

ICI VIEWPOINTS

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High-Yield Bond Mutual Fund Flows: An Update

By Sean Collins

In an *ICI Viewpoints on December 16*, we debuted new weekly data on flows to high-yield bond mutual funds, presenting data through December 9. In light of continuing developments in the high-yield market, we have had requests to provide an update this week, taking into account the flows through December 16. Here is our overview.

Recent Aggregate Flows in High-Yield Bond Funds

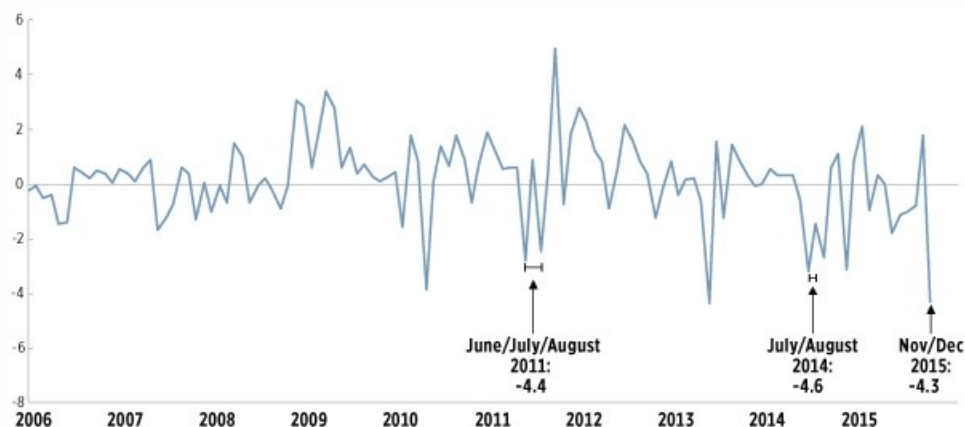
For the week ended Wednesday, December 16, we estimate these funds saw outflows of \$5.8 billion, following outflows of \$4.6 billion for the week ended December 9. We have posted [historical data on weekly flows to high-yield bond funds](#) since January 6, 2010, on our website.

Based on weekly data, we estimate that outflows from high-yield bond funds have totaled \$15.2 billion over November and December (through December 16). That amounts to 4.3 percent of assets of high-yield funds at the end of October 2015.

The chart below plots monthly flows in high-yield bond funds (excluding floating-rate funds) as a percentage of assets since 2000. The size of the November–December outflows from high-yield bond funds is not unprecedented. For example, outflows were of a similar magnitude during the two month period July–August 2014 (4.6 percent of their June 2014 assets) and three months June–August 2011 (4.4 percent of their May 2011 assets).

High-Yield Bond Fund Flows as a Percentage of Previous Month Assets

*Net new cash flow as a percentage of previous month-end assets; monthly, January 2006–November/December 2015**



*Data exclude high-yield funds designated as floating-rate funds, except for the estimate for November–December 2015. The November–December 2015 estimate is based on weekly estimated flows to all high-yield funds, divided by October 2015 assets in all high-yield funds. This treatment is necessary because ICI's data on weekly flows do not compile flows for floating-rate high-yield funds separately from other high-yield funds.

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