

Fund Data Report Methodology and Definition

Calculation Methodology

Estimated net flow (ENF) for a month (C) is simply the difference in beginning and ending share-class total net assets (TNA) that cannot be explained by the monthly total return (r).

$$C_t = TNA_t - TNA_{t-1}(1 + r_t)$$

Business Rules

Most funds report both TNAs and fund size to Morningstar. The methodology prefers TNA-based flows unless fund size is the only assets representation available. If surveyed fund size is used, the return of the oldest share class of the fund is used in the flow calculation.

New funds: If there exist inception-day TNA as well as month-end TNA for a new share class, the partial-month return (rt) in the formula above is used. If only month-end TNA is available for the inception month, the month-end TNA is used approximate the inception month-flow.

Fund mergers: The final reported assets of a merged share class are deducted from the target share class in the month of the merger.

Fund liquidations: The final reported assets of the share class are used as the final month's ENF (outflow). The TNA date is either the previous month-end, the obsolete date, or any date between.

Swiss Fund Data Contribution

Swiss Fund Data (SFD) collects from its fund data providers on a monthly basis and cumulated on portfolio level the amount of total net assets and assets placed in Switzerland as well as total net flows and net flows generated from Swiss distribution channels.

SFD provides Morningstar a monthly file with two factors per each of the portfolios in their database derived by dividing.

- assets placed in Switzerland / total net assets
- net flows generated from Swiss distribution channels / total net flows

Morningstar will attribute the provided portfolio factors to all portfolio share classes and their relevant time series in the Morningstar database.

Missing factors for funds that do not provide data to SFD will be estimated based on following averages of provided data per asset type at each month-end:

- Swiss promoters / Swiss domiciled funds
- Swiss promoters / non Swiss domiciled funds
- Non Swiss promoters / Swiss domiciled funds
- Non Swiss promoters / non Swiss domiciled funds

Fund Market Switzerland Report

Calculation period: 60 months, calculation currency: Swiss Francs
Publication date: Approx. 10th business day of the month.

Provided and estimated factors applied to Morningstar collected net assets and Morningstar estimated net flows timeseries.

The generated output contains all fund share classes of funds relevant for this report, including liquidated and merged funds, in the Morningstar database that are registered for sale in Switzerland.

The output also contains following aggregates as derived from the Morningstar database:

- fund promoter, fund classification, fund domicile, fund currency
- fund promoter per asset type, domicile and currency
- fund domicile per asset type and currency
- asset type per domicile and classification per asset type
- asset type and total overall

Swiss Promoters and Swiss Funds Report

Calculation period: 60 months, calculation currency: Swiss Francs.
Publication date: Approx. 10th business day of the month.

The generated output contains all fund share classes of funds relevant for this report, including liquidated and merged funds, in the Morningstar database that are registered for sale in Switzerland and that are promoted by Swiss fund management companies or are Swiss domiciled.

Included are all funds that are domiciled either in Switzerland or where their promoter or promoter parent companies are considered Swiss-domiciled. Foreign funds where the promoter or promoter parent company is not Swiss-domiciled are excluded.

The output also contains following aggregates as derived from the Morningstar database:

- fund promoter, fund classification, fund domicile, fund currency
- fund promoter per asset type, domicile and currency
- fund domicile per asset type and currency
- asset type per domicile and classification per asset type
- asset type and total overall

For further information please refer to:

Roman Aschwanden,
CEO Swiss Fund Data AG
Tel +41 44 250 51 24
roman.aschwanden@swissfunddata.ch

©Swiss Fund Data AG and Morningstar, Inc. 2014. All Rights Reserved. Swiss Fund Data / Morningstar Statistics are for informational purposes only, and do not constitute investment advice or an offer to sell or the solicitation of an offer to buy any security of any entity in any jurisdiction. No guarantee is made that the information in this report is accurate or complete and no warranties are made with regard to the results to be obtained from its use. In addition, Swiss Fund Data and Morningstar will not be liable for any loss or damage resulting from information obtained from Swiss Fund Data or Morningstar or any of their affiliates.