MORNINGSTAR

US Fund Flows

April 2026

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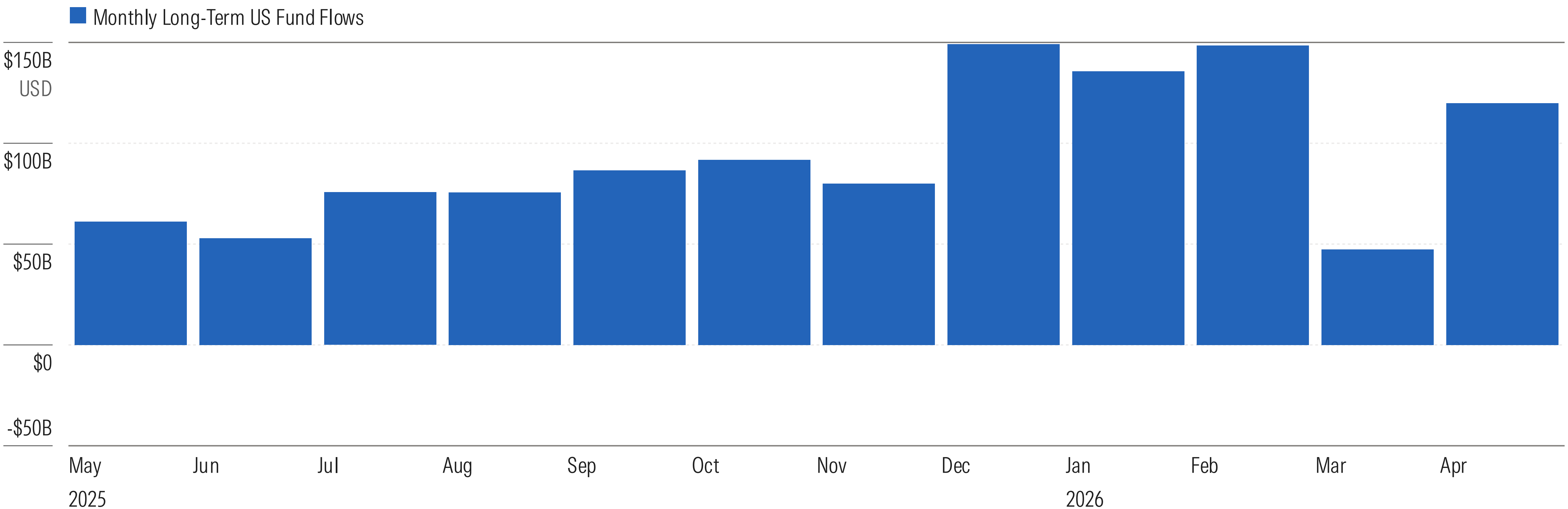
April 2026 Key Takeaways

- Long-term US mutual funds returned to form in April 2026, gathering $120 billion as many investors piled into riskier assets.
- US equity funds gathered $43 billion of inflows in April, dominated by passive large-blend funds. Meanwhile, international-equity funds notched their 12th straight monthly inflow, scooping up $26 billion, helped by strong emerging-market inflows.
- Taxable-bond funds notched another underwhelming month, bringing in $38 billion in April. Inflows from the past two months were the two lowest figures over the trailing 12 months.
- Investors appeared to be of two minds on technology stocks in April, with a nearly $15 billion inflow to technology sector funds, while a record $17 billion left leveraged equity, which is dominated by tech-oriented funds. Also, investors added $4 billion to bets against tech stocks via inverse equity funds.
- ESG-intentional funds experienced their first monthly inflow in almost three years, thanks largely to one clean energy infrastructure fund.

1 Long-term funds exclude money market funds.

US Fund Flows Bounce Back as Risk Appetite Strengthens

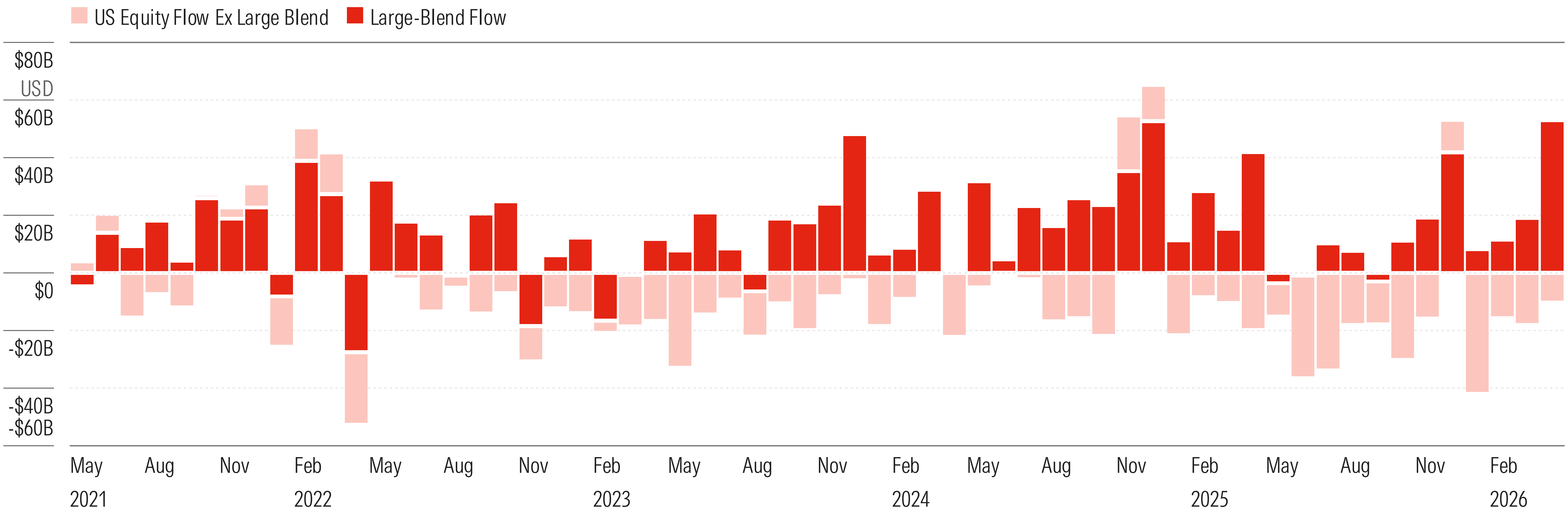
Long-term US fund flows returned to recent form in April, taking in $120 billion in new assets and marking the 12th straight month of inflows. While it may seem like much of the same, a significant change in trend took place. Bond funds have carried inflows over the past year, but equity funds made a comeback across the board in April. Markets appeared to price in the resolution of the Iran war, luring investors toward higher-risk assets.



Source: Morningstar Direct Asset Flows. Data as of April 30, 2026.

Large-Blend Whips Up a US Equity Rebound in April

US equity funds attracted $43 billion in April, driven almost entirely by flows into large-blend funds. That Morningstar Category took in $52 billion, its largest haul in the past five years. Unsurprisingly, passive dominated US equity inflows, at $76 billion, including $57 billion to large-blend and $19 billion to large-growth funds. Meanwhile, nearly $34 billion departed actively managed funds, including $18 billion from large growth, and about $5 billion each from large value and large blend.



Source: Morningstar Direct Asset Flows. Data as of April 30, 2026.

International-Equity Investors Continue to Shrug Off War-Weakened Returns

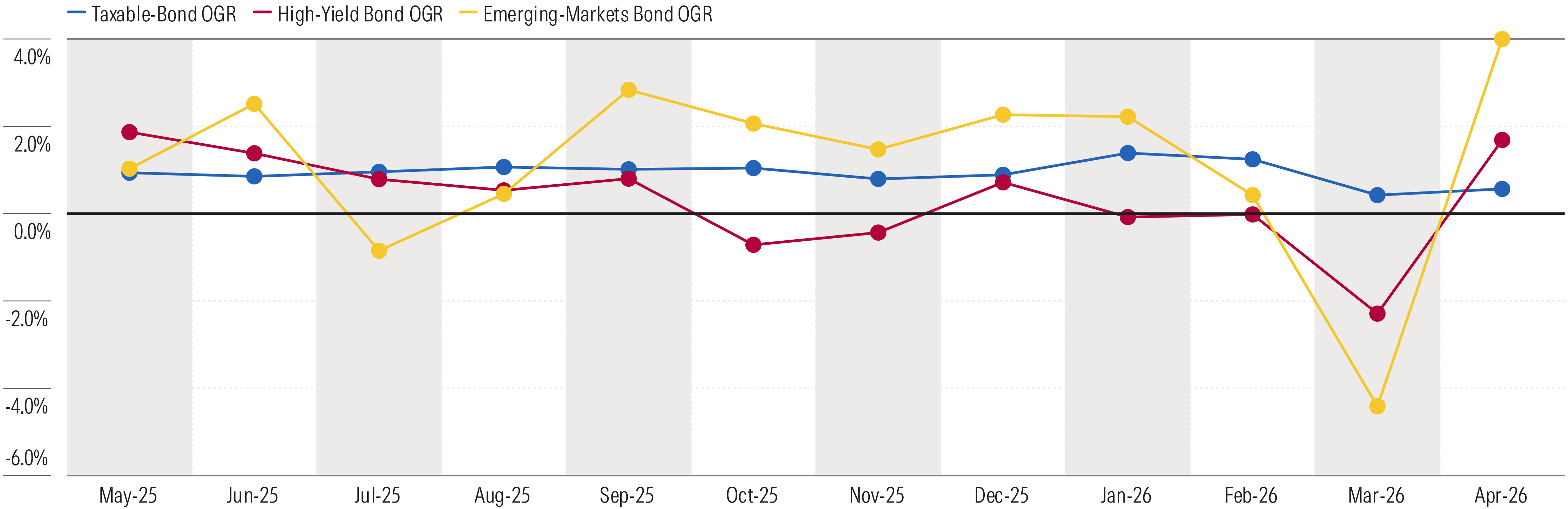
International-equity funds stretched their monthly inflow streak to 12 in April, scooping up $26 billion of inflows despite continued weaker market returns amid uncertainty caused by the Iran war. Foreign large blend, the largest international category, led inflows for the month, year to date, and trailing 12 months. But emerging markets were a strong second in all three periods, buoyed most recently by a 14.4% gain in the Morningstar Emerging Markets Index in April. And the index's 44% rise in the past year helped attract $43 billion in new assets over that period.

5 Best/Worst International-Equity Category Flows	Apr 2026 Flow ($Bil)	YTD Flow ($Bil)	1-Yr Flow ($Bil)	1-Yr OGR (%)	Total Assets ($Bil)
Foreign Large Blend	10.2	38.2	116.9	6.4	2,438.4
Diversified Emerging Mkts	9.0	32.4	43.0	6.4	996.1
Global Large-Stock Blend	4.2	11.5	12.0	3.9	415.6
Focused Region	3.6	15.7	27.0	40.3	127.2
Foreign Large Value	2.2	10.3	23.3	7.7	424.1
Foreign Small/Mid Growth	0.0	−2.0	−5.4	−14.8	34.5
Global Large-Stock Value	−0.2	−1.1	−5.7	−9.6	66.9
Foreign Large Growth	−1.4	−6.4	−33.6	−7.1	522.7
Global Small/Mid Stock	−1.5	−3.4	−7.3	−6.4	131.8
Global Large-Stock Growth	−2.2	−5.3	−19.1	−7.1	290.6
Total International	**25.6**	**98.5**	**181.7**	**4.1**	**5,831.7**

Source: Morningstar Direct Asset Flows. Data as of April 30, 2026. OGR stands for organic growth rate.

Risk-On Rotation Drives Modest Taxable-Bond Inflows

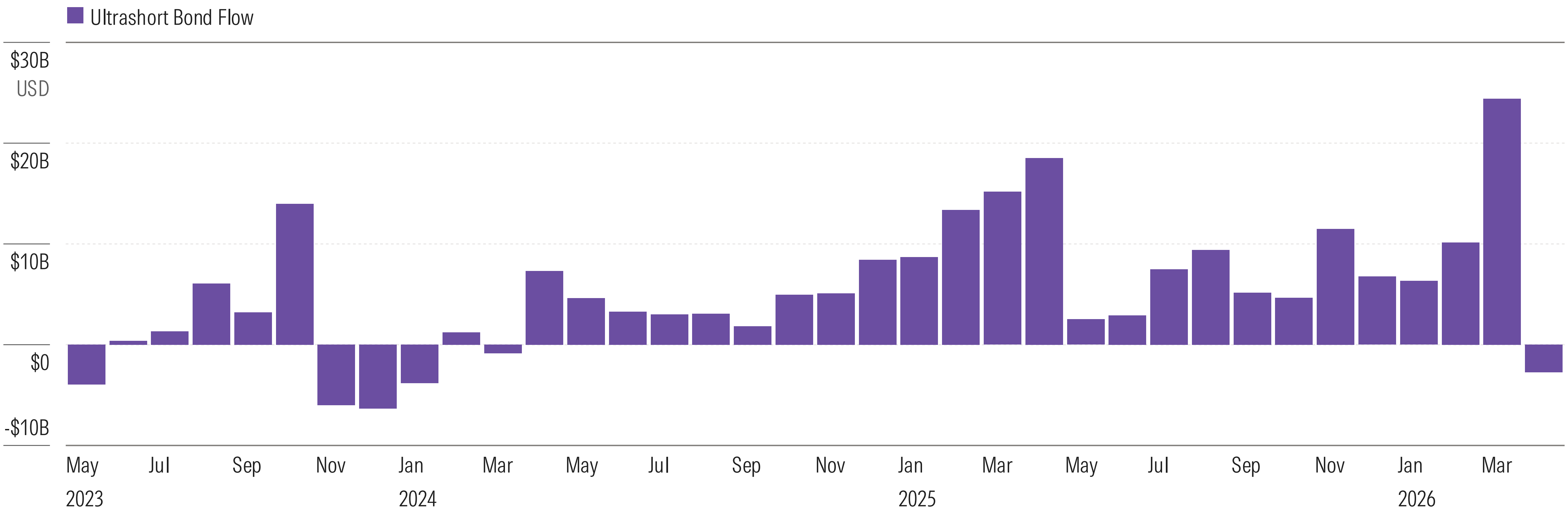
Taxable-bond funds followed a lackluster $29 billion intake in March with a similarly underwhelming $38 billion intake in April. Investors' risk-on sentiment was on display in the category group's flows as credit-risky categories shone. High-yield bond led all fixed-income categories with nearly $7 billion in inflows. Following its worst month in years, the emerging-markets bond category brought in over $3 billion, its largest mark in almost a decade, with the bulk of it coming from a reallocation in Capital Group's model portfolios. As global markets showed resilience, investors sought some extra yield.



Source: Morningstar Direct Asset Flows. Data as of April 30, 2026. OGR stands for organic growth rate.

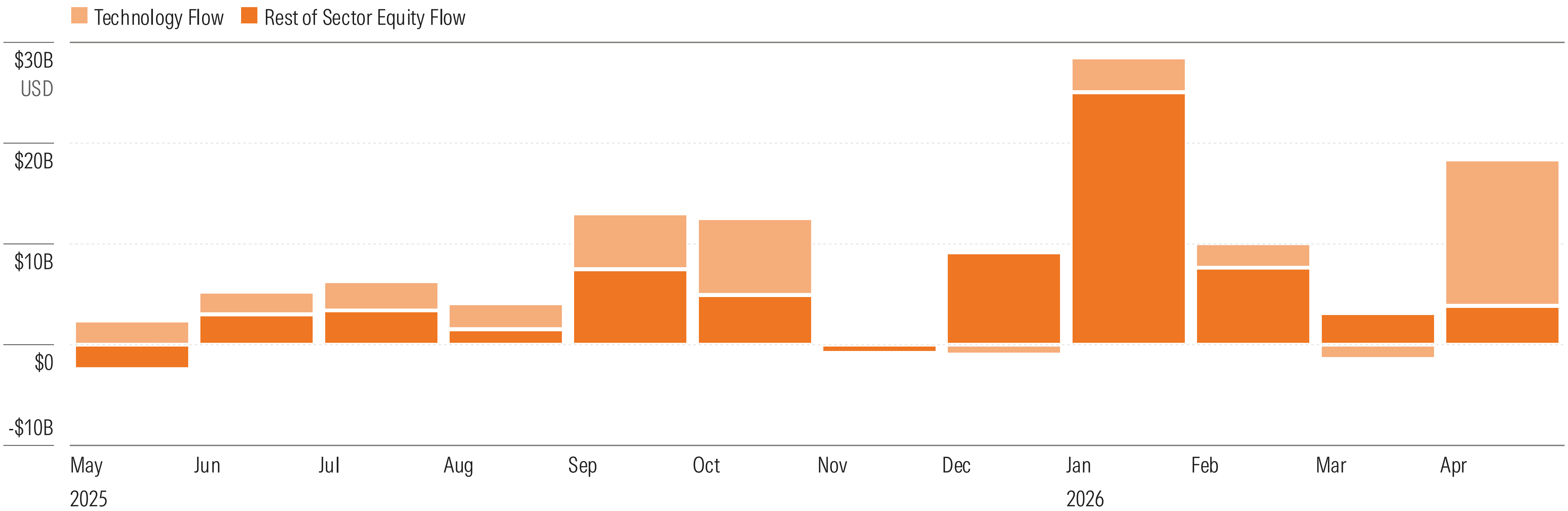
Ultrashort Bond's Streak of Inflows Comes Up Ultrashort

For the first time since March 2024, investors pulled assets out of ultrashort bond funds. Nearly $3 billion left the category, more than any other taxable-bond category and just one of five that experienced outflows for the month. This followed last month's record inflow of over $24 billion, another reversion that reflected investors' risk-on sentiment in April.



Record Tech Boom Rockets Sector Equity to Major Inflow …

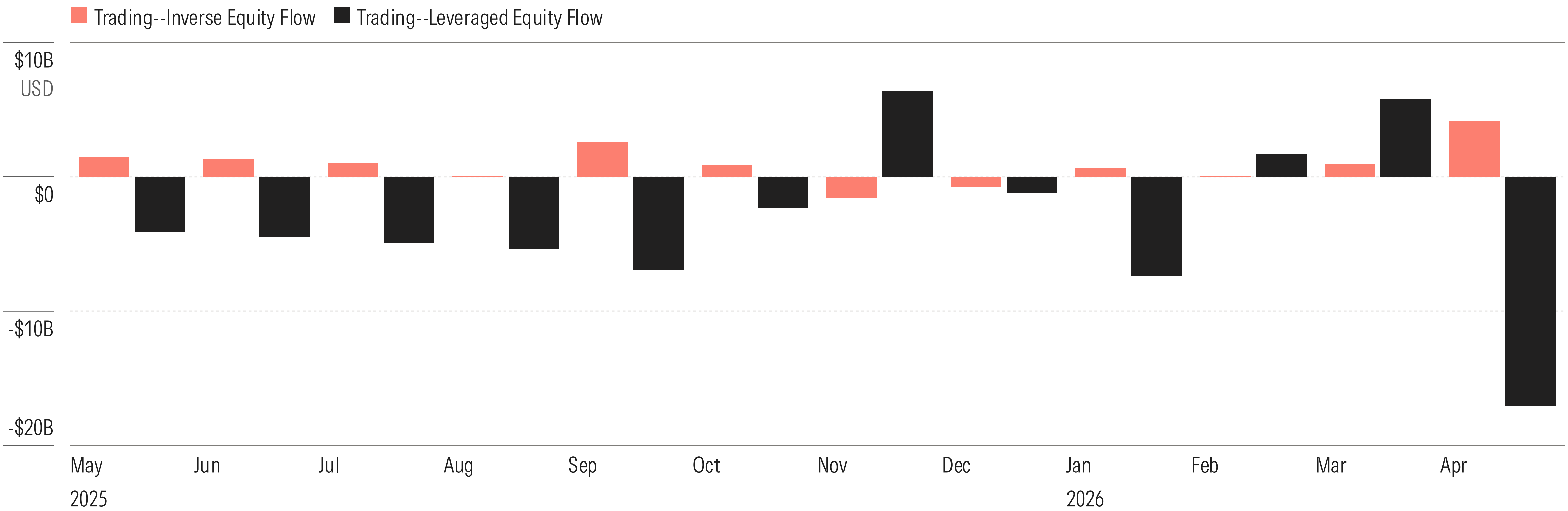
Sector equity funds collected more than $18 billion in April, thanks largely to nearly $15 billion flowing into technology funds. It was a magical gathering for tech funds, the largest on record and nearly double the next-highest monthly flow in October 2025. On an organic growth basis, it was the largest since January 2018. Sector funds focused on semiconductor, memory, software, and artificial intelligence stocks all placed among the top flow winners in April.



Source: Morningstar Direct Asset Flows. Data as of April 30, 2026.

… While Inverse and Leveraged Investors Bet Against Tech

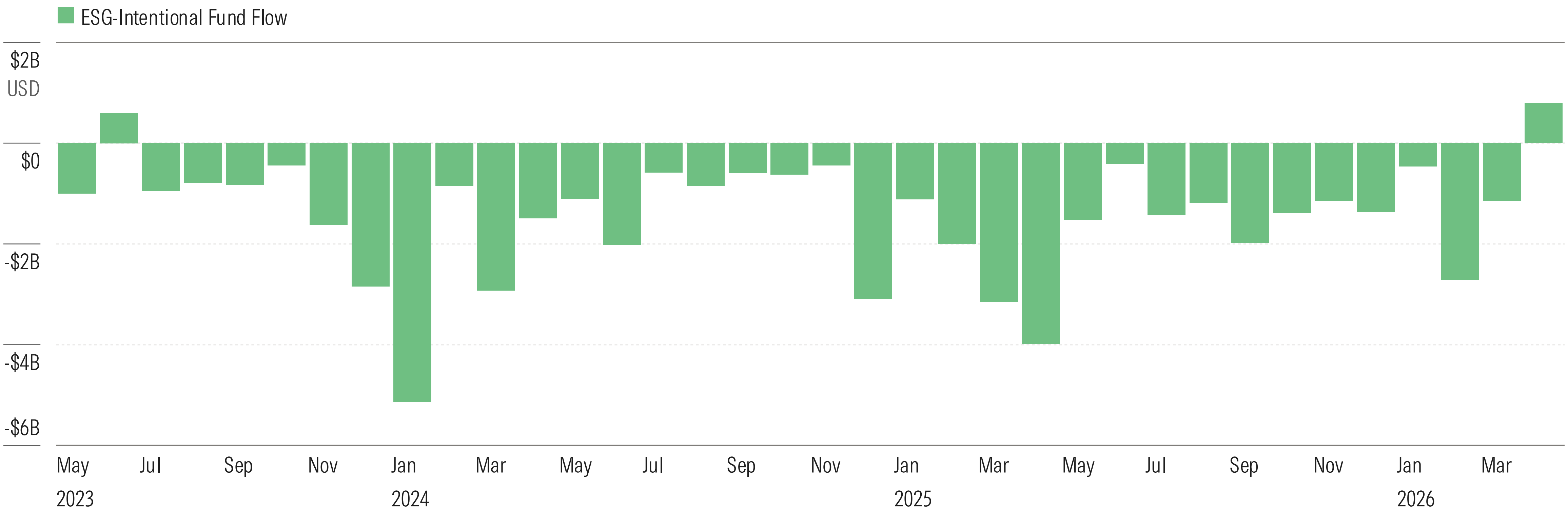
Contrary to technology-oriented risk-on moves elsewhere in April, inverse equity funds posted a $4 billion inflow, the category's largest since January 2023, as investors added bets against semiconductor and other technology stocks. Meanwhile, more than $17 billion left leveraged equity funds as investors exited amplified bets on the same types of firms. That outflow, which easily took the record for the largest ever, represented an organic growth rate of negative 15%, the largest outflow since February 2014 on that basis.



Source: Morningstar Direct Asset Flows. Data as of April 30, 2026.

Green Funds Finally Out of the Red

After what seemed like a never-ending string of outflows, ESG-intentional funds experienced inflows for the first time in nearly three years, bringing in $800 million in April. The month's inflows were driven by First Trust Nasdaq Clean Edge Smart Grid Infrastructure Index, which gathered over $1 billion in new assets during the month and nearly $6 billion in the past year. Investors have flocked to the fund as it has performed remarkably well given the boom of AI and its infrastructure.



Supplemental Data

April Flows Into the 10 Largest Fund Families

Fund Family	Active ($Mil)	Passive ($Mil)	Apr 2026 ($Mil)	YTD ($Mil)	TTM ($Mil)	Assets ($Bil)
Vanguard	−4,383	45,220	40,837	158,819	319,036	10,582
iShares	2,835	23,739	26,574	105,839	414,394	4,300
Fidelity Investments	−1,979	9,553	7,574	35,836	93,541	3,902
Capital Group	−4,101	0	−4,101	−7,350	−55,160	2,888
State Street Investment Management	66	27,496	27,561	45,122	133,611	2,067
Invesco	−1,506	15,171	13,665	16,434	51,688	1,154
J.P. Morgan	1,013	1,208	2,221	8,688	60,195	846
T. Rowe Price	−3,447	−52	−3,498	−15,210	−58,906	783
Dimensional Fund Advisors	1,657	−57	1,601	11,133	20,403	747
Franklin Templeton Investments	−1,753	1,119	−634	−1,585	−9,310	564

Source: Morningstar Direct Asset Flows. Data as of April 30, 2026.

US Category Group Flows

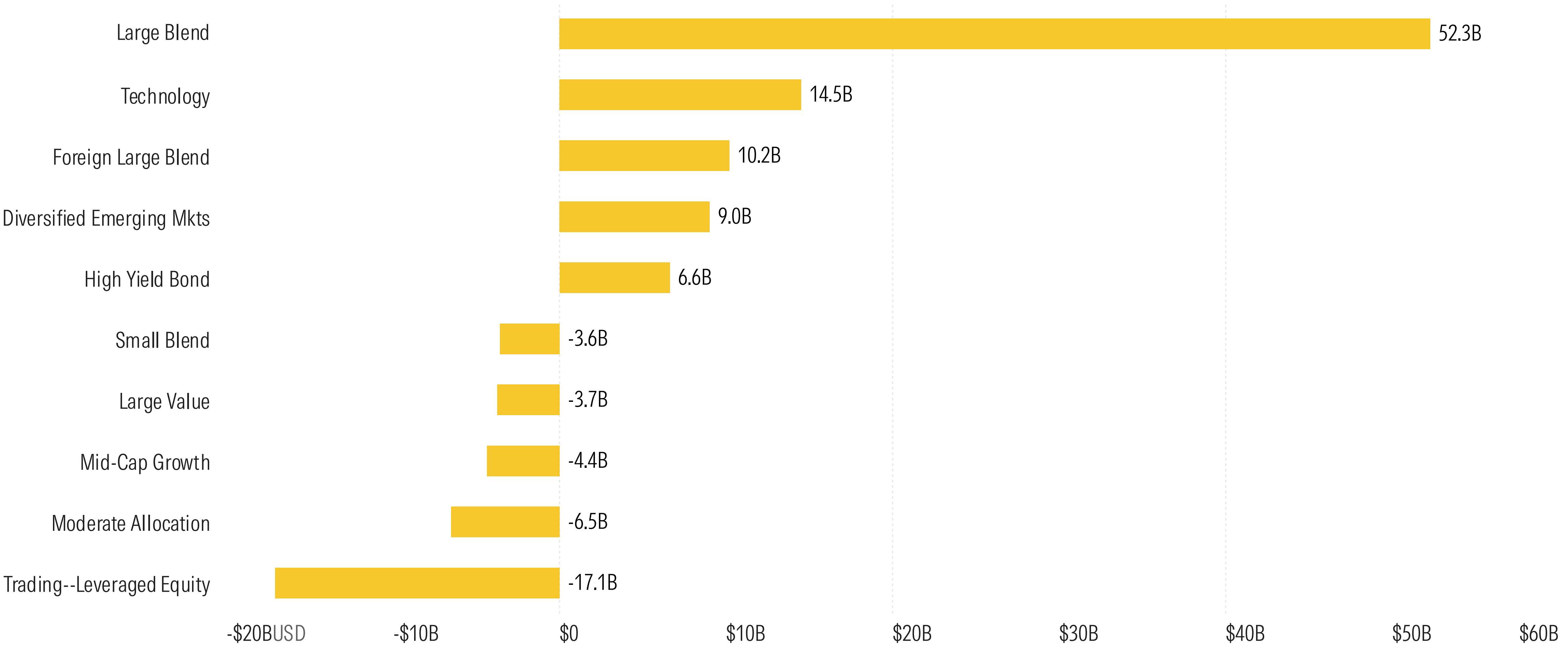
US Category Group	Apr 2026 ($Mil)	TTM ($Mil)	TTM OGR (%)	Assets ($Bil)
US Equity	42,698	−59,065	−0.39	19,271
Sector Equity	18,164	105,783	7.83	1,947
International Equity	25,615	181,657	4.10	5,832
Allocation	−7,339	−54,625	−3.82	1,661
Taxable Bond	38,232	712,786	11.98	6,808
Municipal Bond	6,835	95,100	10.40	1,043
Alternative	3,563	18,809	16.84	144
Commodities	−2,492	39,494	16.39	405
Nontraditional Equity	4,937	68,465	26.66	350
Miscellaneous	−10,342	15,925	6.55	300
All Long Term	**119,871**	**1,124,329**	**3.72**	**37,760**

Source: Morningstar Direct Asset Flows. Data as of April 30, 2026.

Active/Passive Flows by US Category Group

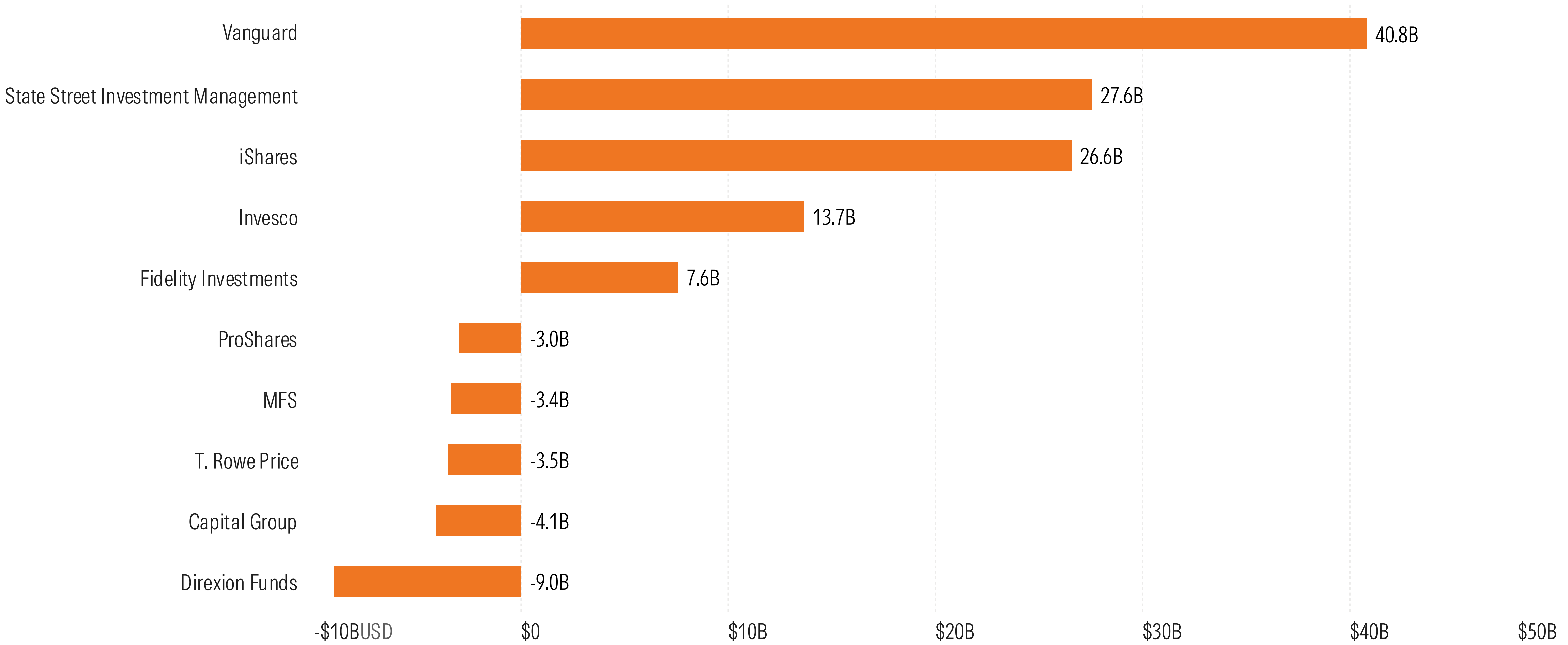
Name	Active 1-Mo ($Mil)	Active TTM ($Bil)	Active Assets ($Bil)	Passive 1-Mo ($Mil)	Passive TTM ($Bil)	Passive Assets ($Bil)
US Equity	−33,590	−408	6,451	76,288	349	12,820
Sector Equity	5,235	−1	591	12,930	106	1,356
International Equity	366	−67	2,742	25,249	249	3,089
Allocation	−8,188	−55	1,584	849	0	76
Taxable Bond	21,020	318	3,811	17,212	395	2,997
Municipal Bond	3,754	70	896	3,081	25	147
Alternative	3,540	19	144	23	0	1
Commodities	−870	−0	52	−1,621	40	353
Nontraditional Equity	5,255	68	330	−318	0	20
Miscellaneous	−200	18	47	−10,143	−2	254
All Long Term	**−3,678**	**−38**	**16,648**	**123,549**	**1,162**	**21,112**

Morningstar Categories With the Largest April Flows



Source: Morningstar Direct Asset Flows. Data as of April 30, 2026.

Fund Families With the Largest April Flows



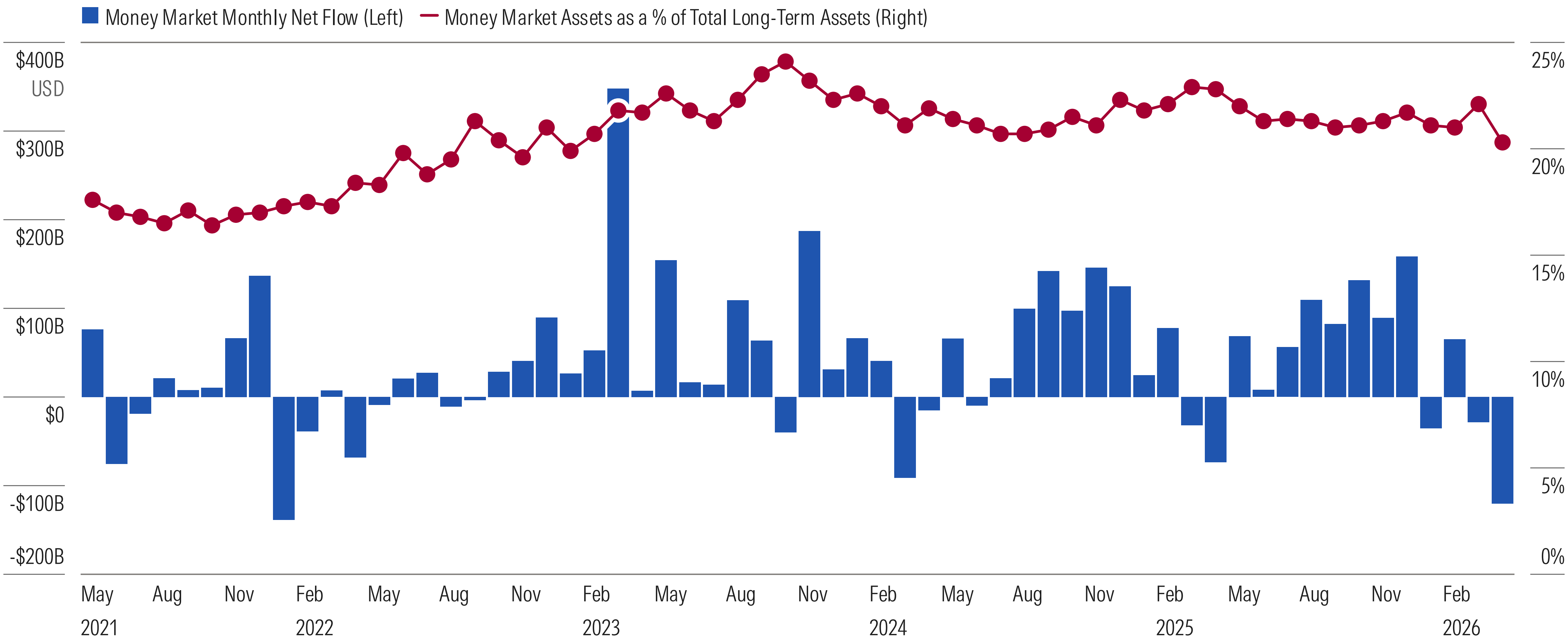
Source: Morningstar Direct Asset Flows. Data as of April 30, 2026.

ETF Flows

ETF Subgroup	Apr 2026 ($Bil)	YTD ($Bil)	1-Yr ($Bil)	3-Yr ($Bil)	Total Assets ($Bil)
Active	47.7	206.3	525.7	1,034.5	1,744.4
Passive	119.0	385.4	1,174.9	2,595.1	13,036.5
Total	**166.8**	**591.7**	**1,700.6**	**3,629.6**	**14,780.9**

Source: Morningstar Direct Asset Flows. Data as of April 30, 2026.

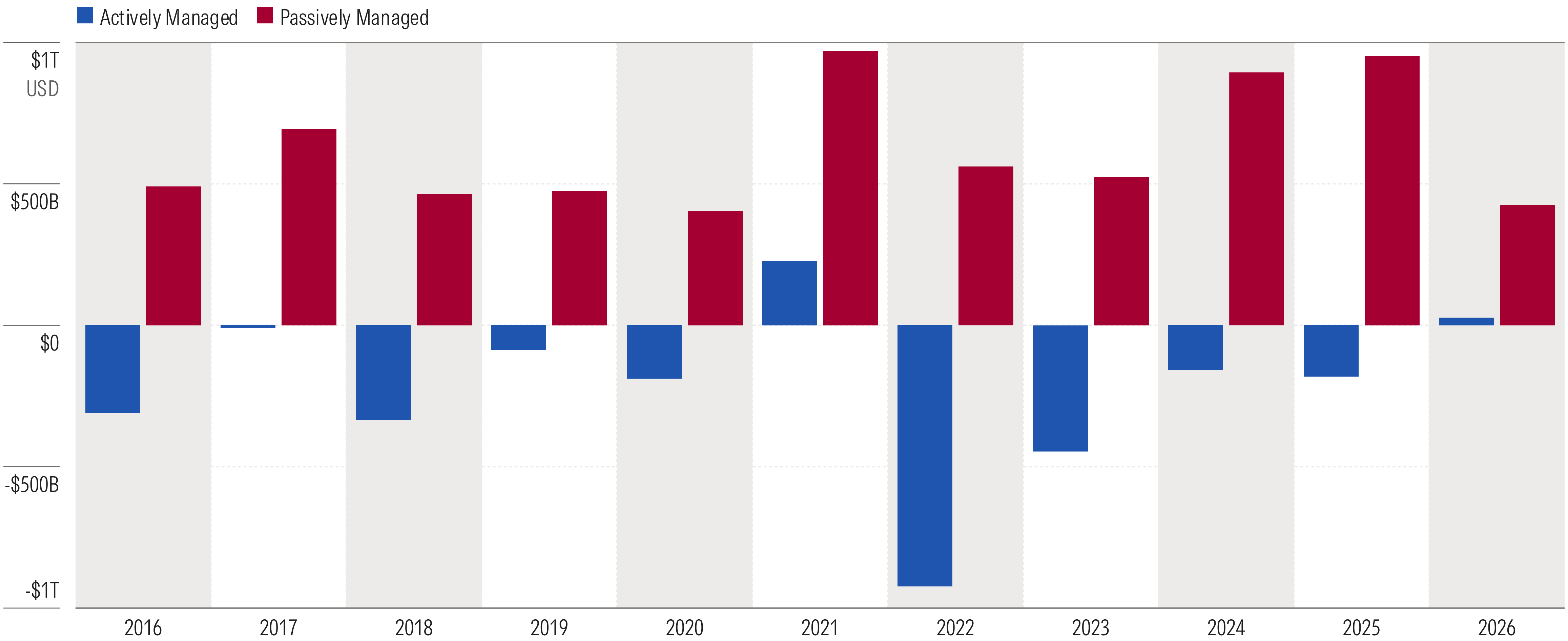
Money Market Flows



Source: Morningstar Direct Asset Flows. Data as of April 30, 2026.

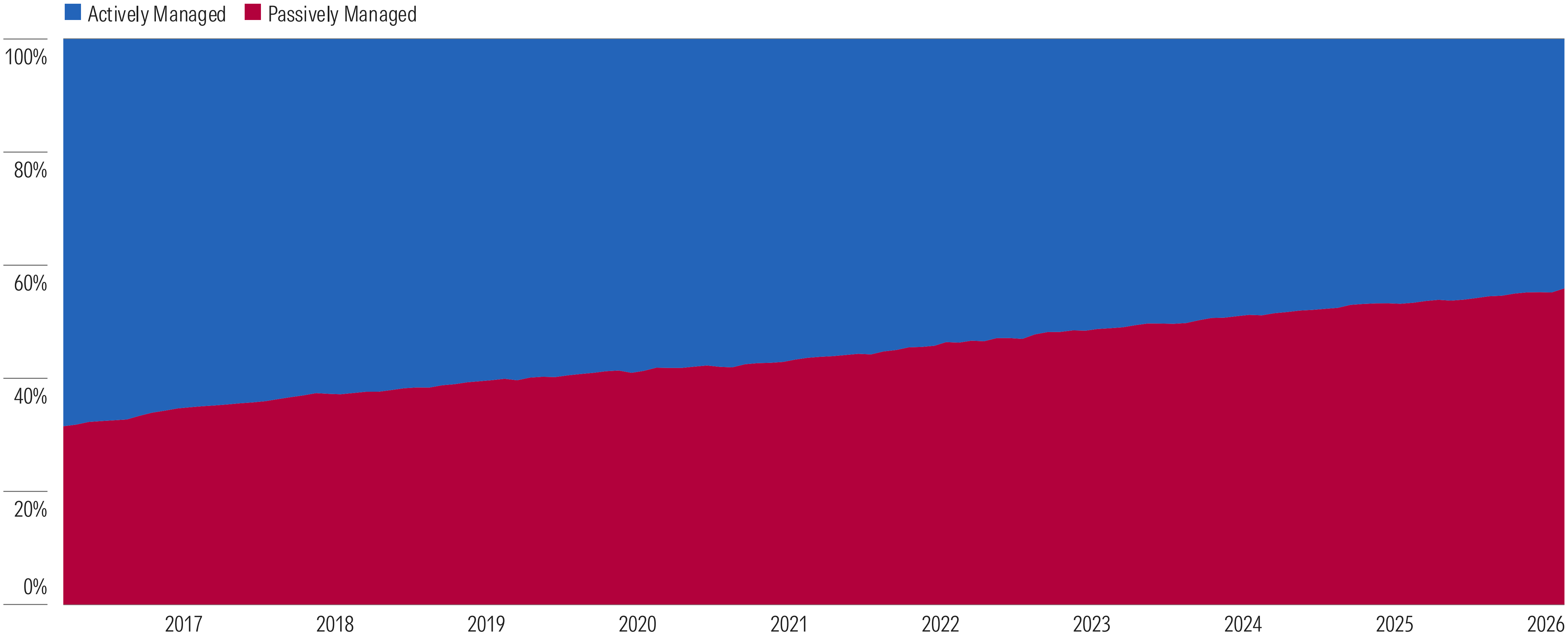
Long-Term Trends

Active Versus Passive: US Long-Term Fund Flows by Calendar Year



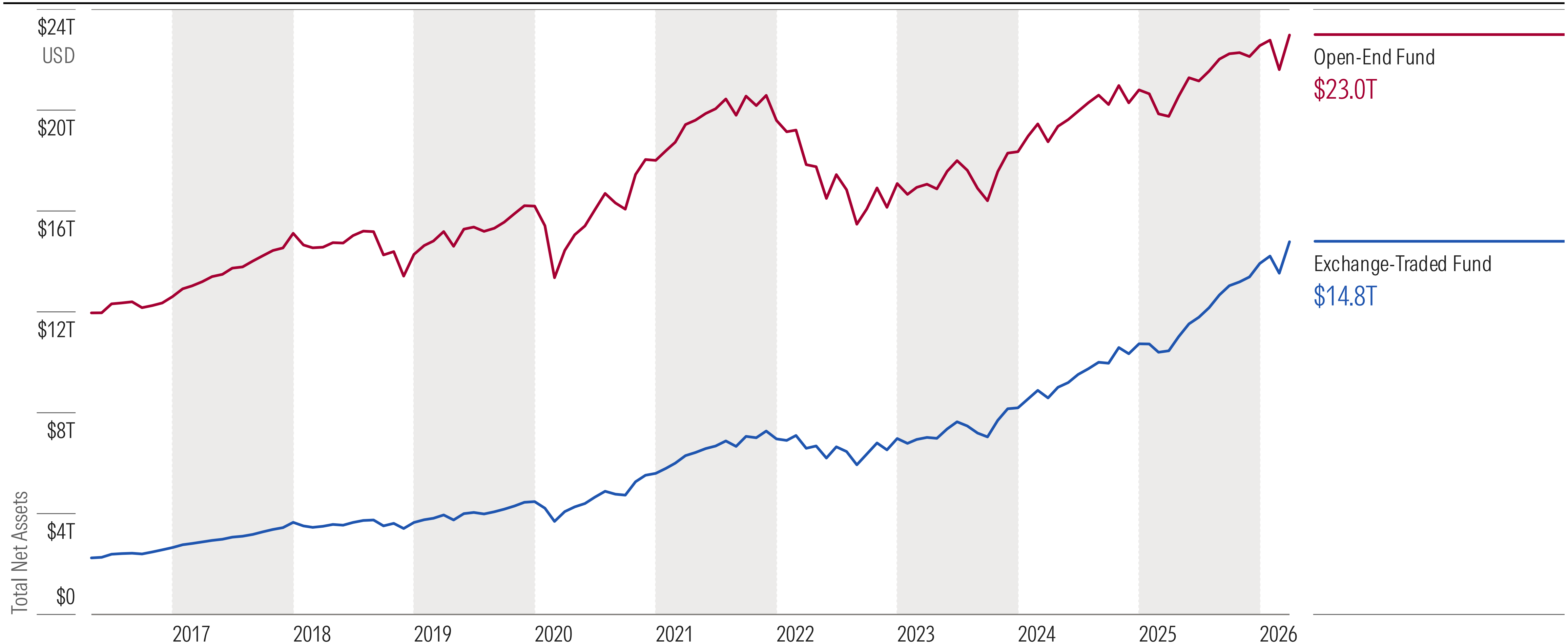
Source: Morningstar Direct Asset Flows. Data as of April 30, 2026.

Active Versus Passive: Share of US Long-Term Fund Total Assets

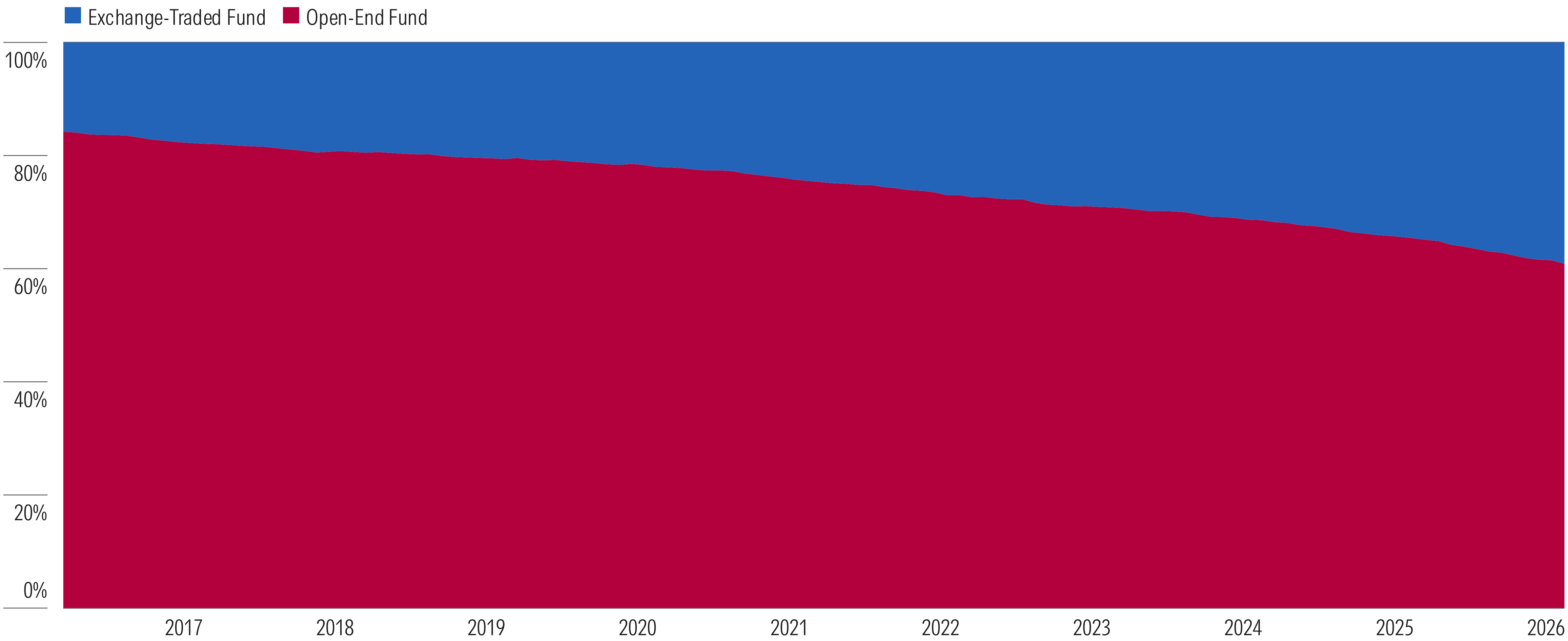


Source: Morningstar Direct Asset Flows. Data as of April 30, 2026.

Open-End Funds Versus ETFs: Total Assets (US Long-Term Funds)



Open-End Funds Versus ETFs: Share of US Long-Term Fund Total Assets



Source: Morningstar Direct Asset Flows. Data as of April 30, 2026.

Multiyear US Category Group Flows

US Category Group	1-yr ($Bil)	3-yr ($Bil)	5-yr ($Bil)	10-yr ($Bil)
US Equity	-59.1	182.7	279.0	122.8
Sector Equity	105.8	31.8	-4.1	105.0
International Equity	181.7	167.0	301.8	616.6
Allocation	-54.6	-229.8	-334.0	-571.4
Taxable Bond	712.8	1,405.5	1,580.5	3,299.4
Municipal Bond	95.1	136.5	81.2	334.7
Alternative	18.8	17.3	41.6	17.3
Commodities	39.5	45.9	38.6	88.1
Nontraditional Equity	68.5	169.4	239.1	242.2
Miscellaneous	15.9	80.1	120.0	151.5

Source: Morningstar Direct Asset Flows. Data as of April 30, 2026.

Disclosures

Disclosures

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