

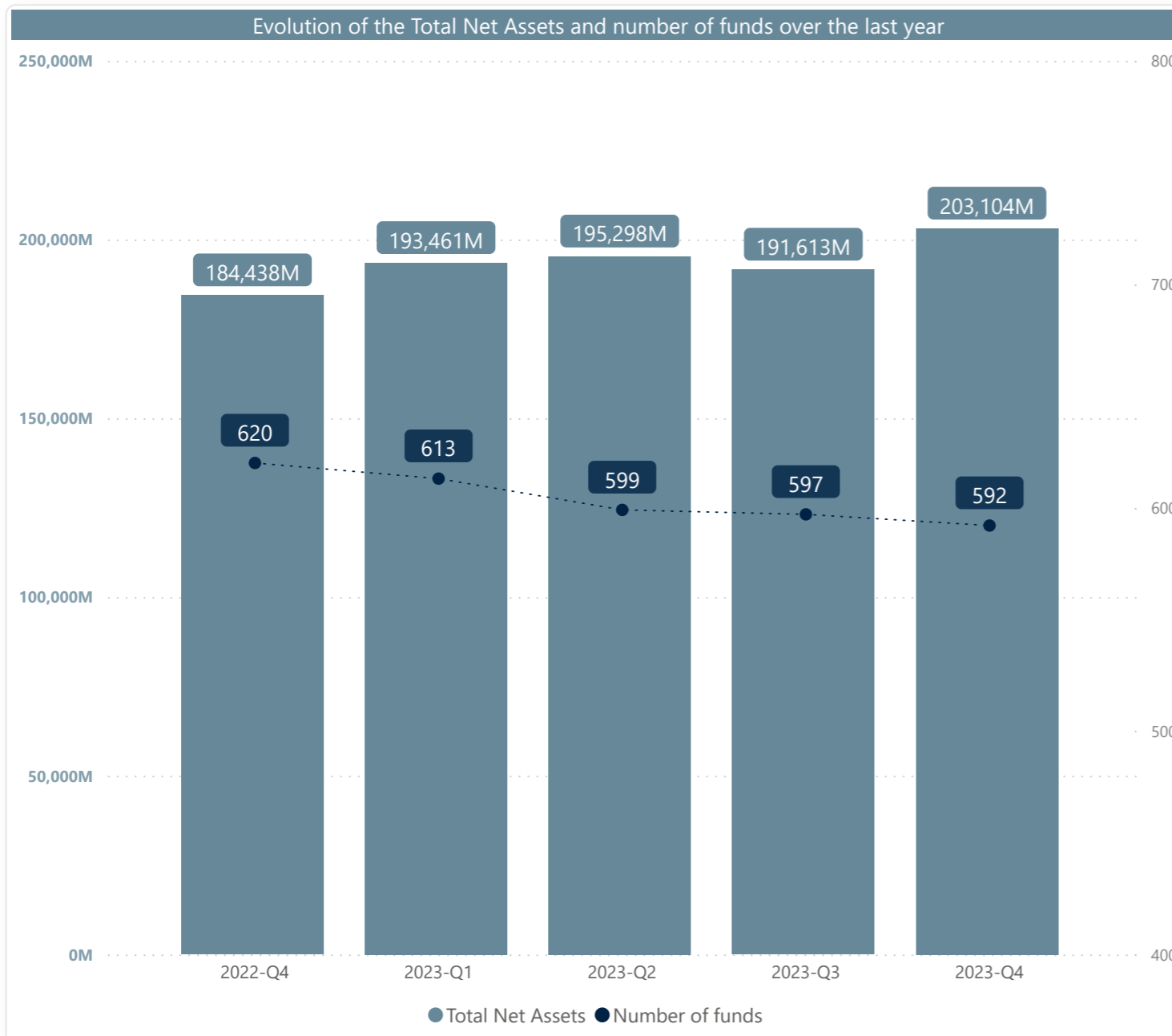


Belgian public open-ended investment funds Quarterly dashboard

Q4 2023

April 2024

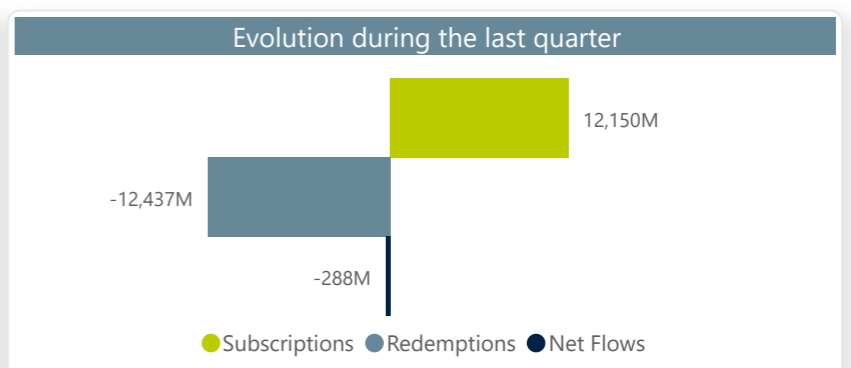
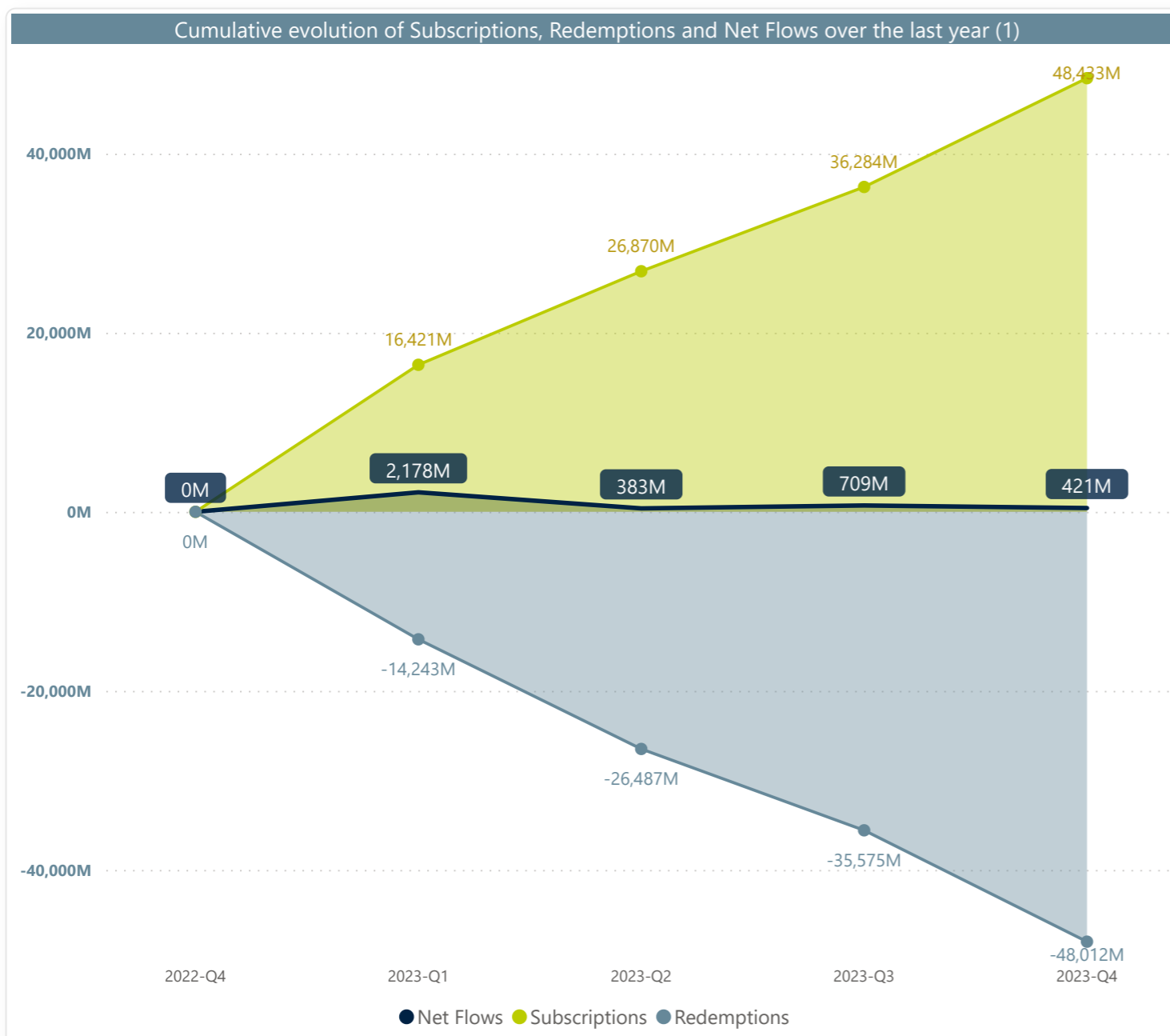
1. Total Net Assets: Overview



At the end of 2023, total net assets of the Belgian public open-ended funds amounted to EUR 203 billion. After an initial 5.9% increase over the first half of 2023, followed by a decrease of 1.9% over the third quarter, net assets rebounded again by 6% over the fourth quarter. Overall, across the entire year, net assets increased by 10.1%.

At the end of 2023, there were 592 funds active in the sector, compared to 620 funds one year earlier. This represents a 4.5% reduction in the number of funds over 2023. During the fourth quarter of 2023, the number of funds declined further. This decrease follows a long-term trend. The decline is generally explained by the greater number of structured funds reaching maturity compared to new funds being launched, and by the amount of funds involved in mergers and liquidations. Such mergers and liquidations often involve funds that are relatively small, for instance because they are no longer actively distributed or because anticipated sales results have not been achieved, leading fixed costs to have a more negative impact on fund performance and raising questions about the funds' long term viability.

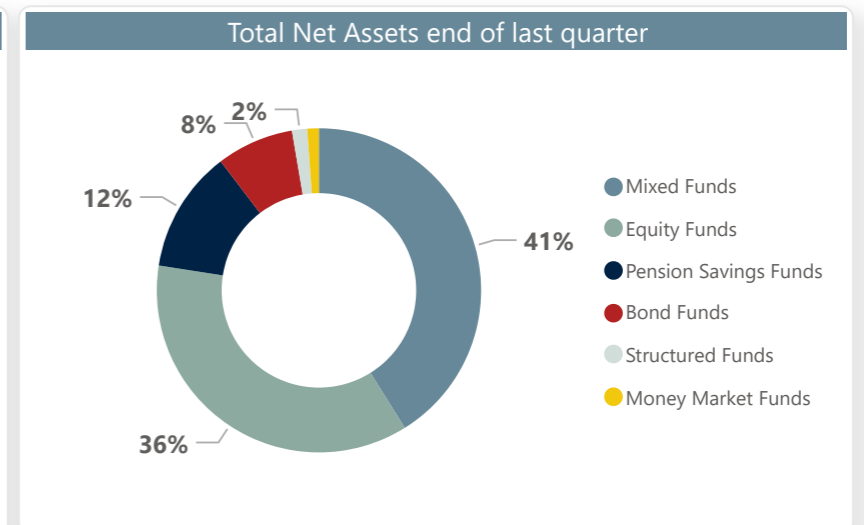
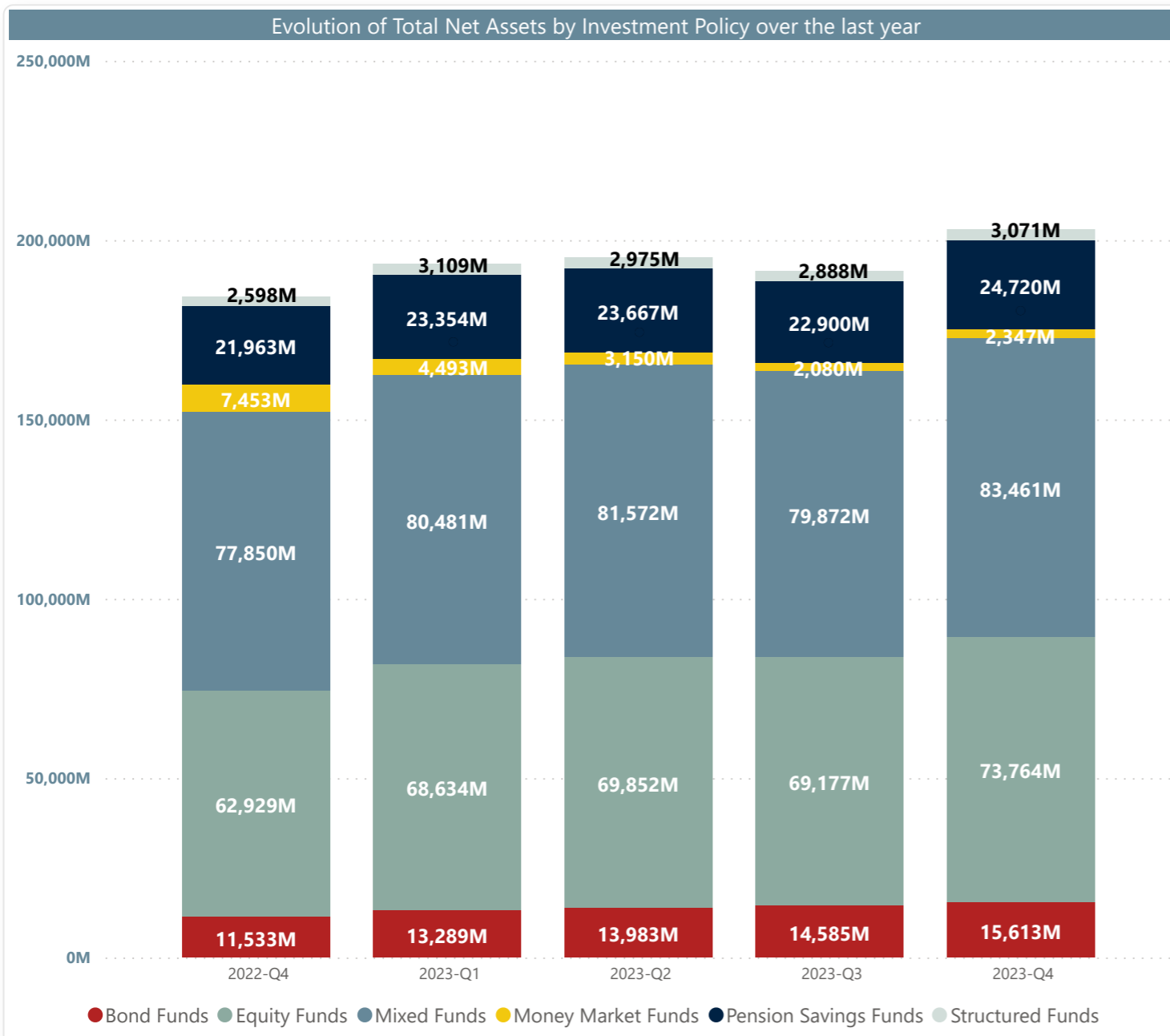
2. Net Flows: Overview



In 2023, aggregate net flows (subscriptions minus redemptions) in Belgian public open-ended funds amounted to EUR 421 million.

Last year, quarters with net inflows alternated with quarters with net outflows. During the fourth quarter of 2023, aggregate redemptions outweighed aggregate subscriptions, resulting in a net outflow of EUR 288 million.

3. Total Net Assets: Detail by Investment Policy



By the end of 2023, net assets of mixed funds, pension savings funds and equity funds collectively represented 90% of the total net assets of the sector, an increase from the previous year (88%).

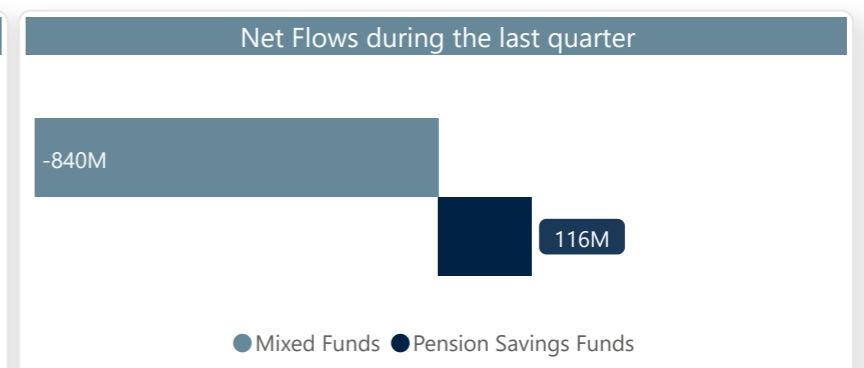
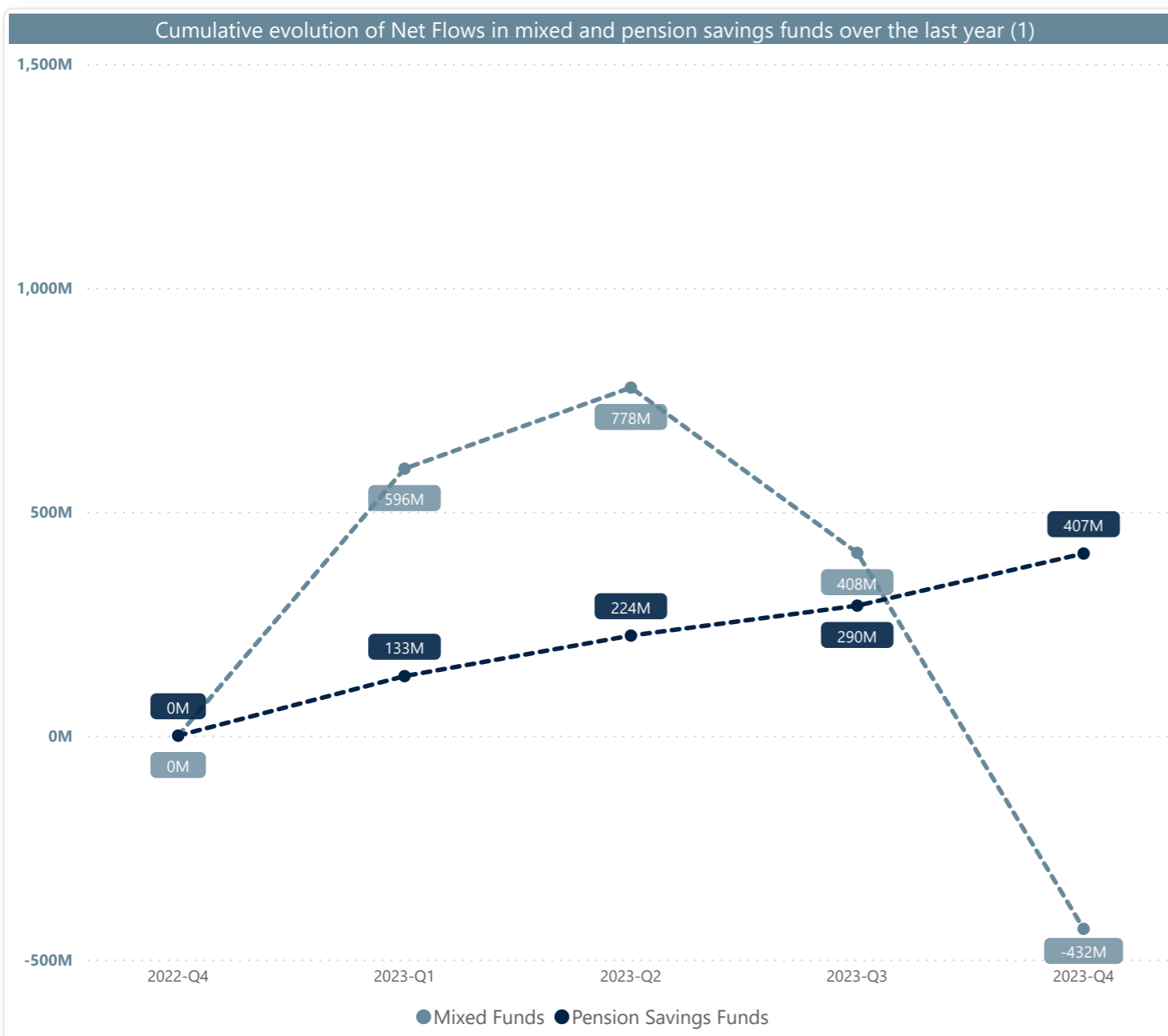
During the fourth quarter of 2023, net assets of these fund types increased. This increase is mainly attributable to developments in financial markets that led to an overall positive performance of assets in fund portfolios.

Over the full year 2023, net assets of bond funds also increased. This increase is mainly driven by net inflows and took place amid favourable conditions for this asset class, in particular the interest rate environment.

The relative importance of money market funds decreased during 2023, as the amount of redemptions exceeded the amount of subscriptions.

Note: Funds with another investment policy are not included in this analysis.

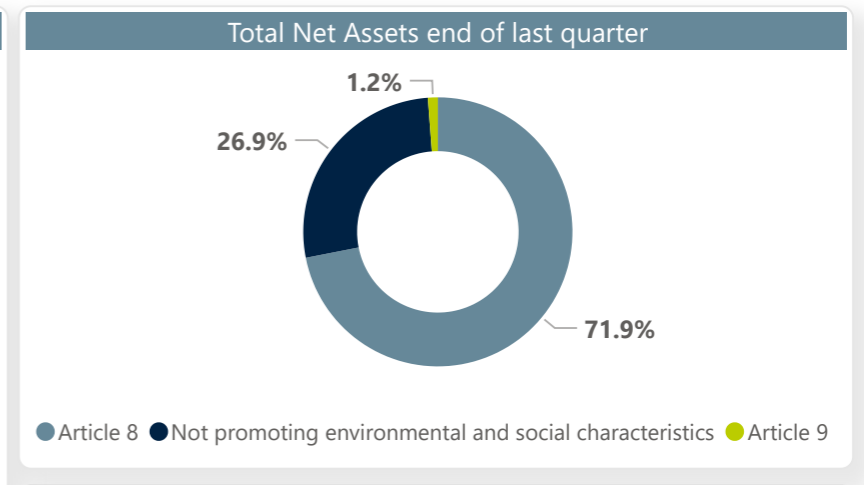
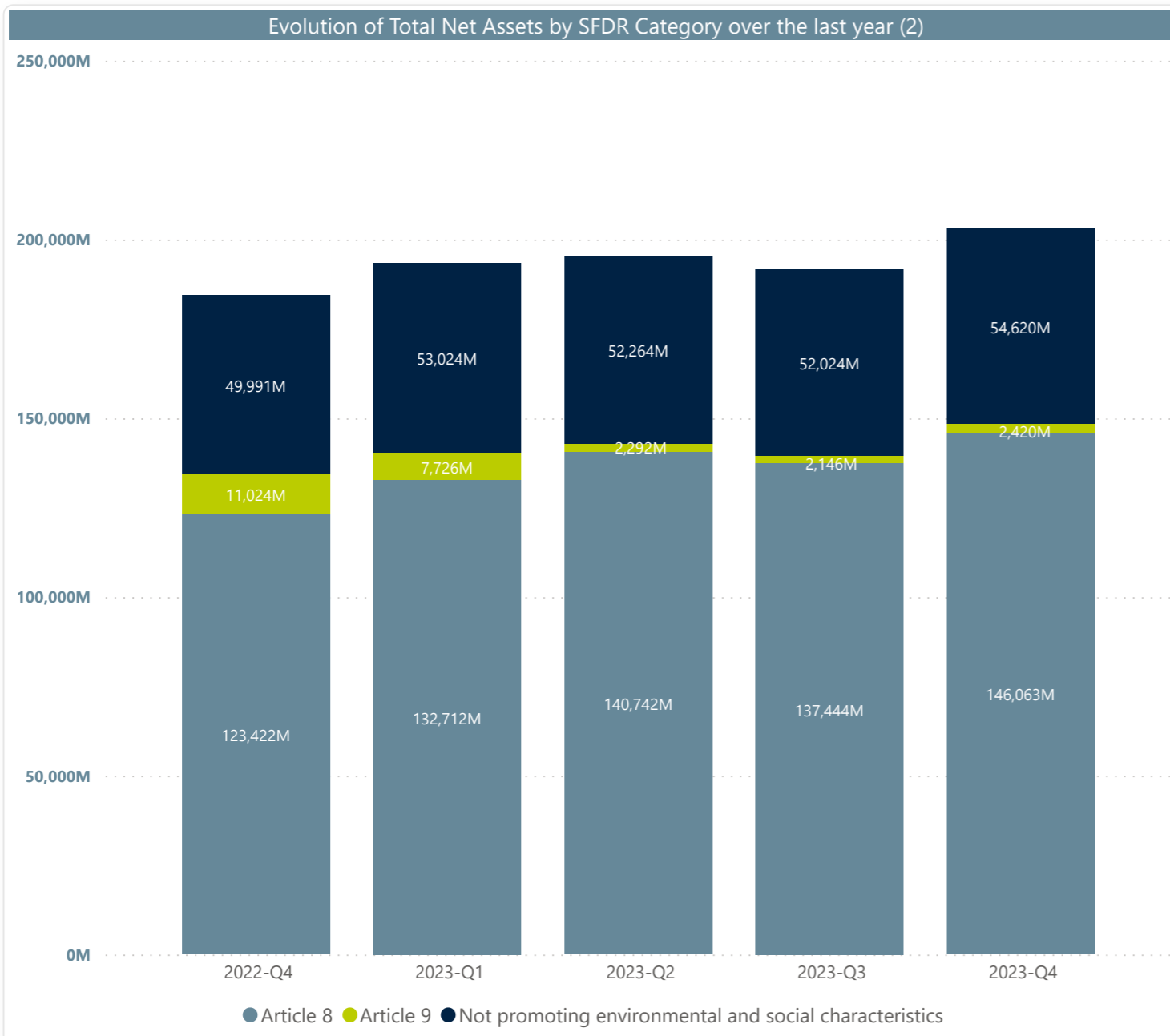
4. Net Flows: Detail by Investment Policy



Pension savings funds, which have the most widespread investor base across Belgian retail investors, have witnessed consistent net inflows during 2023, amounting to EUR 407 million in total. During the last quarter of 2023, net subscriptions amounted to EUR 116 million.

During 2023, mixed funds, of which the vast majority are held by retail investors, experienced net redemptions amounting to EUR 432 million. This is due to net redemptions exceeding 1.2 billion during the second half of the year.

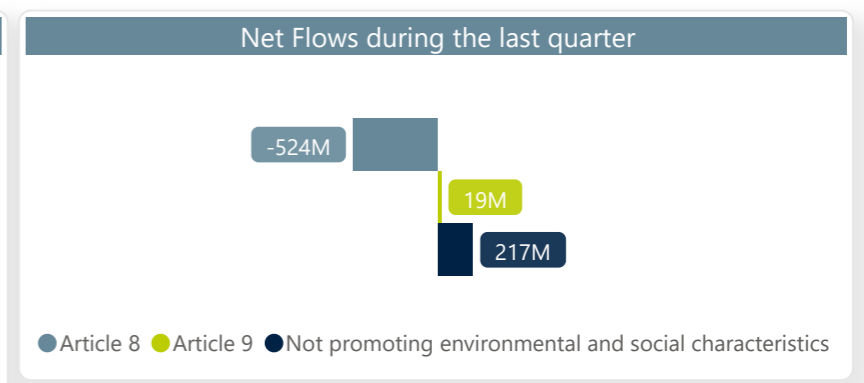
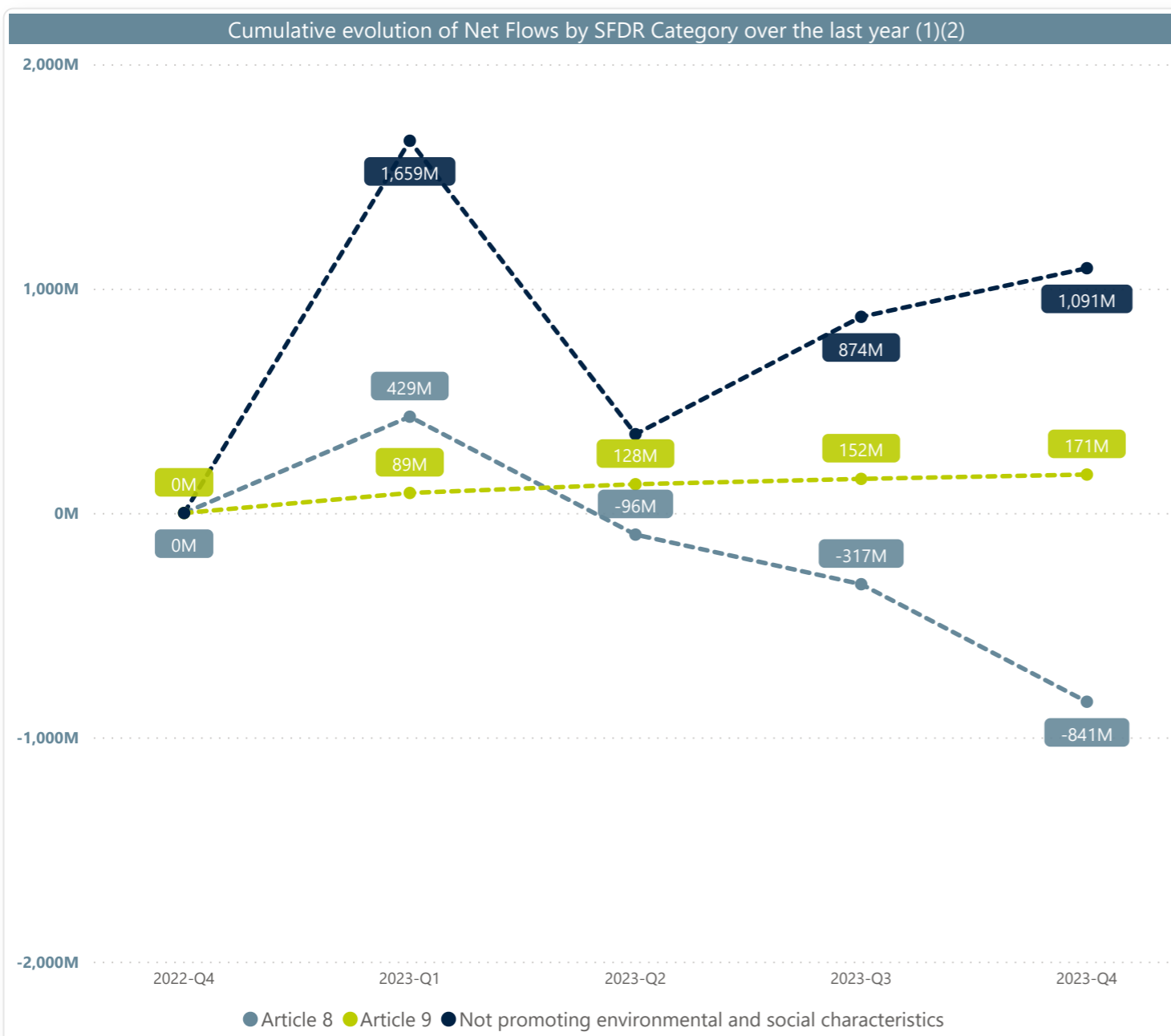
5. Total Net Assets: Detail by SFDR Category



In accordance with the Sustainable Finance Disclosure Regulation (SFDR), funds having a sustainable investment objective and funds promoting, among other characteristics, environmental or social characteristics must disclose specific information. Funds can therefore be classified into one of three categories based on their sustainability-related disclosures. "Article 9 funds" have sustainable investment as their objective. "Article 8 funds" promote environmental or social characteristics. A third category of funds represents the funds that neither have sustainable investment as their objective nor promote environmental or social characteristics.

At the end of 2023, article 9 funds represented 1.2% of the sector. During 2023, the relative importance of this category decreased substantially. The decrease in net assets of this category is mainly due to a re-classification of funds within this category to the article 8 funds category. The importance of the latter increased to 71.9% of the sector.

6. Net Flows: Detail by SFDR Category



Article 9 funds, which have sustainable investment as their objective, experienced stable but decreasing net inflows amounting to EUR 171 million during 2023. During the fourth quarter, these funds saw limited net inflows amounting to EUR 19 million.

In comparison, article 8 funds, which promote environmental or social characteristics, experienced net outflows amounting to EUR 841 million during 2023 and EUR 524 million during the last quarter of 2023.

Funds that neither have sustainable investment as their objective nor promote environmental or social characteristics have seen volatile net inflows amounting to EUR 1.1 billion during 2023 and EUR 217 million during the last quarter of 2023.

General

Funds are identified at compartment level and therefore "fund" refers to a compartment of a collective investment scheme for those collective investment schemes with compartments and to the collective investment scheme itself when the collective investment scheme does not have compartments.

Statistics are presented for all funds for which the relevant data have been reported to the FSMA. The relevant data should be reported to the FSMA for all active funds. Active funds are funds for which the initial subscription period has been closed and have assets under management and which have not entered into a liquidation or merger process.

The relevant data reported to the FSMA are the total net assets of a fund, the amount of subscriptions and the amount of redemptions, all in base currency of the fund. Net flows into or out of a fund, also called net inflows or net outflows, are calculated as subscriptions minus redemptions.

The FSMA continues to work with investment funds, their management companies and the entities responsible for the fund administration to identify and correct filing errors. Further, the FSMA has employed certain assumptions in aggregating the data. Future adjustments to the methodology and amended filings that change the underlying data could lead to changes in previously reported statistics.

All statistics are shown in million EUR (M). Data that have not been reported in EUR are converted to EUR based on the ECB reference rate. Statistics are shown on a quarterly frequency and net assets are calculated at the following dates: 31/12/22, 31/03/23, 30/06/23, 30/09/23 and 31/12/23.

All statistics are shown on an aggregated basis, either for the entire sector of the Belgian publicly offered open-ended investment funds, or for specific categories of funds. There is no correction for net assets, subscriptions and redemptions of funds investing in other funds included in the sector.

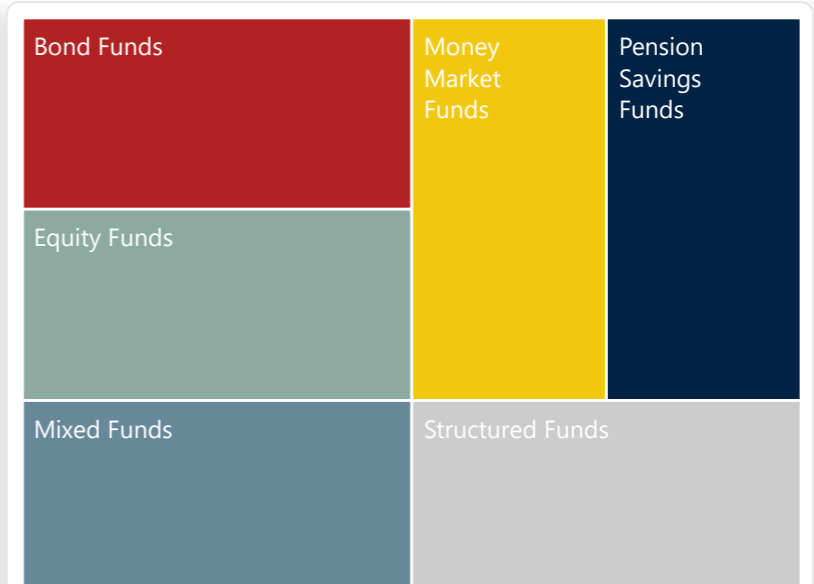
The FSMA has classified funds into different categories based on their prospectus. The classification is based on their stated investment policy as of the last reporting day of the last quarter of the reporting period and their sustainability-related disclosures according to Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosure Regulation or SFDR) as of the last reporting day of each quarter of the last year.

(1): In contrast to previous versions of this dashboard (until 2022 Q1), subscriptions and net flows do not include subscriptions linked to mergers of Belgian funds.

(2): In contrast to previous versions of this dashboard (until 2022 Q1), the method to classify funds according to SFDR fund types has been updated to correctly reflect the impact of funds converting from one category to another. This has an impact on the distribution of net assets and net flows classified according to SFDR fund types for previous quarters.

Investment Policy Classification

Funds are classified into different categories based on the stated investment policy from their prospectus. Money market funds (MMFs) invest in short-term assets and have distinct or cumulative objectives offering returns in line with money market rates or preserving the value of the investment. They are authorised as MMF pursuant to article 4 of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds (MMF Regulation). Pension savings funds are funds that have to comply with the relevant investment restrictions from the Belgian fiscal legislation for pension savings funds. Bond funds are funds with the objective to invest principally in fixed income instruments and which are not authorised as MMFs. Equity funds are funds with the objective to invest principally in equity instruments. Mixed funds are funds with the objective to invest in a combination of equity instruments, fixed income instruments and/or cash instruments and which are not registered as a pension savings fund. Structured funds are funds which aim to provide investors, at certain predetermined dates, with algorithm-based payoffs that are linked to the performance, or to the realisation of price changes or other conditions, of financial assets, indices or reference portfolios or funds with similar features. Funds which cannot be classified into one of the previously mentioned categories are classified in a residual category. Funds of funds, which are funds with the objective to invest a substantial proportion of their asset in units of other funds, are classified into an investment policy category according to the asset classes to which they ultimately aim to offer an exposure. Feeder funds, which are funds which invest at least 85% of their assets in units of their master fund, are classified according to the investment policy of their master fund.



SFDR Classification

Funds are classified into different categories based on their sustainability-related disclosures according to the SFDR. The SFDR imposes, among others, pre-contractual disclosure to end investors on sustainable investment objectives and on the promotion of environmental or social characteristics. In this dashboard funds are classified into one of three categories. The first category of funds, article 9 funds, have sustainable investment as their objective. These funds comply with article 9 of the SFDR. The second category of funds, article 8 funds, promote, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices. These funds comply with article 8 of the SFDR. The remaining funds do not comply with article 8 or 9 of the SFDR and do not have sustainable investment objectives, nor do they promote environmental or social characteristics.

