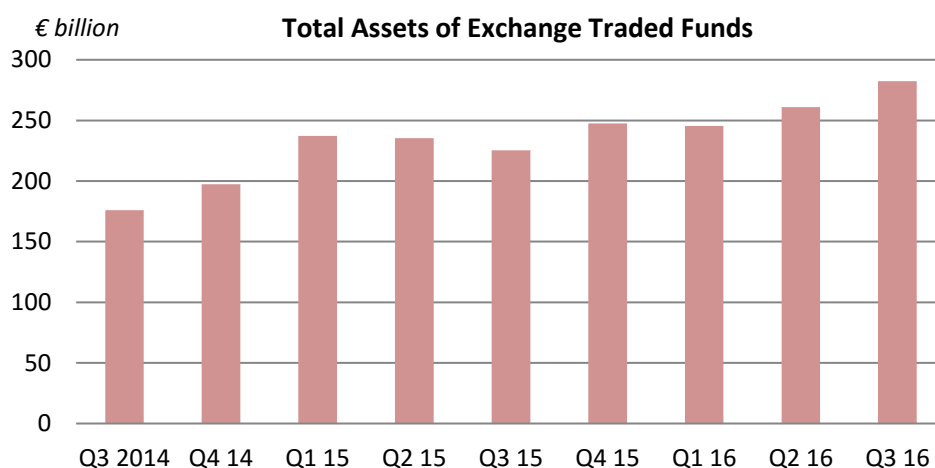
Note: In Q3 2015, there was a reclassification of funds from Bond to Money Market funds resulting in a decrease of €30 billion in bond funds total assets

Over the third quarter, IFs experienced a positive revaluation of 2 percent overall, although this was higher for equity funds at 4 per cent. All other fund types experienced a 2 percent positive revaluation except for other funds, which reported a negative revaluation of 1 percent.

Positive revaluations of €24 billion in equity holdings of IFs over the third quarter were in line with global equity market movements. Shares issued by Japanese non-financial corporations experienced a positive revaluation of €3.8 billion. In contrast, holdings of shares issued by US insurance companies recorded a negative revaluation of €1 billion.

Overall, debt holdings experienced a 7 percent increase over the quarter, driven by strong transaction inflows of €40 billion. IF's held €193 billion in UK government debt, accounting for 52 percent of total government debt holdings, at end-Q3 2016. Inflows into UK government bonds were €11 billion, continuing a positive trend from prior quarters.

Total Assets in real estate funds were €18 billion at end Q3 2016 up from €14 billion a year previously. At the end of Q3 2016, €13.4 billion of these assets were held in property, of which 87 percent is within Ireland while the remainder is in the United Kingdom. In relation to the property assets held by these funds within Ireland, 61 percent of these consist of new construction, the data does not provide a split between domestic and commercial use.



Exchange traded funds (ETFs) domiciled in Ireland had total assets of €282 billion at end Q3 2016. ETFs have grown by 61 percent in the last two years up from €176 billion in Q3 2014. In Q3 2016, €172 billion of these were focused on the equity markets with the largest exposure of €70 billion to US issued equities. Overall, ETFs are 15 percent of the total investment fund population domiciled in Ireland and account for 29 percent of equity funds' total assets.

The publication tables are published [here](#).

**Further information**

Investment funds statistics are collected on the basis of quarterly security by security reporting. The reporting population is comprised of those investment funds resident and authorised in Ireland. The reporting form and notes on compilation are also available on the website [here](#).

For queries contact: Central Bank, Press Office at [press@centralbank.ie](mailto:press@centralbank.ie)