FUNDFLOWS INSIGHT REPORT

REFINITIV LIPPER RESEARCH SERIES

MARCH 31, 2022

Investors Favor Domestic Equity ETFs Over Conventional Funds in March

- For the third straight month, mutual fund investors were net redeemers of fund assets, withdrawing $64.6 billion from conventional funds for March.
- Fixed income funds (-$47.9 billion for March) witnessed net outflows for the fourth month in a row, while money market funds (+$6.7 billion) attracted net money for the first month in three.
- For the twelfth straight month, investors were net sellers of stock & mixed-assets funds (-$23.4 billion).
- Authorized Participants (APs) were net purchasers of ETFs, injecting $94.7 billion for March, for their fourteenth month of consecutive inflows.
- And, for the second month in a row, fixed income ETFs (+$20.2 billion for March) witnessed net inflows while investors padded the coffers of stock & mixed-assets ETFs (+$74.6 billion), their twenty-second straight month of net inflows.
- For the twelfth month running, alternatives ETFs witnessed net inflows (+$3.1 billion for March), its strongest monthly inflows since April 2020.

TABLE 1 **ESTIMATED NET FLOWS BY MAJOR FUND TYPES, MARCH 2022 VERSUS FEBRUARY ($BIL)**

	MARCH	FEBRUARY
Stock & Mixed Equity Funds	-23.4	-28.1
Bond Funds	-47.9	-32.2
Money Market Funds	6.7	-34.2
TOTAL	**-64.5**	**-94.5**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns may not sum because of rounding

TABLE 2 **ESTIMATED NET FLOWS OF MAJOR EQUITY FUND TYPES, MARCH 2022 VERSUS FEBRUARY ($BIL)**

	MARCH	FEBRUARY
USDE Funds	-16.2	-4.6
Sector Equity Funds	-2.6	1.0
World Equity Funds	-4.1	-1.8
Mixed-Asset Funds	-2.3	-25.4
Alternatives Funds	1.8	2.7
TOTAL	**-23.4**	**-28.1**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns may not sum because of rounding

Investors Favor Domestic Equity ETFs Over Conventional Funds in March

Executive Summary

Investors were net redeemers of mutual fund assets for the third month in a row, redeeming $64.5 billion from the conventional funds business (excluding ETFs, which are reviewed in the section below) for March. For the twelfth month running, stock & mixed-assets funds experienced net outflows (-$23.4 billion). And as a result of the Federal Reserve Board hiking its key lending rate on March 16 by 25 basis points (bps) and with more to come, the fixed income funds macro-group—for the fourth consecutive month—witnessed net outflows, handing back $47.9 billion for March—its largest since March 2020. Money market funds (+$6.7 billion) took in money for the first month in three.

The U.S. markets stumbled at the beginning of the month as investors' mood continued to darken after four straight weeks of Russia-Ukraine conflict contributed to commodity prices soaring as supply disruptions in oil, natural gas, raw materials, and grains worsened. However, there was a slight reprieve after the release of a stronger-than-expected nonfarm payrolls report. The Department of Labor announced the U.S. economy had added 678,000 new jobs for February, beating analyst expectations of 444,000. Near month crude oil prices climbed 7.4% in one day, closing the week out at $115.68/barrel (bbl), the highest front month finish since September 2008. And while inflationary fears were ever present, a flight to safety pushed the 10-year Treasury yield down by 12 bps to end the week at 1.74%.

The following week, U.S. broad-based indices suffered another week of losses, with the DJIA posting its fifth straight week of declines—its longest losing streak since May 31, 2019, after President Joe Biden called for a suspension of normal trade relations with Russia for its unprovoked attack on Ukraine. The 10-year Treasury yield rose 26 bps on the week to settle at 2.00% after February consumer prices rose 7.9% to a 40-year high.

U.S. stocks ended the following week higher, with the Dow snapping its five-week losing streak on Friday, March 18, with all three major U.S. indices chalking up their largest one-week gains since November 2020 as investors appeared to bank on post-pandemic growth. Investors were, however, weighing hawkish comments by Fed officials after they hiked interest rates for the first time in more than three years.

The Dow, S&P 500, and the Nasdaq booked a second week of gains as investors focused on an increasingly hawkish tone from Fed officials and inflationary concerns. On the last trading day, U.S. stocks ended the month lower, with the broad-based U.S. indices posting their largest quarterly decline in two years, although all three indices posted plus-side returns for March. The 10-year Treasury yield rose 59 bps for the month, settling at 2.32% on March 31, after hitting a monthly high of 2.48% on March 25.

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EQUITY FUNDS

United States Diversified Equity (USDE) Funds

For the fifteenth consecutive month, USDE Funds witnessed net outflows (-$16.2 billion for March). Small-Cap Value Funds (-$315 million) witnessed the smallest net outflows in the 4x3-matrix subgroup (-$17.9 billion) for the month. Investors continued to shun growth-oriented funds (-$8.5 billion), while large-cap funds (-$7.9 billion) handed back the largest amount of the capitalization groups. Lipper's Large-Cap Growth Funds classification (-$3.8 billion) once again suffered the largest net outflows of the macro-classification, bettered by Large-Cap Core Funds (-$3.0 billion) and Small-Cap Growth Funds (-$2.9 billion). For the third month in a row, the non-4x3-matrix subgroup experienced net inflows, attracting $1.7 billion for March. Of the subgroup classifications, three witnessed net inflows ranging from just $95 million to $2.4 billion. S&P 500 Index Funds (+$2.4 billion) took in the largest draw of the group, while Equity Income Funds (-$827 million) handed back the largest amount, bettered by S&P Midcap 400 Index Funds (-$190 million). For Q1, USDE Funds handed back $30.1 billion.

TABLE 3 ESTIMATED NET FLOWS OF 4X3-MATRIX USDE FUNDS, MARCH 2022 VERSUS FEBRUARY ($BIL)

	VALUE	CORE	GROWTH	MARCH	FEBRUARY
Large-Cap	-1.1	-3.0	-3.8	-7.9	-9.0
Multi-Cap	-1.7	-1.0	-0.8	-3.5	0.8
Mid-Cap	-0.6	-0.7	-1.0	-2.3	0.5
Small-Cap	-0.3	-1.1	-2.9	-4.3	-0.9
TOTAL	**-3.7**	**-5.7**	**-8.5**	**-17.9**	**-8.7**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns and rows may not sum because of rounding

TABLE 4 ESTIMATED NET FLOWS OF OTHER USDE CLASSIFICATIONS, MARCH 2022 VERSUS FEBRUARY ($BIL)

	MARCH	FEBRUARY
Equity Leverage Funds	0.1	-0.4
Equity Income Funds	-0.8	0.5
Options Arbitrage/Options Strategies Funds	0.3	0.4
Specialty Diversified Equity Funds	0.0	0.0
S&P Midcap 400 Index Funds	-0.2	-0.1
S&P 500 Index Funds	2.4	3.6
TOTAL	**1.7**	**4.1**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns may not sum because of rounding

EQUITY FUNDS

World Equity Funds

For the fourth month in a row, investors were net sellers of World Equity Funds. They withdrew $4.1 billion in net redemptions for the month of March—their largest monthly net redemption since February 2021. For the second month in three, institutional world equity funds (including variable insurance products) witnessed net outflows—but handed back just $257 million—while load and no-load world equity funds handed back $2.1 billion and $1.7 billion, respectively. For the tenth consecutive month, Lipper's Global Diversified Equity Funds subgroup (-$3.4 billion for March) witnessed net outflows, while for the third month running the International Diversified Equity Funds subgroup experienced net outflows—handing back $349 million for March. International Multi-Cap Core Funds (+$3.3 billion) moved to the top of the World Equity Funds macro-classification. Emerging Markets Funds—taking in $1.4 billion net—was the runner-up for the month, followed by International Large-Cap Value Funds (+$652 million). At the bottom of the heap, International Large-Cap Growth Funds (-$2.6 billion) witnessed the largest net redemptions, bettered by Global Large-Cap Growth Funds (-$1.6 billion). For the three-month period ended March 31, the World Equity Funds macro-group experienced $7.2 billion in net redemptions.

TABLE 5 **ESTIMATED NET FLOWS OF GLOBAL DIVERSIFIED EQUITY FUNDS, MARCH 2022 VERSUS FEBRUARY ($BIL)**

	VALUE	CORE	GROWTH	MARCH	FEBRUARY
Large-Cap	0.0	0.0	-1.6	-1.7	-1.1
Multi-Cap	-1.3	-1.0	0.0	-2.3	-2.0
Small-/Mid-Cap (No Style)		0.5		0.5	0.4
TOTAL (LARGE & MULTI)	**-1.3**	**-0.5**	**-1.6**	**-3.4**	**-2.7**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns and rows may not sum because of rounding

TABLE 6 **ESTIMATED NET FLOWS OF INTERNATIONAL DIVERSIFIED EQUITY FUNDS, MARCH 2022 VERSUS FEBRUARY ($BIL)**

	VALUE	CORE	GROWTH	MARCH	FEBRUARY
Large-Cap	0.7	0.1	-2.6	-1.8	1.1
Multi-Cap	-1.1	3.3	0.2	2.4	-2.0
Small-/Mid-Cap	0.1	-0.2	-0.8	-0.9	-0.2
TOTAL	**-0.3**	**3.2**	**-3.2**	**-0.3**	**-1.1**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns and rows may not sum because of rounding

TABLE 7 **ESTIMATED NET FLOWS OF REMAINING WORLD EQUITY FUND CLASSIFICATIONS, MARCH 2022 VERSUS FEBRUARY ($BIL)**

	MARCH	FEBRUARY
China Region Funds	-0.1	0.0
Emerging Markets Funds	1.4	2.1
European Region Funds	-0.6	-0.1
Frontier Markets Funds	0.0	0.0
Global Equity Income Funds	-0.2	0.0
India Region Funds	-0.1	0.0
International Equity Income Funds	0.0	0.1
Japanese Funds	-0.1	-0.1
Latin American Funds	0.0	0.0
Pacific Region Funds	-0.1	0.0
Pacific ex-Japan Funds	-0.5	0.0
TOTAL	**-0.3**	**2.1**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns may not sum because of rounding

EQUITY FUNDS

Sector Equity Funds

For the ninth month in 10, investors were net sellers of the Sector Equity Funds macro-classification, redeeming $2.6 billion for March. Nine of the 25 classifications in this group attracted net new money, with Natural Resources Funds (+$620 million) and Global Natural Resources Funds (+$498 million) taking in the largest draws of net new money for March. The Real Estate Funds classification suffered the largest net outflows of the group, handing back slightly more than $1.0 billion for the month, bettered by Science & Technology Funds (-$873 million) and Health/Biotechnology Funds (-$607 million). For the quarter, the Sector Equity Funds macro-group witnessed slightly less than $5.0 billion in net redemptions.

TABLE 8 **ESTIMATED NET FLOWS OF SECTOR EQUITY FUNDS, MARCH 2022 VERSUS FEBRUARY ($BIL)**

	MARCH	FEBRUARY
Precious Metals Equity Funds	0.2	0.1
Alternative Energy Funds	0.0	0.0
Basic Materials Funds	0.0	0.0
Consumer Goods Funds	-0.1	0.2
Commodities Energy Funds	-	-
Commodities General Funds	-0.1	2.1
Commodities Specialty Funds	-	-
Consumer Services Funds	-0.2	-0.1
Energy MLP Funds	0.0	0.0
Financial Services Funds	-0.2	0.2
Global Financial Services Funds	0.0	0.0
Global Health/Biotechnology Funds	-0.4	-0.3
Global Infrastructure Funds	0.0	0.4
Global Natural Resources Funds	0.5	0.5
Global Real Estate Funds	-0.2	0.2
Global Science/Technology Funds	-0.4	-0.3
Health/Biotechnology Funds	-0.6	-0.8
Industrials Funds	0.1	-0.2
International Real Estate Funds	-0.1	0.0
Natural Resources Funds	0.6	0.8
Real Estate Funds	-1.0	-0.4
Specialty/Miscellaneous Funds	0.0	0.0
Science &Technology Funds	-0.9	-1.2
Telecommunication Funds	-0.1	-0.1
Utility Funds	0.1	-0.1
TOTAL	**-2.6**	**1.0**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns may not sum because of rounding

EQUITY FUNDS

Mixed-Assets Funds

For the seventh consecutive month, the Mixed-Assets Funds macro-classification witnessed net outflows, handing back $2.3 billion for March. Convertible Securities Funds (-$327 million), Emerging Markets Mixed-Assets Funds (-$2 million), Flexible Portfolio Funds (-$1.6 billion), and Real Return Funds (+$1.1 billion)—not shown in Table 9—collectively handed back some $832 million for the month. For the first month in five, the mixed-asset target date funds subgroup witnessed net inflows, taking in $6.9 billion for March, while the primarily broker-recommended mixed-asset target risk funds subgroup—for the eleventh consecutive month—witnessed net outflows (-$8.3 billion for the month).

Eight of the 18 classifications in the target-date/target-risk subgroups witnessed net inflows for the month, with Mixed-Asset Target 2050 Funds (+$1.7 billion), Mixed-Asset Target 2045 Funds (+$1.7 billion), and Mixed-Asset Target 2055 Funds (+$1.6 billion) attracting the largest net draws of the classifications. Mixed-Asset Target Allocation Growth Funds (-$3.9 billion) witnessed the largest net redemptions, bettered by Mixed-Asset Target Allocation Moderate Funds (-$3.0 billion) and Mixed-Asset Target 2020 Funds (-$1.6 billion). The Mixed-Assets Fund macro-group handed back some $43.4 billion quarter to date.

Alternatives Funds

For the fifteenth month running, the Alternatives Funds macro-classification experienced net inflows (+$1.8 billion) for March, with Alternative Managed Futures Funds (+$804 million) and Alternative Event Driven Funds (+$667 million) witnessing the largest net inflows of the macro-classification. Alternative Global Macro Funds (-$648 million) witnessed the largest net outflows of the remaining classifications in the group, bettered by Alternative Other Funds (-$398 million, a variable annuity subgroup) and Dedicated Short Bias Funds (-$274 million). The Alternatives Funds macro-group attracted some $8.8 billion so far this year.

TABLE 9 **ESTIMATED NET FLOWS OF TARGET DATE AND TARGET RISK FUNDS, MARCH 2022 VERSUS FEBRUARY ($BIL)**

	MARCH	FEBRUARY
Mixed Asset Target 2010 Funds	-0.2	-0.1
Mixed Asset Target 2015 Funds	-0.6	-1.0
Mixed Asset Target 2020 Funds	-1.6	-3.3
Mixed Asset Target 2025 Funds	-0.6	-3.6
Mixed Asset Target 2030 Funds	0.8	-3.1
Mixed Asset Target 2035 Funds	1.5	-2.2
Mixed Asset Target 2040 Funds	1.4	-2.1
Mixed Asset Target 2045 Funds	1.7	-1.6
Mixed Asset Target 2050 Funds	1.7	-1.3
Mixed Asset Target 2055 Funds	1.6	-0.3
Mixed-Asset Target 2060 Funds	1.1	0.2
Mixed-Asset Target 2060+ Funds	0.3	0.1
Mixed Asset Target Today Funds	-0.4	-0.9
Mixed Asset Target Alloc Aggres Funds	-0.2	-0.1
Mixed Asset Target Alloc Conserv Funds	-1.2	-0.8
Mixed Asset Target Alloc Growth Funds	-3.9	-2.8
Mixed Asset Target Alloc Moderate Funds	-3.0	-2.2
Retirement Income	0.0	0.0
TOTAL	**-1.5**	**-25.0**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns may not sum because of rounding

TABLE 10 **ESTIMATED NET FLOWS OF ALTERNATIVES FUNDS, MARCH 2022 VERSUS FEBRUARY ($BIL)**

	MARCH	FEBRUARY
Absolute Return Funds	0.0	0.2
Alternative Active Extension Funds	-0.1	0.0
Alternative Equity Market Neutral Funds	0.6	1.1
Alternative Event Driven Funds	0.7	0.4
Alternative Global Macro Funds	-0.6	-0.6
Alternative Long/Short Equity Funds	0.6	0.8
Alternative Managed Futures Funds	0.8	0.5
Alternative Multi-Strategy Funds	0.5	0.6
Alternative Other Funds	-0.4	-0.3
Dedicated Short Bias Funds	-0.3	0.1
TOTAL	**1.8**	**2.7**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns may not sum because of rounding

FIXED INCOME FUNDS

Fixed Income Funds

For the fourth consecutive month, fund investors were net redeemers of bond funds, withdrawing $47.8 billion net for March (their largest outflows since March 2020). On the taxable bond (non-money market) fund side (-$36.2 billion), only 11 of Lipper's 31 classifications witnessed net inflows. On the tax-exempt side (-$11.7 billion, their largest monthly net outflows also since March of 2020), only two of the 20 classifications in the municipal bond fund universe saw net inflows.

On the taxable side, investors put money to work in Loan Participation Funds (+$2.4 billion), General U.S. Treasury Funds (+$1.8 billion), and General Bond Funds (+$780 million). The Multi-Sector Income Funds classification witnessed the largest net redemptions of the group, handing back $9.3 billion for March, bettered by Short Investment-Grade Debt Funds (-$8.1 billion), Ultra-Short Obligation Funds (-$6.0 billion), and Core-Plus Bond Funds (-$5.2 billion). Year to date, taxable bond funds suffered $64.4 billion in net redemptions.

On the municipal bond fund side, General & Insured Municipal Debt Funds (+$280 million) witnessed the largest net inflows for the month, followed by California Short-/Intermediate Municipal Debt Funds (+$4 million). Intermediate Municipal Debt Funds (-$3.7 billion) suffered the largest net redemptions of the subgroup, bettered by Short Municipal Debt Funds (-$1.8 billion) and High Yield Municipal Debt Funds (-$1.7 billion). For Q1, municipal bond funds handed back $22.6 billion.

Money Market Funds

For the first month in three, investors were net purchasers of the Money Market Funds macro-classification, injecting $6.7 billion for March. On the taxable side (+$4.2 billion), U.S. Government Money Market Funds (+$14.0 billion) attracted the largest net inflows of the subgroup, followed by Institutional U.S. Government Money Market Funds (+$7.9 million) and U.S Treasury Money Market Funds (+$1.3 billion). Meanwhile, Institutional U.S. Treasury Money Market Funds witnessed the largest net outflows for the month (-$13.4 billion), bettered by Money Market Funds (-$3.7 billion).

On the tax-exempt side (+$2.4 billion), four of the five classifications witnessed net inflows for the month, with Tax-Exempt Money Market Funds (+$2.6 billion) taking in the largest draw on net new money for the month, followed by California Tax-Exempt Money Market Funds (+$259 million). Institutional Tax-Exempt Money Market Funds (-$556 million) experienced the largest net redemptions of the subgroup, bettered by Other States Tax-Exempt Money Market Funds (+$8 million).

TABLE 11 **ESTIMATED NET FLOWS OF MAJOR FIXED INCOME FUND TYPES, MARCH 2022 VERSUS FEBRUARY ($BIL)**

	TAXABLE	MUNICIPAL	MARCH	FEBRUARY
Long-Term Bond	-14.6	-3.8	-18.4	-6.1
Short & Intermediate	-21.6	-7.9	-29.4	-26.1
Money Market	4.2	2.4	6.7	-34.2
TOTAL	**-31.9**	**-9.2**	**-41.2**	**-66.4**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns and rows may not sum because of rounding

FUNDFLOWS INSIGHT REPORT

REFINITIV LIPPER RESEARCH SERIES

MARCH 31, 2022

ALTERNATIVES ETFs WITNESS THEIR STRONGEST MONTHLY INFLOWS SINCE APRIL 2020

ETF Executive Summary

For the fourteenth straight month, ETFs witnessed net inflows, taking in $94.7 billion for March. Authorized participants (APs—those investors who actually create and redeem ETF shares) were net purchasers of stock & mixed-assets ETFs for the twenty-second consecutive month, injecting $74.6 billion into equity ETF coffers. For the second month in a row, they were net purchasers of bond ETFs—injecting $20.2 billion for the month. APs were net purchasers of all five equity-based ETF macro-classifications, padding the coffers of U.S. Diversified Equity ETFs (+$51.2 billion), Sector Equity ETFs (+$12.6 billion), World Equity ETFs (+$7.3 billion), Alternatives ETFs (+$3.1 billion), and Mixed-Assets ETFs (+$334 million).

U.S. stocks began the month of February on a sour note as investors wrestled with the knowledge that the Russia/Ukraine war entered its fourth week, contributing to rising oil, natural gas, raw materials, and grain prices. U.S. markets were granted a small reprieve after the Department of Labor reported the U.S. economy added 678,000 new jobs for February, handily beating analyst expectations of 444,000. The unemployment rate declined to 3.8% from 4.0% in January, touching a new pandemic low. And despite increasing inflationary fears, a flight to safety pushed the 10-year Treasury yield down by 12 bps to end the week at 1.74%. Front-month crude oil prices climbed 7.4% in one day, closing the week out at $115.68/bbl, the highest front month finish since September 2008. The following week, U.S. stocks witnessed another week of losses, with the DJIA posting its fifth straight week of declines—its longest losing streak since May 31, 2019, after President Joe Biden called for a suspension of normal trade relations with Russia for its unprovoked attack on Ukraine. The 10-year Treasury yield rose 26 bps on the week to settle at 2.00% after February consumer prices rose 7.9%, hitting a 40-year high. Front-month crude oil futures closed out the week at $109.33/bbl.

In the second half of the month, stocks managed to put together two consecutive weeks of plus-side performance as investors appeared to hope for continued growth and a strong beginning to the Q1 earnings season. However, investors continued to weigh the hawkish comments after the Fed hiked its key lending rate by 25 bps mid-month. St. Louis Federal Reserve President Jim Bullard called for a 50-bps hike at the most recent Federal Open Market Committee (FOMC) meeting, explaining he wants the key lending rate at 3% by year end. Oil prices, closing at $104.70/bbl, posted a weekly decline of 4.2%. The 10-year Treasury yield rose 14 bps to close at 2.14% as investors temporarily moved away from safe-haven assets in hopes that Russia/Ukraine talks would advance. In other news, the 10-year Treasury yield rose 34 bps to 2.48%, its highest closing value since May 8, 2019, as investors penciled in more aggressive rate hikes by the Fed. Stocks declined on the last day of trading as investors sifted through a slate of U.S. economic reports, with the PCE core price index, the Fed's preferred inflation gauge, rising 5.4% year over year in February, up from 5.2% for the previous month. However, front month crude oil prices declined 7% to close at $100.28/bbl after President Biden announced his plans to release one million barrels per day of U.S. Strategic Petroleum Reserves.

TABLE 1 **ESTIMATED NET FLOWS BY MAJOR ETF TYPES, MARCH 2022 VERSUS FEBRUARY ($BIL)**

	MARCH	FEBRUARY
Stock & Mixed Equity ETFs	74.6	59.6
Bond ETFs	20.2	10.5
TOTAL	**94.7**	**70.1**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns may not sum because of rounding

TABLE 2 **ESTIMATED NET FLOWS OF MAJOR EQUITY ETF TYPES, MARCH 2022 VERSUS FEBRUARY ($BIL)**

	MARCH	FEBRUARY
USDE ETFs	51.2	45.8
Sector Equity ETFs	12.6	3.7
World Equity ETFs	7.3	7.9
Mixed-Asset ETFs	0.3	0.1
Alternatives ETFs	3.1	2.1
TOTAL	**74.6**	**59.6**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns may not sum because of rounding

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EQUITY ETFs

United States Diversified Equity (USDE) ETFs

For the fourteenth month in a row, the USDE ETFs macro-classification experienced net inflows, taking in $51.2 billion for March. Lipper's broad-based 4x3-matrix subgroup witnessed net inflows for the thirty-second consecutive month—taking in $31.1 billion—with Large-Cap Growth ETFs (+$14.3 billion), Multi-Cap Core ETFs (+$4.7 billion), and Large-Cap Value ETFs (+$3.3 billion) witnessing the largest net inflows of the subgroup. For the second month running, large-cap ETFs (+$20.0 billion) experienced the largest net inflows of the four capitalization groups, followed by multi-cap ETFs (+$8.0 billion). Growth-oriented ETFs (+$15.5 billion) attracted the largest net inflows of the valuation subgroup, while their core- and value-oriented counterparts took in $9.2 billion and $6.4 billion, respectively. Small-Cap Value ETFs (-$85 million) experienced the largest net outflows of the subgroup, bettered by Mid-Cap Value ETFs (-$44 million) and Multi-Cap Growth ETFs (+$55 million).

Outside the 4x3-matrix classifications (+$20.1 billion), S&P 500 Index ETFs (+$13.1 billion) and Equity Income ETFs (+$4.9 billion) witnessed the largest net inflows, while Equity Leverage ETFs (-$135 million) witnessed the only net outflows of the subgroup. **Invesco QQQ Trust Series 1** (QQQ) individually witnessed the largest net inflows (+$9.2 billion), while **Vanguard Small-Cap Value Index ETF** (VBR) witnessed the largest individual net outflows (-$616 million). For Q1, USDE ETFs attracted some $110.2 billion.

TABLE 3 **ESTIMATED NET FLOWS OF USDE 4X3-MATRIX ETFs, MARCH 2022 VERSUS FEBRUARY ($MIL)**

	VALUE	CORE	GROWTH	MARCH	FEBRUARY
Large-Cap	3,312.3	2,316.4	14,337.4	19,966.1	9,456.8
Multi-Cap	3,222.8	4,707.1	55.4	7,985.3	3,597.0
Mid-Cap	-44.4	698.5	625.7	1,279.8	334.0
Small-Cap	-85.3	1,492.2	469.3	1,876.2	414.9
TOTAL	**6,405.3**	**9,214.2**	**15,487.8**	**31,107.3**	**13,802.7**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns and rows may not sum because of rounding

TABLE 4 **ESTIMATED NET FLOWS OF OTHER USDE CLASSIFICATIONS, MARCH 2022 VERSUS FEBRUARY ($MIL)**

	MARCH	FEBRUARY
Equity Leverage ETFs	-134.9	2,886.2
Equity Income ETFs	4,897.4	5,005.5
Options Arbitrage/Options Strategies Funds	1,651.2	1,296.5
Specialty Diversified ETFs	-	-
S&P Midcap 400 Index Funds	535.1	312.8
S&P 500 Index ETFs	13,142.5	22,538.3
TOTAL	**20,091.3**	**32,039.3**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns may not sum because of rounding

EQUITY ETFs

World Equity ETFs

For the twenty-second month in a row, APs were net purchasers of World Equity ETFs, injecting $7.3 billion for March. APs were net purchasers of the non-3x3-matrix subgroup—injecting a net $6.5 billion—with Emerging Markets ETFs (+$6.9 billion) attracting the largest amount of net new money for that subgroup, followed by Latin American ETFs (+$645 million). The Global Diversified Equity ETFs 3x3 subgroup witnessed net outflows for the second consecutive month, but handed back just $395 million for March. Meanwhile, the International Diversified Equity ETFs 3x3 subgroup witnessed net inflows for the twenty-first month in a row, taking in $1.2 billion for March. International Multi-Cap Core ETFs (+$2.6 billion) and International Large-Cap Core ETFs (+$868 million) took the number-one and two spots for those subgroups. International Large-Cap Growth ETFs experienced the largest net redemptions of the macro-classification, handing back $1.2 billion for the month, bettered by European Region ETFs (-$922 million) and International Multi-Cap Value ETFs (-$673 million). **iShares Core MSCI Emerging Markets ETF** (IEMG), with net inflows of $2.0 billion for March, attracted the most individual interest in the macro-classification. **iShares MSCI EAFE Growth ETF** (EFG) handed back the largest individual net redemptions (-$1.3 billion). For Q1, World Equity ETFs attracted $38.0 billion.

TABLE 5 ESTIMATED NET FLOWS OF GLOBAL DIVERSIFIED EQUITY ETFs, MARCH 2022 VERSUS FEBRUARY ($MIL)

	VALUE	CORE	GROWTH	MARCH	FEBRUARY
Large-Cap	7.7	-78.4	0.0	-70.7	-3,732.4
Multi-Cap	-443.3	146.3	-21.7	-318.7	1,452.0
Small-/Mid-Cap (No Style)		-5.9		-5.9	1.3
TOTAL (LARGE & MULTI)	**-435.6**	**67.9**	**-21.7**	**-395.3**	**-2,279.1**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns and rows may not sum because of rounding

TABLE 6 ESTIMATED NET FLOWS OF INTERNATIONAL DIVERSIFIED EQUITY ETFs, MARCH 2022 VERSUS FEBRUARY ($MIL)

	VALUE	CORE	GROWTH	MARCH	FEBRUARY
Large-Cap	7.5	868.0	-1,242.4	-366.9	-146.4
Multi-Cap	-673.0	2,594.6	-0.7	1,920.9	4,434.9
Small-/Mid-Cap	259.9	39.1	-613.9	-314.9	277.2
TOTAL	**-405.6**	**3,501.6**	**-1,856.9**	**1,239.1**	**4,565.7**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns and rows may not sum because of rounding

TABLE 7 ESTIMATED NET FLOWS OF REMAINING WORLD EQUITY ETF CLASSIFICATIONS, MARCH 2022 VERSUS FEBRUARY ($MIL)

	MARCH	FEBRUARY
China Region ETFs	-163.9	386.8
Emerging Markets ETFs	6,889.9	2,842.5
European Region ETFs	-922.4	635.0
Frontier Markets Funds	-28.6	1.4
Global Equity Income ETFs	64.4	109.3
India Region ETFs	-327.6	-96.6
International Equity Income ETFs	469.0	1,122.7
Japanese ETFs	-147.1	-117.2
Latin American ETFs	644.6	160.0
Pacific Region ETFs	183.1	-24.2
Pacific ex-Japan ETFs	-208.7	597.6
TOTAL	**6,452.5**	**5,617.3**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns may not sum because of rounding

EQUITY ETFs

Sector Equity ETFs

For the eighteenth consecutive month, Sector Equity ETFs witnessed net inflows—taking in $12.6 billion for March—with 20 of Lipper's 28 Sector Equity ETF classifications experiencing net inflows. Commodities Precious Metals ETFs (+$6.4 billion), Basic Materials ETFs (+$2.5 billion), and Commodities General ETFs (+$2.0 billion) observed the largest net inflows for the month, while Real Estate ETFs (-$1.8 billion), Global Financial Services ETFs (-$1.7 billion), and Financial Services ETFs (-$1.7 billion) suffered the largest net outflows. **SPDR Gold Shares** (GLD), taking in a net $3.9 billion, attracted the largest individual inflows for March. At the bottom of the individual ETF pile for Sector Equity ETFs, **Energy Select Sector SPDR Fund** (XLE) handed back a net $1.9 billion for the month. Year to date, Sector Equity ETFs have attracted a net $29.6 billion.

TABLE 8 **ESTIMATED NET FLOWS OF SECTOR EQUITY ETFs, MARCH 2022 VERSUS FEBRUARY ($MIL)**

	MARCH	FEBRUARY
Precious Metals Equity ETFs	152.2	33.9
Alternative Energy Funds	753.8	-351.3
Basic Materials ETFs	2,506.3	-100.5
Consumer Goods ETFs	-22.0	644.4
Commodities Agriculture ETFs	907.0	277.2
Commodities Energy ETFs	-82.5	107.8
Commodities General ETFs	2,034.5	2,483.4
Commodities Base Metals ETFs	116.0	75.2
Commodities Precious Metals ETFs	6,444.4	1,608.2
Commodities Specialty ETFs	256.9	38.7
Consumer Services ETFs	-1,109.4	-1,211.2
Energy MLP ETFs	99.1	289.8
Financial Services ETFs	-1,660.4	-306.7
Global Financial Services ETFs	-1,725.8	162.0
Global Health/Biotechnology ETFs	19.0	-203.8
Global Infrastructure ETFs	-86.2	-21.5
Global Natural Resources ETFs	722.1	630.1
Global Real Estate ETFs	-338.4	-2.7
Global Science/Technology ETFs	285.9	127.4
Health/Biotechnology ETFs	1,728.4	-377.2
Industrials ETFs	361.9	-474.0
International Real Estate ETFs	24.4	-66.1
Natural Resources ETFs	150.3	1,108.4
Real Estate ETFs	-1,764.6	-495.5
Specialty/Miscellaneous ETFs	4.2	-16.7
Science &Technology ETFs	1,876.5	-14.6
Telecommunication ETFs	9.4	-173.8
Utility ETFs	932.3	-63.2
TOTAL	**12,595.3**	**3,707.8**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns may not sum because of rounding

EQUITY ETFs

Alternatives ETFs

For the twelfth month running, Alternatives ETFs witnessed net inflows (+$3.1 billion for March, its strongest monthly inflows since April 2020). APs were net purchasers of Dedicated Short Bias ETFs (+$2.4 billion) and Alternative Long/Short Equity ETFs (+$747 million). Alternative Multi-Strategy ETFs (-$18 million) witnessed the largest net inflows of the group, bettered by Alternative Active Extension ETFs (-$5 million). **ProShares UltraPro Short QQQ ETF** (SQQQ), taking in $858 million, drew the largest individual net inflows of the macro-classification, while **ProShares UltraShort Russell2000** (TWM) handed back $20 million and suffered the largest individual net redemptions of the group. Alternatives ETFs took in a net $6.9 billion for Q1.

TABLE 9 **ESTIMATED NET FLOWS OF ALTERNATIVES ETFs, MARCH 2022 VERSUS FEBRUARY ($MIL)**

	MARCH	FEBRUARY
Absolute Return ETFs	16.0	61.6
Alternative Active Extension ETFs	-4.5	-4.0
Alternative Equity Market Neutral ETFs	1.3	-5.0
Alternative Event Driven ETFs	10.8	-10.5
Alternative Global Macro ETFs	-3.1	-6.7
Alternative Long/Short Equity ETFs	746.5	640.2
Alternative Managed Futures ETFs	28.0	47.5
Alternative Multi-Strategy ETFs	-18.1	-19.6
Dedicated Short Bias ETFs	2,351.0	1,395.9
TOTAL	**3,127.9**	**2,099.2**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns may not sum because of rounding

FIXED INCOME ETFs

Fixed Income ETFs

For the second consecutive month, fixed income ETFs (+$20.2 billion for March) witnessed net inflows. On the taxable bond ETF side (+$17.6 billion), 17 of the 31 Lipper classifications attracted net new money for the month. Meanwhile, tax-exempt offerings (+$2.6 billion) posted net inflows in seven of the 10 classifications of the subgroup. On the taxable side, net flows into General U.S. Treasury ETFs (+$8.2 billion) and Core Bond ETFs (+$3.4 billion) beat those of the other classifications. High Yield ETFs (-$1.2 billion) and U.S. Mortgage ETFs (-$1.0 billion) suffered the largest net redemptions of the group. **iShares 20+ Year Treasury Bond ETF** (TLT)—with net inflows of $4.8 billion—attracted the largest individual inflows of the group, while **iShares iBoxx $ High Yield Corporate Bond ETF** (HYG)—handing back some $995 million for March—suffered the largest individual net redemptions. On the tax-exempt side, General & Insured Municipal Debt ETFs (+$1.4 billion) had the largest net inflows, while High Yield Municipal Debt ETFs (-$17 million) suffered the largest net redemption for the month. Year to date, fixed income ETFs took in $23.4 billion.

TABLE 10 **ESTIMATED NET FLOWS OF MAJOR FIXED INCOME ETF TYPES, MARCH 2022 VERSUS FEBRUARY ($MIL)**

	TAXABLE	MUNICIPAL	MARCH	FEBRUARY
Long-Term Bond	8,677.7	1,463.9	10,141.6	5,141.4
Short & Intermediate	8,889.7	1,122.6	10,012.4	5,325.7
TOTAL	**17,567.4**	**2,586.6**	**20,154.0**	**10,467.1**

Source: Refinitiv Lipper, an LSEG Business
Note: Columns and rows may not sum because of rounding

For immediate assistance, feel free to contact Lipper Client Services toll-free at **877.955.4773** or via email at **LipperUSClientServices@refinitiv.com**. For more information about Lipper, please visit our website at refinitiv.com/en or lipperalphainsight.com.