

**Chamber of Fund and Asset Management
(IZFiA)
Report for 2015**

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I. Letter of the President

Dears Sirs and Madams,

I am pleased to present you with the report summarising the investment funds market for 2015.

In comparison with the previous year, in 2015 the pace of economic development of Poland accelerated. The main driver of the Polish economy in 2015 was still the internal demand. For the whole 2015, inflation in Poland stayed on a negative level. At the same time, we were facing improvement of the situation on the labour market – the unemployment rate amounted to 9.8% as at the end of the year in comparison to 11.4% one year earlier.

The value of assets managed by investment funds increased to the record-breaking level in the history – to PLN 252.4 billion. It is worth emphasising that the investment funds market has been growing continuously since 2011. In total, in the last four years the value of savings invested in the funds increased by almost PLN +138 billion, while the total balance of sales in 2015 amounted to PLN +11.3 billion. The value of assets of the funds addressed to a wide group of clients increased in 2015 from PLN 116 billion to PLN 122 billion, i.e. by +5.3%.

The scale of purchases and redemptions had the greatest impact on the changes of net asset values last year. Out of 12 months, four were ended with drop of assets (July, August, October and November). In all of these months, the sales balance was minor or negative. The greatest increase of means was reported by non-public assets funds, while the second in terms of the dynamics of the assets were capital protection funds. The third in terms of the dynamics of the assets were absolute return funds – assets collected in this segment increased from PLN 8.6 billion to PLN 12.1 billion (+41%, i.e. PLN +3.5 billion). It was the poor situation on the financial markets that resulted in the fact that the fund management companies turned to the products with such strategy. Great increase of value of the collected means was also reported by the solutions with the lowest risk level – cash and monetary ones. On the other hand, contribution of new capital to the non-public assets segment had key impact on the change of the structure of assets of the investment funds in 2015. They reported strong growth in a short time, which entailed drop of share of other groups in the total assets.

The majority of the fund management companies operating on the Polish market (65%) ended 2015 with increase of value of the managed means. The top five fund management companies with the greatest assets remained unchanged. Apart from Ipopema TFI which significantly exceeded the competition, they include TFI PZU (11.2% of the market), PKO TFI (7.3%), Pioneer Pekao TFI (6.6%) and Skarbiec TFI (5.7%). In 2015, also several new companies appeared on the Polish funds market. The Financial Supervision Commission issued authorisation for establishment and management of investment funds in total to three institutions: Corum TFI, Money Makers and Templeton Asset Management (Poland) TFI. As many as 204 funds – 59 more than in the previous year – were entered in the investment funds register kept by the Regional Court in Warsaw in 2015. Close-ended investment funds (FIZ) dominated among the newly registered entities – there were as many as 199 of them. The biggest number of novelties was launched by Copernicus Capital TFI (30), AgioFunds TFI (20), Trigon TFI (19) and Forum TFI (18).

In 2015, savings of the Poles increased to the record-breaking level of PLN 1.2 thousand billion. Households collected in various types of investments more means than in 2014 by PLN +70 billion, i.e. by 6.6%.

For years, it is PLN and currency deposits (57%) that have had the greatest share in the savings of the households, which increased by +9.4% in 2015. The value of means invested in retail investment funds held by households (dedicated to natural persons, after exclusion of the value of insurers' investments) increased in 2015 by PLN +3.9 billion (+4.0%).

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In general, 2015 was characterised by great volatility and the feeling of uncertainty on the investment funds market. Consequently, only every second fund out of 650 operating funds generated a profit. The best-performing funds were foreign equity funds, the managers of which invest on developed markets as well as in equities of real estate industry companies. However, the market is still developing, new possibilities emerge and the fund management companies sector is one of the most dynamic sectors, which is able to notice the emerging new possibilities quickly and to take advantage of them for the welfare of the investors. The stabilising situation in the country allows to hope that this development will still continue, in already much more stable conditions.

Professor Marcin Dyl, Ph.D.

President of the Management Board of IZFiA

II. Market environment. Economic situation of Poland

Gross domestic product: In 2015, the pace of economic development of Poland accelerated in comparison to the previous year. According to the preliminary data presented by the Central Statistical Office (GUS), the GDP increased by +3.6% annually, in comparison to +3.3% achieved in 2014. Similarly to the previous year, the internal demand was still the main driver

Table 1. Real dynamics of gross domestic product

	2011	2012	2013	2014	2015
Gross domestic product	4,8%	1,8%	1,7%	3,3%	3,6%
Total consumption, of which:	1,7%	0,7%	1,3%	3,0%	3,2%
individual	3,0%	1,0%	1,1%	3,0%	3,1%
Gross accumulation, of which:	12,2%	-4,3%	-3,7%	11,6%	4,2%
gross outlays on fixed assets	9,3%	-1,5%	0,9%	9,4%	6,1%
Domestic demand	3,8%	-0,4%	0,2%	4,6%	3,4%
Gross added value, of which:	4,7%	1,8%	1,8%	3,0%	3,4%
industry	8,9%	2,3%	5,9%	3,6%	5,4%
construction industry	10,8%	-3,2%	1,0%	4,7%	4,4%

Source: Central Statistical Office

of the Polish economy in 2015, yet the dynamics of its growth slightly slowed down. It increased by +3.4% annually in relation to +4.9% in 2014. The factor that contributed to the development of the economy was also positive – yet lower than in 2014 – dynamics of gross outlays on fixed assets (+6.1% year-over-year in relation to +9.8% reported in 2014). Thus, the rate of investments in the national economy (relation of gross outlays on fixed assets to the GDP in current prices) increased in 2015 to the level of 20.2 from 19.6 reported in 2014. Last year, the economic growth was also supported by the balance of the international trade. In 2014, the impact of net export on the value of the gross domestic product amounted to +1.5 p.p., while last year it contributed to the increase of the ratio by +0.3 p.p. Also the favourable situation on the labour market, entailing the increase of individual consumption to the level of +3.1% (from 2.6% in 2014), also had positive impact on the pace of development of the economy. The prospects for the dynamics of the GDP in 2016 are promising while the one-off increase of consumption of households may be partially entailed by realisation of '500+' governmental programme, which according to estimates may result in increase of expenditures by about PLN +16 billion. On the other hand, the threats include the risk of strong slowdown of the Chinese economy which may affect the global pace of development.

Labour market: The positive assessment of the Polish economy in 2015 was also entailed by a good situation on the labour market. The decreasing registered unemployment trend, observed currently, is

Table 2. Inflation and unemployment in years 2011-2015

	2011	2012	2013	2014	2015
inflation	4,3%	3,7%	0,9%	-1,0%	-0,9%
unemployment rate	12,5%	13,4%	13,4%	11,5%	9,8%

Source: Central Statistical Office

continuation of the trends from the previous periods, since as at the end of 2015, the unemployment rate amounted to 9.8% in comparison to 11.4% in the previous year and to 13.4% reported as at the end of December 2013. The negative inflation measurements were accompanied by moderate salary pressure. The average monthly gross compensation in the enterprises sector increased in comparison to 2014 by +3.5% and amounted to PLN 4,121.41.

Inflation: During the whole 2015, the monthly measurements of inflation presented negative dynamics of consumer prices in the economy. December turned out to be the 18th month in a row, in which negative level of the CPI was reported - as at the end of December, the annual change amounted to +0.5%. Despite the fact that from February of the last year the pace of the drops had been gradually decreasing, the average annual inflation amounted to -0.9% in comparison with 0.0% reported in 2014. Thus, the period, in which

inflation stays below the bottom range of deviations from the inflation target of the National Bank of Poland, has extended. Last year, the drops of prices in the category of transport as well as clothes and footwear had the greatest impact on the level of the index. Also drop of base inflation – i.e. the one calculated after exclusion of the prices of food and energy – was reported. It decreased to the level of +0.3% from 0.6% in 2014. On the other hand, the continuing low prices of raw materials are reflected in the drop of prices of the sold production of the industry. According to the latest macroeconomic survey conducted by the National Bank of Poland on a cyclical basis in the group of experts dealing with analyses of economic processes, the average annual inflation in 2016 is to amount to +0.9%. According to the limits of the 50-percentage probability range, the measurements of the index in the range from +0.4% to +1.3% may be expected. In the opinion of the surveyed persons, in 2017 inflation will return to the range of allowed fluctuations around the inflation target of the National Bank of Poland (from +1.5% to +3.5%).

Monetary policy: The inflation level that was lower than expected was one of the factors that induced the Monetary Policy Council to decrease the reference rate in March 2015 by +50 b.p. to historically record-breaking level of 1.5%. The lombard rate amounts currently to 2.5% while the deposit rate – to 0.5%. It results from the description of the discussion after the last sitting of the Council in the not yet changed composition that the opinions of the individual members in relation to legitimacy of further changes of the costs of money at the end of the last year were split.

State budget: In June 2015, the European Council relieved Poland from the excessive deficit procedure imposed in the middle of 2014, since in the calculations of the indebtedness of the economy the cost of the pension reform was included, which for the period from January to July was assessed at the level of 0.4% of the GDP. Significant (by about PLN 13 billion) drop of income on account of the tax on goods and services induced the government to adopt a self-amendment of the budget for 2015 in order to avoid significant limitations at the side of expenditures as well as to secure greater fiscal space for 2016. Another factor that made the ruling party make such a movement was low probability of obtaining of income from sales of the LTE frequency for the amount of about PLN 9 billion. In the amendment of the budget, the deficit was increased to the amount of – PLN 50 billion while budget law for 2016 assumes the deficit on the level of PLN – 54.7 billion.

Capital market: In 2015, the indices on the Warsaw Stock Exchange were influenced by the fears of the investors relating to the Chinese economy as well as by the deep drops on the raw materials market, similarly to the indices on the world's floors. The nervous atmosphere was also fostered by the risk of fixation of inflation on a low level. The index of 20 largest and most solvent companies reported deep, almost -20% loss last year. As a result of these drops, WIG20 achieved the value of 1,859.15 points as at the end of the year, which means a return to the level from the end of May 2009. Less severe reduction of prices was reported on the wide market. The return rate of WIG in 2015 amounted to 9.3%. It was possible thanks to better situation in the segment of companies with medium and small capitalisation. In this time, mWIG40 and WIG80 increased respectively by +2.4% and +9.1%. It seems that the data on the Polish economy being positive and neutral for the investors was not able to compensate the negative impact of the fears about the world's economy as well as the outflow of capital from the emerging markets. Apart

Table 3. Changes on the financial market in 2015

WIG	-9,26%
WIG20	-19,72%
mWIG40	2,40%
sWIG80	9,11%
IROS*	9,31%
IRP_WIBID_1M**	1,45%
USD/PLN	11,23%
EUR/PLN	-0,02%

* bonds market index calculated by Analityz Online

** money market index

Source: NBP, GPW, ERSPW, calculations of Analityz Online

from it, the political risk had significant impact on the situation in the selected segment of the equities market in the second part of the year.

The total capitalisation of the domestic companies quoted on the main floor of the Warsaw Stock Exchange decreased from PLN 591.2 billion as at the end of 2014 to the level of PLN 516.2 billion as at the end of 2015. In this time, the foreign companies lost -14% while their capitalisation amounted as at the end of December to PLN 566.1. In comparison with the previous year, also the value of trade in equities decreased – in 2015, it amounted to PLN 225.3 billion in relation to PLN 232.9 billion in 2014. In the analysed period, equities of 30 new companies entered the main market of the Warsaw Stock Exchange while securities of 13 were withdrawn from the trade.

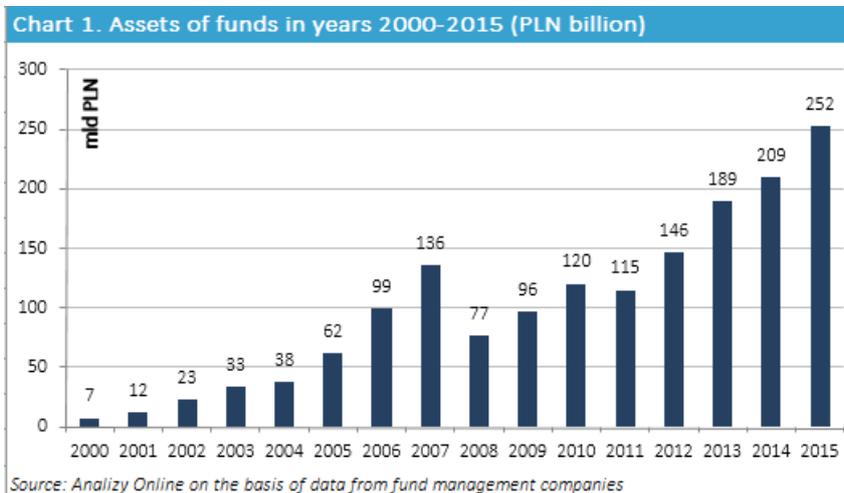
The main European stock exchanges finished the year with a positive result. The German DAX gained +9.6% in this period and the French CAC +8.5%. A similar rate of return was faced by the investors at the other side of the globe – the Japanese Nikkei 225 reported grow on the level of +9.1%. At the end of the year, the financial markets were affected by the decision of the Federal Open Market Committee (FOMC) on commencement of the cycle of tightening of the monetary policy. This move was important for the investors due to the fact that the increase of the interest rates was decided on for the first time for almost a decade. Thus, the time of change in the direction of the monetary policy conducted by the Federal Reserve and by the European Central Bank, which will probably be one of intensively analysed phenomena in 2016, began.

III. Funds market in Poland

3.1. Net assets of investment funds in 2014

In 2015, the value of assets managed by investment funds from the offer of the fund management companies increased to the record-breaking level of PLN 252.4 billion. This is more than one year earlier by PLN +43 billion. The growth dynamics amounted to +21%. The investment funds market has been growing continuously since 2011. In total, in the last 4 years the value of the savings invested in the funds increased by almost PLN +138 billion. This is the best period in the history of this market. In the period of the last boom in 2004-2007, the value of the collected assets increased by almost PLN +103 billion.

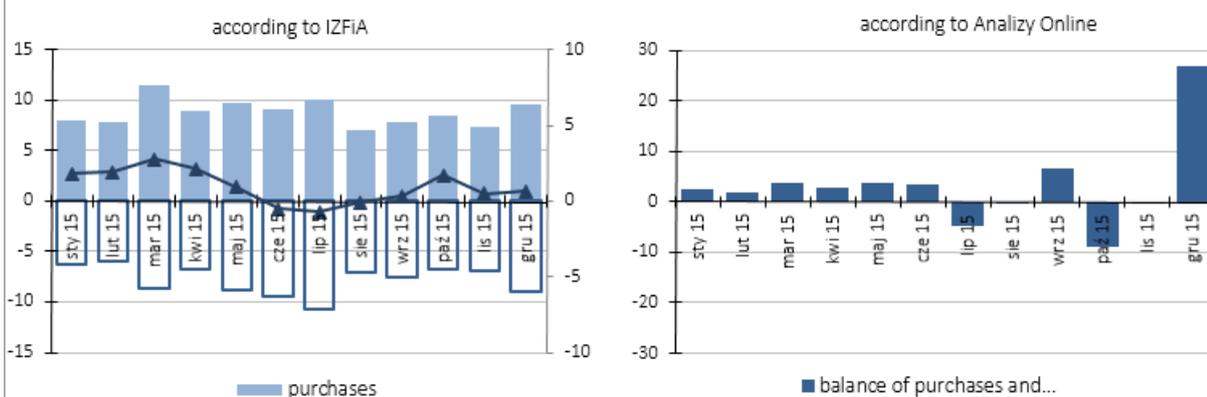
According to the data of the Chamber of Fund and Asset Management, the total balance of sales in 2015 amounted to PLN +11.3 billion. It consisted of purchases in the amount of PLN +105.2 billion and of redemptions of the value of PLN -93.8 billion. It is worth noticing here that these calculations include solely the data obtained from the fund management companies providing it to the Chamber voluntarily. According to it, in 2015 nine months ended with a positive sales balance while three (June, July and August) ended with an excess of redemptions over the payments. The balance of payments and withdrawals ranged from PLN -0.7 billion (in



July) to PLN +2.8 billion (in March). According to Analityz Online, which apart from the data delivered by fund management companies estimate the value of the flow of means for other funds (mainly from a part of the non-retail market), the scale of the differences was significantly bigger and ranged from PLN -8.8 billion in October to PLN 26.8 billion in December.

According to estimates of Analityz Online, significant increase of assets as possible mainly thanks to the fact that the balance of payments and withdrawals turned out to be the highest in the history and amounted to almost PLN +38 billion. Such a good result is the effect of dynamic development of the non-retail funds segment, addressed to a narrow group of clients. In 2015, they obtained about PLN +30.6 billion in comparison to PLN +1 billion in 2014. The results generated by the managers according to estimates of Analityz Online in 2015 amounted to as little as PLN +1.5 billion.

Chart 2. Purchases and redemptions in 2015 (PLN billion)



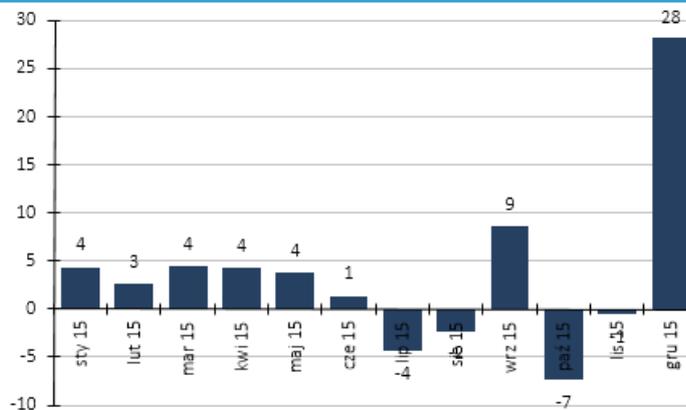
Source: IZFiA (on the basis of data for about 500 funds)

Source: Analityz Online (on the basis of data and estimates for about 1,000 funds)

The scale of purchases and redemptions had the greatest impact on the changes of net asset values. Out of 12 months, 4 ended with drop of assets (July, August, October and November). In all of these months, the balance of sales was symbolic or negative. According to Analityz Online, it amounted in July and October respectively to PLN -4.8 billion and PLN -8.8 billion. In other months, the value of the assets collected in the funds was increasing.

The biggest growth was reported in December, on the level of PLN +28.2 billion, which resulted mainly from payment of significant means to one of non-public assets fund. On the other hand, in terms of results of management, the months from the first half of the year were better, especially January (PLN +1.9 billion) and April (PLN +1.6 billion). In 5 months, the result of management was negative and it decreased the level of assets to the greatest extent in June and August, in both cases by more than PLN -2.00 billion.

Chart 3. Monthly change of assets in 2015 (PLN billion)



Source: Analityz Online on the basis of data from fund management companies

According to the data and estimates of Analityz Online, in 2015 the biggest amount of the new means was acquired by non-public assets funds (as much as PLN +29.9 billion). The next were absolute return funds with the sales balance on the level of PLN +3.3 billion as well as equity funds (PLN +2.6 billion). The balance of payments and withdrawals exceeding the amount

of PLN 1.00 billion was also achieved by securitisation funds. In case of real estate funds and debt funds, the sales balance was negative.

Market structure by groups of funds

In 2015, the biggest increase of means was reported by **non-public assets funds**. Due to high inflows, their assets grew by almost +60%. This segment includes to a great extent the solutions dedicated to specific investors or created for the purposes of capital groups. Thanks to increase of means by PLN +38.5

billion, they kept the status of the largest market segment, increasing their share by +9.1 p.p. to 38.8% as at the end of 2015. Only one fund, the assets of which were supplemented with the means of the value of almost PLN 24 billion, had great influence on the result of the whole group.

The second in terms of the dynamics of the assets were **capital protection funds**, mainly thanks to great popularity of one product. Nevertheless, their share in the market stayed on a symbolic level not exceeding 1%.

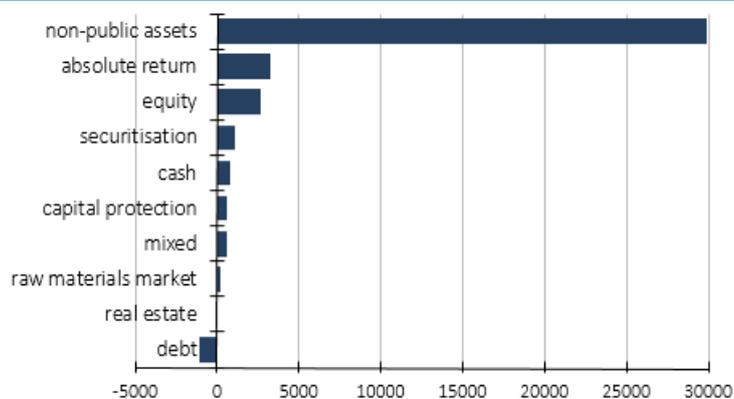
The third in terms of the dynamics of the assets were **absolute return funds**. This segment has been developing dynamically since 2009, with a short break in 2011 and in 2014. Every year, the companies enhance their offers with products, the strategy of which assumes generation of positive return rates in any market conditions. This approach, especially in the times of great volatility on the market, is very popular. In 2015, assets collected in absolute return funds increased from PLN 8.6 billion to PLN 12.1 billion.

The fourth in terms of the dynamics of the assets in 2015 were raw materials **funds** – the smallest market segment for years. In 2015, the means collected therein increased by +39% to almost PLN 450 million. Not much worse dynamics was reported by **securitisation** funds making money on the debt market. Thanks to their great popularity with the clients, the value of the means collected therein increased by PLN +1.2 billion, i.e. by the same amount as one year earlier. Finally, the value of these assets exceeded the limit of PLN 5 billion while the share of the securitisation funds in the market amounted to 2% as at the end of 2015.

The next were funds from the largest market segments. Cash and monetary funds were still the fifth, thanks to increase of assets by PLN +1.2 billion. As at the end of year, the amount of almost PLN 30 billion was invested therein – more than one year earlier by +4.1%. Their share in the market fell by -1.9 p.p. to 11.7%.

The next were **equity funds** – the fourth market segment in terms of volume. Their assets grew by +3.5% to PLN 29.6 billion as at the end of 2015. It was caused by great popularity of the funds investing on foreign equity markets. The last segment that ended 2015 with bigger assets were **mixed funds**, the assets of which have stayed on the level exceeding PLN 30 billion for 3 years. The value of assets collected by them amounted to PLN 32.4 billion as at the end of December 2015, i.e. more than one year earlier by almost PLN +0.4 billion. Despite positive dynamics of the assets (+1.1%), the share in the market dropped by -2.5 p.p. to 12.8%. The positive dynamics resulted solely from the excess of payments over withdrawals, which amounted to PLN +0.6 billion. However, the result of management was negative.

Chart 4. Balance of payments and withdrawals by segments in 2015 (in PLN million)



Source: Anality Online on the basis of data from fund management companies

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Table 4. Net assets of segments and their share in the market (PLN million)

	value (PLN million)		dynamics	share	
	Dec 14	Dec 15		Dec 14	Dec 15
absolute return	8 603,2	12 126,8	41,0%	4,1%	4,8%
equity	28 613,7	29 628,2	3,5%	13,7%	11,7%
non-public assets	62 194,7	98 041,1	57,6%	29,7%	38,8%
debt	41 815,4	41 093,0	-1,7%	20,0%	16,3%
cash and monetary	28 447,9	29 604,4	4,1%	13,6%	11,7%
mixed	32 013,0	32 373,0	1,1%	15,3%	12,8%
real estate	2 131,5	2 129,5	-0,1%	1,0%	0,8%
capital protection	1 294,5	1 877,0	45,0%	0,6%	0,7%
raw materials market	323,3	449,0	38,9%	0,2%	0,2%
securitisation	3 923,6	5 109,7	30,2%	1,9%	2,0%

Source: Anality Online on the basis of reports of fund management companies and data of IZFiA

In 2015, two segments were affected by the drop of value of the managed means, while in both cases it was insignificant. The assets collected in **debt funds** decreased to a greater extent, by -1.7%. Despite this fact, they were still the second in terms of volume of the managed assets. After 2014 which was very successful on the debt market, in which both the Polish debt securities funds and the funds investing on foreign markets generated

attractive results for the investors, 2015 ended with a much worse situation. The average profit of Polish treasury bonds funds amounted to as little as +0.4% while the funds investing globally in corporate bonds even made losses (-1.0% on average). As the results were deteriorating in the next months, the clients started to move a part of the means to the Polish corporate securities maintaining competitive results (they earned +2.0% annually on average). The other groups of debt funds did not recover the interest, due to which the majority of them reported high outflows. Eventually, the total balance of payments and redemptions for the domestic bonds segment and for the foreign bonds segment exceeded PLN -1.0 billion. Finally, assets went down by PLN -0.7 billion to PLN 41.1 billion while the share in the debt funds market dropped to 16.3%.

Also **real estate** funds ended 2015 with symbolic drop of assets. It was the effect of discontinuation of activity by two entities. At the same time, several new funds commenced their activity, thanks to which the value of the managed means decreased only by PLN -2.0 million to PLN 2.1 billion as at the end of December.

Market structure by fund management companies

The majority of fund management companies operating on the Polish market (65%) ended 2015 with increase of the value of the managed means.

Table 5. Dynamics of changes of net asset value of individual fund management companies (PLN mi)

	value (PLN million)		dynamics	share	
	Dec 14	Dec 15		Dec 14	Dec 15
AgioFunds TFI	1 323,7	5 382,3	306,6%	0,6%	2,1%
Altus TFI	4 167,8	7 495,2	79,8%	2,0%	3,0%
Amundi Polska TFI	357,7	668,1	86,8%	0,2%	0,3%
Aviva Investors Poland TFI	13 072,0	12 617,7	-3,5%	6,2%	5,0%
AXA TFI	1 722,5	1 790,2	3,9%	0,8%	0,7%
BEST TFI	636,4	896,4	40,9%	0,3%	0,4%
BPH TFI	2 874,1	2 900,0	0,9%	1,4%	1,1%
BPS TFI	319,4	291,8	-8,6%	0,2%	0,1%
BZ WBK TFI	12 824,3	12 515,3	-2,4%	6,1%	5,0%
Caspar TFI	86,6	103,9	19,9%	0,0%	0,0%
Copernicus Capital TFI	9 049,4	8 268,6	-8,6%	4,3%	3,3%
Eques Investment TFI	1 094,0	878,7	-19,7%	0,5%	0,3%
Forum TFI	10 975,4	13 877,6	26,4%	5,2%	5,5%
Intrum Justitia TFI	373,1	315,0	-15,6%	0,2%	0,1%
Inventum TFI (deprived of the license for management of investment funds on 7 October 2014)	775,1	0,0	0,0%	0,4%	0,0%
Investors TFI	3 175,0	3 699,8	16,5%	1,5%	1,5%
Ipopema TFI	19 723,8	47 976,8	143,2%	9,4%	19,0%
KBC TFI	3 309,6	3 714,5	12,2%	1,6%	1,5%
Legg Mason TFI	3 245,6	2 799,6	-13,7%	1,6%	1,1%
MCI Capital TFI	1 831,5	2 067,2	12,9%	0,9%	0,8%
MetLife TFI	1 242,2	1 381,6	11,2%	0,6%	0,5%
Millennium TFI	3 566,4	3 905,3	9,5%	1,7%	1,5%
Money Makers TFI	0,0	65,3	0,0%	0,0%	0,0%
NN Investment Partners TFI	12 670,4	13 377,0	5,6%	6,1%	5,3%
Noble Funds TFI	2 503,1	3 084,6	23,2%	1,2%	1,2%
Open Finance TFI	3 542,6	4 054,9	14,5%	1,7%	1,6%
OPERA TFI	2 248,7	1 936,5	-13,9%	1,1%	0,8%
Pioneer Pekao TFI	17 070,5	16 702,5	-2,2%	8,2%	6,6%
PKO TFI	16 954,4	18 425,8	8,7%	8,1%	7,3%
Provide TFI	5,4	4,4	-17,8%	0,0%	0,0%
QUERCUS TFI	2 867,9	3 506,8	22,3%	1,4%	1,4%
Skarbiec TFI	15 030,5	14 307,1	-4,8%	7,2%	5,7%
SUPERFUND TFI	321,4	465,6	44,9%	0,2%	0,2%
TFI Allianz Polska	2 743,6	2 626,8	-4,3%	1,3%	1,0%
TFI BDM	59,8	bd	0,0%	0,0%	0,0%
TFI BGŻ BNP Paribas	103,8	127,8	23,1%	0,0%	0,1%
TFI Capital Partners	93,5	164,3	75,7%	0,0%	0,1%
TFI PZU	25 541,5	28 303,3	10,8%	12,2%	11,2%
TFI SKOK*	965,3	-	0,0%	0,5%	0,0%
Trigon TFI	782,0	1 987,0	154,1%	0,4%	0,8%
Union Investment TFI	10 110,6	9 746,4	-3,6%	4,8%	3,9%

* assets taken over by Altus TFI

Source: Analyz Online on the basis of reports of fund management companies and data of IZFiA

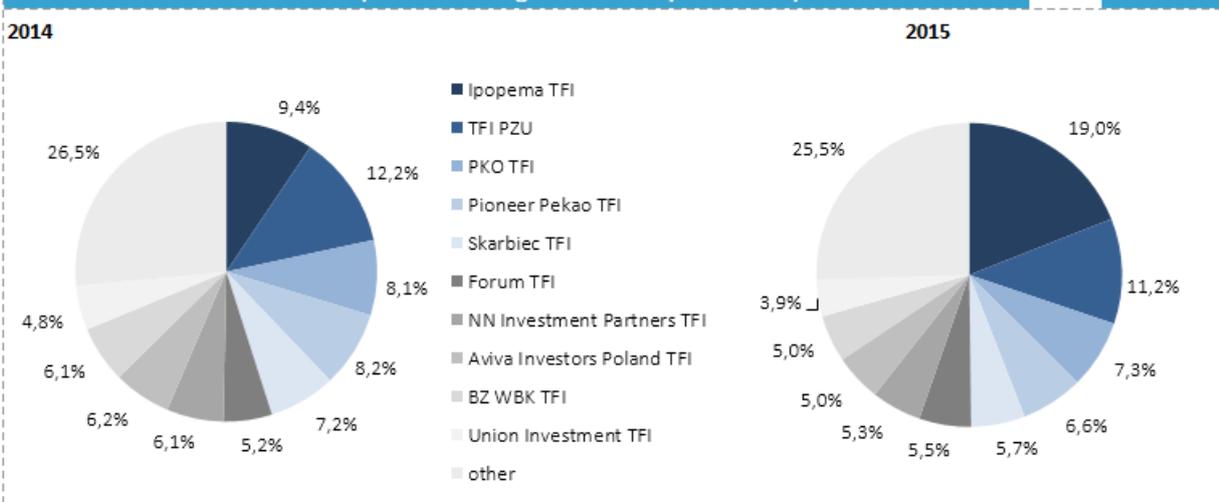
The value of assets of funds addressed to a wide group of clients increased in 2015 from PLN 116 billion to PLN 122 billion, i.e. by +5.3%. Higher dynamics was reported by funds designed for selected investors and

legal persons. The means collected therein increased from PLN 93 billion to PLN 130.3 billion as at the end of 2015. Consequently, the share of retail funds in the whole market fell below 50%.

In 2015, the greatest increase of the collected means was reported by Ipopema TFI, which expands the offer of funds dedicated for private investors in an active way. Thanks to increase of value of the managed means by PLN +28.3, Ipopema TFI became the leader of the investment funds market, increasing its share from 9.4% to 19% as at the end of 2015. Significant growth of the managed means was also reported by AgioFunds TFI, which also acquires clients for non-public funds. The value of the managed assets increased by over PLN +4.00 billion to PLN 5.4 billion. Altus TFI which as at the end was managing the means of the value of PLN 7.5 billion, being higher than one year earlier by PLN +3.3 billion, increased its assets to not much lesser extent. It is partially due to acquisition of TFI SKOK, in the funds of which assets of the value of almost PLN 1 billion were collected.

In 2015, the top five fund management companies with the highest assets remained unchanged. Apart from Ipopema TFI, which significantly jumped away from the competition, they include TFI PZU (11.2% of the market), PKO TFI (7.3%) Pioneer Pekao TFI (6.6%) and Skarbiec TFI (5.7%). On the other hand, we were facing the increase of their significance in the whole market. In 2014, 5 largest companies were responsible for 45% of the market while one year later their share came close to 50%.

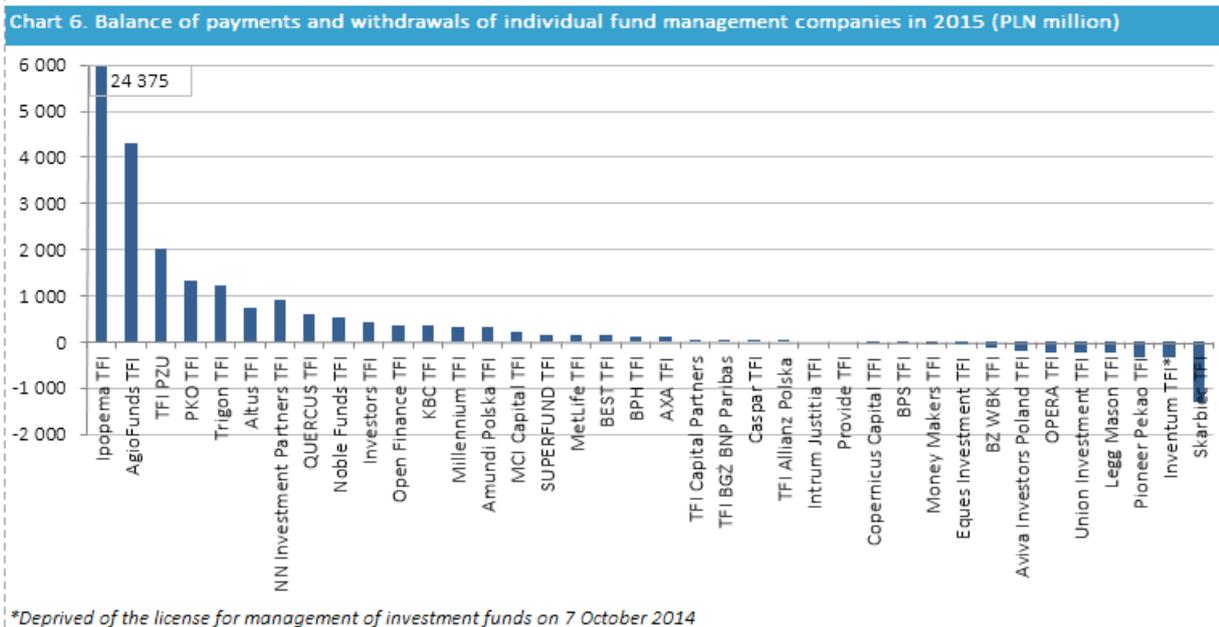
Chart 5. Market structure by fund management companies in years 2014-2015



Source: Fund management companies

In order to get a precise image of the market, it is worth checking what the distribution of powers in terms of retail offer looks like. PKO TFI obtained the position of the largest player on this market, with the amount of PLN 18.4 billion collected in the funds. The second was the oldest Polish company - Pioneer Pekao TFI with PLN 16.7 billion. The last of the top three companies is BZ WBK TFI, which collected PLN 12.5 billion in retail funds. Next, there are respectively Union Investment TFI (PLN 9.2 billion), NN Investment Partners TFI (PLN 8.8 billion) and TFI PZU (PLN 8.0 billion).

According to the data of Anality Online, the majority of the institutions operating on the market reported positive balance of payments and withdrawals in 2015. The biggest amount of new means was acquired by Ipopema TFI, thanks to its expanded offer of non-public funds. The top three fund management companies with the highest sales balance included also AgioFunds TFI and TFI PZU.



3.2. Market development by entities

In 2015, several new fund management companies appeared on the Polish funds market. The Financial Supervision Commission issued authorisation for establishment and management of investment funds in total to 3 institutions: Corum TFI, Money Makers and Templeton Asset Management (Poland) TFI.

In June, the Financial Supervision Commission granted authorisation to Money Makers S.A. for conducting of activity as a fund management company in the field of establishment and management of investment funds as well as authorisation for conducting of portfolio management activity in compliance with legal regulations applicable to fund management companies.

In October, the supervision consented to establishment of Corum TFI, the founder and president of which is Grzegorz Mielcarek, one of the founders of Investors TFI in the past. The company is to specialise in close-ended funds offered to rich investors, based on alternative strategies, as well as in absolute return funds.

At the meeting in November, authorisation of the Financial Supervision Commission for activity conducting was obtained by Templeton Asset Management (Poland) TFI, belonging to Franklin Templeton Investments. The company, which had been registered 3 years earlier, may establish investment funds or foreign funds as well as manage them. At the same time, the Financial Supervision Commission authorised the establishment of Franklin Templeton FIO umbrella fund. At the same meeting, the Financial Supervision Commission refused to grant authorisation for activity conducting to another fund management company - Inovo.

2 fund management companies merged in 2015. On 1 June, the process of acquisition of TFI SKOK by ALTUS TFI was completed. The value of the acquired company, which was managing assets of the value of almost PLN 1 billion, was valued for the amount of PLN 15 million. The merger was performed through transfer of the whole property of TFI SKOK to Altus TFI with simultaneous increase of the share capital of Altus TFI through issuance of new G-series equities. They were handed over to the shareholders of the acquired company.

Table 6. Fund management companies registered in Poland

Companies registered before 2015

1. AgioFunds TFI	21. Inventum TFI*	41. Penton TFI
2. Altus TFI	22. Investors TFI	42. Pioneer Pekao TFI
3. Amathus TFI	23. Ipopema TFI	43. PKO TFI
4. Amundi Polska TFI	24. KBC TFI	44. Provide TFI
5. Aviva Investors Poland TFI	25. KGHM TFI	45. QUERCUS TFI
6. AXA TFI	26. KRUK TFI	46. SATURN TFI
7. BEST TFI	27. Legg Mason TFI	47. Skarbiec TFI
8. BPH TFI	28. MCI Capital TFI	48. SUPERFUND TFI
9. BPS TFI	29. Mebis TFI	49. TFI AGRO
10. BZ WBK TFI	30. MetLife TFI	50. TFI Allianz Polska
11. Caspar TFI	31. Millennium TFI	51. TFI BDM
12. Copernicus Capital TFI	32. MM Prime TFI	52. TFI BGK
13. Eques Investment TFI	33. MS TFI	53. TFI BGŻ BNP Paribas
14. FINCREA TFI	34. NN Investment Partners TFI	54. TFI Capital Partners
15. Forum TFI	35. Noble Funds TFI	55. TFI PZU
16. Fundusze Inwestycji Polskich TFI	36. Open Finance TFI	56. Trigon TFI
17. GO TFI	37. OPERA TFI	57. Union Investment TFI
18. Harenda TFI	38. OPOKA TFI	58. Warsaw Equity TFI
19. IB TFI	39. OPTI TFI	
20. Intrum Justitia TFI	40. Ostoja TFI	

Companies registered in 2015

59. Templeton Asset Management (Poland) TFI
60. Corum TFI
61. Money Makers S.A.

Companies deregistered in 2015

TFI SKOK

*Deprived of the license for management of investment funds on 7 October 2014

Source: Financial Supervision Commission

3.3. Market development by products

In 2015, 204 funds – 59 more than in the previous year – were entered in the investment funds register kept by the Regional Court in Warsaw. At the same time, 71 funds were deleted from the register in 2015.

Among the newly registered funds, it was the close-ended investment funds (FIZ) that dominated – there were as many as 199 of them. The vast majority of them is non-public. Investment certificates of three close-ended funds were introduced into trade on the regulated market (the Warsaw Stock Exchange). Moreover, 4 new specialist open-ended investment funds (SFIO), operating in umbrella form, as well as 1 new open-ended fund (FIO), also operating in the form of an umbrella fund, were registered.

During the whole year, 250 new funds and subfunds commenced their actual activity (a couple of them were established as a result of a transformation). The biggest number of novelties was launched by Copernicus Capital TFI (30), AgioFunds TFI (20), Trigon TFI (19) and Forum TFI (18). At the same time, almost 100 various solutions were liquidated in this period. As at the end of 2015, in total 1,246 funds and subfunds were functioning in the offer of the domestic fund management companies.

Open-ended funds and specialist open-ended funds

In 2015, 45 new open-ended and specialist open-ended (sub)funds as well as another 7 ‘novelties’ created as a result of transformation commenced their activity. The biggest number of novelties was created by PKO TFI (8), which partly results from completion of the process of product offer ordering. The company included all of these funds in one umbrella fund - PKO Parasolowy FIO (PKO Umbrella Open-Ended Investment Fund). Several companies included in their offer in 2015 a couple of entities operating in the ‘fund of funds’ formula – their assets are investment in a selected foreign fund. Legg Mason TFI established Legg Mason Parasol Zagraniczny SFIO (Legg Mason Foreign Umbrella Specialist Open-Ended Investment Fund) with five master feeder subfunds separated – both equity and debt ones. Their assets are investment in selected products from the offer of Legg Mason. Investors TFI launched 5 new PKO Parasolowy FIO (PKO Umbrella Open-Ended Investment Fund) subfunds, thanks to which the clients obtained wider exposure to foreign markets, both equity and bond ones. Five novelties were offered also by Union Investment TFI, including the products offered in the master-feeder structure as well.

Among the novelties established in 2015, it is also worth mentioning the package of 3 subfunds operating in the umbrella ING Konto Funduszowe (ING Fund Account), established by NN Investment Partners TFI for the clients of ING Bank Śląski, or the umbrella made of 3 index subfunds, launched also for the clients of ING Bank Śląski but by Amundi TFI.

Among the new open-ended funds addressed to a wide group of investors, the solutions that had been available on the Polish market for a lot of years dominated (equity, mixed, debt, cash and monetary funds). They often have exposure to foreign markets, both the developed and the emerging ones. The offer of absolute return funds was also expanded with 4 funds. At the same time, 28 open-ended and specialist open-ended (sub)funds discontinued their activity in 2015. As many as 18 of them were taken over by other funds managed by the same fund management company, 3 were liquidated completely while another 7 changed their strategy and were transformed into new entities. As at the end of December 2015, in total 489 funds and subfunds of this type were functioning.

Close-ended funds

198 new close-ended funds commenced their activity in 2015. At the same time, 64 close-ended funds discontinued their activity. The vast majority of the new funds are non-public assets funds, with domination of entities offered mainly to rich individual and institutional clients.

Among the novelties, we will also find a large group of products giving exposure to the real estate market as well as securitisation solutions. There are also funds with more classical strategies, the assets of which are invested on the capital market. The most of them realise the absolute return strategy. A considerable group is also created by equity, mixed and debt funds as well as by 1 capital protection fund.

In 2015, certificates of 3 funds (PZU FIZ Akord, QUERCUS Multistrategy FIZ and Medyczny Publiczny FIZ) entered the trade on the Warsaw Stock Exchange. At the same time, certificates of 10 funds, including 2 real estate funds and 8 capital protection funds, were withdrawn from the trade on the stock exchange. As a result, the number of the close-ended funds, the investment certificates of which are quoted on the Warsaw Stock Exchange, decreased to 34. The largest offer of this type of financial instruments is possessed by BPH TFI (11) and Investors TFI (5).

Moreover, at the end of the last year investment certificates of 2 close-ended funds managed by BZ WBK TFI, 3 funds of PKO TFI as well as of 1 fund from the offer of Ipopema TFI, KBC TFI, Legg Mason TFI (5 issuances), Opera TFI, Trigon TFI and Union Investment TFI were being quoted on the Warsaw Stock Exchange. The total volume of trade in the certificates in 2015 on the Warsaw Stock Exchange amounted to as little as PLN 76.5 million.

In total, 489 open-ended funds and subfunds (open-ended investment funds or specialist open-ended investment funds) and 757 close-ended funds were operating on the investment funds market in Poland at the end of 2015.

IV. Share of investment funds in the savings of the Poles

In 2015, the savings of the Poles increased to the record-breaking level of PLN 1.2 thousand billion. Households collected more financial means than in 2014 by more than PLN +70 billion, i.e. by +6.6%, in various types of investments. After exclusion of the open-ended pension funds, the assets of which may not be used immediately, the value of the savings amounted to PLN 1.0 thousand billion as at the end of 2015.

For years, PLN and currency deposits have had the biggest share in the savings of the households (57%), which went up by +9.4%, which in the whole year brought the biggest change in terms of value (PLN +57 billion) among all forms of saving. The value of cash in circulation outside the banks increased by another almost PLN +20 billion. Thanks to it, it became the second segment of the savings of the Polish households in terms of volume. In March 2015, the Monetary Policy Council decreased the reference rate by 50 base points to the lowest level in the history, amounting to 1.5%. The cost of money of the National Bank of Poland and thus the interest on deposits remains on record-breaking low levels. For this reason, some clients do not find it legitimate to keep their means in the form of interest-bearing deposits, keeping them in cash or on current accounts.

Table 9. Structure of savings of households (PLN billion)

	2014		2015		year-over-year dynamics
	PLN billion	share	PLN billion	share	
PLN and currency deposits	605	52,0%	663	56,9%	9,4%
cash in circulation outside bank accounts	130	11,2%	150	12,8%	15,1%
open-ended pension funds	149	12,8%	141	12,1%	-5,7%
equities of public companies *	42	3,6%	40	3,4%	-3,8%
insurance capital funds	54	4,6%	56	4,8%	3,0%
foreign funds	7	0,6%	6	0,5%	-12,1%
bonds and bills	10	0,8%	10	0,9%	2,0%
domestic investment funds**	96	8,3%	101	8,6%	4,3%
total	1093	100,0%	1165	100,0%	6,6%

* data relating to dematerialised equities kept on accounts in brokerage offices

** available for natural persons, adjusted by the value of investments of insurers

Source: Anality Online on the basis of data of NBP, the Ministry of Finance, the Central Statistical Office, the fund management companies and PTE TUNŻ

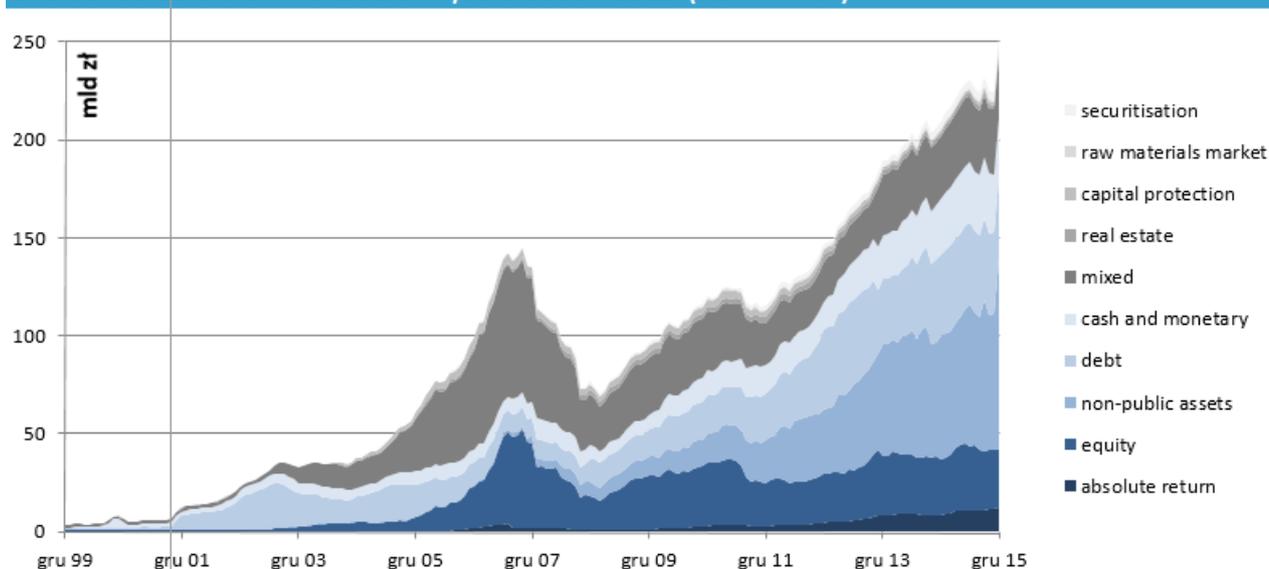
The value of cash invested in retail investment funds held by households (dedicated to natural persons, after exclusion of the value of investments of insurers) increased in 2015 by PLN +3.9 billion (+4.0%). In the analysed year, also the assets collected in insurance capital funds offered by insurance companies grew (+3.0%).

The third share in the savings of the households in terms of volume in 2015 fell to open-ended pension funds. Their assets decreased by PLN -8.6 billion to PLN 140.5 billion as at the end of December. The share of the open-ended pension funds in the structure of the savings will still go down gradually. Within the changes in the functioning of the open-ended pension funds, they have to transfer significant means to the Social Insurance Institution within the so-called security slide every year.

V. Structure of the investment funds market in 2015

In the last year, the value of the means collected in investment funds increased by PLN +43 billion. It was mainly caused by payments of the investors to non-public assets funds. In the whole 2015, the value of the means collected in this segment went up by as much as PLN +36 billion.

Chart 8. Structure of net assets in years 2000 - 2015 (PLN million)



Source: Calculations of Anality Online on the basis of data from fund management companies and data of IZFiA

Poor situation on the financial markets resulted in the fact that the clients of the fund management companies turned to products with non-standard strategy – the results of which are assumed to be less connected with the situation on the stock exchanges or on the treasury bonds market. The assets of absolute return funds increased by as much as +41%, i.e. by PLN +3.5 billion. The solutions with the lowest risk level reported big growth of the value of the collected means. The strong reduction of prices on the financial markets and lack of a real alternative in the form of other instruments of safer nature resulted in the fact that the clients of fund management companies invested their means in cash and monetary funds. In 2015, the popularity of this segment was the main reason for growth of the assets by PLN +1.2 billion to PLN 29.4 billion. Also equity funds reported big increase of the value of the collected means but it was caused mainly by high balance of payments and withdrawals relating to solutions connected with foreign equities (PLN +1.9 billion).

Contribution of new capital to the non-public assets segment had the key impact on the change of the structure of the assets of the investment funds. They reported strong increase in short time, which entailed drop of share of other groups in the total assets. Apart from non-public assets funds, also debt and mixed solutions belong to the group of the biggest segments.

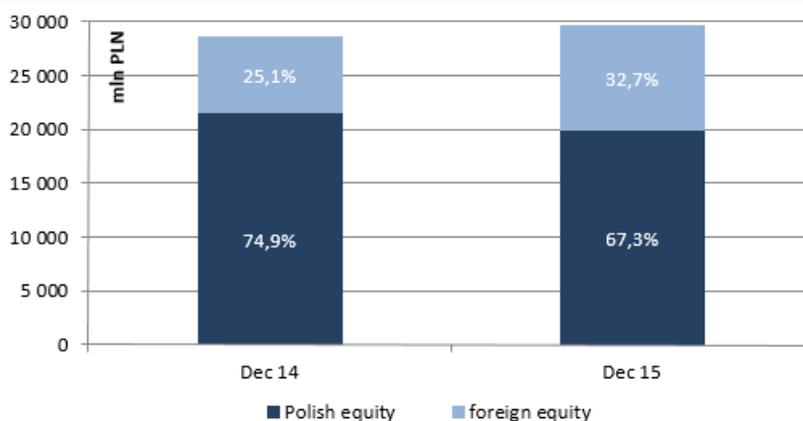
6.1. Equity funds

The value of the means collected in equity funds increased by PLN +1.0 billion, i.e. by +3.5%. However, this result does not illustrate the trend in the whole segment. Polish equity funds, mainly due to weakness of the largest companies quoted on the Warsaw Stock Exchange, reported decrease of the value of the collected means. Their assets decreased in 2015 by PLN +1.5 billion, i.e. by -7.0%. The reforms proposed by the politicians in the context of the elections held in Autumn as well as their consequences effectively

discouraged the investors from investing in Polish equities. The strong reduction of prices on the Warsaw Stock Exchange affected the result of management of the funds with higher risk profile from the offer of fund management companies. It additionally made the clients withdraw their means from the domestic equity solutions. A completely different situation took place in case of the funds, the managers of which invest the means mainly on foreign stock exchanges. Their assets grew by as much as +35% and in terms of value – by PLN +2.0 billion. Faced with the prolonged domestic weakness, the clients of fund management companies were more eager to go abroad, which resulted in increase of popularity of the funds of this type. In 2015, according to estimates of Analityz Online, the balance of payments and withdrawals relating to foreign solutions amounted to more than PLN +1.1 billion. Apart from funds profiled on a given country or region, also products offering sector exposure were highly popular.

Among retail solutions, the biggest assets as at the end of the year were managed by NN (L) Globalny Spółek Dywidendowych (NN (L) Global Dividend Companies Fund) (PLN 1.1 billion) and PZU Energia Medycyna Ekologia (PZU Energy Medicine Ecology Fund) (PLN 1.0 billion).

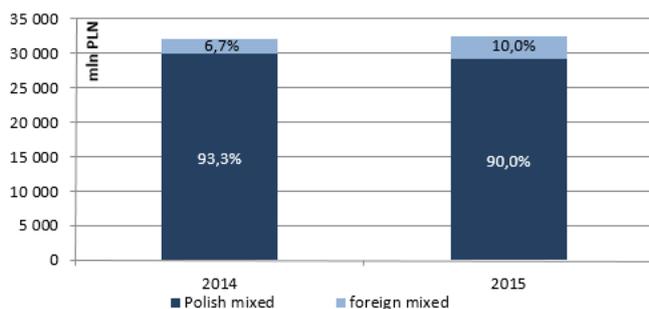
Chart 9. Structure of net assets of equity funds



Source: Analityz Online on the basis of data from fund management companies and IZFiA

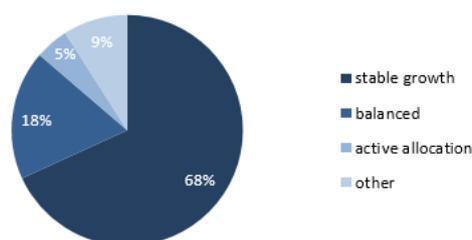
6.2. Mixed funds

Chart 10. Structure of net assets of mixed funds



Source: Analityz Online on the basis of data from fund management companies and IZFiA

Chart 11. Structure of assets of mixed funds



Source: Analityz Online on the basis of data from fund management companies and IZFiA

In 2015, the value of assets collected in mixed funds increased by PLN 0.4 billion to more than PLN 32.4 billion. The growth of the assets was possible thanks to high balance of payments and withdrawals (PLN +0.7 billion in 2015), achieved still in the first half of the year, i.e. before commencement of the series of drops on the Warsaw Stock Exchange. In this segment, we were dealing with great discrepancy between the funds investing their assets mainly on the Warsaw Stock Exchange and in the bonds of the State Treasury and the ones investing on foreign markets. The assets of Polish mixed funds dropped by PLN -0.7 billion to PLN 17.8 billion while the means collected in the foreign mixed solutions grew by more than PLN +1.1 billion to PLN 2.9 billion. In case of the second of the mentioned segments, it was the high balance of payments and withdrawals that decided almost entirely on the improvement.

Poor situation on the Warsaw Stock Exchange in the second half of the year and worse results of the debt part of the portfolio decided on decrease of the assets of Polish mixed funds. The specified factors resulted in drop of the result of management by PLN -0.3 billion in 2015. Additionally, the clients of fund management companies were discouraged from investing of their means in Polish mixed funds. The balance of payments and withdrawals relating to the products of this risk profile amounted to PLN -0.4 billion in 2015. Among Polish mixed funds, the biggest drop of assets was reported by balanced solutions, the portfolios of which are in their majority filled in by domestic equities. Apart from the situation on the Warsaw Stock Exchange, it was caused by the balance of payments and redemptions. In 2015, the clients of fund management companies withdrew more than PLN -0.5 billion therefrom.

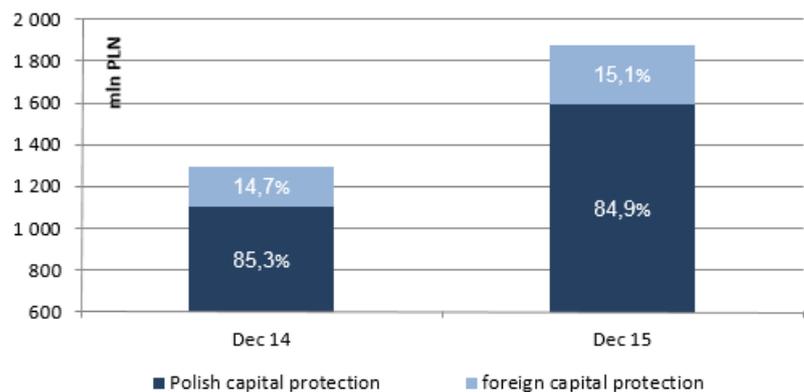
In 2015, we did not report any major changes in the structure of mixed funds. Stable growth funds (67%) and balanced funds (17%), the managers of which invest the majority of their means on the domestic market, have the biggest share in the assets invested in this segment.

Among the solutions being available for a wide group of clients, it is PZU Stabilnego Wzrostu Mazurek (PZU FIO Parasolowy) (PZU Mazurek Stable Growth – PZU Umbrella Open-Ended Investment Fund) that is the leader in terms of the collected means – its assets went up by PLN +0.14 billion to PLN 2.7 billion as at the end of December. PKO Stabilnego Wzrostu (PKO Stable Growth Fund) reported big increase of the value of the collected means – by PLN +0.4 billion to PLN 1.5 billion, after a merger with another fund with the same risk profile from the offer of PKO TFI – PKO Stabilnego Wzrostu Plus (PKO Plus Stable Growth Fund), thanks to which it is the second largest fund in this segment.

6.3. Capital protection funds

Historically, capital protection funds played a minor role on the investment funds market. Only in years 2005-2006 their share in the market exceeded 4%, while since 2013 it has not exceeded 1%. Despite the fact that in 2015 the dynamics of their assets amounted to as much as +45%, their value as at the end of the year amounted only to PLN 1.9 billion. Such high dynamics was due to only one fund which was extremely popular with the clients.

Chart 12. Structure of net assets of capital protection funds



Source: Analityz Online on the basis of data from fund management companies and IZFiA

6.4. Debt funds

The funds, the portfolio of which are in their majority filled in with treasury or corporate bonds, are still the biggest segment in the offer addressed to a wide group of clients. On the other hand, the end of the boom on the treasury bonds market in Poland and abroad contributed to drop of their results, which to great extent entailed the change of the value of the means collected in this segment. In 2015, the assets of debt funds went down by PLN -0.7 billion, i.e. by -1.7%, to PLN 41.1 billion, while their share in the market fell from 20% to slightly more than 16%.

The biggest reduction of assets was reported by the foreign debt solutions – the value of the means collected therein fell by as much as over PLN -1.0 billion to PLN 5.2 billion. It was mainly caused by low balance of sales of the solutions of this type. Their balance of payments and withdrawals in 2015 amounted to PLN -1.0 billion, mainly due to escape of the clients from high yield funds, in case of which the risk level is higher than the one of the other debt solutions. Poor situation on this market inclined the clients to withdraw the investment means.

On the other hand, assets of the products, the managers of which concentrate on the domestic market, grew by PLN +0.3 billion in 2015. In this group, mainly the corporate debt solutions stood out, in case of which the value of the collected means increased by as much as PLN +2.5 billion. It resulted mainly from the high sales balance. In 2015, the clients of the funds paid to the solutions of this type the amount of PLN +2.3 billion.

Among the retail solutions from the debt segment, the biggest assets as at the end of the last year were collected by Arka Prestiż Obligacji Korporacyjnych (Arka Prestige Corporate Bonds Fund), PKO Papierów Dłużnych Plus (PKO Plus Debt Securities Fund) (PLN 2.2 billion in both cases) and Pioneer Obligacji Plus (Pioneer Plus Bonds Fund) (PLN 1.9 billion).

6.5. Monetary and cash funds

The conditions occurring on the markets in 2015 inclined the clients of fund management companies to transfer their means *inter alia* to the segment of cash and monetary funds, which was the main reason for increase of their assets by PLN 1.2 billion to PLN 29.6 billion. With pretty low result of management achieved by the products of this type, it was the balance of payments and withdrawals that was the main factor responsible for increase of the assets. Low interest rates and thus not very attractive interest on deposits make the clients of the banks look for a more attractive alternative. A part of them decided to transfer their means to cash and monetary funds in 2015. The balance of payments and withdrawals in this period amounted almost to PLN +0.7 billion. It was mainly the effect of very good beginning of the year and high balance in August. At the end of 2015, cash and monetary funds reported a negative balance of payments and withdrawals.

In the last months, we were facing change of the leader both in the segment of cash and monetary funds and on the whole retail market. PKO Skarbowy (PKO Treasury Fund), the assets of which after a merger with another product from the offer of PKO TFI – PKO Skarbowy Plus (PKO Plus Treasury Fund) increased to more than PLN 4 billion, became the largest representative of this segment. The second largest fund of this risk profile is UniKorona Pieniężny (UniKorona Monetary Fund) (PLN 3.8 billion).

6.6. Absolute return funds

One of the segments which increased its assets in 2015 to the greatest extent was the segment of absolute return funds. The value of the means collected therein went up by PLN +3.5 billion to PLN 12.1 billion. The percentage growth amounted to +41% annually. It was caused mainly by high balance of payments and withdrawals. Searching for an alternative for the markets of equities and bonds, the clients of fund management companies were more eager to invest their means in the absolute return segment. In 2015, their balance of sales exceeded PLN +3.3 billion. In 2015, absolute return funds were one of few segments that reported increase of share in the total assets (from 4.1% to 4.8%).

6.7. Raw materials funds

From the beginning of separation of this segment (2006), the raw materials funds have been constantly unable to convince a wider group of clients to themselves. Every year, their assets have the lowest share in relation to the whole market. Despite the fact that the dynamics of assets amounted in 2015 to +29%, their share in the market increased to as little as 0.2%.

6.8. Real estate market, securitisation and non-public assets funds

The assets of real estate funds from the offer of fund management companies reported minor drop by PLN - 0.1 % to PLN 2.1 billion in 2015. In terms of value, the means collected in this segment went down by PLN - 2.0 million. Drop of the assets in 2015 was caused mainly by negative result of management. Apart from the situation on the real estate market, the dynamics of the means collected in this segment was affected by changes in the offer of fund management companies. Liquidation of several real estate funds decided on a negative sales balance of this type of solutions in 2015. On the other hand, the excess of withdrawals over payments would have been higher but for the means contributed to non-public assets funds of this risk profile, launched in the last year.

In 2015, the means collected in securitisation funds grew by almost one-third from PLN 3.9 billion to PLN 5.1 billion. In this segment, we were facing both a positive result of management achieved in 2015 and excess of payments over redemptions. It was mainly the sales balance of the securitisation funds, exceeding PLN 1.1 billion in 2015, that decided on the growth of the assets of these funds.

In the last year, the assets of non-public assets were the segment that was growing the fastest in the offer of fund management companies in terms of dynamics of assets. Contribution of high capital to one of non-public assets funds from the offer of Ipopema TFI resulted in the fact that the means collected in the whole segment increased by more than half, i.e. by almost PLN +36 billion, to PLN 98 billion. Increase of the means collected in non-public assets funds was responsible to great extent for positive dynamics of the whole offer of fund management companies in 2015.

VI. Results of investment funds

2015 was characterised by great volatility and negative feelings on the investment funds market. The abundance of events which affected the results of the portfolios could make the investors dizzy. The most important of them include launching of the assets purchase programme by the ECB, increase of interest rates in the USA, structural changes in China or spectacular drops of crude oil prices.

Average rates of return of funds (2015)

	O12M	O24M	O36M	O48M	O60M	O120M
foreign real estate sector equity	10,5%	15,5%	21,6%	30,8%	-19,4%	-
European developed markets equity (EUR)	9,9%	11,7%	34,6%	63,0%	41,8%	28,6%
European developed markets equity	7,3%	12,5%	28,8%	47,7%	35,1%	9,8%
universal USA debt	7,2%	25,5%	20,9%	19,9%	38,1%	62,8%
Polish medium and small companies equity	5,3%	-2,0%	28,5%	50,5%	9,8%	70,8%
global developed markets equity	4,5%	16,6%	31,6%	45,4%	28,4%	31,5%
Russian equity	3,7%	-30,9%	-32,2%	-29,7%	-40,7%	-
foreign debt	2,2%	14,6%	14,7%	15,0%	27,9%	48,1%
Polish corporate debt	2,0%	4,5%	8,5%	13,3%	19,9%	52,7%
universal PLN cash and monetary	1,4%	4,6%	8,0%	14,1%	18,9%	44,8%
foreign stable growth mixed	1,2%	9,0%	11,8%	13,6%	17,9%	45,6%
universal Polish debt	0,6%	7,2%	9,3%	20,6%	26,3%	63,2%
Polish treasury bond debt	0,4%	7,6%	9,2%	21,2%	27,4%	61,7%
universal global debt	0,3%	8,3%	6,2%	1,8%	16,6%	-
foreign balanced mixed	0,1%	12,0%	10,6%	18,2%	13,5%	30,8%
global corporate debt	-1,0%	2,1%	8,4%	27,0%	31,4%	-
universal European debt (EUR)	-1,1%	2,1%	4,1%	14,1%	13,5%	30,0%
American equity	-1,8%	16,7%	44,8%	44,7%	50,6%	36,1%
foreign active allocation mixed	-2,1%	0,9%	14,1%	28,8%	8,5%	22,5%
Polish stable growth mixed	-2,2%	0,5%	3,8%	16,0%	7,3%	36,7%
Asian equity, excluding Japan	-2,5%	9,8%	11,8%	21,3%	-0,3%	-
universal European debt	-2,7%	4,4%	8,4%	9,6%	21,7%	37,8%
American equity (USD)	-3,4%	4,1%	30,6%	39,4%	26,4%	26,0%
European emerging markets equity	-4,3%	-3,3%	-6,0%	15,3%	-12,1%	3,9%
universal USA debt (USD)	-4,4%	-4,9%	-5,8%	4,5%	4,3%	33,0%
Polish active allocation mixed	-4,8%	-9,7%	-7,7%	0,2%	-15,2%	3,7%
Polish balanced mixed	-5,2%	-6,1%	-2,1%	13,3%	-4,6%	19,4%
universal Polish equity	-6,2%	-9,8%	0,2%	18,0%	-9,4%	21,3%
global emerging markets equity	-10,8%	-10,4%	-13,4%	-5,6%	-21,6%	-
Turkish equity	-18,5%	8,2%	-21,9%	14,4%	-21,7%	-

Source: FUNDonline FI, Analizy Online

As a result, only every second fund out of 650 funds operating for at least a year generated a profit. The best results were achieved by funds, the assets of which are being invested mainly in foreign equities from the real estate sector (+10.5%). Moreover, a robust profit was also provided by the solutions of the European developed markets. The average rate of return in this group amounted in 2015 to +7.3% while for funds denominated in EUR +9.9%.

The fluctuations of the foreign exchange rates had very big impact on the results. For example, universal USA debt funds were one of the best solutions in the offer of domestic fund management companies with average rate of return on the level of +7.2%. On the other hand, their equivalents valued in USD suffered on average -4.4% of loss. It was caused by very sharp strengthening of USD in relation to PLN, which affected the results of the units of the same products denominated in PLN.

The other extreme was constituted by Turkish equity funds, which generated the lowest result in the last year. After very successful 2014 (+32.8%), they suffered on average -18.5% of loss. Also other funds with exposure to economies of emerging countries disappointed the investors. The solutions with global reach lost -10.8% while the ones with European reach -4.3%.

One of the weakest group of funds in 2015 was constituted by funds based on equities quoted on the Warsaw Stock Exchange. The greatest role was played by the political factor. In connection with change of power and announcement of reforms affecting *inter alia* the financial sector (banking tax), WIG20 lost almost -20%. Apart from it, the historically low prices of copper adversely affected KGHM, the equities of which could lose even more than 50% of its value during the year. Additionally, the general drop of trust of investors to the emerging markets resulted in the fact that the results of universal Polish equity funds stood out in the offer of domestic fund management companies in a negative way. They reported on average -6.2% loss. Also Polish balanced mixed funds (-5.2%) and Polish active allocation mixed funds (-4.8%) did not protect themselves against falls while the stable growth solutions performed only a bit better (-2.2%). The investors which nevertheless wanted to stay of the Polish equity market turned to the products based on the securities of companies from the small and medium companies sector, which grew by +5.3% in 2015.

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