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Taiwan Onshore Funds Monthly Review & Database

Report Highlight

- >35 pages Covering Analysis & Past-6 Month Comparison of Taiwan Onshore Funds Market with over 70+ consolidated tables and charts
- **Onshore Funds Market Overview** – Past 6-month AUM and fund flow data of onshore public funds / Onshore Private Funds / Onshore Futures Funds, including Fund Number / AUM / Fund Flow / Share Class / QoQ & YTD Comparison
- **Fund Product Review** – AUM / Fund Number / Market Weighting / Net Sales / Top-10 Funds / Brief Profile by Fund Type
- **Fund Performance** – Top-10 Best Performing Funds in 3-6-12 months by Fund Type
- **IPO Fund Market Analysis** – Launch Results / AUM & Retention Ratio by Fund Type / by Custodian / by SITE
- **Peer Group Ranking** – AUM Ranking, MoM and YoY AUM / Net Flow Comparison

Subscription Information

- 12 Issues per annum, issued by the 20th day of every month
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Intelligence**
基石智庫

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Taiwan Onshore Fund Market Monthly Update

June 2018

SAMPLE

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I. Onshore Fund Market Review

Industry Update

- Market Size:** As of 06/2018, Taiwan's onshore fund market consisted of 896 funds overseen by 39 SITEs and 5 futures trust firms. The market size reached US\$82,634mn AuM, a -US\$3,926mn (-4.5%) MoM or +US\$8,653mn (+10.4%) YoY.
- Total No. of funds remained at 896, as a result of 6 onshore public fund launches, 4 fund closures and 2 fund liquidations in 06/2018.

1.01: Onshore Fund Market Summary

Fund Type	Comparison	Past 6 Months Monthly Data					Past 3 Years Data			
		01/18	02/18	03/18	04/18	05/18	06/18	1Y	2Y	3Y
Public Funds	No. of Players	39	39	39	39	39	39	39	38	37
	Fund No.	809	810	813	825	825	766	699	659	
	AuM (US\$mn)	83,197	82,990	84,853	85,052	81,057	72,860	68,820	68,553	
	AuM Change (US\$mn)	5,520	(207)	1,763	1,007	(3,994)	8,198	12,237	12,505	
	AuM % Change	7.1%	-0.2%	2.1%	1.2%	-4.7%	11.3%	17.8%	18.2%	
	Net Sales (US\$mn)	2,451	1,188	1,337	735	(1,853)	4,403	550	5,941	
Private Funds	No. of Players	20	19	19	18	18	21	21	19	
	Fund No.	52	52	52	51	51	51	51	51	
	AuM (US\$mn)	1,132	1,038	1,137	1,032	1,055	1,174	1,065	397	
	AuM Change (US\$mn)	(0)	(94)	99	(105)	23	(119)	(10)	658	
Futures Trust Funds	No. of Players	5	5	5	5	5	5	3	3	
	Fund No.	19	19	20	20	14	7	6		
	AuM (US\$mn)	458	463	450	476	522	846	263	79	
	AuM Change (US\$mn)	(67)	5	(13)	26	45	(324)	258	443	
	AuM % Change	-15%	1.1%	-2.9%	5.9%	9.5%	-38.3%	98.0%	561.3%	
Net Sales (US\$mn)	(55)	(121)	(21)	(2)	34	33	(521)	29	127	
Total	Fund No.	880	882	884	886	896	831	757	716	
	AuM (US\$mn)	84,853	84,586	85,894	85,632	86,560	82,634	74,880	70,149	69,028
	AuM % Change	6.9%	-0.3%	1.5%	-0.3%	1.1%	-4.5%	10.4%	17.8%	19.7%

(Source: SITCA)

I. Onshore Fund Market Review

Onshore Mutual Funds - Breakdown by Denominated Currency and Share Class

- **Number of Share Classes:** The number of onshore public fund share class reached 1,989, an increase of 11 share classes in 06/2018. On YoY basis, the total currency share class number increased by 380.
- **By Currency:** There were 1,098 share classes (or 86.5% AuM) denominated in TWD as of 06/2018, versus 463 share classes in USD with AuM amounted to US\$6,965mn, -1.3% (-US\$89mn) decrease on a MoM basis, or +104.4% increase (+US\$3,558mn) on a YoY basis. There were also 333 share classes denominated in CNY with AuM of US\$3,172mn, +3.2% market share, +3.2% increase on a MoM basis, or +65.2% increase on a YoY basis.

1.02: Onshore Public Fund AuM by Denominated Currency (AuM in US\$mn)

Currency	AuM %	Share Class No. %	Number of Share Classes		AuM		AuM Change		% Change	
			05/18	06/18	05/18	06/18	MoM	YoY	MoM	YoY
TWD	86.5%	86.5%	1,098	1,132	74,095	70,140	(3,954)	3,382	-5.3%	5.1%
USD	8.6%	8.6%	456	463	3,407	6,965	(89)	3,558	-1.3%	104.4%
CNY	3.9%	3.9%	333	333	1,920	3,172	97	1,251	3.2%	65.2%
AUD	0.4%	0.4%	48	48	279	364	(15)	85	-4.1%	30.6%
ZAR	0.4%	0.4%	43	43	356	290	(29)	(66)	-9.1%	-18.5%
NTD	0.2%	0.2%	3	3	138	125	(4)	(13)	-3.0%	-9.2%
EUR	0.1%	0.1%	1	1	1	0	(0)	(0)	-12.0%	-48.8%
Total	100.0%	100.0%	1,978	1,989	72,860	85,052	(3,994)	8,198	-4.7%	11.3%

* Including both accumulated share class and dividend distribution share classes

(Source: SITCA)

II. Onshore Mutual Fund Product Review

Fund Flow by Fund Type 1

- **MoM Net Sales:** Net inflows of US\$1,005mn were found in domestic ETFs and US\$72mn in international ETFs while domestic money market funds (-US\$2,414mn) and international equity funds (-US\$337mn) saw net outflows.
- **YoY Net Sales:** Net inflows of US\$5,887mn and US\$997mn were found in international equity funds and international equity funds respectively while domestic equity funds showed net outflows of US\$3,333mn over the same period.

2.04-1: Fund Flows by Major Sector

Sector	Fund Flow	Past 6 Months						Past 3 Years Data			
		01/18	02/18	03/18	04/18	05/18	06/18	YTD	1Y	2Y	3Y
Domestic Money Market	Gross Sales	7,690	7,900	6,800	7,991	7,991	4,803	35,227	69,359	137,676	225,952
	Outflow	(6,653)	(6,653)	(6,800)	(6,653)	(6,653)	(7,217)	(37,143)	(72,692)	(144,621)	(228,412)
	Net Sales	1,037	1,247	(800)	1,338	1,338	(2,414)	(1,915)	(3,333)	(6,944)	(2,460)
International Equity	Gross Sales	1,914	1,914	1,914	1,914	1,914	584	5,924	12,128	18,618	25,649
	Outflow	(1,460)	(1,460)	(1,460)	(1,460)	(1,460)	(921)	(5,440)	(11,130)	(17,270)	(23,091)
	Net Sales	455	455	455	455	455	(337)	483	997	1,348	2,558
High Yield Bond	Gross Sales	135	135	183	250	280	86	1,233	3,243	7,586	10,282
	Outflow	(198)	(224)	(202)	(266)	(272)	(223)	(1,785)	(3,409)	(6,682)	(10,148)
	Net Sales	(198)	(89)	(120)	(16)	8	(137)	(552)	(166)	904	134
International ETF	Gross Sales	1,524	1,524	1,588	1,142	1,859	902	7,856	9,870	12,374	15,818
	Outflow	(297)	(297)	(64)	(121)	(268)	(830)	(2,187)	(3,983)	(6,000)	(7,653)
	Net Sales	527	933	1,524	1,020	1,591	72	5,669	5,887	6,374	8,165
Domestic Equity	Gross Sales	457	217	245	236	307	347	1,809	3,340	5,834	8,365
	Outflow	(373)	(213)	(383)	(339)	(497)	(359)	(2,163)	(4,415)	(8,340)	(11,408)
	Net Sales	84	4	(137)	(104)	(189)	(11)	(354)	(1,074)	(2,507)	(3,043)

(Source: SITCA)

III. Fund Performance

Domestic Money Market Funds

3.01: Domestic MMF Performance - Past 3 Years Return (06/2018)

Rank	3-Month		6-Month		1-Year	
	Fund	Return (%)	Fund	Return (%)	Fund	Return (%)
1	Franklin SinoAm MMF	0.1099	Mega Diamond MMF	0.2238	Franklin SinoAm MMF	1.2469
2	FSITC Taiwan MMF	0.1084	DWS Taiwan MMF	0.2235	Franklin SinoAm MMF	1.2218
3	Mega Diamond MMF	0.1082	Franklin SinoAm MMF	0.2229	Franklin SinoAm MMF	1.2209
4	DWS Taiwan MMF	0.1082	FSITC Taiwan MMF	0.2197	FSITC Taiwan MMF	1.2194
5	Prudential MMF	0.1080	Prudential MMF	0.2185	Prudential MMF	1.2124
6	Jih Sun MMF	0.1065	Jih Sun MMF	0.2152	Jih Sun MMF	1.1777
7	CTBC Hua Win MMF	0.2158	Allianz Taiwan MMF	0.2144	Eastspring Well Pool MMF	1.1747
8	Yuanta De-Li MMF	0.2106	Yuanta De-Li MMF	0.2122	Allianz Taiwan MMF	1.1674
9	Eastspring Well Pool MMF	0.2049	Eastspring Well Pool MMF	0.2122	CTBC Hua Win MMF	1.1493
10	CTBC Hua Win MMF	0.2109	CTBC Hua Win MMF	0.2109	Taishin 1699 MMF	1.1416
Peer Group Average		0.1844				1.0215
Number of Funds in Group			43		43	

(Source: SITCA)

IV. IPO Fund Analysis

IPO Fund / Fund Number Changes

4.03: Onshore Public Fund Number Change

Fund Number	Past 6 Months Monthly Data						Past 3 Years Fund Number Change			
	01/18	02/18	03/18	04/18	05/18	06/18	YTD	1Y	2Y	3Y
New IPO	11	3	7	7	6	6	49	179	179	247
Merger	0	(2)	(2)	(1)	(4)	(4)	6	24	30	49
Liquidation	(2)	0	(2)	(1)	(1)	(2)		13	23	32
Net Increase	9	1	2	2	0	0	25	59	126	166
Outstanding Fund No.	809	810	812	815	815	825				

4.04: Latest IPO by Fund Type (US\$mn)

Type	Latest IPO (2018)			Upcoming Months		Under Preparation	
	IPO No.	Quota (US\$mn)	Quota (US\$mn)	IPO No.	Quota (US\$mn)	Fund No.	Quota (US\$mn)
International ETF	5	1,810	1,810	2	1,311	5	1,967
International Fixed-income	7	1,665	1,665	6	3,873	11	5,323
International Multi-asset	3	677	3,111			3	1,311
International Equity	6	671	3,607			1	656
High Yield Bond	3	373	1,967	2	1,311	1	656
Domestic Fixed Income	6	234	656				
International Diversified		109	656			1	656
International Index		87	656				
Domestic Balanced		74	Unlimited				
International Real Estate				3	1,967		
International Infrastructure				3	984		
Principal Protected						1	800
International FoFs - Others						1	656

(Source: SITCA)

IV. IPO Fund Analysis

Sixteen New IPO Funds Ready for Launch from 06/2018

- Upcoming, there are 16 new IPO funds to be launched from 07/2018, including 6 international fixed-income funds, 2 international balanced funds, 3 international fixed-income FoFs, 2 high yield bond funds and 2 international ETFs.

4.06: New IPO Funds Ready for Launching

SFB Approval	Fund Name	Fund Type	Company	Quota (US\$m)	IPO Period
05/31/18	Nomura China Emerging Markets Fund	International Fixed-income	E.Sun	656	06/25~07/19
05/31/18	Nomura Frontier Markets HYB Sovereign Bond Fund	High Yield Bond	E.Sun	656	06/25~07/19
05/31/18	Nomura Five Years Ladder Maturity Emerging Bond	International Fixed-income	SinoPac	656	06/25~07/19
06/06/18	Manulife Preferred Stock Income Fund	International Fixed-income	Mega	656	07/02~
04/13/18	BlackRock Target Date 2030 FoFs	International FoFs - Bond	BOT	328	07/09~07/13
04/13/18	BlackRock Target Date 2040 FoFs	International FoFs - Bond	BOT	328	07/09~07/13
04/13/18	BlackRock Target Date 2050 FoFs	International FoFs - Bond	BOT	328	07/09~07/13
05/17/18	Invesco Fixed Maturity Selected Emerging Markets 2024	International Fixed-income	TBB	656	07/09~08/07
05/15/18	Fuh Hwa Fixed Maturity Emerging Market Bond 2024	International Fixed-income	Taishin	650	07/16~
06/05/18	Jih Sun China High Yield Bond Fund	International Balanced	SinoPac	656	07/16~
06/14/18	Cathay China New World Balanced Fund	International Balanced	CTBC	656	07/16~07/20
06/14/18	Cathay FTSE China 50 ETF	International ETF	CTBC	656	07/16~07/20
06/14/18	Cathay FTSE China 50 Dividend Yield Plus	International ETF	Hua Nan	656	07/16~07/20
02/20/18	Eastspring India Infrastructure Bond Fund	International Fixed-income	TCB	656	07/23~
01/18/18	Manulife High Yield Bond	High Yield Bond	TBB	656	07/23~07/27
06/14/18	Manulife Emerging Markets Bond Fund	International Fixed-income	CTBC	600	08/06~08/31
16 Funds				9,447	

(Source: SITCA)

V. Competitor Analysis

Fund Market Share Breakdown by SITE - 2

5.01-2: Profile of SITEs Ranked by Market Share (06/2018)

Ranking	SITE	AuM (US\$mn)	Market Share	Number of Funds	Number of Investors			Regular Savings		MoM Net Sales (US\$mn)
					Individuals	Institutions	Total	RSP Participant Number	Contribution (US\$mn)	
21	Schroders	1,026	1.3%	12		474	680		0	27
22	Manulife	981	1.2%	15	2,500	680	3,253	1,933	0	(1)
23	Hua Nan	979	1.2%	17	10,507		10,955	0	1	(152)
24	SinoPac	896	1.1%	1	15,597	1,088	16,295	4,665	1	(50)
25	HSBC	858	1.1%	22	1,924	1,774	22,698	0	0	(11)
26	Invesco	822	1.0%	11	1,101	1,740	12,841	805	0	(1)
27	Union	809		12	2,759		2,759	196	0	74
28	Shin Kong	799		21	15,200	1,000	15,779	3,883	1	(60)
29	Fidelity	452	0.5%	1	1,290	363	4,653	1,039	0	(11)
30	Paradigm	384	0.5%	1	1,579	325	3,904	1,123	0	(44)
31	KGI	312	0.4%	15	1,855	273	6,758	2,230	0	11
32	UBS		0.2%	1	13	96	109	0	0	(7)
33	BlackRock		0.2%	1	1,344	295	1,639	136	0	(6)
34	Reliance	141		1	2,313	135	2,448	289	0	(9)
35	Standard	132		2	2	30	32	0	0	126
36			0.2%	2	0	18	18	0	0	(0)
37	DWS	2	0.1%	5	315	131	446	29	0	(15)
38	Mirae	7	0.1%	7	3,352	114	3,466	271	0	(10)
39			0.0%	1	0	22	22	0	0	(6)
		8,057	100.0%	825	1,629,997	40,640	1,670,637	472,933	123	(1,853)

(Source: SITC)

III. Peer Group Analysis

AUM Growth & Decreases

5.03a: Top-6 MoM AUM Increase (US\$m, 06/2018)

Ranking	SITE	05/2018	06/2018	AUM Change
1	Yuanta	11,909	12,362	452
2	Aberdeen Standard	6	133	127
3	CTBC	1,222	1,297	75
4	Union	747	809	62
5	Schroders	988	1,026	37
6	KGI	307	312	5

5.03c: Top-10 MoM AUM Drop (US\$m, 06/2018)

Ranking	SITE	05/2018	06/2018	AUM Change
1	Cathay	6,698	6,257	(440)
2	Fuh Hwa	5,497	5,069	(428)
3	Yuanta	2,684	2,283	(401)
4	First	3,396	3,251	(145)
5	Jih Sun	2,868	3,709	(841)
6	HSBC	1,068	858	(210)
7	Franklin SinoAm	2,798	2,609	(189)
8	Eastspring	2,790	2,606	(184)
9	Nomura	2,816	2,601	(215)
10	Sun	2,836	2,633	(203)

5.03b: Top-10 YoY AUM Increase (US\$m, 06/2018)

Ranking	SITE	06/2017	06/2018	AUM Change
1	Cathay	6,257	11,909	5,652
2	Fuh Hwa	3,600	5,069	1,464
3	Yuanta	1,979	3,383	1,404
4	Capital	1,238	2,283	1,088
5	Eastspring	2,790	3,383	652
6	HSBC	4,631	5,293	662
7	Invesco	822	1,484	662
8	Schroders	1,026	1,688	662
9	Union	1,297	1,959	662
10	Jih Sun	3,322	3,984	662

5.03d: Top-10 YoY AUM Drop (US\$m, 06/2018)

Ranking	SITE	06/2017	06/2018	AUM Change
1	TCB	1,463	1,134	(329)
2	Jih Sun	2,868	2,633	(235)
3	HSBC	1,068	858	(210)
4	Franklin SinoAm	2,798	2,609	(189)
5	Eastspring	2,790	2,606	(184)
6	Hua Nan	1,149	979	(170)
7	First	3,396	3,251	(145)
8	SinoPac	1,035	896	(139)
9	Uni-President	2,219	2,094	(125)
10	Prudential	2,392	2,272	(120)

(Source: SIT)



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