

Equity Investors Opting For Blended Portfolios Over Growth And Value

Net Estimated Equity Fund Flows By Style/Market Cap (9/28/18-9/30/19)

Categories	Flows (\$Millions)	Total Net Assets (\$Billions)
Large Blend	184,798	3,882
Large Growth	-55,481	1,759
Large Value	-15,264	1,195
Mid-Cap Blend	9,744	417
Mid-Cap Growth	-10,155	361
Mid-Cap Value	-16,115	253
Small Blend	-3,999	384
Small Growth	-11,262	232
Small Value	-2,289	154
Foreign Large Blend	44,071	1,135
Foreign Large Growth	-8,603	460
Foreign Large Value	-17,122	194

Source: Morningstar. Includes open-end mutual funds and exchange-traded funds.

View from the Observation Deck

1. Today's blog post is intended to be an FYI of sorts in that we simply want to show how investors have been positioning their capital with respect to equity style and market capitalization (cap).
2. We are featuring the 12-month period ended 9/30/19 over year-to-date because it captures the tumultuous climate in the equities markets back in Q4'18.
3. Notice that, with the exception of small-cap stocks, the blended mutual funds and exchange-traded funds (ETFs) tracked by Morningstar garnered by far the most capital inflows from investors, particularly the Large Blend and Foreign Large Blend categories.
4. We should note that some investors may be shying away from small-caps due to concerns over slowing economic growth in the U.S. and abroad.
5. In addition to net fund flows, total net assets per category (as of 9/30/19) suggests that investors have favored blend funds over their growth and value counterparts over time.
6. Our takeaway is that, for many investors, the ongoing debate over whether to emphasize growth or value stocks in one's investment portfolio isn't worth sweating. Just own both.
7. For those that are interested in this debate, ([click here](#)) to see our most recent post on the performance of growth and value stocks.

This chart is for illustrative purposes only and not indicative of any actual investment.

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