



# The Passive vs. Active Fund Monitor

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# Summary

This report analyzes assets under management (AUM), market shares, and net new-money flows into and out of passively and actively managed retail funds, including ETFs and mutual funds. Excluded from the sample are money market funds, funds of funds, and segregated funds sold by Canadian life insurance companies.

Morningstar recently modified its classification of passive funds and is no longer segregating sector, inverse, and leverage funds.

Passive funds dominated mutual fund and ETF inflows in 2025, increasing their market share globally. Passive funds attracted more new money than active funds in Canada, the US, and the world excluding North America.

In 2025, Canadian passive funds increased their market share from 20.0% to 22.6% thanks to a record inflow of \$87 billion.<sup>1</sup> Meanwhile, Canadians added \$69 billion to active funds. Passive funds now represent over \$600 billion of roughly \$2.7 trillion in total AUM in the Canadian retail fund industry. We estimate that Canadian passive funds posted a weighted-average management expense ratio (MER) of 0.29%, compared with 1.28% for active funds. In the US, passive funds increased their market share from 53% to 55%. US passive funds attracted \$951 billion in 2025, while active funds suffered a \$187 billion outflow. For the world excluding North America, the market share of passive funds increased from 28% to 30%. For the world overall, passive market share was 44% at the end of 2025, up from 43% in 2024.

Canadian passive funds have almost doubled their market share since 2016, going from 11.4% to 22.6%. During that time, passive funds attracted a cumulative \$291 billion in net new money, compared to only \$151 billion for active funds. During the same period, US passive funds have increased their market share from 34% to 55% and attracted a net inflow of \$6.4 trillion, compared to a \$2.4 trillion outflow for active funds. For the world excluding North America, the market share of passive funds doubled, increasing from 14% to 30%. Worldwide, passive funds have expanded their market share from 25% to 44%. Over the past ten years, passive funds have attracted \$9.5 trillion, compared to an outflow of \$604 billion for active funds.

Index strategies dominate US retail funds, yet many are “passive in name only,” utilizing niche indexes that function like active management. Currently, passive strategies account for roughly one third of the US stock market, while global pension allocations remain at around one fifth of their assets under management. This growth hasn't yet triggered widespread market inefficiencies, as most active managers still underperform their benchmarks. The superior returns of passively managed funds are no fluke. On the contrary, this is a structural phenomenon that is bound to continue.

<sup>1</sup> Data for the Canadian market is denominated in Canadian dollars, while data for the US and international markets is denominated in US dollars.

This report was written by Raymond Kerzérho. The ideas, opinions, and recommendations contained in this document are those of the authors and do not necessarily represent the views of PWL Capital Inc.

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# Introduction

This report describes the competitive landscape for passively and actively managed retail funds from 2016 to 2025 in Canada, in the United States, and worldwide.

Section 1 describes the methodology used in this study.

Section 2 describes the Canadian retail fund market. We look at the dollar amounts, market shares, and flows of funds for passive and active funds. We also look at the types of passive funds offered on the Canadian market, classifying them into four categories: market-cap weighted, factor, sector, and others. Finally, we examine Canada's MERs for passive and active funds.

Sections 3, 4, and 5 present the dollar amounts, market shares, and flows of funds for passive and active retail funds in the US, the world excluding North America, and the world overall.

## 1. Methodology

The data in this report is provided by Morningstar Direct and covers all mutual funds and exchange-traded funds combined in Canada, the United States, and the rest of the world. To mitigate survivorship bias in our study, the data includes funds that disappeared during the period under consideration.

Morningstar made a major change to its reporting on passive and active funds. While it used to exclude sector, leverage, and inverse funds from its data on passive (or "index") funds, those funds are now all grouped together. This report, therefore, studies passive "index" funds as a whole, regardless of type.

The data excludes all money market funds (because they are not core to the competition between active and passive funds), segregated funds sold by Canadian life insurance companies (because they are insurance contracts rather than pure investment products), and funds of funds (to avoid double-counting). However, Canadian ETFs holding US-listed ETFs were included in the data, since they do not involve double-counting in the Canadian market.

To determine the composition of Canadian passive funds, we classified them manually into four categories: "Market-Cap Weighted," "Factor," "Sector," and "Other."

We estimated the MER of each Canadian-domiciled fund as the highest of the following three: the latest annual MER, the latest semi-annual MER, or the management fee. In addition, we documented average MERs for three mutual fund subcategories: "Commission-Based," "Do-It-Yourself," and "Fee-Based Advice."

## 2. Canadian Market

### 2.1 Market Share

In 2025, the market share of passive funds rose by a record 2.6 percentage points, from 20.0% to 22.6%. This represents the ninth consecutive annual increase in market share. The market share of passive funds has almost doubled since 2016, rising from 11.4% to 22.6%. Correspondingly, the market share of actively managed funds has slipped from 88.6% to 77.4%.

The Canadian data shows an upward trend in the market share of passive funds and a strong growth rate for these funds between 2016 and 2025. Passive funds experienced an impressive 399% growth rate during this period, compared to only 120% for active funds. In other words, passive funds grew three times as fast as active funds during the period.

**Table 1 - Assets Under Management in Canada (CAD Billions)**

	Passive	Active
2016	122	944
2017	148	1,039
2018	150	994
2019	189	1,149
2020	230	1,342
2021	302	1,594
2022	282	1,409
2023	335	1,538
2024	454	1,817
2025	608	2,078
<b>Growth 2016-2025</b>	399%	120%

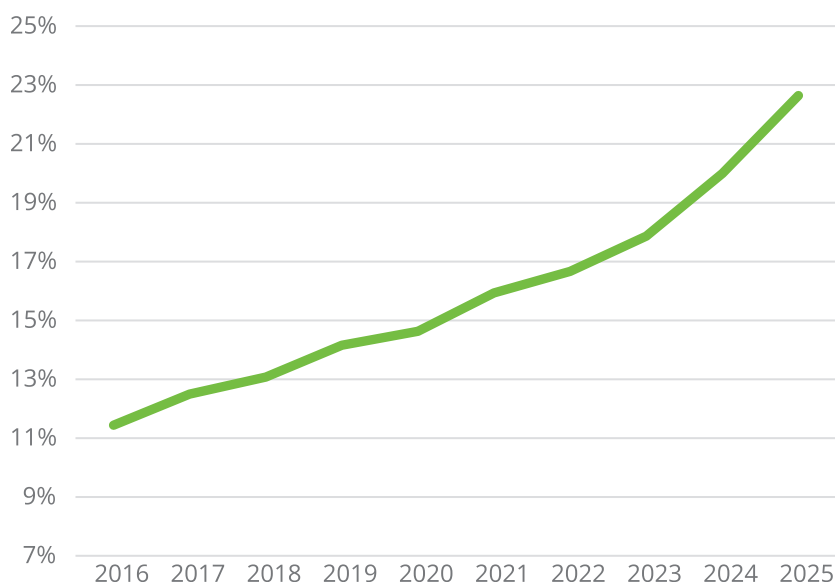
Source: Morningstar

**Table 2: Market Share — Canada**

	Passive	Active
2016	11.4%	88.6%
2017	12.5%	87.5%
2018	13.1%	86.9%
2019	14.2%	85.8%
2020	14.6%	85.4%
2021	15.9%	84.1%
2022	16.7%	83.3%
2023	17.9%	82.1%
2024	20.0%	80.0%
2025	22.6%	77.4%

Source: Morningstar

**Chart 1 - Passive Fund Market Share in Canada**



Source: Morningstar

## 2.2 Flow of Funds

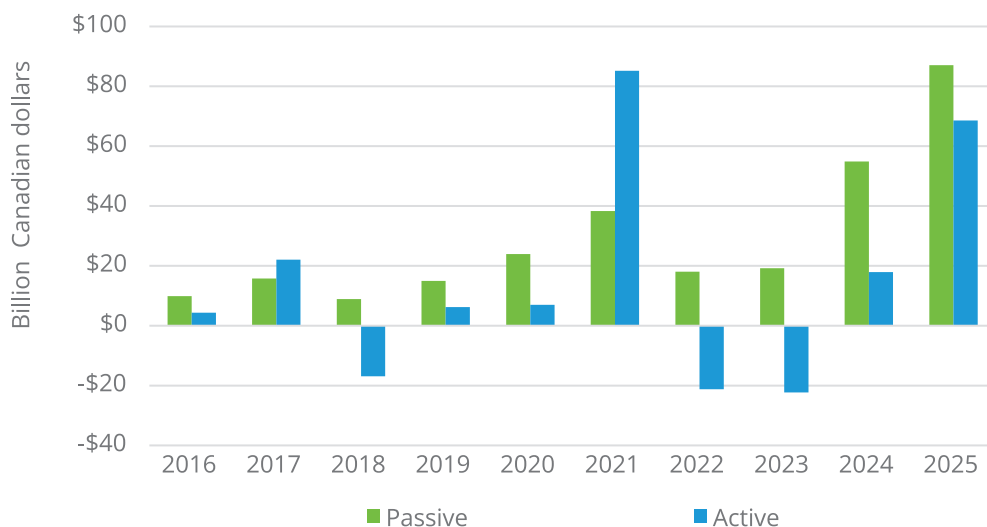
Canadian passive funds had their best year on record in 2025, collecting \$87 billion. Meanwhile, active funds collected \$69 billion. Since 2016, the net flow into passive funds has been positive each year, totalling \$291 billion over ten years. Over that same period, the money flow into active funds was only \$151 billion. The flows into passive funds are stable and positive over time, whereas they are volatile and inconsistent for active funds, as illustrated by Chart 2.

**Table 3: Canada Flow of Funds (CAD Billions)**

	Passive	Active
2016	9.9	4.4
2017	15.8	22.1
2018	8.9	-16.9
2019	15.0	6.2
2020	24.0	7.0
2021	38.3	85.2
2022	18.1	-21.2
2023	19.2	-22.3
2024	54.9	17.9
2025	87.1	68.6
2016–2025	291.1	150.9

Source: Morningstar

**Chart 2: Canada Flow of Funds**

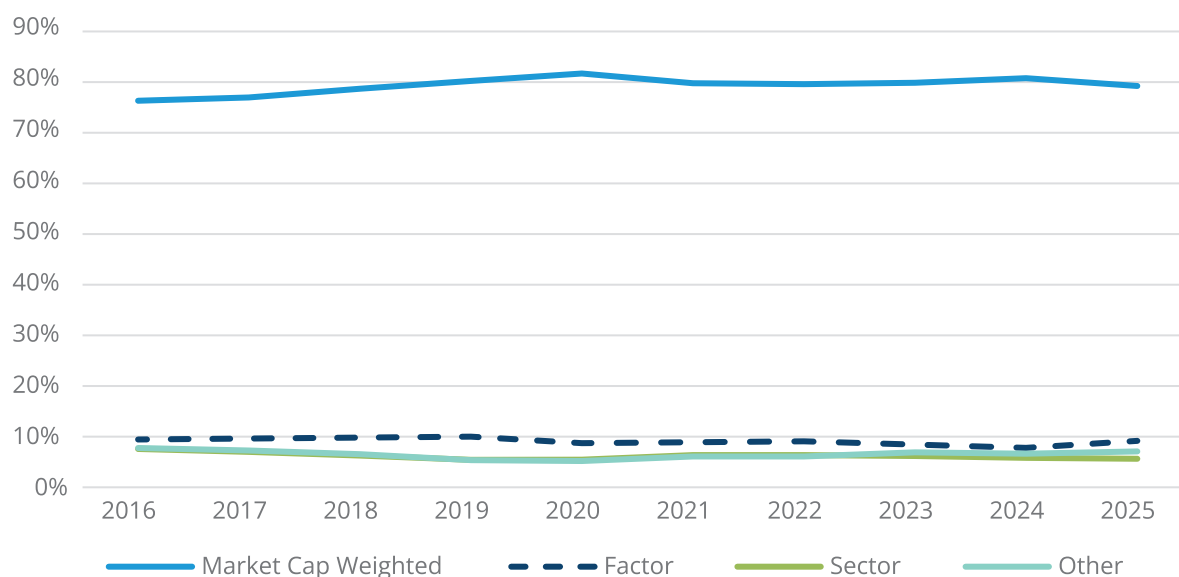


Source: Morningstar

## 2.3 Composition of Passive Funds

It should be noted that funds labelled “passive” may have different characteristics. First, the “Market-Cap Weighted” category accounts for 78% of passive funds. The second category, “Factor” passive funds, consists of both single-factor (dividend, value, growth, low volatility, etc.) and multi-factor index funds and represents 9% of passive funds. Dividend-oriented funds are the dominant type of factor funds in Canada. “Sector” funds represent a tiny 6% of passive funds. Finally, the “Other” category, which accounts for 7% of passive funds, includes thematic and other non-market-cap weighted index funds. A detailed description of each passive fund category is provided in Appendix E. Chart 3 below shows the composition of Canadian passive funds since 2016. Despite the growing abundance of new “innovative” ETF offerings, the market-cap-weighted share has consistently hovered between 76% and 81% of passive funds. We can therefore infer that the market share of market-cap-weighted passive funds has doubled since 2016, growing from 8.7% to 17.7%.

**Chart 3: Composition of Passive Funds 2016–2025**



Source: Morningstar

## 2.4 Management Expense Ratios

We estimate the weighted average MER for active Canadian ETFs at 0.71%, compared to 0.24% for passive ETFs, for a difference of 0.47%. Mutual funds are divided into three categories. Active mutual funds labelled “Commission-Based” by Morningstar cost an average MER of 1.92%, compared to 0.90% for passive mutual funds—a 1.03% difference. Active mutual funds labelled “Do-it-Yourself” cost 1.10%, compared to 0.34% for their passive equivalent, a difference of 0.77%. Active mutual funds labelled “Fee-Based Advice” (also known as “F-Class”) cost 0.91%, compared to 0.35% for their passive counterparts, a difference of 0.56% in favour of passive funds.

All in all, we estimate the weighted average MER at 1.28% for active mutual funds and ETFs, compared to 0.29% for their passive counterparts, resulting in a 0.99% difference between the cost of active and passive funds. If we combine only ETFs and mutual funds structured for fee-based advice, active funds display a weighted average MER of 0.87%, compared to 0.24% for passive products, a net difference of 0.62%.

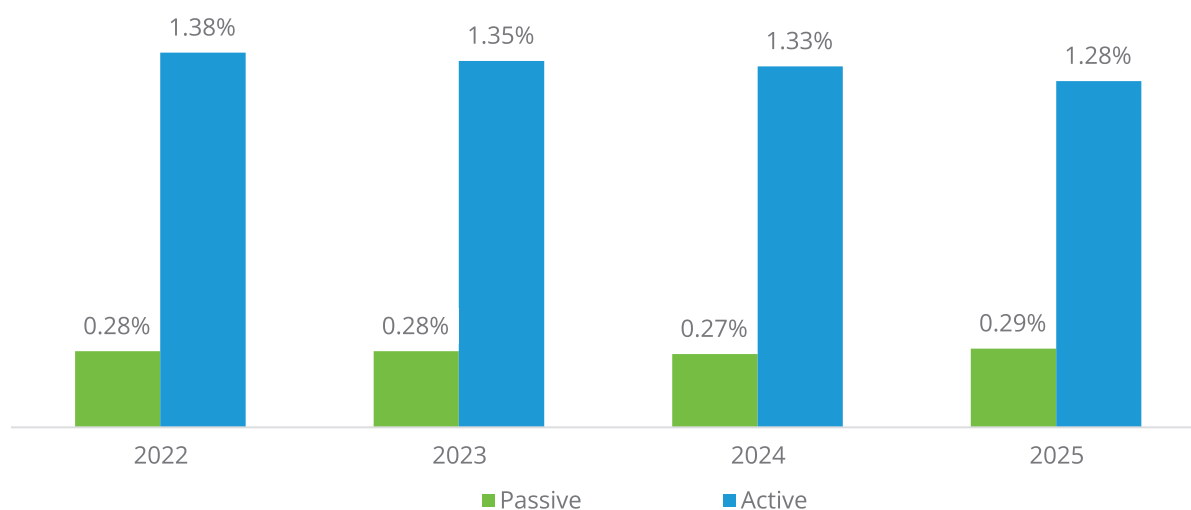
**Table 4: Management Expense Ratios**

	Active	Passive	Difference
ETFs	0.71%	0.24%	0.47%
Mutual Funds (Commission-Based)	1.92%	0.90%	1.03%
Mutual Funds (Do-It-Yourself)	1.10%	0.34%	0.77%
Mutual Funds (Fee-Based Advice)	0.91%	0.35%	0.56%
ETFs + Mutual Funds	1.28%	0.29%	0.99%
ETFs + Mutual Funds (Fee-Based Advice)	0.87%	0.24%	0.62%

Source: Morningstar

As shown in Chart 4, the MERs of passively managed ETFs and mutual funds increased by 0.02% in 2025, while the MERs of their actively managed counterparts dropped by 0.05%. It is noteworthy, though, that the MERs of broad-market passive funds such as ZAG, XIC, and VIU have remained at rock-bottom levels for many years.

**Chart 4: Weighted Average MERs for Passive and Active Mutual Funds and ETFs in Canada, 2022-2025**



Source: Morningstar

## 3. US Market

### 3.1 Market Share

In 2025, the US market share of passive funds increased by two percentage points, from 53% to 55%. Over ten years, the data shows a significant increase in market share for passively invested funds, from 34% to 55%. The market share of active funds, on the other hand, declined from 66% to 45% over the same period. Passive funds also experienced an astonishing 287% growth rate from 2016 to 2025, compared to only 62% for active funds. The growth rate of passively managed funds outpaced active ones by almost 4.6 to 1. In dollar terms, passive funds increased their AUM by \$14.4 trillion, compared to only \$6.2 trillion for active funds. Active funds increased their AUM based solely on market gains, having recorded sizable outflows during 2016–2025. By contrast, passive funds have attracted considerable interest in the last ten years (details in Section 3.2).

**Table 5: Assets Under Management in the US (USD Trillions)**

	Passive	Active
2016	5.0	9.9
2017	6.6	11.4
2018	6.5	10.3
2019	8.5	12.2
2020	10.0	13.6
2021	12.6	15.3
2022	10.9	11.8
2023	13.3	13.1
2024	16.2	14.5
2025	19.4	16.1
<b>2016–2025 Growth</b>	<b>287%</b>	<b>62%</b>

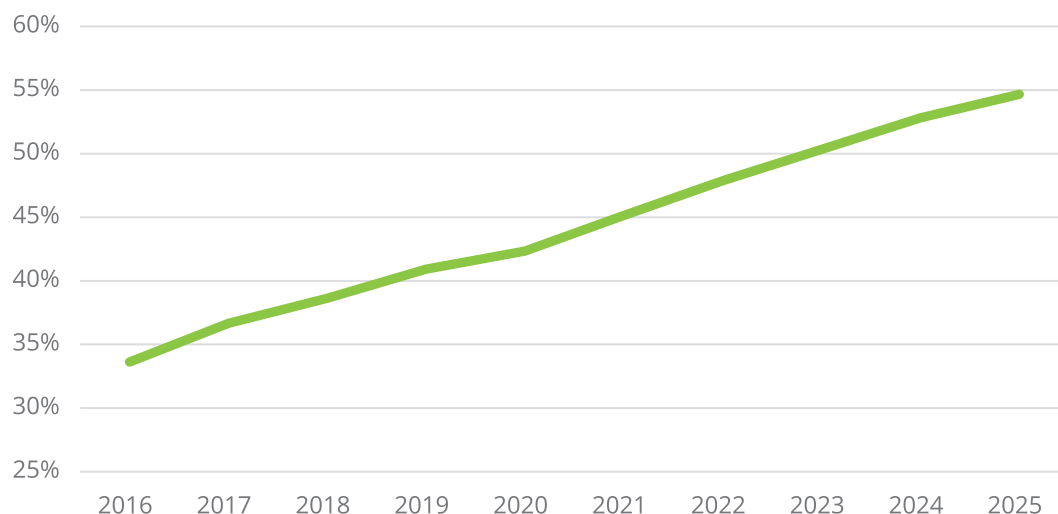
Source: Morningstar

**Table 6: Market Share — US**

	Passive	Active
2016	34%	66%
2017	37%	63%
2018	39%	61%
2019	41%	59%
2020	42%	58%
2021	45%	55%
2022	48%	52%
2023	50%	50%
2024	53%	47%
2025	55%	45%

Source: Morningstar

## Chart 5: Passive Fund Market Share in the US



Source: Morningstar

## 3.2 Flow of Funds

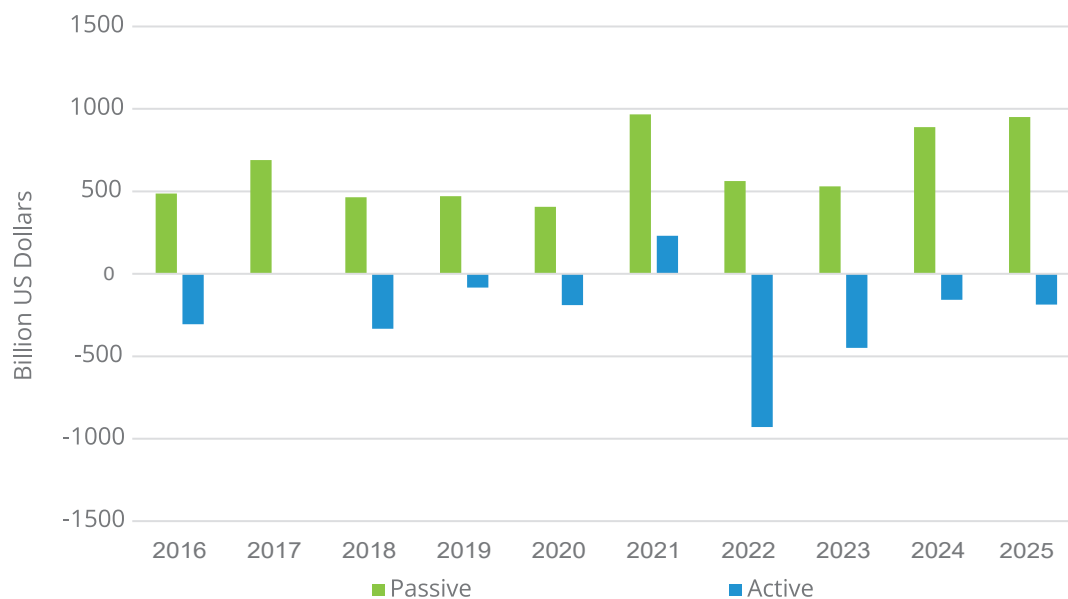
Table 7 and Chart 6 illustrate US money flows in and out of passive and active funds between 2016 and 2025. In 2025, passive funds attracted \$951 billion in new money, while active funds saw \$187 billion in withdrawals. Active funds experienced negative cash flows in eight of the last ten years. From 2016 to 2025, passive funds attracted \$6.4 trillion in net new money, compared to a \$2.4 trillion net outflow for active funds.

**Table 7: US Flow of Funds (USD Billions)**

	Passive	Active
2016	487	-305
2017	690	0
2018	464	-333
2019	470	-84
2020	406	-189
2021	968	231
2022	563	-929
2023	530	-450
2024	889	-157
2025	951	-187
<b>2016–2025</b>	<b>6,419</b>	<b>-2,404</b>

Source: Morningstar

**Chart 6: US Flow of Funds**



Source: Morningstar

## 4. World Markets Excluding North America

### 4.1 Market Share

Table 9 and Chart 7 document the evolution of the passive market share for the world excluding North America (Canada and the US) over the past ten years. In 2025, the market share of passive funds increased by two percentage points, from 28% to 30%. Over the past ten years, the market share of passively invested funds has more than doubled, from 14% to 30%. Passive funds also experienced an astonishing 379% growth rate from 2016 to 2025, roughly five times that of active funds' 81% growth rate. In dollar terms, passive funds increased their assets under management by \$5.5 trillion, compared to \$7.1 trillion for active funds.

**Table 8: Assets Under Management — World Excluding North America (USD Trillions)**

	Passive	Active
2016	1.4	8.8
2017	2.0	11.1
2018	2.0	10.0
2019	2.7	11.5
2020	3.4	12.8
2021	4.0	14.1
2022	3.5	11.5
2023	4.4	12.8
2024	5.2	13.2
2025	6.9	15.9
<b>2016–2025 Growth</b>	<b>379%</b>	<b>81%</b>

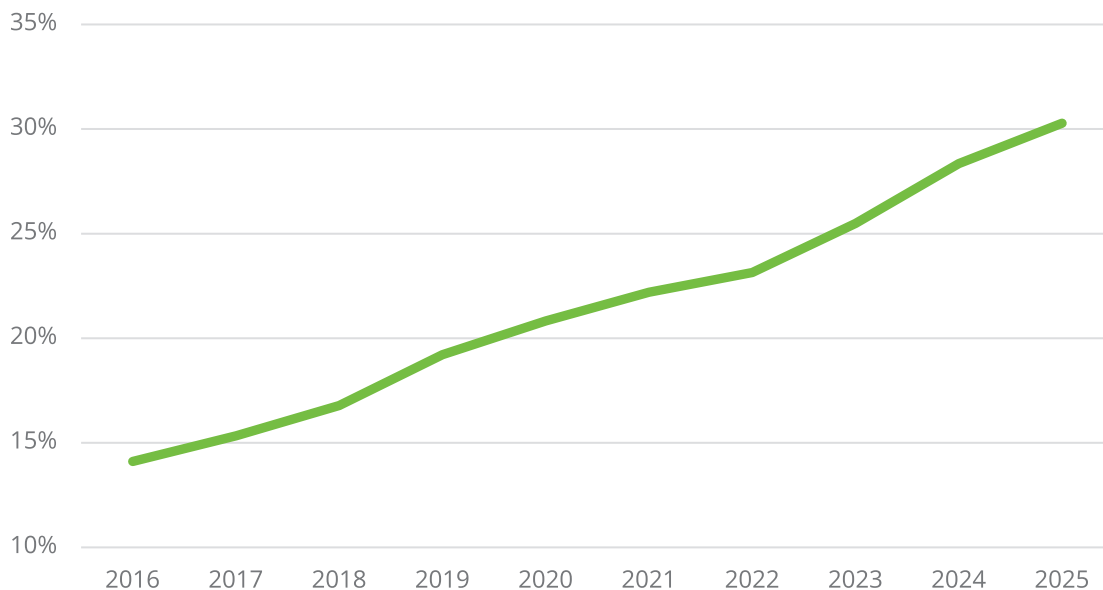
Source: Morningstar

**Table 9: Market Share — World Excluding North America**

	Passive	Active
2016	14%	86%
2017	15%	85%
2018	17%	83%
2019	19%	81%
2020	21%	79%
2021	22%	78%
2022	23%	77%
2023	25%	75%
2024	28%	72%
2025	30%	70%

Source: Morningstar

**Chart 7: Passive Fund Market Share — World Excluding North America**



Source: Morningstar

## 4.2 Flow of Funds

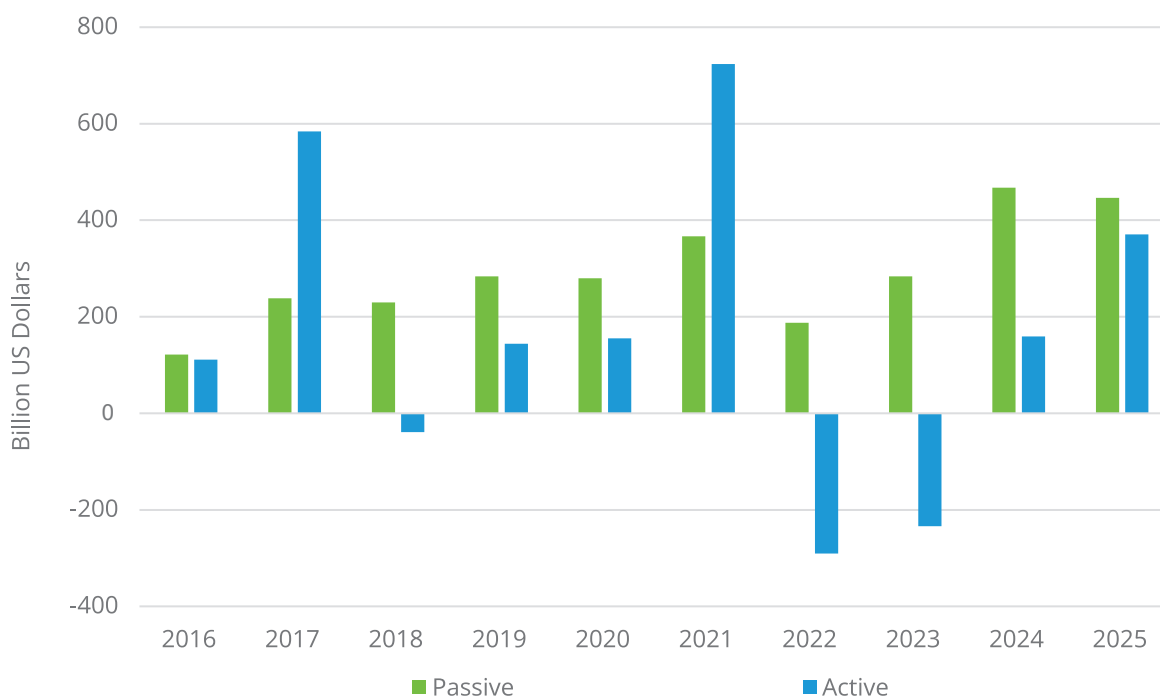
Table 10 and Chart 8 illustrate the flow of funds in and out of passive and active funds for the world excluding North America. In 2025, passive funds received \$447 billion in inflows, while active funds attracted \$370 billion. Over ten years, passive funds gained \$2.9 trillion in net new assets, compared to \$1.7 trillion for active funds. Passive funds have experienced positive flows every year since 2016.

**Table 10: Flow of Funds — World Excluding North America (USD Billions)**

	Passive	Active
2016	122	111
2017	239	584
2018	230	-39
2019	284	144
2020	280	155
2021	367	724
2022	187	-291
2023	284	-234
2024	468	159
2025	447	370
2016–2025	2,906	1,685

Source: Morningstar

**Chart 8: Flow of Funds — World ex-North America**



Source: Morningstar

# 5. World Markets

## 5.1 Market Share

In 2025, the world's market share of passive funds increased by one percentage point, from 43% to 44%. Over ten years, the data shows a sharp increase in the market share of passive funds, which climbed from 25% to 44%.

Worldwide, passive fund assets have grown spectacularly by 309% since 2016, compared to only 73% for active funds. In dollars, assets under management for passive funds grew by \$20 trillion, compared to \$14 trillion for their active counterparts. Globally, passively managed funds have increased their market share steadily since 2016.

**Table 11: Assets Under Management — World (USD Trillions)**

	Passive	Active
2016	6.6	19.4
2017	8.7	23.3
2018	8.6	21.1
2019	11.3	24.6
2020	13.5	27.4
2021	16.8	30.6
2022	14.6	24.5
2023	18.0	27.1
2024	21.7	28.9
2025	26.8	33.5
<b>2016–2025 Growth</b>	<b>309%</b>	<b>73%</b>

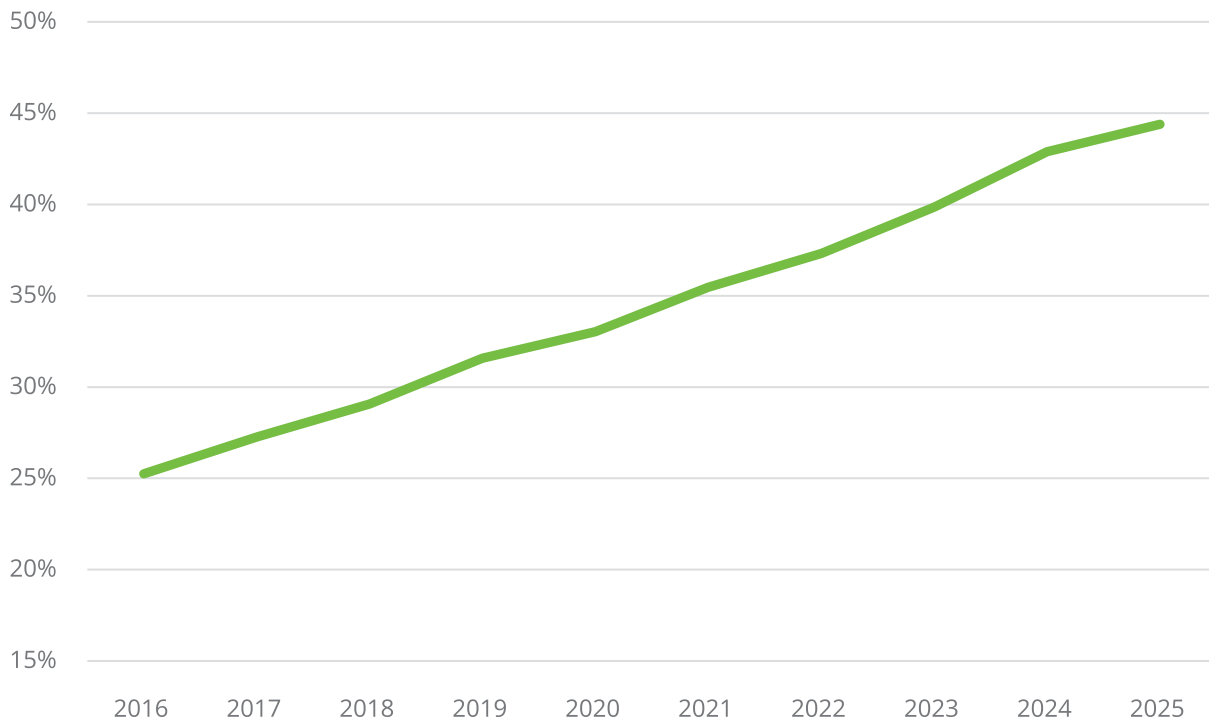
Source: Morningstar

**Table 12: Market Share — World**

	Passive	Active
2016	25%	75%
2017	27%	73%
2018	29%	71%
2019	32%	68%
2020	33%	67%
2021	35%	65%
2022	37%	63%
2023	40%	60%
2024	43%	57%
2025	44%	56%

Source: Morningstar

### Chart 9: Passive Fund Market Share — World



Source: Morningstar

## 5.2 Flow of Funds

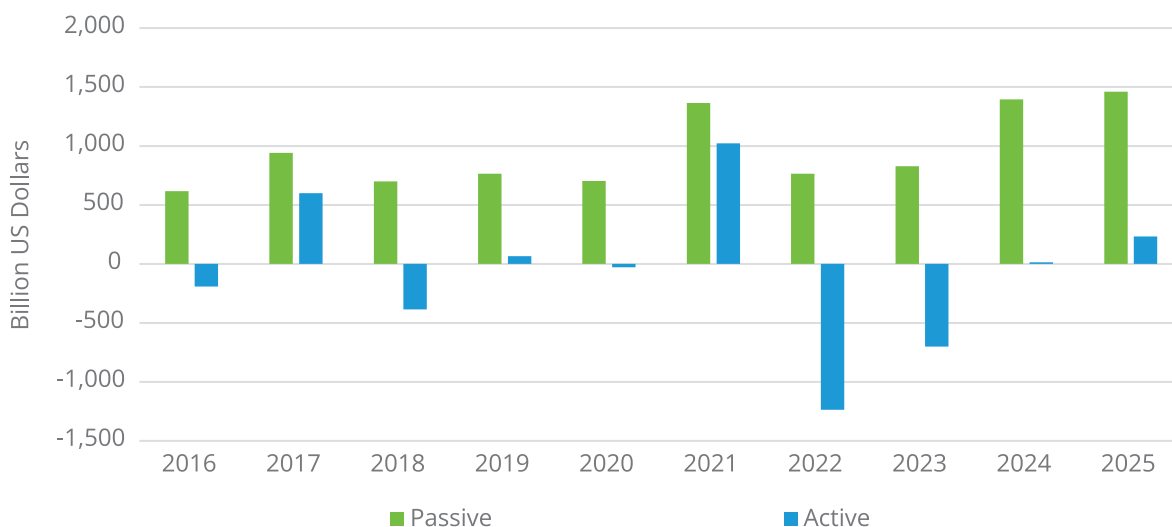
Table 13 and Chart 10 document contributions to passive and active funds globally between 2016 and 2025. In 2025, passive funds raised almost \$1.5 trillion in new money, compared to \$234 billion for active funds. Since 2016, passive funds have raised \$9.5 trillion in new money, compared to an outflow of \$604 billion for active funds.

**Table 13: Flow of Funds — World (USD Billions)**

	Passive	Active
2016	617	-191
2017	941	601
2018	701	-385
2019	765	65
2020	703	-29
2021	1,365	1,023
2022	764	-1,236
2023	828	-700
2024	1,395	14
2025	1,461	234
2016–2025	9,541	-604

Source: Morningstar

**Chart 10: Flow of Funds — World**



Source: Morningstar

# Conclusion: Passive is a Smarter Way to Invest

The evidence presented in this report confirms that passive funds continue to gain market share, particularly in the US retail market. By traditional measures, mutual funds and ETFs whose stated objective is to replicate an index—passive strategies—now represent most US retail fund assets under management. Their prominence is also evident in the rankings of the largest investment vehicles: Most of the largest retail funds in the US and worldwide are index funds designed to track broad market benchmarks and are suitable for long-term, buy-and-hold investments. In Canada, although passive funds are less prominent than elsewhere, five of the ten largest retail funds (combining mutual funds and ETFs) are index products.

However, the apparent dominance of passive investing in retail fund statistics does not necessarily imply that capital markets themselves are dominated by passive investing. The distinction between “passive” and “active” is often less clear than the labels suggest. The investment industry has created millions of indexes—far more than the number of publicly listed companies—and many so-called index funds track narrow sectors, factor strategies, or custom benchmarks designed specifically for a single product.<sup>2</sup> In Canada, more than one fifth of passive funds’ assets under management replicate such specialized strategies, which bear little resemblance to traditional market-cap indexing. Prior research has also shown that many index funds track proprietary benchmarks created solely for the sponsoring fund and tend to charge higher fees. In that sense, a meaningful portion of the retail “passive” universe can be viewed as active management in disguise.

Even when broadly defined passive strategies are considered—including index funds run internally by institutions and portfolios that closely track benchmarks—their share of total equity markets is significant but far from dominant. Academic estimates suggest that passive vehicles account for roughly one third of the US stock market<sup>3</sup>, while global pension fund allocations to passive strategies remain closer to one fifth of their assets under management.<sup>4</sup> Moreover, ETFs themselves often function less as static passive holdings and more as instruments within active asset allocation and trading strategies.

The debate about passive investing frequently centres on whether its growth undermines market efficiency. The available evidence does not yet support that concern. While markets may not be perfectly efficient, most active managers continue to underperform their benchmarks, just as they did before the rapid rise of indexing.<sup>5</sup> The expansion of passive strategies has therefore not yet produced the widespread inefficiencies that would systematically benefit active managers.

Passive investing has unquestionably become a powerful force shaping the asset-management industry. Yet its influence should not be confused with complete market dominance. A substantial share of capital remains actively allocated, and many “passive” products serve as tools within active strategies. Ironically, active management contributes to its own demise: The capital market remains highly competitive (there is no shortage of bargain hunters), perpetuating the outperformance of broad-based passive funds. The more things change, the more they stay the same.

<sup>2</sup> Robertson, A. “Passive in Name Only: Delegated Management and ‘Index’ Investing.” University of Toronto, 2018. <https://www.law.nyu.edu/sites/default/files/Robertson%20Passive%20in%20Name%20Only.pdf>.

<sup>3</sup> Chincó, A., and Sammon, M. “The passive ownership share is double what you think it is.” *Journal of Financial Economics*, vol. 157, July 2024, article 103860. ScienceDirect, <https://doi.org/10.1016/j.jfineco.2024.103860>.

<sup>4</sup> Beath, A., et al. “The Canadian Pension Fund Model: A Quantitative Portrait.” *Journal of Portfolio Management*, 2021. <https://globalriskinstitute.org/publication/the-canadian-pension-fund-model-a-quantitative-portrait/>.

<sup>5</sup> Psarofagis, A. “Global Active Performance Rates: The Growth of Passive Isn’t Why Active Managers Lag the Market.” *Bloomberg Intelligence*, 2024.

# Appendix A: Canadian ETF Data

**Table 14: Assets Under Management (CAD Billions)**

	Passive	Active
2016	93	18
2017	117	26
2018	120	31
2019	151	41
2020	187	51
2021	250	70
2022	236	68
2023	281	82
2024	386	111
2025	534	155

Source: Morningstar

**Table 15: Market Share**

	Passive	Active
2016	84%	16%
2017	82%	18%
2018	80%	20%
2019	79%	21%
2020	79%	21%
2021	78%	22%
2022	78%	22%
2023	77%	23%
2024	78%	22%
2025	77%	23%

Source: Morningstar

**Table 16: Flow of Funds (CAD Billions)**

	Passive	Active
2016	10.3	4.4
2017	16.2	6.6
2018	10.0	4.9
2019	15.3	6.6
2020	23.7	8.6
2021	35.8	14.2
2022	18.1	7.7
2023	18.8	10.0
2024	51.8	15.2
2025	87.2	32.3
<b>2016-2025</b>	<b>287.1</b>	<b>110.6</b>

Source: Morningstar

# Appendix B: Canadian Mutual Fund Data

**Table 17: Assets Under Management (CAD Billions)**

	Passive	Active
2016	29	926
2017	32	1,013
2018	30	964
2019	38	1,108
2020	42	1,291
2021	52	1,525
2022	46	1,341
2023	54	1,456
2024	68	1,706
2025	74	1,923

Source: Morningstar

**Table 18: Market Share**

	Passive	Active
2016	3%	97%
2017	3%	97%
2018	3%	97%
2019	3%	97%
2020	3%	97%
2021	3%	97%
2022	3%	97%
2023	4%	96%
2024	4%	96%
2025	4%	96%

Source: Morningstar

**Table 19: Flow of Funds (CAD Billions)**

	Passive	Active
2016	-0.4	0.0
2017	-0.5	15.5
2018	-1.0	-21.8
2019	-0.3	-0.3
2020	0.2	-1.6
2021	2.6	70.9
2022	0.0	-29.0
2023	0.5	-32.3
2024	3.1	2.7
2025	-0.1	36.3
<b>2016-2025</b>	<b>4.0</b>	<b>40.2</b>

Source: Morningstar

# Appendix C: US ETF Data

**Table 20: Assets Under Management (USD Billions)**

	Passive	Active
2016	2.5	0.1
2017	3.4	0.1
2018	3.3	0.1
2019	4.3	0.1
2020	5.3	0.2
2021	6.9	0.3
2022	6.2	0.4
2023	7.6	0.5
2024	9.4	0.9
2025	11.9	1.5

Source: Morningstar

**Table 21: Market Share**

	Passive	Active
2016	98%	2%
2017	98%	2%
2018	97%	3%
2019	97%	3%
2020	96%	4%
2021	96%	4%
2022	94%	6%
2023	93%	7%
2024	91%	9%
2025	89%	11%

Source: Morningstar

**Table 22: Flow of Funds (USD Billions)**

	Passive	Active
2016	282	6
2017	445	14
2018	289	28
2019	307	28
2020	452	57
2021	818	84
2022	505	84
2023	461	121
2024	823	286
2025	1,004	459
<b>2016-2025</b>	<b>5,386</b>	<b>1,166</b>

Source: Morningstar

# Appendix D: US Mutual Fund Data

**Table 23: Assets Under Management (USD Trillions)**

	Passive	Active
2016	2.5	9.9
2017	3.2	11.3
2018	3.2	10.2
2019	4.2	12.1
2020	4.7	13.4
2021	5.6	15.0
2022	4.7	11.5
2023	5.7	12.6
2024	6.7	13.6
2025	7.5	14.6

Source: Morningstar

**Table 24: Market Share**

	Passive	Active
2016	20%	80%
2017	22%	78%
2018	24%	76%
2019	26%	74%
2020	26%	74%
2021	27%	73%
2022	29%	71%
2023	31%	69%
2024	33%	67%
2025	34%	66%

Source: Morningstar

**Table 25: Flow of Funds (USD Billions)**

	Passive	Active
2016	206	-311
2017	245	-14
2018	174	-360
2019	163	-112
2020	-46	-247
2021	150	147
2022	58	-1,013
2023	69	-571
2024	66	-443
2025	-53	-640
<b>2016-2025</b>	<b>1,033</b>	<b>-3,565</b>

Source: Morningstar

# Appendix E: Classification of Canadian Passive Funds

Morningstar categorizes several types of funds as “passive.” As long as a fund is managed according to an index, it is classified as “passive.” For example, bitcoin ETFs are considered “passive.” We manually classified funds that better reflect the passive philosophy of investing as “Market-Cap Weighted.”

## Category #1: “Market-Cap Weighted”

- Broad-based
- Stock market segments: Large, mid-, and small-cap
- Bond market segments: short, mid-, and long-term; government and corporate
- Specific market venue: e.g. NASDAQ

## Category #2: “Factor”

- Dividend
- Low volatility
- Quality
- Fundamental index
- Momentum
- Multi-factor
- Value/Growth

## Category #3: “Sector”

- Market-cap-weighted sector funds
- Other index-based sector funds

## Category #4: Other

- ESG
- Equally weighted
- Private assets
- Hedge fund
- Thematic
- Bond ladder
- Target date
- AUM < \$10M
- Inverse/Leveraged
- Commodity
- Dow Jones Average
- Option strategies
- Crypto
- Religion based



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