# Working papers economics - Exploring the Flow-Performance Relation in Colombian Open-End Investment Funds

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According to the findings, macro-financial variables significantly influence the dynamics of contributions and capital withdrawals, both in open mutual funds without permanence agreements that primarily invest in fixed-income securities and in those focused on equities.

Publication Date: Thursday, 17 of July 2025 **Abstract**
We provide the first comprehensive analysis of the flow-performance relation in Colombian open-end investment funds. We employ a rich dataset containing weekly information at the fund level, including balance sheets, portfolio holdings, liquidity indicators, capital flows, and returns, from January 2018 to December 2023. By analyzing fixed and variable-income funds separately, our empirical findings indicate that performance is relevant for the sensitivity of flows only in fixed-income funds. For these, outflows are more sensitive to poor performance than inflows to good performance. However, macro-financial variables significantly influence investing decisions for both fixed and variable-income funds.

Fuente: https://www.banrep.gov.co/en/publications-research/working-papers-economics/exploring-flow-performance-relation-colombian