

German Open-Ended Funds

MONTHLY CASH FLOW ANALYSIS

MAY 2008

MAY 2008 NET INFLOW COMPARED TO:

APRIL 08



MAY 07



Five months into the year the German Open-ended Fund sector has received a total €3.7 billion net cash inflows. However, the net May inflows of €128.6 million were well below the €984 million monthly average received over January-April 2008.

This cash-flow slowdown in May is almost exclusively due to a net -€780 million withdrawal from HAUS-INVEST europa. It is reported that Commerz Real was aware of the change in advance. Thus, this was a 'managed' event, involving relocation of funds from HAUS-INVEST europa into Commerz Real's funds of funds.

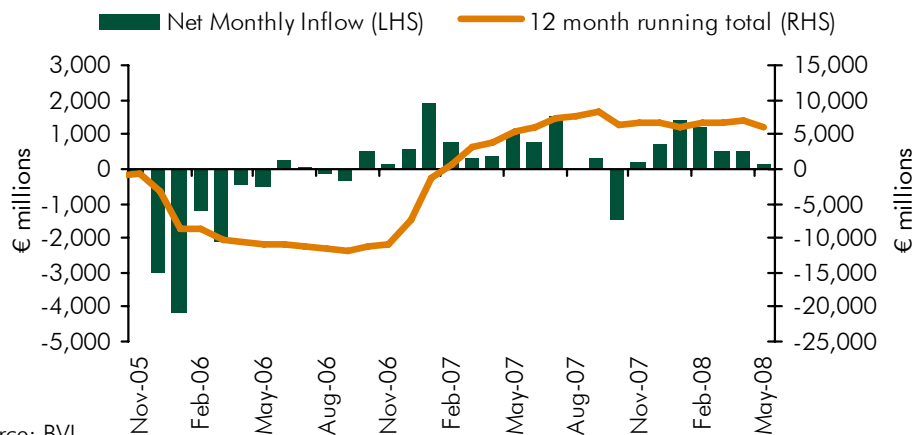
Based on the market sentiment so far, it is set to be a one-off event as the majority of other funds continue to see strong net investments on both year-to-date and monthly basis.

Looking at the year-to-date results – all but two fund managers have received a net positive inflows in 2008 so far. One, as expected following the strong outflow in May, is Commerz Real with a negative -€441 million

net. The other, also not surprisingly, is iii Investment – a fund manager, who has had a negative net inflows for the past 12 consecutive months, with -€58 million.

Looking at the May results alone sentiment towards the sector stands strong. In fact, putting aside the negative outflow from HAUS-INVEST europa, 23 out of the remaining 37 funds saw a net positive inflows in May, averaging at €25 million. Thus, if not for the -€780 million outflow from that fund, the GOEF sector as a whole would have received over €908 million net.

The funds have been exceptionally active in the investment market over the last few months. Some of the larger recent deals include: Unilmmo: Deutschland buying Rhein-Galerie shopping centre in Ludwigshafen for around €210 million, TMW Immobilien Weltfonds purchase of London's 85 Fleet street for over €100 million, and the acquisition of Tulipan House, Warsaw by HausInvest Global.



Source: BVI

Top 5 Funds Inflow	€ 000s	Bottom 5 Funds Inflow	€ 000s
SEB ImmoInvest	115,543	HAUS-INVEST europa	-779,700
TMW Immobilien Weltfonds	97,847	DEGI EUROPA	-24,697
Morgan Stanley P2 Value	94,753	Unilmmo: Deutschland	-22,440
CS EUROREAL A EUR	90,318	Grundbesitz-europa	-17,892
Unilmmo: Europa	83,227	INTER ImmoProfil	-14,289

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