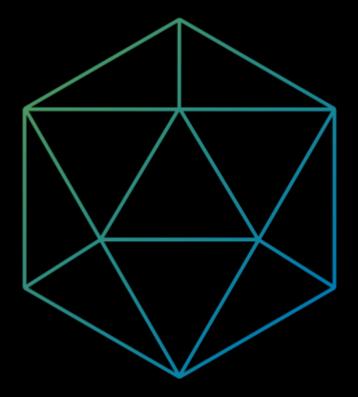
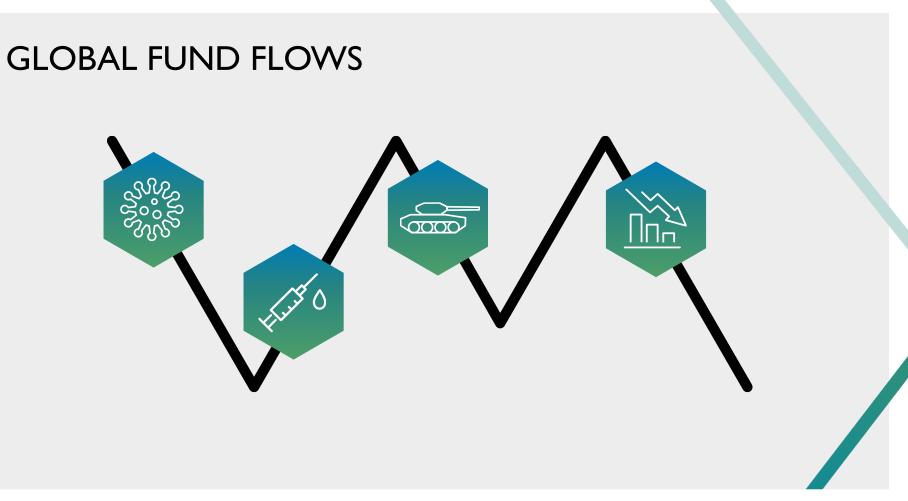
CALASTONE



DISTRIBUTION OUTLOOK: UNDERSTANDING INVESTOR SENTIMENT THROUGH FUND FLOWS November 2023

THE CALASTONE NETWORK

Global Cross-Border Fund Flows on Calastone's Global Network - 2019-2023 (excludes money market funds) Australia Australia **UK & Channel Islands UK & Channel Islands** Ireland Luxembourg **Rest of Europe** Luxembourg Ireland Hong Kong **Rest of Europe** Taiwan Hong Kong Singapore **Rest of World Rest of World**



GLOBAL FUND FLOWS

Net Fund Flows - Strong inflows to fixed income in 2023 Source: Calastone, January to July each year, \$bn

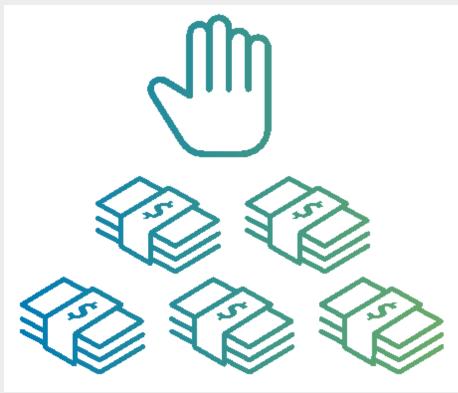
Alternatives Bond Equity Mixed Assets Real Estate \$40 \$35 \$30 \$25 \$20 \$15 \$10 \$5 \$0 -\$5 -\$10 -\$15 Janto Jul 2019 Janto Jul 2020 Janto Jul 2021 Janto Jul 2022 Janto Jul 2023

FUND FLOWS – REGIONAL VIEW – AUSTRALIA – MOST POSITIVE GLOBALLY

Australia Net Fund Flows - Strong preference for bonds over equities in 2023 Source: Calastone, January to July each year, \$bn



BUYING ACTIVITY IMPACTING VOLUMES



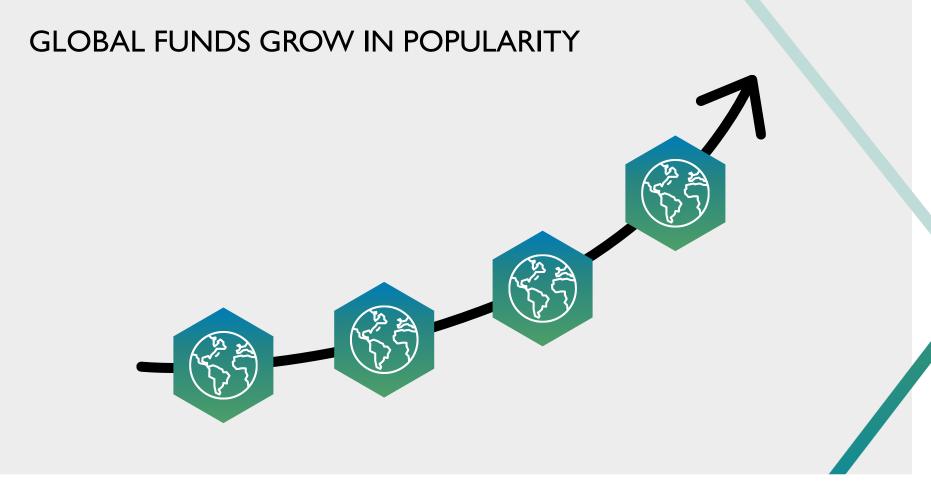
BUYING ACTIVITY IMPACTING VOLUMES

Source: Calastone Equity Buy Equity Sell \$220 \$200 \$180 \$160 \$140 \$120 \$100 \$80 \$60 \$40 \$20 \$0 21412020 10 111 2021 21412022 1112023

Changes in buying activity are a more important driver of volumes than changes in

Changes in buying activity are a more important driver of volumes than changes in selling Source: Calastone Bond Buy Bond Sell \$100 \$90 \$80 \$70 \$60 \$50 \$40 \$30 \$20 \$10 \$0 10 Jul 2020 1412019 1112021 1412022 1412023

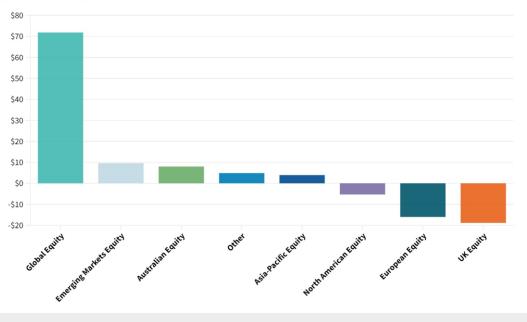
selling



GLOBAL FUNDS GROW IN POPULARITY

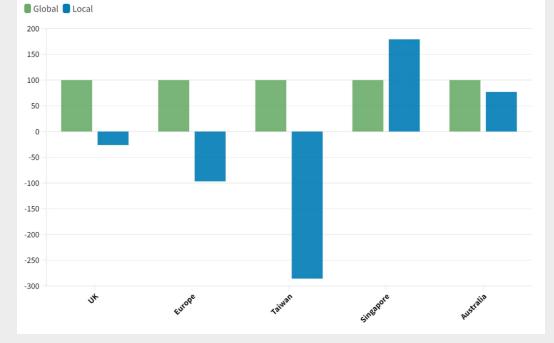
Investors favour global equity funds Source: Calastone, January 2019 to July 2023

Global Equity
Emerging Markets Equity
Australian Equity
Other
Asia-Pacific Equity
North American Equity
European Equity
UK Equity

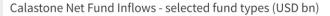


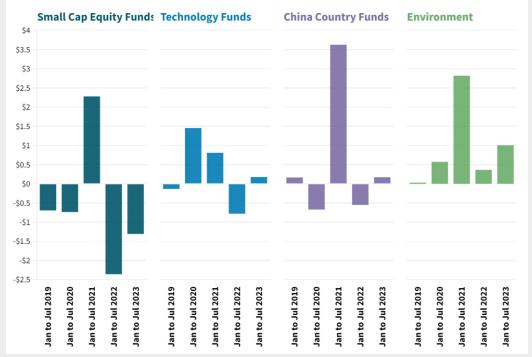
GLOBAL FUNDS - REGIONAL VIEW

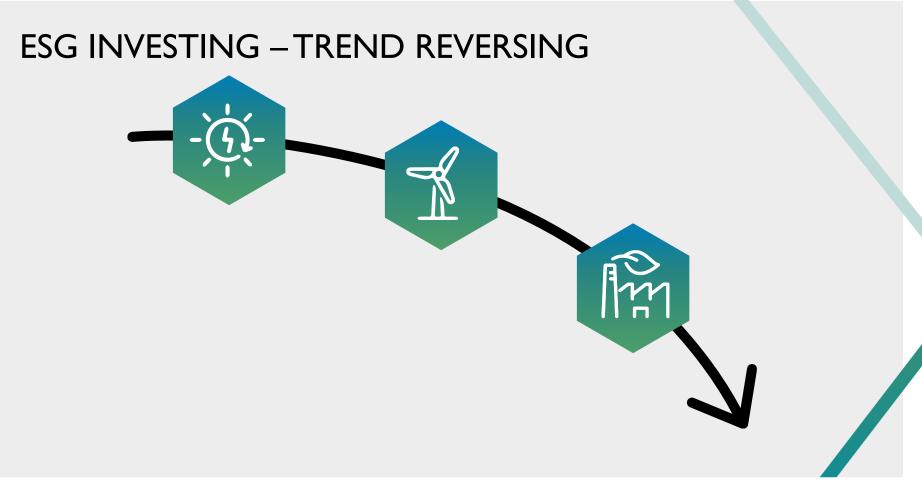
Investors favour global equity funds Source: Calastone, January 2019 to July 2023 (selected territories, indexed)



FUND CATEGORIES

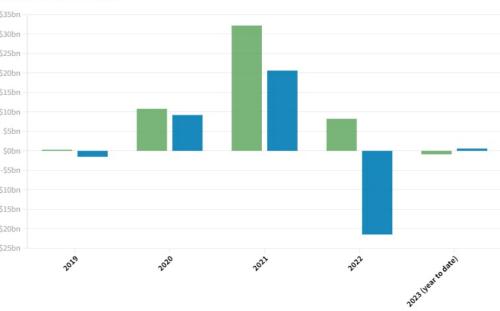






ESG INVESTING – TREND REVERSING

The rise of ESG - strong net inflows until 2023 Source: Calastone, January 2019 to July 2023



📕 ESG Equity 📒 Non-ESG Equity

ESG INVESTING AND CHANGING DEMOGRAPHICS?

When choosing investment funds, how important would the following criteria be?

For all millennials

	Total	UK	USA	Australia	France	Germany	Hong Kong
Long-term returns	53%	50%	58%	60%	46%	49%	58%
Fees / expenses	53%	54%	60%	59%	49%	43%	52%
Transparency of the firm's investment strategy	50%	48%	55%	57%	50%	43%	45%
Reputation of the fund / firm / institution	49%	55%	60%	58%	43%	34%	44%
Being able to speak to somebody in person	42%	43%	53%	44%	47%	36%	31%
Ability to manage funds via digital platforms	41%	47%	50%	54%	34%	27%	36%
Credentials of Fund Managers	37%	40%	49%	41%	42%	24%	29%
Investment in ethical funds, causes & products	32%	35%	43%	37%	29%	23%	26%

THE CALASTONE FUND FLOW INDEX