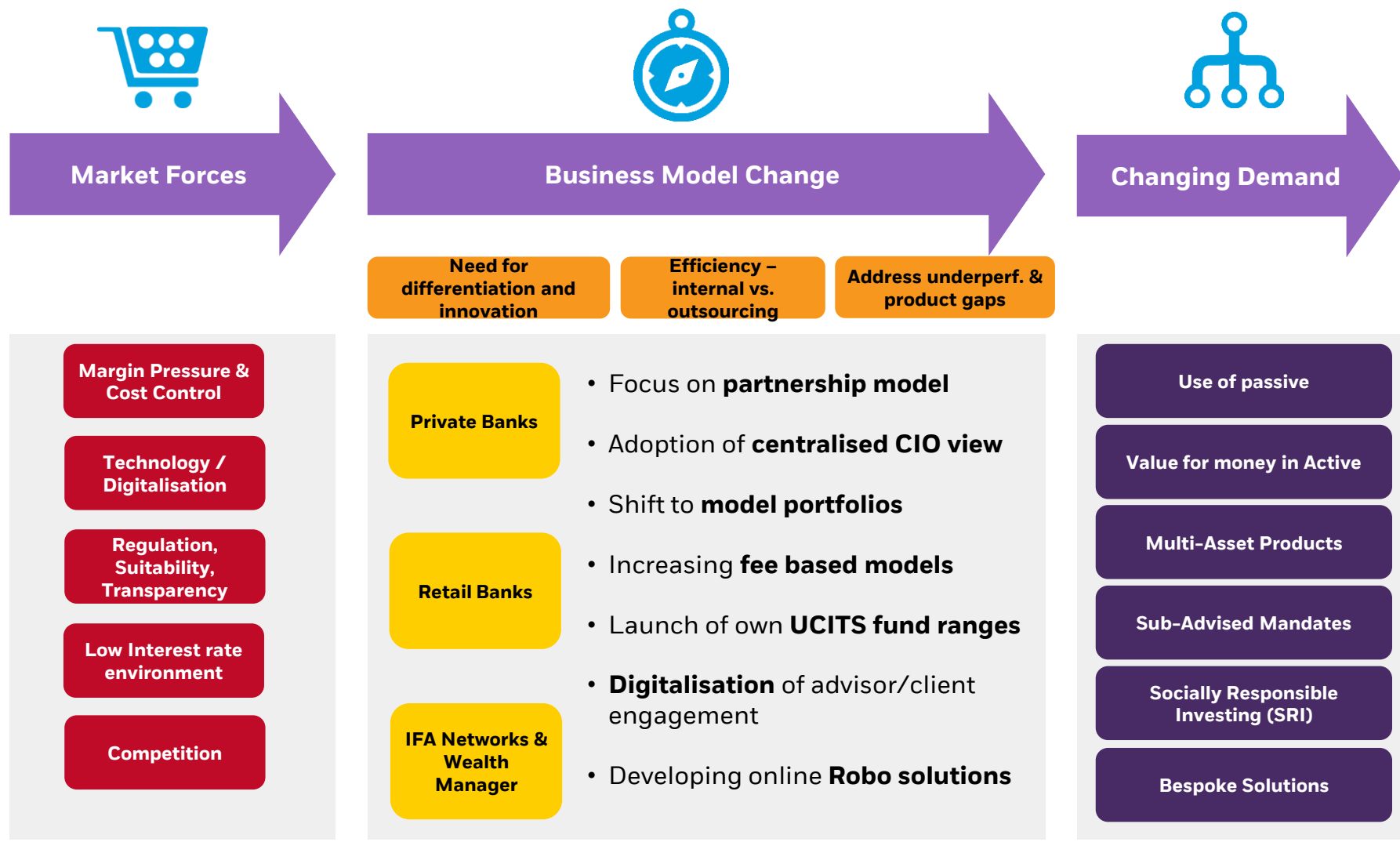


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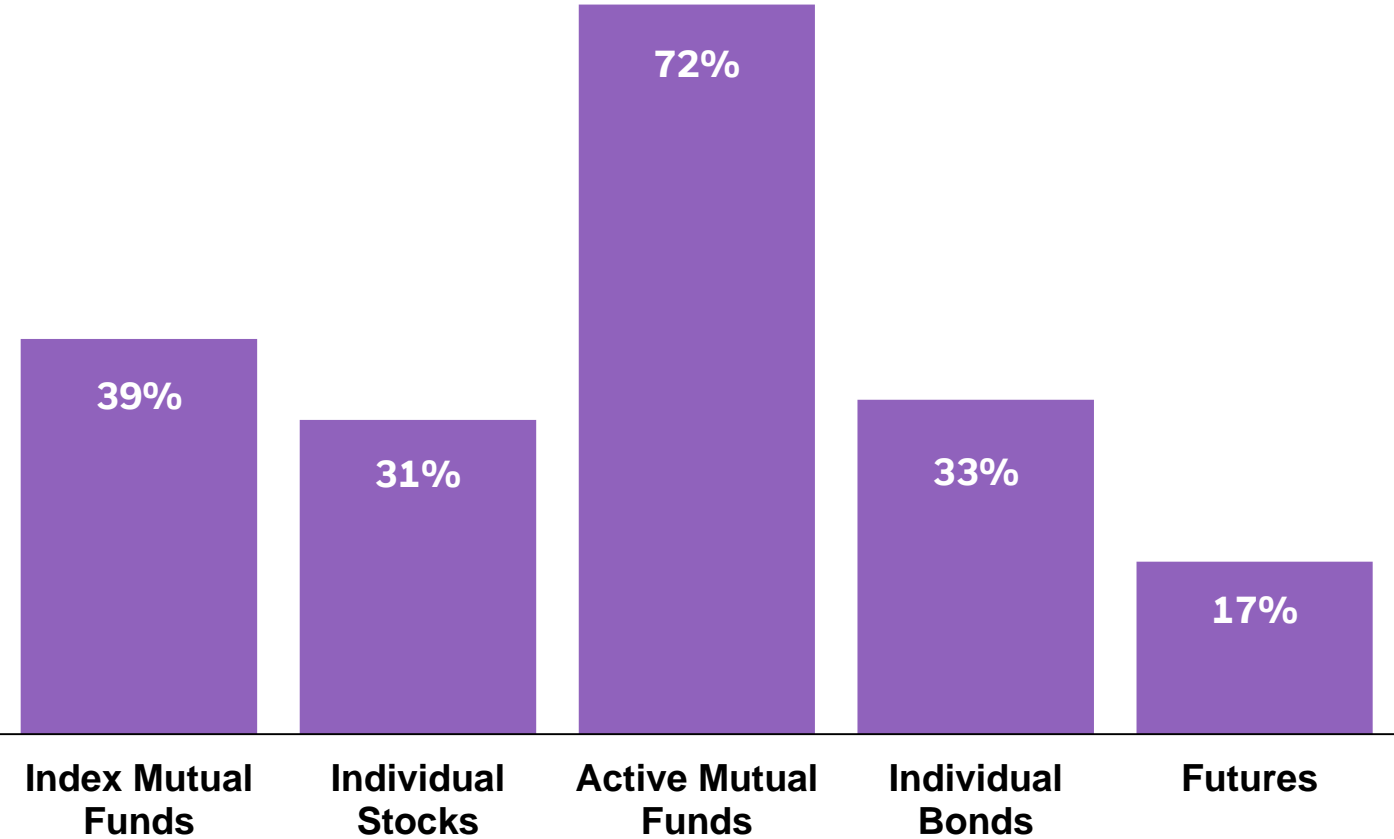
Wanneer beleggen in actieve fondsen en wanneer in ETF's?

Perfecte storm voor de industrie

Een perfecte storm leidt tot nooit geziene veranderingen bij onze klanten

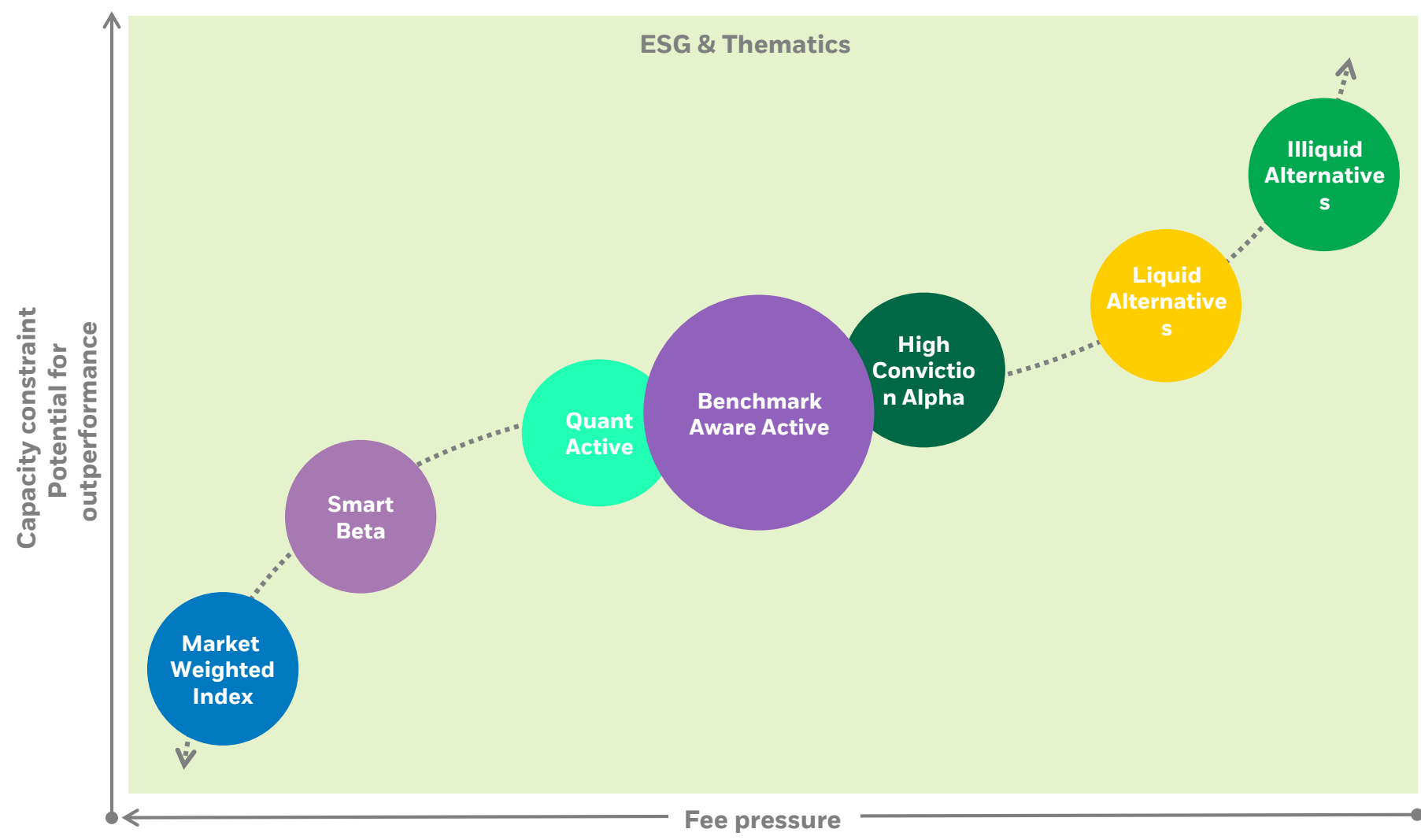


De stille opgang van passief beleggen



Source: Greenwich Associates, données au 1^{er} trimestre 2019

In het fondsenaanbod ziet men een shift naar de 2 uitersten

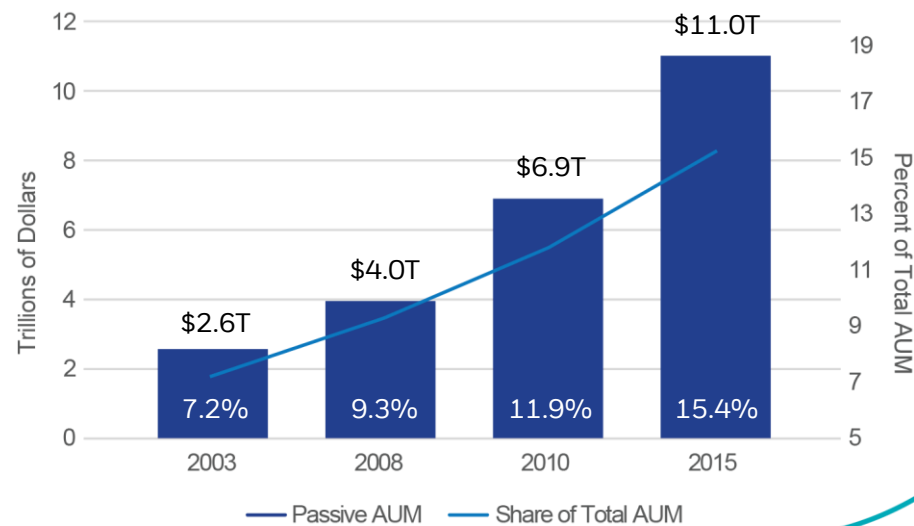


Source: BlackRock, 2018. For illustrative purposes only.

Trends in Passief Beleggen

The growth of Passive

Growth in Passive AUM &
Passive as Percent of Total Industry AUM



Fixed Income

- >\$500B inflows in last 5 years
- Applications and user base expanding from deep retail through to Credit HFs and asset owners

Smart Beta

- In 2016, \$1 in every \$3 invested into UCITS Equity ETFs was in smart beta
- Factor implementation becoming mainstream in portfolios

Megatrends and Thematics

- >\$1.5B invested in Robotics and Automation ETFs (\$0 in 2012)
- New index innovation allows investors to capture economic impact of long-term trends (i.e. robotics, ageing populations, etc.)

ESG and Impact

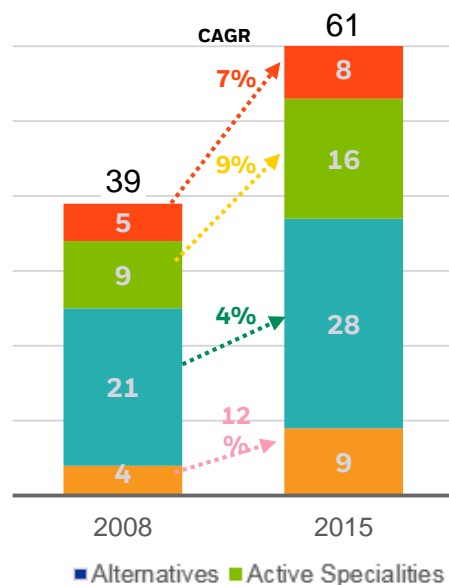
- Sustainable Investing ETFs >\$9B in 2016, up from \$3.3B in 2012
- From “nice to have” to an essential requirement of many investors across EMEA

Source: AUM Chart: Citi Business Advisory Services estimates based on Global Asset Management 2016: Doubling Down on Data, The Boston Consulting Group,

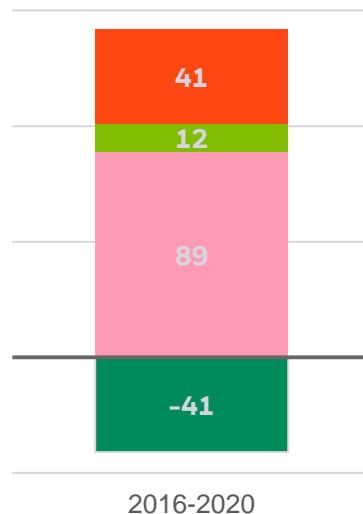
Source: Flows: Citi Business Advisory Services based on data from eVestment, Preqin, HFR, Strategic Insight, BlackRock ETP report, IMA, OECD, Towers Watson, P&I Lipper

Trends in Actief Beleggen

Global Active AUM, by product type, \$T



Estimated share of active net flows %



Alternatives

- Global assets quadrupled from 2003-2015 (\$2T to \$8T)
- Hedge funds remain a key component of the universe, private asset classes are growing in prominence and Retail clients maintain strong appetite for UCITS alts

Active Specialties

- Growth rate significantly faster than Active Core (2008-2015 CAGR 9% vs. 4%)
- Proven demand for alpha generation and exposures that are difficult to replicate
- Renewed desire to build satellites with high conviction strategies

Solutions / Multi Asset

- EMEA sub-advised AUM grew 17% pa since 2010
- Solutions on the rise, especially given high penetration rates in mass affluent and HNW

Active Core

- Challenged by ETF and index offering
- Forecast to account for -41% of global active asset management flows between 2016-2020
- Next innovation frontier in low cost / low tracking error, catalysed by technology

Source: AUM Chart: Citi Business Advisory Services estimates based on Global Asset Management 2016: Doubling Down on Data, The Boston Consulting Group,

Source: Flows: Citi Business Advisory Services based on data from eVestment, Preqin, HFR, Strategic Insight, BlackRock ETP report, IMA, OECD, Towers Watson, P&I Lipper

Hoe beleggen in ETF's?

5 regels om te beleggen in ETF's

BLOOTSTELLING



STRUCTUUR



DOMICILIE & TAXATIE



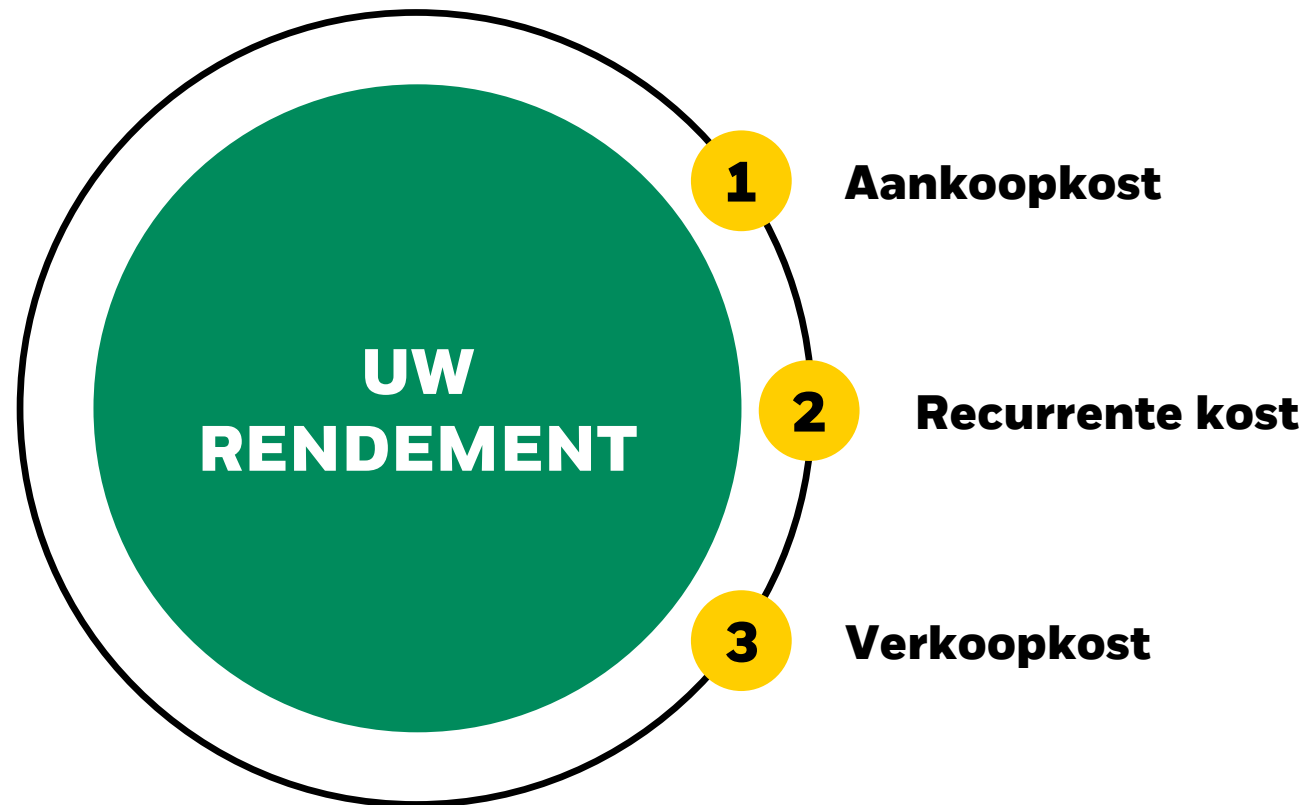
PRESTATIE



LIQUIDITEIT



Total Cost of Ownership (TCO)



AANKOOPKOST

- Bid/ask spread
- Makelaarsloon

+

RECURRENTE KOST

- Beheerskost
- Herbalanceringskost
- Securities Lending
- Taksen

+

VERKOOPKOST

- Bid/ask spread
- Makelaarsloon

Hoe actief en passief combineren in een portefeuille?

Factor investing

Factoren zijn voor effecten wat ingrediënten zijn voor voeding



Milk



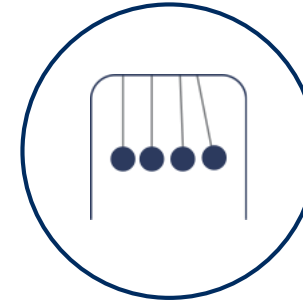
Meat



Vegetables



Value



Momentum



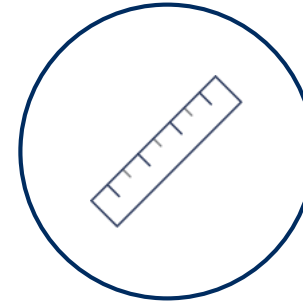
Quality



Fruits



Grains



Size



Volatility

There can be no assurance that performance will be enhanced or risk will be reduced for funds or strategies that seek to provide exposure to certain quantitative investment characteristics ("factors"). Exposure to such investment factors may detract from performance in some market environments, perhaps for extended periods. In such circumstances, a fund or a strategy may seek to maintain exposure to the targeted investment factors and not adjust to target different factors, which could result in losses.

Macro & stijlfactoren






Understanding factors

BlackRock's definitions of macro and style factors



Source: BlackRock Investment Institute, July 2018. Notes: This graphic shows BlackRock's definitions of macro and style factors. It is for illustrative purposes only.

Optimaliseren actief en passief

		FACTORS		ALPHA		
						
		BROAD MARKET	STYLE & MACRO	COMMON ALPHA	MARKET & FACTOR TIMING	SECURITY SELECTION
PRODUCTS/ STRATEGIES	INDEX/ETF	✓	✓	✗	✓ (self-generated)	✗
	FACTOR	✓	✓	✓	✓	✗
	ALPHA- SEEKING	✓	✓	✓	✓	✓

Source: BlackRock Investment Institute, July 2018. Notes: This box shows different sources of return and whether they can be currently acquired with an indexing, factor or alpha-seeking strategy. 'Self-generated' refers to alpha investors can generate themselves using index/ETF products.

1 The methodology of our empirical work on manager returns is in the appendix. Here we refer to the gross returns of the median alpha-seeking manager.
 2 Our sample was about 4,500 managers in the Morningstar database across 21 asset classes between 1997 and 2017. We looked at the probability of managers staying in the top and bottom quartiles in subsequent five-year periods if they were in that quartile in the previous period. The threshold for showing persistence is a probability above 25%. Persistence was only meaningfully above 25% in a few places based on our confidence bands. Our sample might include managers who generate alpha through both skill and luck. Ideally, we would only look at skilful managers. This underscores the high governance cost if an investor is to capture alpha.
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Optimale combinatie actief en passief

Active / Passive	0 / 100	10 / 90	20 / 80	30 / 70	40 / 60	50 / 50	60 / 40	70 / 30	80 / 20	90 / 10	100 / 0
Avg. return (%)	4.4	4.7	4.8	5.1	5.2	5.3	5.6	5.8	5.7	6.0	6.0
Ex-post risk (%)	5.3	5.4	5.4	5.5	5.7	5.9	6.1	6.4	6.8	7.0	7.4
Two-way turnover (Ann.%)	46	52	56	59	57	56	58	79	104	146	204
Strategy Sharpe Ratio	0.83	0.87	0.89	0.91	0.91	0.89	0.91	0.90	0.84	0.84	0.81
Benchmark Sharpe ⁽³⁾	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70

*These results were simulated using a set of constraints aimed at reflecting the portfolio construction framework employed to manage the Enhanced Strategic model portfolio, which was inceptioned on the 9th of Mar 2015, i.e.: long-only, max. 20% individual holdings, 30% exposure to equities, 30% exposure to aggregate bonds, 5% exposure to high-yield, 5% exposure to EM Debt. Max. 50% exposure to BlackRock active fund range, long-run ex-ante risk target of 5%. We implemented a 60bps constraint on the weighted annual management cost (AMC) at the strategy level and the 50% max. allocation to passive funds was relaxed in order to conduct this analysis around the optimal active / passive blend and the AMC tipping point. ⁽²⁾Fee means AMC. ⁽³⁾ Static allocation corresponding to 40% Euro Aggregate Index + 40% MSCI ACWI EUR + 20% HFRX Global Hedge Fund index.

Source: BlackRock, using monthly data from August 2006 to August 2016.

Important notes

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