Morningstar Direct℠ Asset Flows Commentary: United States

Morningstar Manager Research
15 December 2016

Data through November 30, 2016
U.S. Mutual Funds and Exchange-Traded Products

Tom Lauricella
Editor
Morningstar Direct
tom.lauricella@morningstar.com

Alina Lamy
Senior Analyst
Markets Research
+1 312-384-3924
alina.lamy@morningstar.com

The November flows report will an abbreviated version while Alina Lamy is out on maternity leave.

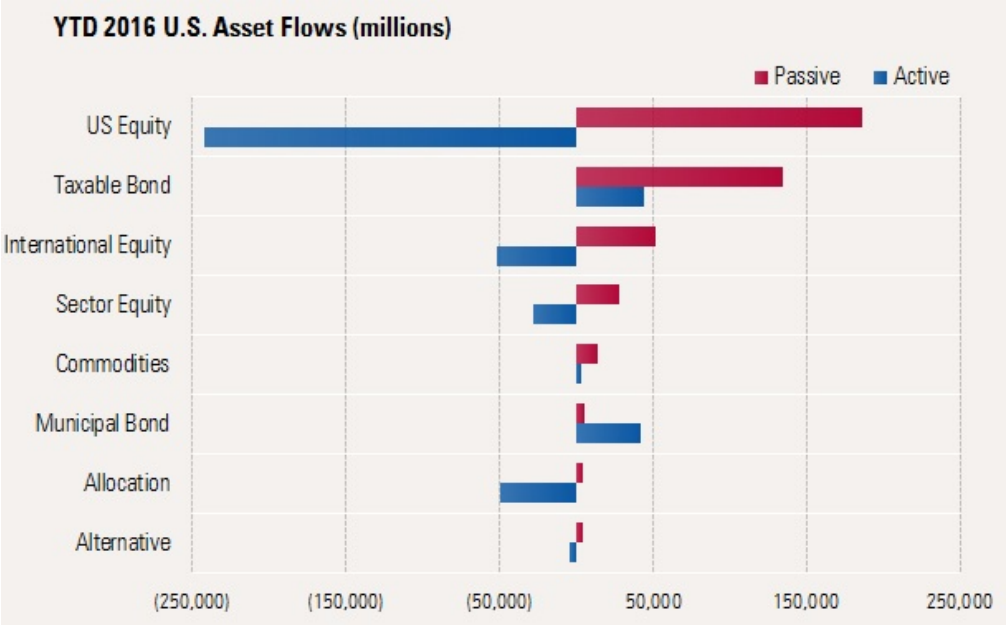
U.S. Equity Index Funds See Biggest Monthly Inflows Ever as Investors Make Post-Election U-Turn

Investors poured a record $41.9 billion of new money into passively managed U.S. equity funds during November, lifting overall U.S. equity inflows to their highest tally in nearly two years. Meanwhile, broad bond fund categories saw net outflows, with taxable bond funds in the red for the first time since January.

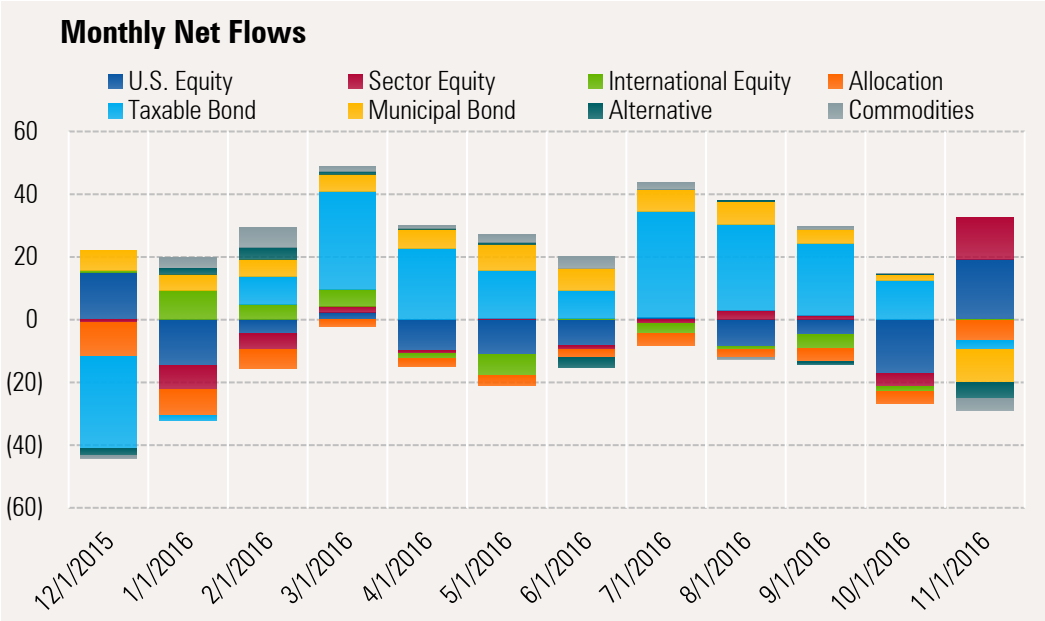
But the post-election swing into stocks didn't help managers of actively managed U.S. stock funds. The group saw net outflows for the 32nd consecutive month, with $21.2 billion going out the door in November.

Still the flood of cash going into U.S. equity funds in the wake of the U.S. presidential election was enough to lift combined net inflows to $20.7 billion, their highest level since December 2014.

Estimated Net Flows $Mil	**Nov 2016**	**1 Year**	**Assets** $Bil
U.S. Equity	20,735	(40,329)	6,452
Sector Equity	13,538	(1,253)	769
International Equity	(532)	1,260	2,323
Allocation	(6,388)	(55,950)	1,211
Taxable Bond	(2,876)	150,056	3,185
Municipal Bond	(10,462)	53,622	649
Alternative	(4,978)	(2,739)	212
Commodities	(3,939)	16,343	91
All Long Term	**5,098**	**120,964**	**14,892**
Money Market	66,026	(6,565)	2,688



At the same time investors were shifting gears elsewhere, moving money out of bond funds amid expectations that the Federal Reserve would soon be raising interest rates against the backdrop of an improving economy. Taxable bond funds bled $2.9 billion during November. Municipal bond funds were harder hit, however, with $10.5 billion in outflows making for the biggest tally of net redemptions since August 2013.



Passive-Fund Flows Continue to Dominate

Estimated Net Flows* $Mil	Active Nov 2016	Active 1 Year	Active Assets $Bil	Passive Nov 2016	Passive 1 Year	Passive Assets $Bil
U.S. Equity	(21,177)	(257,486)	3,569	41,911	217,157	2,883
Sector Equity	(5,461)	(31,187)	374	18,999	29,934	395
International Equity	(8,377)	(63,630)	1,436	7,845	64,889	887
Allocation	(6,595)	(60,167)	1,149	206	4,217	63
Taxable Bond	(11,569)	9,089	2,286	8,693	140,967	898
Municipal Bond	(10,223)	47,918	622	(239)	5,704	26
Alternative	(2,143)	(6,028)	166	(2,835)	3,289	46
Commodities	38	2,733	25	(3,977)	13,610	66
All Long Term	**(65,506)**	**(358,804)**	**9,627**	**70,603**	**479,768**	**5,264**
Money Market	66,026	(6,565)	2,688			

*Includes liquidated and merged funds.

Source: Morningstar Direct Asset Flows.

The post-election flood of cash into U.S. equity index funds topped the previous monthly record of $35.9 billion set in December 2014. In fact, during the past three years there have only been three months where U.S. equity index funds posted outflows.

Estimated Net Flows* $Mil	Active Nov 2016	Active 1 Year	Active Assets $Bil	Passive Nov 2016	Passive 1 Year	Passive Assets $Bil
Leading						
US Fund Large Blend	(3,523)	(62,257)	683	17,900	134,144	1,808
US Fund Financial	369	(854)	9	9,088	5,411	42
US Fund Small Blend	(475)	(7,590)	132	9,314	17,968	195
US Fund Foreign Large Blend	(1,593)	(12,858)	322	7,302	67,856	481
US Fund Industrials	211	(212)	4	5,009	5,192	20
Lagging						
US Fund Large Growth	(9,656)	(98,451)	1,132	1,889	4,578	182
US Fund High Yield Bond	(6,314)	(5,751)	266	1,103	2,808	39
US Fund Commodities Precious Metals	(1)	19	0	(4,380)	11,801	50
US Fund High Yield Muni	(3,477)	6,993	83	(185)	459	3
US Fund World Allocation	(2,671)	(37,396)	290	(2)	(40)	0

*Excludes money market.

Source: Morningstar Direct Asset Flows.

Investors also favored more narrowly focused stock offerings, with $19 billion going into passively managed sector index funds.

Within the broad sector grouping, financial index strategies took in $9.1 billion amid expectations that a Donald Trump administration will ease up on regulation of banks and brokerage firms.

Among bond investors there were continued signs of shifting to a more defensive posture and anticipating higher interest rates from the Fed.

Actively managed bank loan funds, which also had healthy inflows in October (click here for the October Asset Flows report) took in $2.7 billion, although the group remains in the red for the past 12 months.

With inflation pressures creeping up, investors moved $789 million into actively managed inflation-protected bond funds, although as with bank-loan funds, outflows from earlier in the year have the category still posting outflows for the past 12 months.

High-yield bond funds continue to see a split between active and passive strategies, as $6.3 billion in active outflows overwhelmed $1.1 billion in passive inflows. Actively run high-yield municipal bond funds also saw net outflows, shedding $3.5 billion in assets.

Top Active Categories

Estimated Net Flows, $ millions

	Nov-16	YTD	1-Yr
Ultrashort Bond	2,820	8,287	8,686
Bank Loan	2,677	27	(6,032)
Inflation-Protected Bond	789	175	(938)
Financial	369	(1,123)	(854)
Energy Limited Partnership	311	3,676	3,014

Bottom Active Categories

Estimated Net Flows, $ millions

	Nov-16	YTD	1-Yr
Large Growth	(9,656)	(99,494)	(98,451)
High Yield Bond	(6,314)	4,048	(5,751)
Intermediate-Term Bond	(3,970)	46,783	46,576
Large Value	(3,957)	(22,274)	(26,384)
Large Blend	(3,523)	(56,417)	(62,257)

In addition to high-yield, investors also were hitting the sell button on active intermediate bond funds. For the first time in 2016, the category saw monthly outflows, which totaled $4 billion during November. But the category is solidly in the black for the year with $46.8 billion of inflows.

The unrelenting outflows from actively managed large-growth stock funds continued with $9.7 billion in net redemptions during November. In fact, since the start of 2010, the category has only seen inflows during five months, the most recent being December 2015.

However, with 2016 drawing to a close, the year-to-date exodus of $99.5 billion for actively managed U.S. stock funds now tops the combined net outflows of the previous three years, which totaled $94 billion.

Top Passive Categories

Estimated Net Flows, $ millions

	Nov-16	YTD	1-Yr
Large Blend	17,900	116,619	134,144
Small Blend	9,314	16,153	17,968
Financial	9,088	4,896	5,411
Foreign Large Blend	7,302	57,501	67,856
Large Value	6,774	30,269	35,388

While much of the focus has been on indexing among U.S. stock funds, investors continue to gravitate toward passively managed non-U.S. strategies as well.

Foreign large blend index funds chalked up net inflows of $7.3 billion in November. Since the start of 2010, the category has seen only two months of outflows—which were tiny redemptions at that.

Bottom Passive Categories

Estimated Net Flows, $ millions

	Nov-16	YTD	1-Yr
Commodities Precious Metals	(4,380)	12,450	11,801
Consumer Defensive	(1,792)	(2,399)	(2,135)
Diversified Emerging Mkts	(1,268)	24,404	26,138
Trading—Inverse Equity	(1,231)	5,492	4,419
Emerging Markets Bond	(963)	5,242	5,123

The Fund Family Flows Song Remains (Largely) the Same

Vanguard Group again dominated the flows in November, the only difference from recent trends being that it too was hit by flows on the active side of the fence, with $3.3 billion heading out the door.

	Active			Passive		
Estimated Net Flows* $Mil	**Nov 2016**	**1 Year**	**Assets** $Bil	**Nov 2016**	**1 Year**	**Assets** $Bil
U.S. Equity	(21,177)	(257,486)	3,569	41,911	217,157	2,883
Sector Equity	(5,461)	(31,187)	374	18,999	29,934	395
International Equity	(8,377)	(63,630)	1,436	7,845	64,889	887
Allocation	(6,595)	(60,167)	1,149	206	4,217	63
Taxable Bond	(11,569)	9,089	2,286	8,693	140,967	898
Municipal Bond	(10,223)	47,918	622	(239)	5,704	26
Alternative	(2,143)	(6,028)	166	(2,835)	3,289	46
Commodities	38	2,733	25	(3,977)	13,610	66
All Long Term	**(65,506)**	**(358,804)**	**9,627**	**70,603**	**479,768**	**5,264**
Money Market	66,026	(6,565)	2,688			

Source: Morningstar Direct Asset Flows.

Still, at $27.7 billion in net inflows for its active strategies over the last twelve months, Vanguard remains the top asset gather for active funds during that time frame. DoubleLine places a distant second at $11.9 billion for the past 12 months, followed by AQR.

Actively Managed Strategies
Estimated Net Flows, $ millions

	1-Mo	1-Yr
Vanguard	(3,267)	27,718
DoubleLine	(1,066)	11,911
AQR Funds	(79)	11,573
Metropolitan West Funds	(511)	8,486
Baird	491	7,943

Among individual funds, the bulk of the month's inflows reflected the broad market trends. The SPDR S&P 500 ETF topped the inflows chart for the month, followed by the small-cap stock tracking iShares Russell 2000 ETF. With the big rally in financial stocks, the Financial Select Sector SPDR Fund clocked in at third place.

Top-Flowing Active and Passive Funds

Estimated Net Flows $Mil	Nov 2016	1 Year	Assets Nov 2016	Assets Nov 2015
Active Funds				
JHancock Fundamental Large Cap Core Fund	1,153	774	4,881	3,922
JHancock US Strategic Equity Allc US Fd	1,100	1,804	1,835	0
JHancock International Stra Eq Allc Fd	810	1,740	1,723	0
PIMCO Income Fund	661	12,459	68,146	52,389
Janus Enterprise Fd	565	3,435	10,604	6,436
Passive Funds				
SPDR® S&P 500 ETF	7,460	16,981	208,161	180,509
iShares Russell 2000	6,209	4,625	36,433	29,114
Financial Select Sector SPDR® Fund	6,129	4,106	20,984	19,257
Vanguard Total Intl Stock Idx Fund	4,947	35,305	224,447	187,729
Vanguard Total Stock Market Index Fund	4,364	48,270	487,902	404,242

For outflows, market-trends dominated index-funds, with emerging markets and gold exchange-traded funds taking a hit, reflecting downdrafts in both markets. Active fund outflows saw Pimco Total Return and Templeton Global Bond Fund again on the top-five list.

Bottom-Flowing Active and Passive Funds

Estimated Net Flows $Mil	Nov 2016	1 Year	Assets Nov 2016 $Mil	Assets Nov 2015 $Mil
Active Funds				
PIMCO Total Return Fund	(1,986)	(14,456)	78,467	91,978
JPMorgan Short Duration Bond	(1,555)	(2,921)	7,903	10,775
DoubleLine Total Return Bond Fund	(1,433)	7,212	59,182	51,072
Templeton Global Bond Fund	(1,410)	(16,565)	41,199	58,792
JHancock2 Alpha Opportunities Fund	(1,222)	(1,263)	253	1,691
Passive Funds				
iShares MSCI Emerging Markets	(3,497)	3,645	26,344	21,970
Vanguard Instl Total Stock Market Index	(3,030)	(6,264)	36,753	39,809
SPDR® Gold Shares	(2,880)	8,871	33,466	22,348
iShares Gold Trust	(1,131)	1,828	7,664	5,415
First Trust Consumer Staples AlphaDEX®	(1,119)	(1,959)	934	2,826

Source: Morningstar Direct Asset Flows.

Note: The figures in this report were compiled on Dec. 13, 2016, and reflect only the funds that had reported net assets by that date. The figures in both the commentary and the extended tables are survivorship-bias-free.

This report includes both mutual funds and ETFs, but not funds of funds unless specifically stated.

Important methodology note: Morningstar computes flows using the approach that is standard in the industry: Estimated net flow is the change in assets not explained by the performance of the fund. Our method assumes that flows occur uniformly over the course of the month. Adjustments for mergers are performed automatically. When liquidated funds are included, the final assets of the fund are counted as outflows. Reinvested dividends are not counted as inflows. We use fund-level reinvestment rates to improve accuracy in this respect. We make ad hoc adjustments for unusual corporate actions such as reverse share splits, and we overwrite our estimates with actual flows if managers are willing to provide the data to us. Please click here for a full explanation of our methodology.

22 West Washington Street
Chicago, IL 60602 USA

© Morningstar 2016. All Rights Reserved. The information, data, analyses and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions or their use. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. To order reprints, call +1 312-696-6100. To license the research, call +1 312-696-6869.

Fund Flows

Monthly Market Summary: US Open-end & ETF ex MM ex FoF

Including merged and liquidated funds

Effective Date
11-30-2016

Morningstar Categories Ranked by Current TNA ($Mil)

Rank	Name	Estimated Net Flow ($mil)				Total Net Assets ($bil)				Total Return	
		1-Mo	QTD	YTD	1-Yr	11-2016	Mkt Sh %	11-2015	Mkt Sh %	1-Mo	YTD
1	US Fund Large Blend	14,378	14,373	60,202	71,887	2,492	16.79	2,256	15.80	4.10	8.52
2	US Fund Large Growth	(9,720)	(17,358)	(99,575)	(95,826)	1,315	8.86	1,394	9.76	1.65	2.64
3	US Fund Intermediate-Term Bond	586	8,264	110,562	113,827	1,226	8.26	1,096	7.67	(2.18)	2.97
4	US Fund Large Value	2,811	(1,189)	7,989	8,998	1,093	7.36	992	6.95	5.69	12.39
5	US Fund Foreign Large Blend	5,713	8,362	49,008	55,002	791	5.33	763	5.34	(2.18)	(1.42)
6	US Fund Allocation--50% to 70% Equity	(871)	(1,823)	(3,037)	(3,008)	484	3.26	462	3.24	1.21	6.00
7	US Fund World Stock	(1,247)	(2,650)	(15,797)	(16,907)	385	2.59	399	2.79	0.54	3.94
8	US Fund Diversified Emerging Mkts	(2,579)	(261)	19,351	17,570	379	2.55	340	2.38	(4.87)	8.38
9	US Fund Mid-Cap Blend	2,344	2,737	(200)	982	363	2.45	335	2.34	6.64	12.49
10	US Fund Short-Term Bond	(1,868)	132	15,637	14,047	353	2.38	335	2.35	(0.57)	1.93
11	US Fund Small Blend	8,839	8,889	10,350	10,378	327	2.20	284	1.99	10.58	17.35
12	US Fund Foreign Large Growth	(1,123)	(2,775)	(6,633)	(5,919)	317	2.14	352	2.46	(3.30)	(3.05)
13	US Fund High Yield Bond	(5,218)	(8,437)	8,348	(2,951)	304	2.05	290	2.03	(0.25)	11.31
14	US Fund World Allocation	(2,674)	(4,979)	(31,153)	(37,436)	290	1.96	321	2.25	(0.52)	4.44
15	US Fund Mid-Cap Growth	(1,046)	(4,127)	(22,929)	(23,465)	261	1.76	287	2.01	4.53	5.70
16	US Fund Mid-Cap Value	(13)	(1,533)	(5,298)	(5,888)	244	1.64	233	1.63	7.34	16.01
17	US Fund World Bond	175	141	(8,305)	(11,032)	205	1.38	213	1.49	(3.05)	3.25
18	US Fund Allocation--30% to 50% Equity	(698)	(1,736)	(1,000)	(3,254)	205	1.38	200	1.40	(0.24)	5.37
19	US Fund Small Growth	(423)	(1,232)	(12,034)	(13,789)	197	1.33	203	1.42	8.10	10.29
20	US Fund Multisector Bond	(349)	(120)	2,119	(2,133)	187	1.26	181	1.27	(1.27)	6.45
21	US Fund Muni National Interm	(2,349)	(1,025)	21,359	24,778	184	1.24	162	1.13	(3.50)	(1.05)
22	US Fund Foreign Large Value	(735)	(2,553)	(1,180)	(2,649)	150	1.01	156	1.09	(1.40)	0.37
23	US Fund Real Estate	(1,353)	(3,651)	8,408	8,632	147	0.99	136	0.95	(1.52)	2.72
24	US Fund Small Value	1,982	1,444	4,773	4,931	146	0.99	124	0.87	11.92	21.70
25	US Fund Health	1,278	(993)	(18,041)	(18,751)	146	0.98	183	1.28	3.74	(10.16)
26	US Fund Corporate Bond	(567)	(1,183)	24,039	24,338	142	0.96	115	0.81	(2.47)	5.64
27	US Fund Allocation--70% to 85% Equity	(605)	(1,155)	(5,703)	(6,617)	129	0.87	128	0.90	1.64	6.38
28	US Fund Inflation-Protected Bond	3,664	5,041	12,345	12,361	125	0.85	103	0.72	(1.54)	4.47
29	US Fund Muni National Short	(1,031)	28	6,682	7,295	125	0.84	119	0.83	(1.40)	(0.42)
30	US Fund Intermediate Government	(1,257)	(1,141)	7,987	8,220	113	0.76	104	0.73	(1.90)	1.06
31	US Fund Bank Loan	2,767	5,222	2,555	(3,762)	107	0.72	106	0.74	0.21	8.01
32	US Fund Nontraditional Bond	(411)	(822)	(20,759)	(25,583)	104	0.70	129	0.90	(0.50)	4.32
33	US Fund Ultrashort Bond	3,178	4,643	6,995	8,040	95	0.64	84	0.59	0.02	1.62
34	US Fund Technology	856	1,936	(4,951)	(3,895)	88	0.59	87	0.61	1.06	10.40
35	US Fund Muni National Long	(999)	(936)	5,287	5,810	86	0.58	83	0.58	(3.89)	(0.87)

©2016 Morningstar, Inc. All Rights Reserved. For institutional use only. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely.Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

MORNINGSTAR®

Fund Flows

Monthly Market Summary: US Open-end & ETF ex MM ex FoF

Including merged and liquidated funds

Effective Date
11-30-2016

Morningstar Categories Ranked by Current TNA ($Mil)

Rank	Name	Estimated Net Flow ($mil)				Total Net Assets ($bil)				Total Return	
		1-Mo	QTD	YTD	1-Yr	11-2016	Mkt Sh %	11-2015	Mkt Sh %	1-Mo	YTD
36	US Fund High Yield Muni	(3,662)	(4,496)	6,389	7,452	85	0.57	78	0.55	(4.52)	0.26
37	US Fund Emerging Markets Bond	(1,541)	(232)	8,880	7,842	63	0.42	52	0.37	(3.52)	8.96
38	US Fund Short Government	(24)	305	865	(49)	58	0.39	58	0.41	(0.65)	0.56
39	US Fund Equity Energy	1,640	1,535	4,936	6,146	55	0.37	44	0.31	11.06	28.14
40	US Fund Multialternative	(709)	(1,482)	(2,631)	229	53	0.36	55	0.39	0.01	0.52
41	US Fund Europe Stock	(1,262)	(3,172)	(25,867)	(25,963)	53	0.36	88	0.62	(2.12)	(5.88)
42	US Fund Global Real Estate	(1,216)	(1,315)	(3,475)	(4,283)	51	0.34	56	0.39	(2.80)	(0.29)
43	US Fund Financial	9,457	10,541	3,773	4,557	51	0.34	47	0.33	10.99	14.09
44	US Fund Commodities Precious Metals	(4,381)	(4,374)	12,472	11,820	50	0.34	34	0.24	(4.95)	13.29
45	US Fund Energy Limited Partnership	551	1,088	5,393	5,273	44	0.30	37	0.26	3.85	22.68
46	US Fund Preferred Stock	(743)	(132)	9,739	9,989	43	0.29	34	0.24	(2.16)	4.69
47	US Fund Natural Resources	1,045	168	342	(252)	39	0.26	33	0.23	7.27	26.21
48	US Fund Muni California Long	(682)	(811)	1,758	2,008	36	0.24	35	0.24	(4.44)	(0.95)
49	US Fund Foreign Small/Mid Growth	(308)	(360)	(1,632)	(1,199)	34	0.23	37	0.26	(3.85)	(3.74)
50	US Fund Long-Short Equity	(521)	104	(5,225)	(7,245)	33	0.22	41	0.29	2.10	1.14
51	US Fund Commodities Broad Basket	(36)	124	4,005	3,451	33	0.22	28	0.19	1.29	10.21
52	US Fund Tactical Allocation	26	599	(91)	(454)	33	0.22	33	0.23	0.76	4.45
53	US Fund Utilities	(1,164)	(1,820)	1,134	508	32	0.22	29	0.20	(3.89)	9.51
54	US Fund Japan Stock	1,002	509	(10,505)	(11,723)	32	0.21	47	0.33	(1.28)	1.06
55	US Fund Managed Futures	(383)	(232)	9,563	9,753	32	0.21	24	0.17	(1.04)	(3.37)
56	US Fund Foreign Small/Mid Blend	368	523	70	195	30	0.20	30	0.21	(2.09)	0.01
57	US Fund Miscellaneous Region	407	563	(2,843)	(2,945)	30	0.20	34	0.23	—	—
58	US Fund Long Government	(723)	(1,530)	1,263	1,038	27	0.18	26	0.18	(7.71)	1.63
59	US Fund Equity Precious Metals	(298)	216	5,951	5,879	25	0.17	13	0.09	(14.27)	54.74
60	US Fund Muni California Intermediate	(644)	(418)	2,917	3,352	25	0.17	22	0.15	(3.96)	(1.52)
61	US Fund Foreign Small/Mid Value	42	(10)	(537)	(600)	24	0.16	24	0.17	(2.24)	1.84
62	US Fund Industrials	5,219	5,497	6,135	4,979	24	0.16	17	0.12	8.45	17.38
63	US Fund Consumer Cyclical	(184)	(518)	(6,459)	(6,548)	24	0.16	31	0.22	4.35	4.72
64	US Fund Pacific/Asia ex-Japan Stk	(172)	(182)	(170)	(825)	22	0.15	23	0.16	(3.29)	4.93
65	US Fund Muni Single State Long	(157)	(108)	1,128	1,127	22	0.15	21	0.15	(3.12)	(0.17)
66	US Fund Market Neutral	(412)	(1,471)	(2,404)	(3,621)	21	0.14	25	0.17	1.13	1.71
67	US Fund Long-Term Bond	(227)	(133)	(1,571)	(1,593)	20	0.14	21	0.15	(5.31)	5.42
68	US Fund Allocation--85%+ Equity	(1,431)	(1,608)	(3,215)	(3,205)	19	0.13	21	0.15	2.34	6.47
69	US Fund Muni New York Long	(183)	(197)	227	134	19	0.13	19	0.13	(3.63)	(0.30)
70	US Fund Consumer Defensive	(2,170)	(3,215)	(2,442)	(2,115)	18	0.12	19	0.14	(3.49)	1.94

©2016 Morningstar, Inc. All Rights Reserved. For institutional use only. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely.Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

Fund Flows

Monthly Market Summary: US Open-end & ETF ex MM ex FoF

Including merged and liquidated funds

Effective Date
11-30-2016

Morningstar Categories Ranked by Current TNA ($Mil)

Rank	Name	Estimated Net Flow ($mil)				Total Net Assets ($bil)				Total Return	
		1-Mo	QTD	YTD	1-Yr	11-2016	Mkt Sh %	11-2015	Mkt Sh %	1-Mo	YTD
71	US Fund Trading--Leveraged Equity	(371)	1,220	(3,869)	(3,042)	18	0.12	19	0.13	—	—
72	US Fund Convertibles	(171)	54	(2,209)	(2,896)	16	0.11	19	0.13	1.94	6.59
73	US Fund China Region	(357)	(61)	(3,019)	(2,955)	16	0.11	19	0.13	(0.61)	2.69
74	US Fund Infrastructure	140	268	(999)	(1,554)	14	0.09	15	0.11	(3.37)	7.13
75	US Fund Diversified Pacific/Asia	(9)	18	(654)	(573)	14	0.09	14	0.10	(2.39)	4.83
76	US Fund Muni Single State Interm	(116)	(83)	658	688	13	0.09	13	0.09	(3.22)	(1.12)
77	US Fund Option Writing	59	102	(214)	(121)	12	0.08	12	0.08	1.49	4.18
78	US Fund Trading--Inverse Equity	(1,231)	(1,337)	5,497	4,424	11	0.07	9	0.07	—	—
79	US Fund Muni New York Intermediate	(187)	(239)	466	587	10	0.07	10	0.07	(3.47)	(1.17)
80	US Fund Emerging-Markets Local-Currency Bond	(325)	(290)	(1,254)	(2,491)	10	0.07	13	0.09	(6.45)	6.76
81	US Fund Muni Single State Short	(55)	(69)	(682)	(803)	10	0.07	11	0.08	(2.08)	(0.51)
82	US Fund Allocation--15% to 30% Equity	(56)	(239)	(357)	(464)	10	0.07	10	0.07	(0.61)	4.54
83	US Fund Muni Pennsylvania	(80)	(46)	198	215	9	0.06	9	0.06	(3.34)	(0.43)
84	US Fund India Equity	(126)	(107)	(201)	(474)	9	0.06	9	0.06	(9.12)	2.07
85	US Fund Long-Short Credit	(111)	(201)	(2,981)	(3,578)	8	0.05	12	0.08	(0.63)	3.00
86	US Fund Communications	(323)	(493)	98	255	7	0.05	7	0.05	(0.56)	7.42
87	US Fund Multicurrency	112	167	(1,131)	(1,757)	7	0.05	9	0.06	(0.51)	3.27
88	US Fund Latin America Stock	56	155	1,276	1,521	7	0.05	4	0.03	(11.75)	31.25
89	US Fund Muni Massachusetts	(112)	(97)	336	356	7	0.05	7	0.05	(3.35)	(0.97)
90	US Fund Muni New Jersey	(92)	(110)	(31)	(55)	6	0.04	6	0.05	(3.77)	(0.22)
91	US Fund Commodities Energy	544	304	502	970	6	0.04	5	0.04	4.29	8.17
92	US Fund Muni Ohio	(53)	(47)	263	291	5	0.03	5	0.03	(3.29)	(0.59)
93	US Fund Muni Minnesota	(61)	(22)	374	392	5	0.03	5	0.03	(3.34)	(0.99)
94	US Fund Target-Date 2030	10	99	226	176	5	0.03	5	0.03	0.77	5.92
95	US Fund Trading--Inverse Debt	(198)	(286)	(105)	(449)	5	0.03	5	0.04	—	—
96	US Fund Target-Date 2020	(37)	10	97	31	4	0.03	4	0.03	0.02	5.13
97	US Fund Miscellaneous Sector	54	118	(71)	(119)	4	0.03	4	0.03	—	—
98	US Fund Target-Date 2025	31	94	356	348	4	0.02	3	0.02	0.43	5.48
99	US Fund Target-Date 2040	4	95	144	101	4	0.02	3	0.02	1.35	6.33
100	US Fund Trading--Leveraged Commodities	(249)	(171)	129	694	4	0.02	3	0.02	—	—
101	US Fund Volatility	(455)	(522)	2,810	2,770	3	0.02	4	0.03	—	—
102	US Fund Bear Market	(245)	(247)	120	(249)	3	0.02	4	0.03	(5.31)	(19.34)
103	US Fund Target-Date 2035	36	105	335	327	2	0.02	2	0.01	1.20	6.04
104	US Fund Target-Date 2050	16	53	176	214	2	0.01	2	0.01	1.51	6.55
105	US Fund Target-Date Retirement	(7)	55	53	38	2	0.01	1	0.01	(0.56)	4.29

©2016 Morningstar, Inc. All Rights Reserved. For institutional use only. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely.Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

Fund Flows

Monthly Market Summary: US Open-end & ETF ex MM ex FoF

Including merged and liquidated funds

Effective Date
11-30-2016

Morningstar Categories Ranked by Current TNA ($Mil)

Rank	Name	Estimated Net Flow ($mil)				Total Net Assets ($bil)				Total Return	
		1-Mo	QTD	YTD	1-Yr	11-2016	Mkt Sh %	11-2015	Mkt Sh %	1-Mo	YTD
106	US Fund Target-Date 2045	28	90	246	244	1	0.01	1	0.01	1.56	6.27
107	US Fund Commodities Agriculture	(94)	(67)	145	17	1	0.01	1	0.01	(3.12)	0.45
108	US Fund Single Currency	(62)	69	(40)	(547)	1	0.01	2	0.01	—	—
109	US Fund Trading--Miscellaneous	(42)	(30)	(52)	(198)	1	0.01	1	0.01	—	—
110	US Fund Trading--Inverse Commodities	(110)	(394)	300	319	1	0.00	1	0.01	—	—
111	US Fund Target-Date 2015	(11)	(24)	(140)	(165)	1	0.00	1	0.01	(0.12)	5.08
112	US Fund Target-Date 2055	21	45	177	183	1	0.00	0	0.00	1.65	6.32
113	US Fund Commodities Industrial Metals	29	78	136	109	0	0.00	0	0.00	—	—
114	US Fund Target-Date 2000-2010	(6)	(14)	(126)	(137)	0	0.00	0	0.00	(0.30)	4.89
115	US Fund Trading--Leveraged Debt	(42)	(88)	(159)	(109)	0	0.00	0	0.00	—	—
116	US Fund Target-Date 2060+	4	7	26	26	0	0.00	0	0.00	1.79	6.22
117	US Fund Commodities Miscellaneous	0	0	(1)	(1)	0	0.00	0	0.00	—	—
Top 10		**9,547**	**10,587**	**144,140**	**166,572**	**8,881**	**59.83**	**8,372**	**58.62**	**—**	**—**
All		**3,714**	**(8,586)**	**142,124**	**119,904**	**14,845**	**100.00**	**14,282**	**100.00**	**—**	**—**

Top Fund Families Ranked by Current TNA ($Mil)

Rank	Name	Estimated Net Flow ($mil)				Assets Under Management ($bil)			
		1-Mo	QTD	YTD	1-Yr	11-2016	Mkt Sh %	11-2015	Mkt Sh %
1	Vanguard	20,474	41,682	253,494	277,323	3,338	22.49	2,918	20.43
2	American Funds	(3,352)	(4,942)	(2,450)	(5,348)	1,245	8.39	1,198	8.39
3	Fidelity Investments	(8,572)	(11,381)	(23,470)	(23,923)	1,218	8.20	1,207	8.45
4	iShares	17,382	22,236	88,366	107,717	946	6.37	817	5.72
5	T. Rowe Price	(919)	(2,110)	(2,775)	(2,783)	499	3.36	475	3.33
6	SPDR State Street Global Advisors	20,704	19,241	37,232	45,014	479	3.22	416	2.91
7	Franklin Templeton Investments	(4,480)	(8,516)	(40,276)	(46,261)	375	2.53	411	2.88
8	Dimensional Fund Advisors	1,433	3,493	19,718	21,078	310	2.09	268	1.88
9	Pimco	(3,126)	(3,764)	(13,746)	(23,083)	298	2.01	311	2.17
10	JPMorgan	(2,779)	(4,059)	(10,072)	(9,748)	273	1.84	276	1.93
11	BlackRock	(2,664)	(2,812)	(7,591)	(10,091)	229	1.54	234	1.64
12	MFS	(300)	(470)	1,825	2,119	186	1.25	178	1.25
13	Dodge & Cox	(481)	(1,256)	(9,048)	(11,568)	184	1.24	183	1.28
14	OppenheimerFunds	(1,183)	(1,499)	(9,350)	(11,812)	174	1.17	182	1.28
15	Invesco	(791)	(1,327)	1,509	474	151	1.02	144	1.01

©2016 Morningstar, Inc. All Rights Reserved. For institutional use only. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely.Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

Fund Flows

Monthly Market Summary: US Open-end & ETF ex MM ex FoF
Including merged and liquidated funds

Effective Date
11-30-2016

Top Fund Families Ranked by Current TNA ($Mil)

Rank	Name	Estimated Net Flow ($mil)				Assets Under Management ($bil)			
		1-Mo	QTD	YTD	1-Yr	11-2016	Mkt Sh %	11-2015	Mkt Sh %
16	Columbia	(1,501)	(1,351)	(7,033)	(7,963)	144	0.97	151	1.06
17	Jackson National	277	631	1,328	1,934	134	0.90	126	0.88
18	John Hancock	637	(207)	(3,086)	(1,638)	126	0.85	125	0.88
19	Principal Funds	(600)	(623)	847	654	119	0.80	115	0.80
20	Lord Abbett	(511)	87	3,647	1,562	107	0.72	102	0.71
21	Janus	(246)	(637)	(2,207)	(2,661)	106	0.71	106	0.74
22	American Century Investments	(542)	(706)	279	(183)	105	0.71	101	0.71
23	PowerShares	106	2,413	5,348	5,759	101	0.68	93	0.65
24	TIAA-CREF Asset Management	1,320	1,875	6,828	7,921	101	0.68	89	0.62
25	AXA Equitable	(508)	(960)	(4,858)	(5,159)	99	0.67	100	0.70
26	Wells Fargo Funds	(1,419)	(2,500)	(8,394)	(9,295)	99	0.67	106	0.74
27	Hartford Mutual Funds	(273)	(746)	(2,666)	(2,941)	96	0.64	96	0.67
28	Legg Mason	(900)	(1,025)	(949)	(1,376)	93	0.63	92	0.64
29	SEI	(529)	(1,071)	(204)	96	90	0.61	87	0.61
30	Metropolitan West Funds	(511)	549	8,052	8,486	88	0.59	78	0.55
31	Prudential Investments	(69)	563	4,388	4,203	83	0.56	78	0.54
32	Voya	(1,217)	(1,631)	(6,686)	(7,139)	81	0.54	84	0.59
33	Goldman Sachs	(1,342)	(1,880)	(11,168)	(12,595)	80	0.54	91	0.64
34	DoubleLine	(1,066)	(491)	10,891	11,911	75	0.50	62	0.43
35	First Eagle	49	108	(977)	(2,021)	72	0.49	70	0.49
36	Harbor	(1,120)	(2,198)	(8,854)	(10,186)	68	0.46	81	0.56
37	Oakmark	(561)	(697)	(12,084)	(13,427)	68	0.46	79	0.55
38	Eaton Vance	(159)	280	1,924	742	68	0.46	65	0.45
39	Nuveen	(1,659)	(1,918)	3,656	4,230	66	0.44	61	0.43
40	Federated	(468)	(369)	1,335	646	65	0.44	63	0.44
41	AllianceBernstein	(456)	(522)	2,479	2,436	65	0.44	60	0.42
42	Putnam	(311)	(733)	(8,078)	(9,459)	62	0.42	71	0.50
43	Schwab Funds	70	(136)	(1,441)	(748)	60	0.40	58	0.40
44	USAA	(336)	(341)	(1,397)	(1,500)	59	0.40	58	0.41
45	Dreyfus	(180)	(408)	(914)	(2,286)	58	0.39	59	0.41
46	Schwab ETFs	1,916	2,849	13,652	15,624	57	0.38	39	0.27
47	MainStay	(1,089)	(1,888)	(7,469)	(8,708)	54	0.36	62	0.44
48	Natixis Funds	(567)	(800)	(5,061)	(6,233)	53	0.35	58	0.41
49	GMO	(1,639)	(3,044)	(15,095)	(16,107)	52	0.35	67	0.47
50	Northern Funds	(259)	(6)	(462)	(1,237)	50	0.33	50	0.35

©2016 Morningstar, Inc. All Rights Reserved. For institutional use only. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely.Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

Fund Flows

Monthly Market Summary: US Open-end & ETF ex MM ex FoF

Including merged and liquidated funds

Effective Date
11-30-2016

Top Fund Families Ranked by Current TNA ($Mil)

Rank	Name	Estimated Net Flow ($mil)				Assets Under Management ($bil)			
		1-Mo	QTD	YTD	1-Yr	11-2016	Mkt Sh %	11-2015	Mkt Sh %
Top 10		**36,765**	**51,880**	**306,020**	**339,986**	**8,981**	**60.50**	**8,297**	**58.09**
Top 50		**15,682**	**26,982**	**238,940**	**252,451**	**12,808**	**86.28**	**12,102**	**84.74**
Other		**(11,968)**	**(18,672)**	**(71,711)**	**(106,102)**	**2,036**	**13.72**	**2,098**	**14.69**
All		**3,714**	**8,310**	**167,229**	**146,349**	**14,845**	**100.00**	**14,200**	**99.43**

©2016 Morningstar, Inc. All Rights Reserved. For institutional use only. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely.Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

Fund Flows

Monthly Market Summary: US Open-end & ETF ex MM ex FoF

Including merged and liquidated funds

Effective Date
11-30-2016

Asset Classes

Name	Estimated Net Flow ($mil)				Assets Under Management ($bil)			
	1-Mo	QTD	YTD	1-Yr	11-2016	Mkt Sh %	11-2015	Mkt Sh %
US Equity	19,152	2,004	(56,721)	(41,791)	6,438	43.37	6,107	42.76
Sector Equity	13,534	9,362	(267)	(1,287)	769	5.18	760	5.32
International Equity	(330)	(2,002)	667	1,557	2,291	15.44	2,337	16.37
Allocation	(6,388)	(10,271)	(45,195)	(55,950)	1,211	8.16	1,218	8.53
Taxable Bond	(2,882)	9,729	179,443	150,109	3,183	21.44	2,960	20.73
Municipal Bond	(10,462)	(8,676)	47,330	53,626	649	4.37	604	4.23
Alternative	(4,970)	(4,798)	(391)	(2,727)	213	1.43	226	1.58
Commodities	(3,939)	(3,936)	17,258	16,367	91	0.61	69	0.48
All Long Term	**3,714**	**(8,586)**	**142,124**	**119,904**	**14,845**	**100.00**	**14,282**	**100.00**

Morningstar Ratings

Name	Estimated Net Flow ($mil)				Total Net Assets ($bil)			
	1-Mo	QTD	YTD	1-Yr	11-2016	Mkt Sh %	11-2015	Mkt Sh %
★★★★★	8,006	22,683	135,062	140,093	2,590	17.45	2,359	16.52
★★★★	4,205	6,828	128,670	141,037	6,835	46.04	6,396	44.78
★★★	(5,151)	(18,069)	(95,861)	(118,857)	3,836	25.84	3,889	27.23
★★	(3,584)	(8,555)	(70,361)	(85,781)	1,051	7.08	1,132	7.92
★	(2,334)	(4,408)	(21,711)	(25,132)	127	0.86	145	1.02
Not Rated	2,573	(7,063)	66,325	68,544	407	2.74	361	2.53
Total	**3,714**	**(8,586)**	**142,124**	**119,904**	**14,845**	**100.00**	**14,282**	**100.00**

©2016 Morningstar, Inc. All Rights Reserved. For institutional use only. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely.Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

MORNINGSTAR®