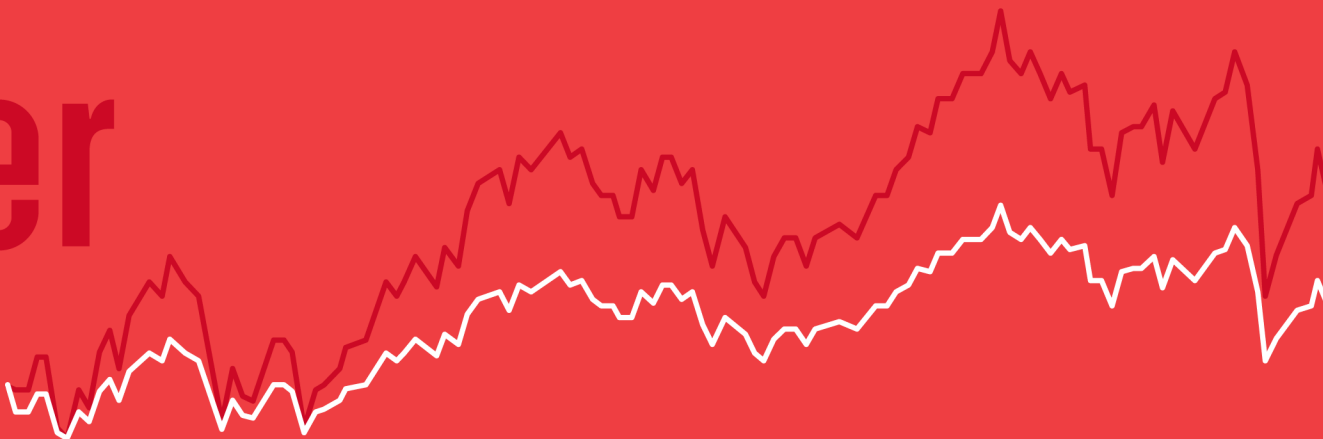




Silver



Europe Active ETF Trends
Q3 2026 Review



Gold



Bronze



Table of Contents

Key Takeaways	3
The European Active ETF Market in Figures	4
Morningstar’s Active/Passive Strategy Type	11
Appendix	16

Morningstar Manager Research

José García Zarate
Senior Principal

Natalia Wolfstetter
Senior Principal

Claire Zhang
Analyst

Corrections issued on Oct. 16, 2026. See Slides 3, 8, 14, and 15.

Important Disclosure
The conduct of Morningstar’s analysts is governed by Code of Ethics/Code of Conduct Policy, Personal Security Trading Policy (or an equivalent of), and Investment Research Policy. For information regarding conflicts of interest, please visit: <http://global.morningstar.com/equitydisclosures>

Key Takeaways

Market Growth and Adoption

- European active exchange-traded funds gathered EUR 10.1 billion in the third quarter of 2026, down from EUR 10.8 billion in the second quarter. In the first nine months of 2026, flows into active ETFs totaled EUR 28.9 billion, already surpassing the record-high EUR 26.8 billion gathered during all of 2025.
- So far into 2026, flows into active ETFs represented 8.1% of all flows into ETFs in Europe, up from 7.6% in 2025 and 7.3% in 2024.
- The European active ETF market has more than tripled in size since 2023, with assets reaching EUR 117.1 billion at the close of the third quarter of 2026. Despite this growth, active ETFs still account for only 3.4% of total ETF assets in Europe, compared with about 13.1% in the US.
- Equity strategies continue to dominate both assets and flows, accounting for 71% of assets and 65% of net inflows in the first nine months of 2026.
- Meanwhile, bond ETFs have gathered EUR 7.4 billion so far in 2026. This represents 26% of active ETF flows in the period.

Industry Players and Competition

- J.P. Morgan remains the dominant active ETF provider in Europe with a 40.4% market share at the end of the third quarter, although this was down from 47.0% at the end of 2025. Fidelity International retained second place with an 8.8% share, while iShares came third at 8.1%. HSBC dropped out of the top 10, replaced by American Century, which has seen significant asset growth in its suite of ETFs.
- New entrants such as AllianceBernstein, Pictet, and Allianz Global Investors continued to broaden the market in 2026. With 118 launches through the third quarter of 2026, the total number of active ETFs reached 377.

Investment Styles

- Morningstar categorizes active ETFs as either “discretionary” or “systematic.” The discretionary approach dominates in terms of assets, largely reflecting J.P. Morgan’s leading position in the market. However, flow patterns in 2026 show a preference for systematic equity strategies over discretionary.
- Fixed-income active ETFs remain predominantly discretionary, while systematic approaches are concentrated almost exclusively in equities.

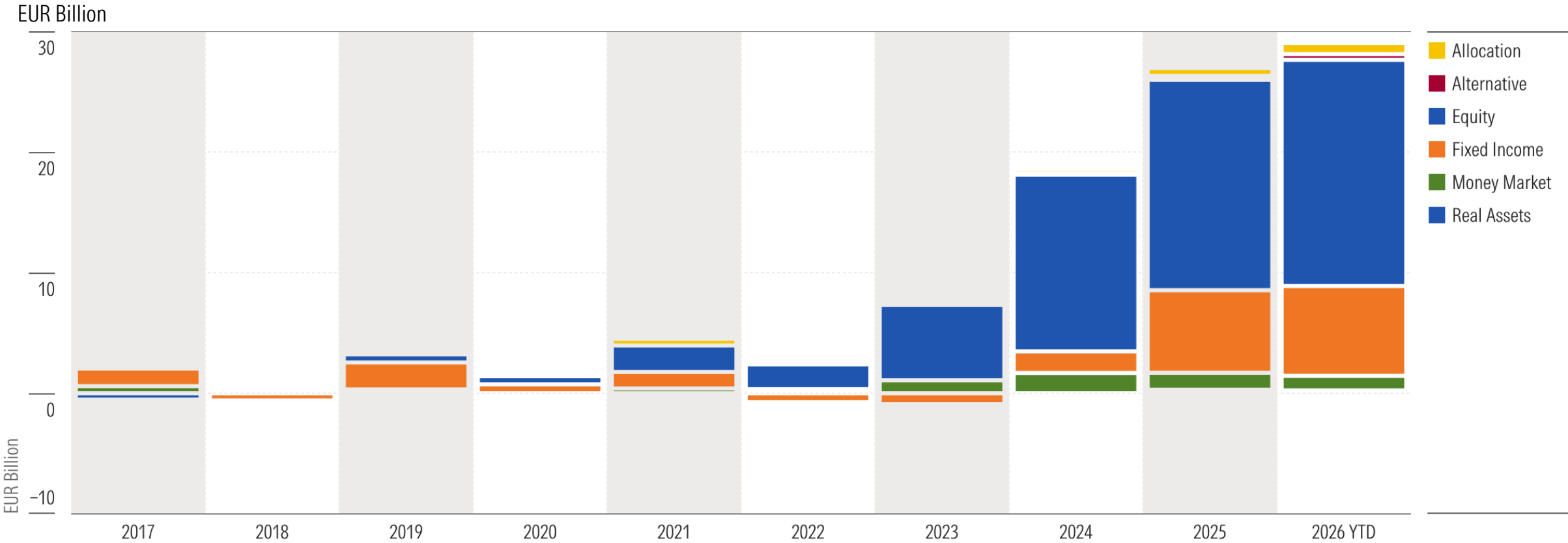
The European Active ETF Market in Figures

Q3 2026

Active ETF Flows Through 3 Quarters of 2026 Are Already Above 2025's Full-Year Record-High Intake

Active ETFs gathered EUR 10.1 billion in the third quarter of 2026, down from EUR 10.8 billion in the second quarter. Flows into active ETFs in the first nine months of 2026 totaled EUR 28.9 billion—8.1% of all flows into ETFs in Europe—and are already above 2025's full-year intake. Barring an unexpected turnaround in the fourth quarter, 2026 will mark a new record high for flows for this market. Meanwhile, in terms of asset class, as in previous periods, the bulk of flows went to equity strategies at EUR 7.1 billion—70% of all flows into active ETFs in the quarter. This was down from EUR 7.3 billion in the second quarter. Bond active ETFs netted EUR 2.5 billion, up from EUR 2.3 billion in the second quarter. Flows into bond strategies accounted for 25% of total flows. Allocation strategies gathered EUR 331 million in the third quarter.

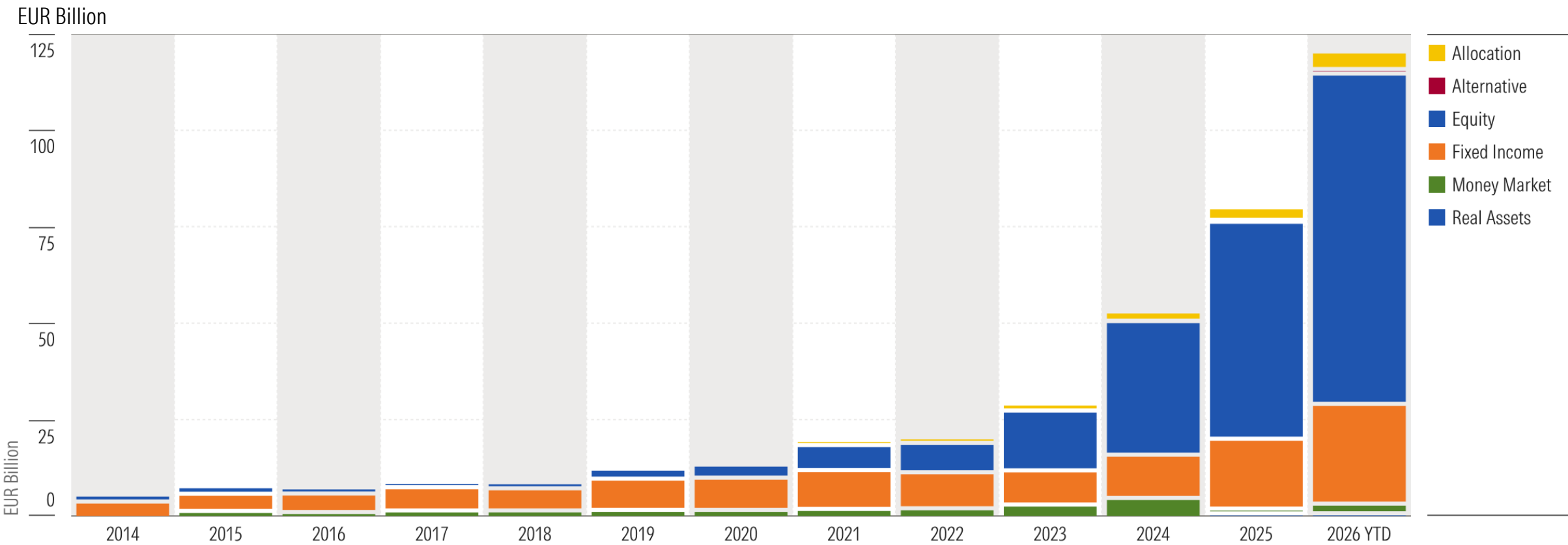
European Active ETF Annual Flows by Broad Asset Class



European Active ETF Assets Reach New Highs in Q3 2026

Assets in Europe-domiciled active ETFs amounted to EUR 117.1 billion at the end of the third quarter of 2026. This was an 8.1% increase from EUR 108.3 billion in the second quarter and a 49.7% increase from EUR 78.2 billion at the close of 2025. Despite this strong momentum, active ETFs in Europe remained a niche segment, accounting for 3.4% of total ETF assets in Europe, compared with 13.1% in the US. Market leadership by asset class stayed stable. Equity strategies dominated with EUR 85.6 billion representing 71% of assets, while assets in active bond ETFs totaled EUR 25.9 billion and accounted for 22% of all assets. Allocation, money market, and alternative strategies continued to be comparatively small. Asset growth in the European active ETF space is still largely driven by flows. Competition has heated up, but assets remain concentrated in a handful of providers.

European Active ETF Market Asset Growth by Broad Asset Class

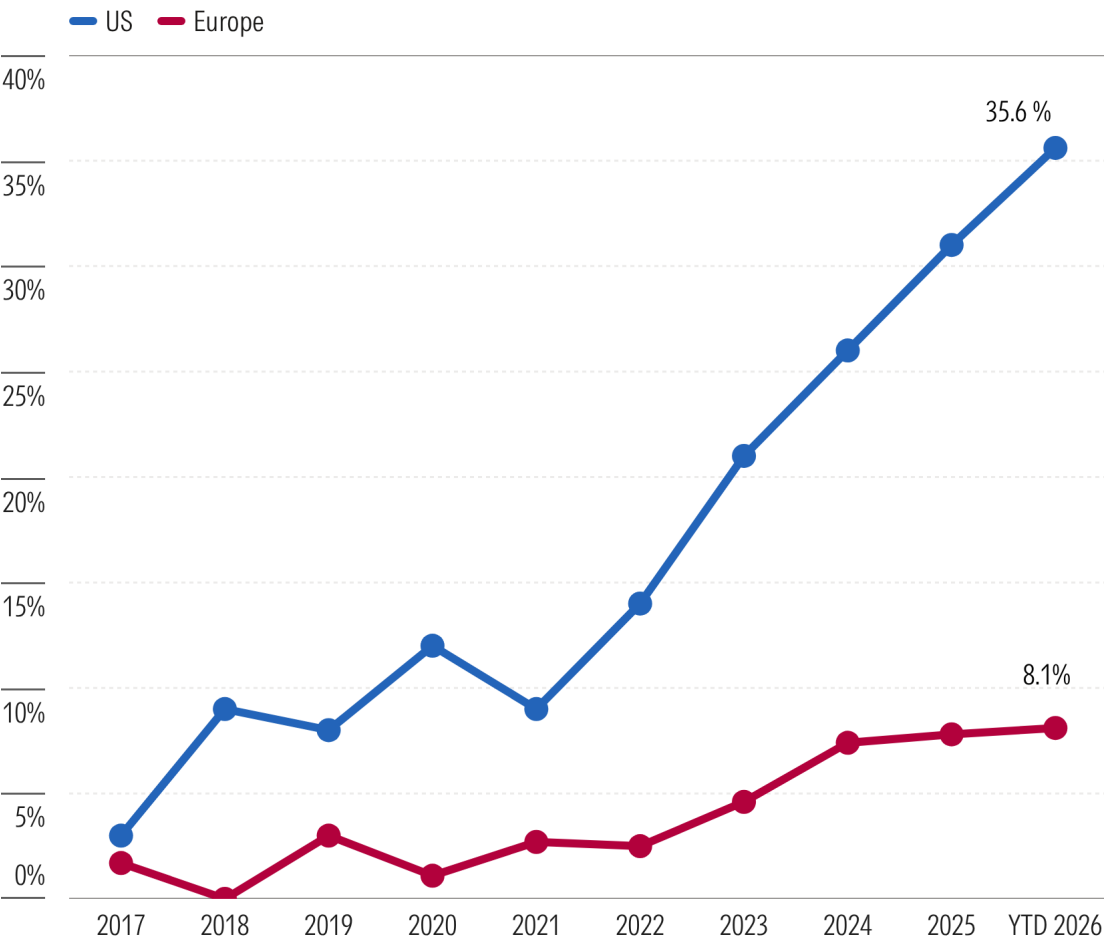


Source: Morningstar Direct. Data as of Sept. 30, 2026.

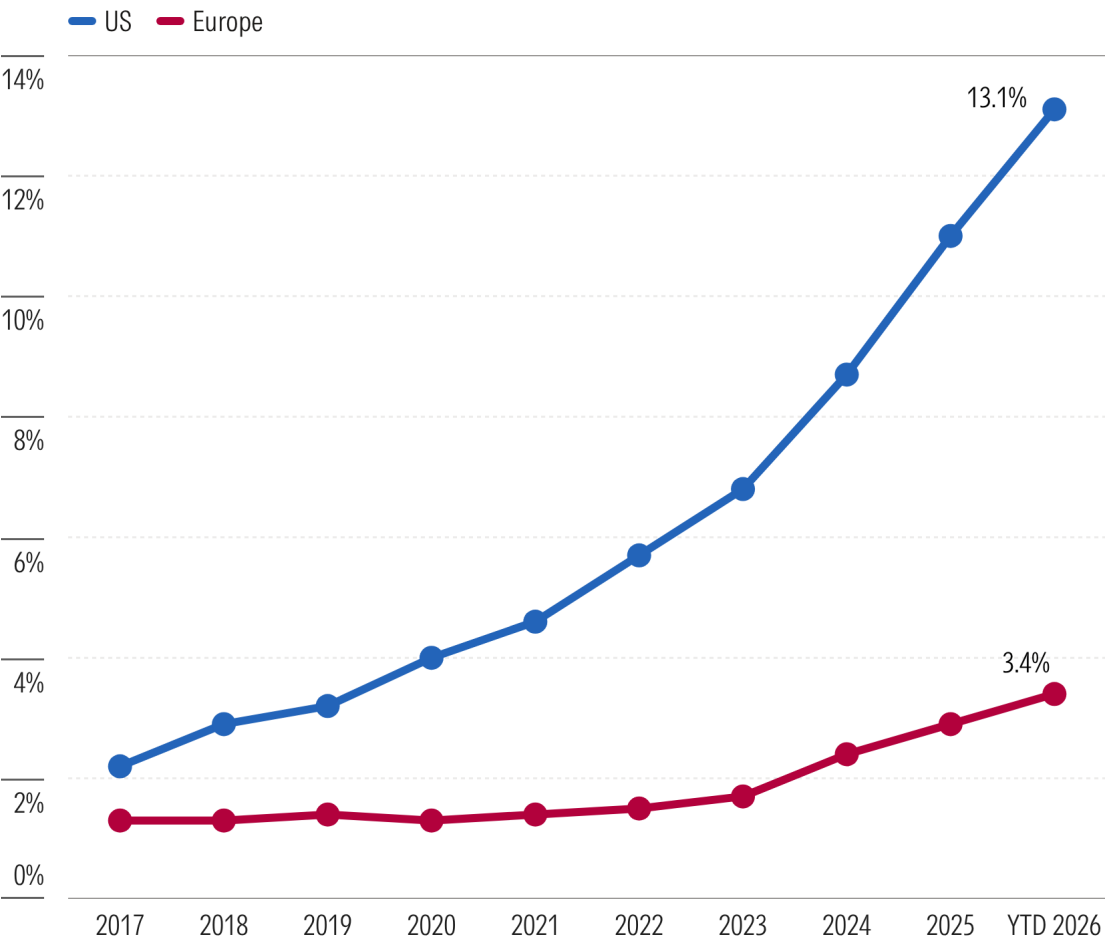
See Important Disclosures at the end of this report.

European Active ETF Market Still a Niche Segment That Lags the US

Active ETF Flows as % of Total ETF Flows



Active ETF AUM as % of Total ETF AUM



Source: Morningstar Direct. Data as of Sept. 30, 2026.

See Important Disclosures at the end of this report.

Competitive Pressure Builds With Recent Newcomers Finding Room to Expand

J.P. Morgan remains the dominant provider of active ETFs in Europe, with a market share of 40.4% in the third quarter of 2026. However, this has progressively declined from 47.0% at the end of 2025. Although J.P. Morgan's market share declined, its assets increased by some EUR 4 billion from the second quarter, reflecting strong growth across the market and even faster growth among competitors. Fidelity retained the second position with an 8.8% market share, while iShares continued to close the gap in 2026 with a market share of 8.1%, up from 6.5% at the end of 2025. Meanwhile, HSBC dropped out of the top 10 and was replaced by American Century, which has seen significant asset growth in its suite of ETFs, particularly Avantis Global Small Cap Value ETF. Overall market concentration remains high, with the top five providers accounting for close to 70% of total assets in the third quarter.

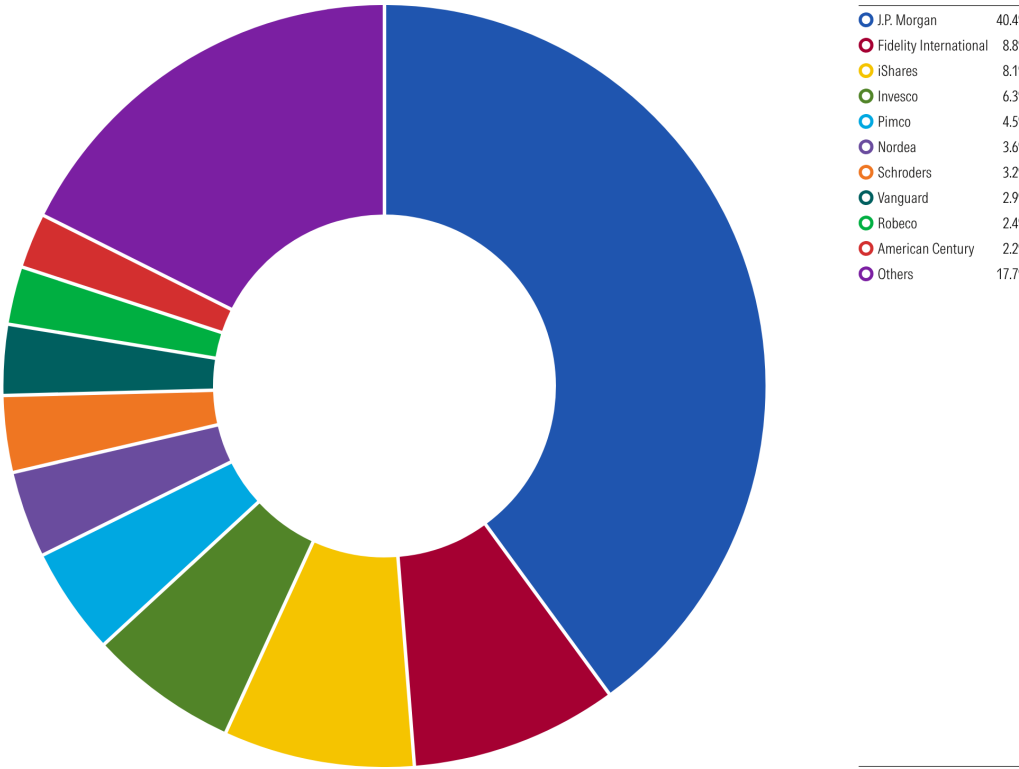
Largest Providers of Active ETFs in Europe

EUR billion

Branding Name	Number of Funds	AUM (EUR Bil)	Market Share%
J.P. Morgan	46	48.5	40.4
Fidelity International	21	10.5	8.8
iShares	32	9.7	8.1
Invesco	19	7.5	6.3
Pimco	10	5.4	4.5
Nordea	3	4.3	3.6
Schroders	9	3.8	3.2
Vanguard	5	3.5	2.9
Robeco	11	2.8	2.4
American Century	6	2.7	2.2
Others	230	21.3	17.7

Market Share by Provider, All Asset Classes

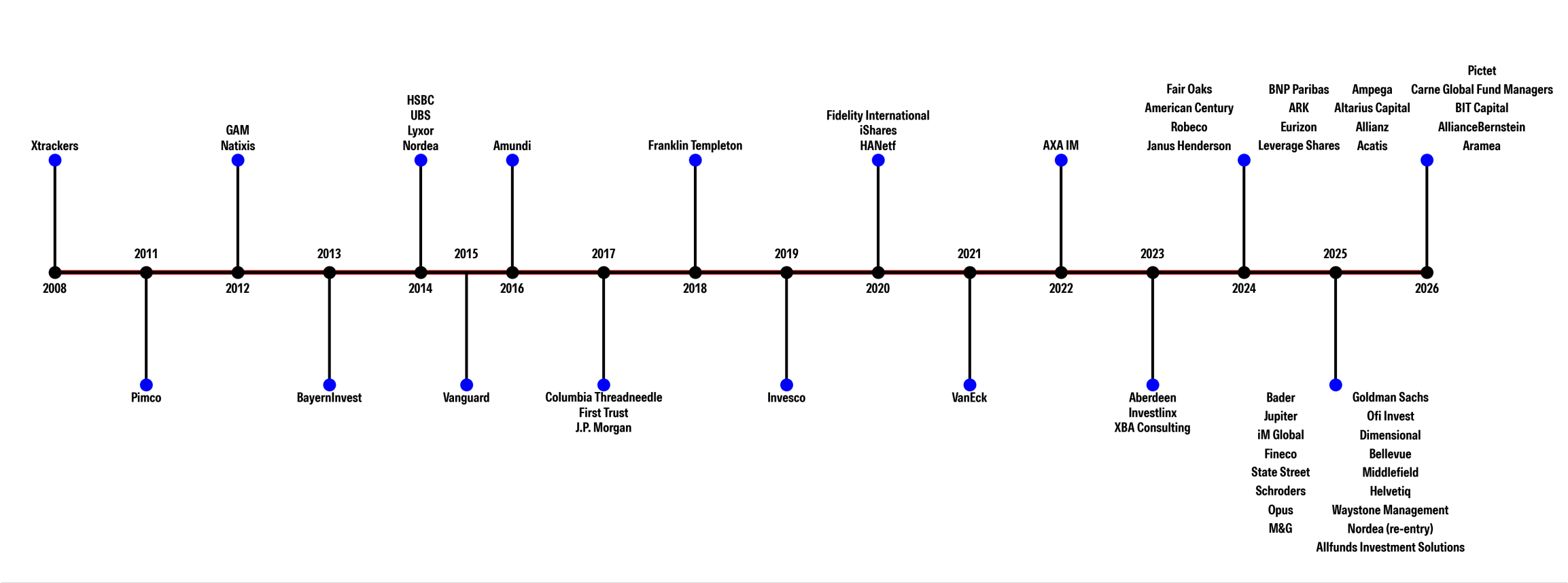
%



New Entrants Continue to Broaden the Market

The active ETF market in Europe has gained significant momentum in recent years, and the competitive landscape has become increasingly diverse. Following a particularly strong wave of new entrants in 2025, the market continued to attract new providers in 2026, including Acatis, AllianceBernstein, Allianz Global Investors, Ampega, and notably in the third quarter, Pictet. More have announced plans to enter the market, including T. Rowe Price, which registered its first active ETFs in early October. Most of these new entrants are long-standing active managers that previously avoided ETFs given their association with low-cost passive investing. Now, however, they see a clear opportunity to tap into the ETF market's popularity, particularly its distribution advantages and investor reach, while preserving their active investment identity. This shift is also attracting a growing cohort of US-based managers entering the European market for the first time.

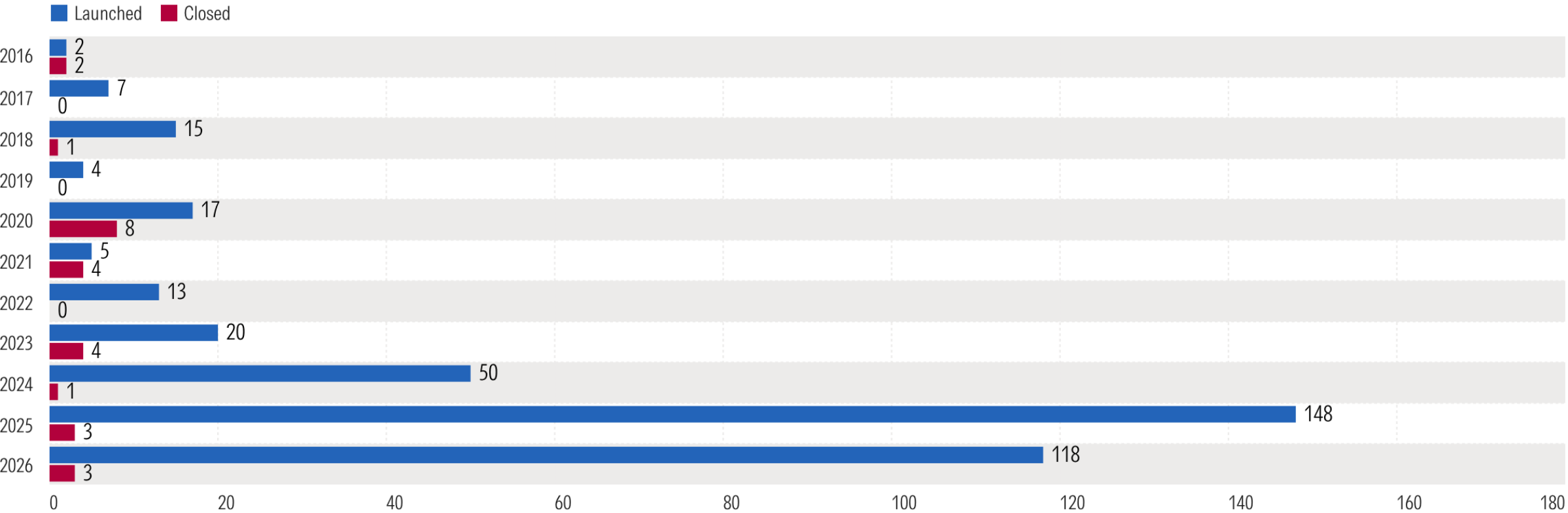
European Active ETF Providers, Entry Timeline



European Active ETF Launches on Track for Another Record Year

Product activity in Europe's active ETF market accelerated sharply over the past two years and remained strong in the first nine months of 2026, with 118 new products launched. Launches surged in 2024 and 2025, far exceeding the long-term average of around 10 annual launches earlier in the decade. With 118 launches recorded through September, the market could surpass the 148 launches seen in 2025 if the current pace is maintained. Meanwhile, closures have remained limited, with only three products discontinued in the first nine months of 2026. New launches in the first nine months of 2026 were led by 67 equity ETFs, followed by 29 fixed-income, 12 allocation, and 10 alternative strategies. Alternatives were mostly outcome-oriented and derivative-income strategies.

European Active ETFs Launches and Closures



Source: Morningstar Direct. Data as of Sept. 30, 2026.

See Important Disclosures at the end of this report.

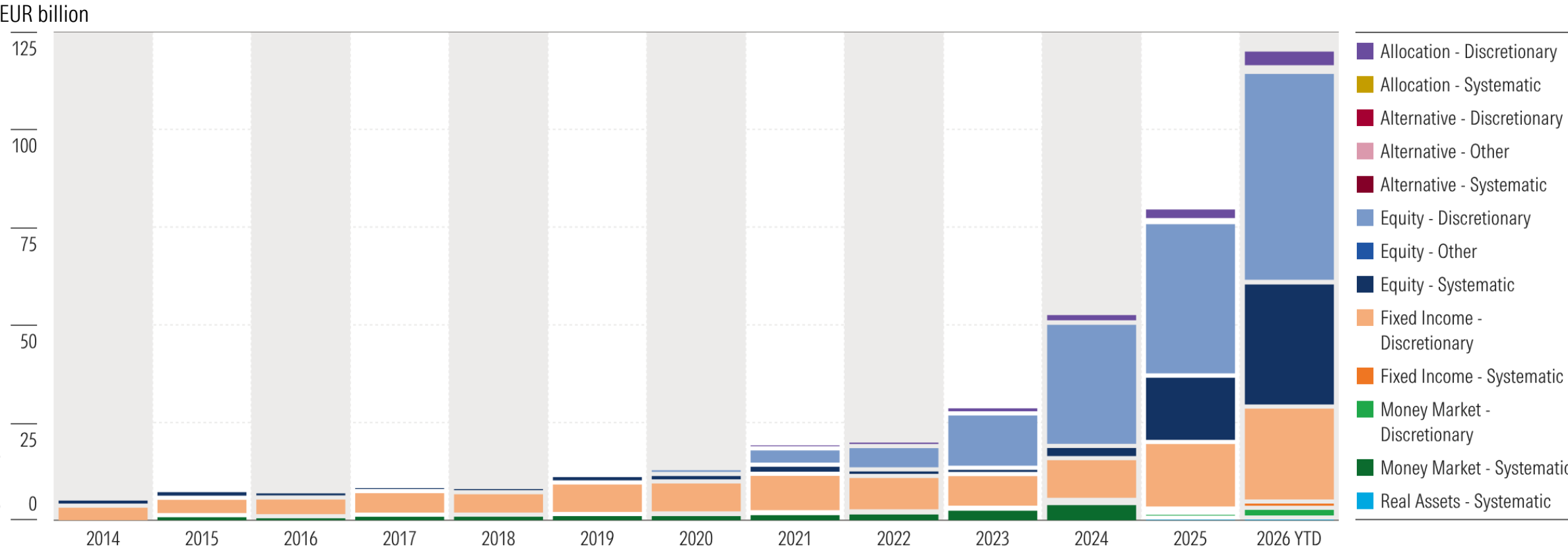
Morningstar's Active/Passive Strategy Type

Q3 2026

Systematic ETF Assets Increase as New Entrants Expand the Market

Assets in European active ETFs are concentrated in discretionary strategies, largely reflecting J.P. Morgan's market leadership. In the third quarter, assets in discretionary strategies totaled EUR 85.1 billion, or 71% of all assets in active ETFs. This was up from EUR 78.5 billion in the previous quarter. Equity strategies were the largest component with EUR 53.7 billion, followed by fixed income at EUR 24.3 billion. Meanwhile, systematic-led strategies reached EUR 34.2 billion, or 28.5% of all assets in active ETFs, up from EUR 29.3 billion in the second quarter. Equities accounted for 92.9% of assets. Systematic strategies increased their market share from 25% at the end of 2025, as several new entrants in recent years have opted for this investment style. Recent flow trends support further growth of the systematic bucket, certainly for equity strategies.

European Active ETF Market Asset Growth by Broad Asset Class and Investment Style



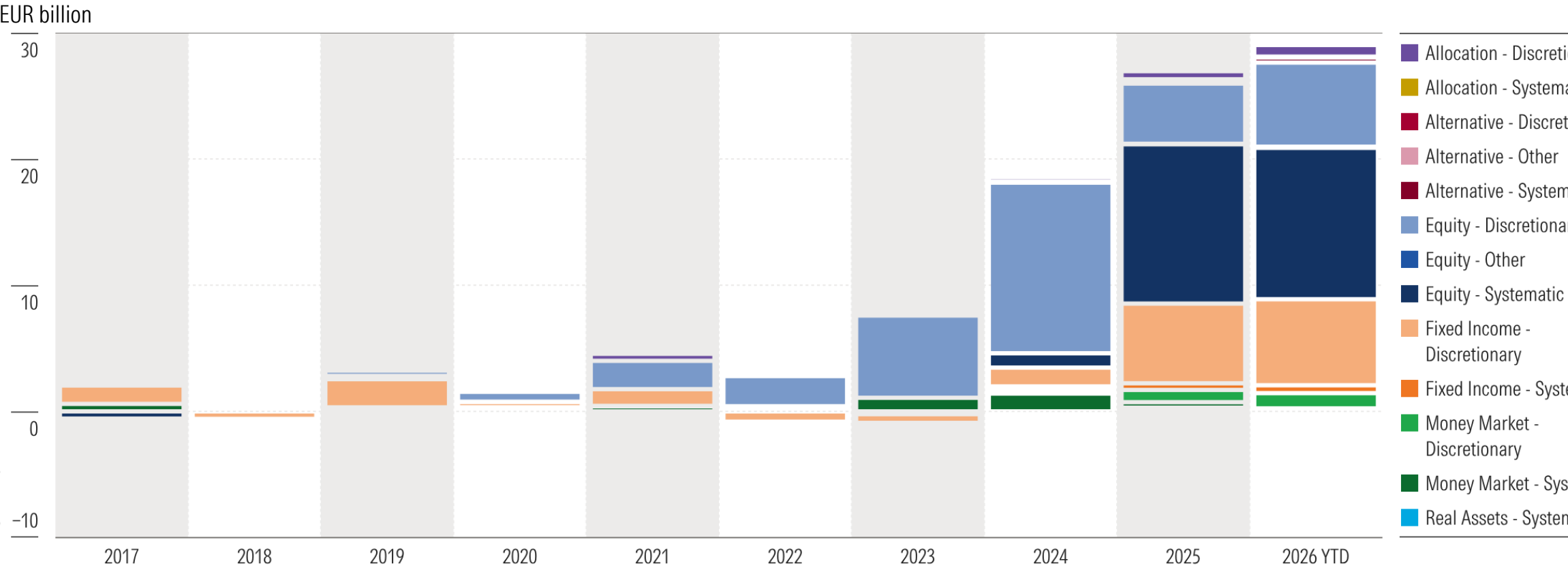
Source: Morningstar Direct. Data as of Sept. 30, 2026.

See Important Disclosures at the end of this report.

Flow Trends in 2026 Favor Systematic Equity and Discretionary Fixed Income

Flow patterns in European active ETFs continued to point to a growing preference for systematic equity strategies. In 2025, systematic equity ETFs attracted significantly stronger inflows than discretionary peers. This trend has continued in 2026, with systematic equity strategies gathering EUR 12.0 billion of flows in the first nine months of the year, compared with EUR 6.7 billion for discretionary equity strategies. Meanwhile, in fixed income, discretionary strategies clearly dominate, attracting EUR 6.9 billion, compared with EUR 0.6 billion for their systematic counterparts.

European Active ETF Market Flows by Broad Asset Class and Investment Style



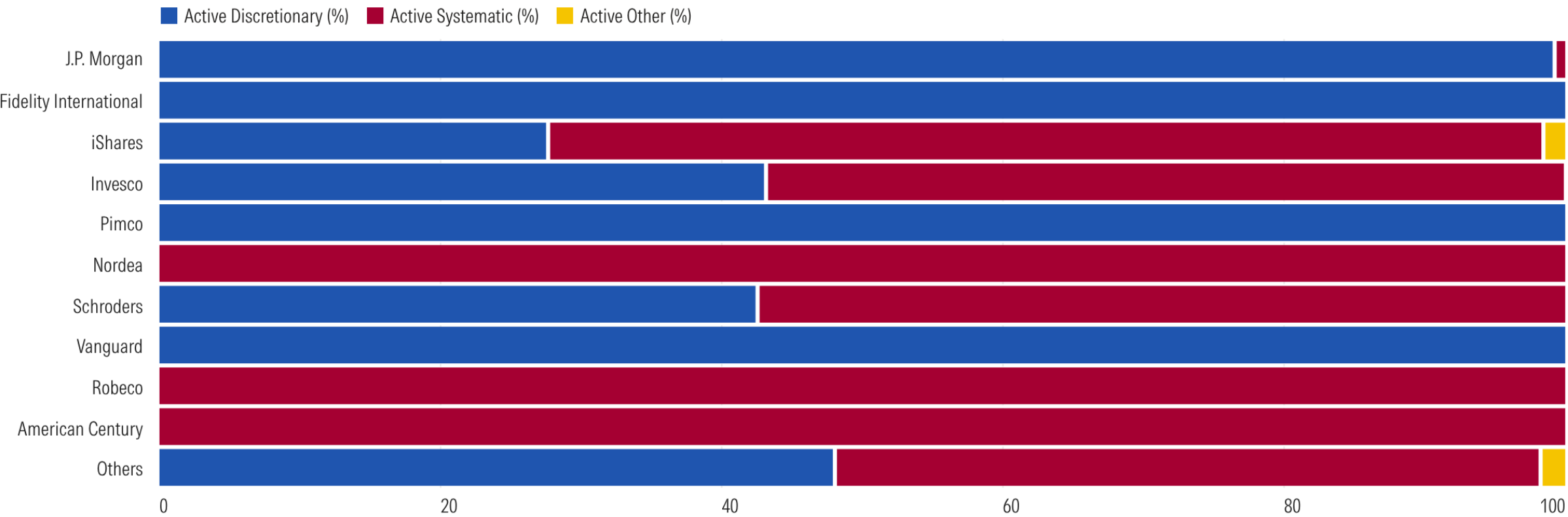
Source: Morningstar Direct. Data as of Sept. 30, 2026.

See Important Disclosures at the end of this report.

Top 10 Providers: Assets by Investment Style, All Asset Classes

J.P. Morgan, the market-leading provider of active ETFs in Europe, remains the strongest proponent of the discretionary investment style, with nearly all its active ETF assets classified as discretionary. However, many of the firm's strategies combine fundamental analysis with systematic portfolio construction, making them more akin to a hybrid approach than a purely discretionary one. Fidelity International also has a predominantly discretionary profile, but many of its strategies, like those of J.P. Morgan, could be classed as hybrid. Pimco and Vanguard remain entirely discretionary. iShares, Invesco, and Schroders display a mix of styles, though they have more assets in systematic strategies. Nordea, Robeco, and American Century's active ETF ranges are entirely systematic.

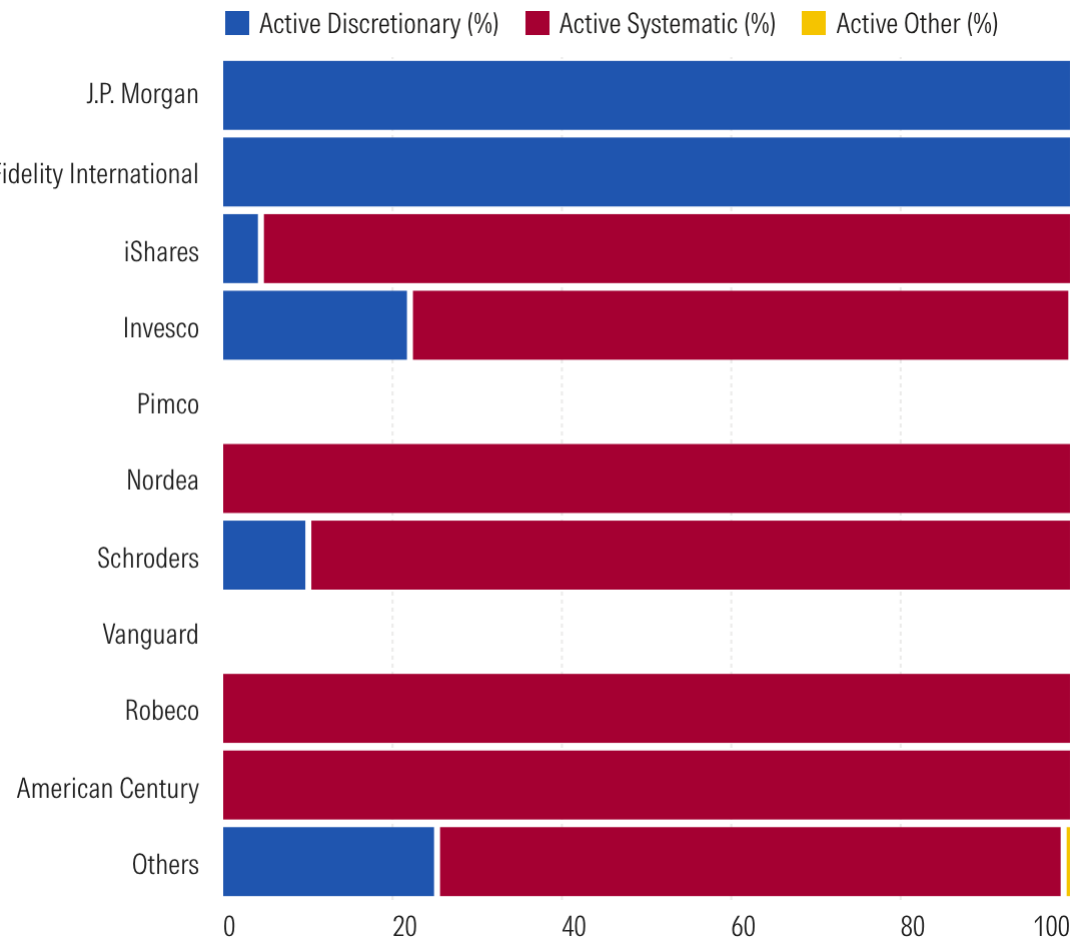
Percentage of Assets by Investment Style, All Asset Classes



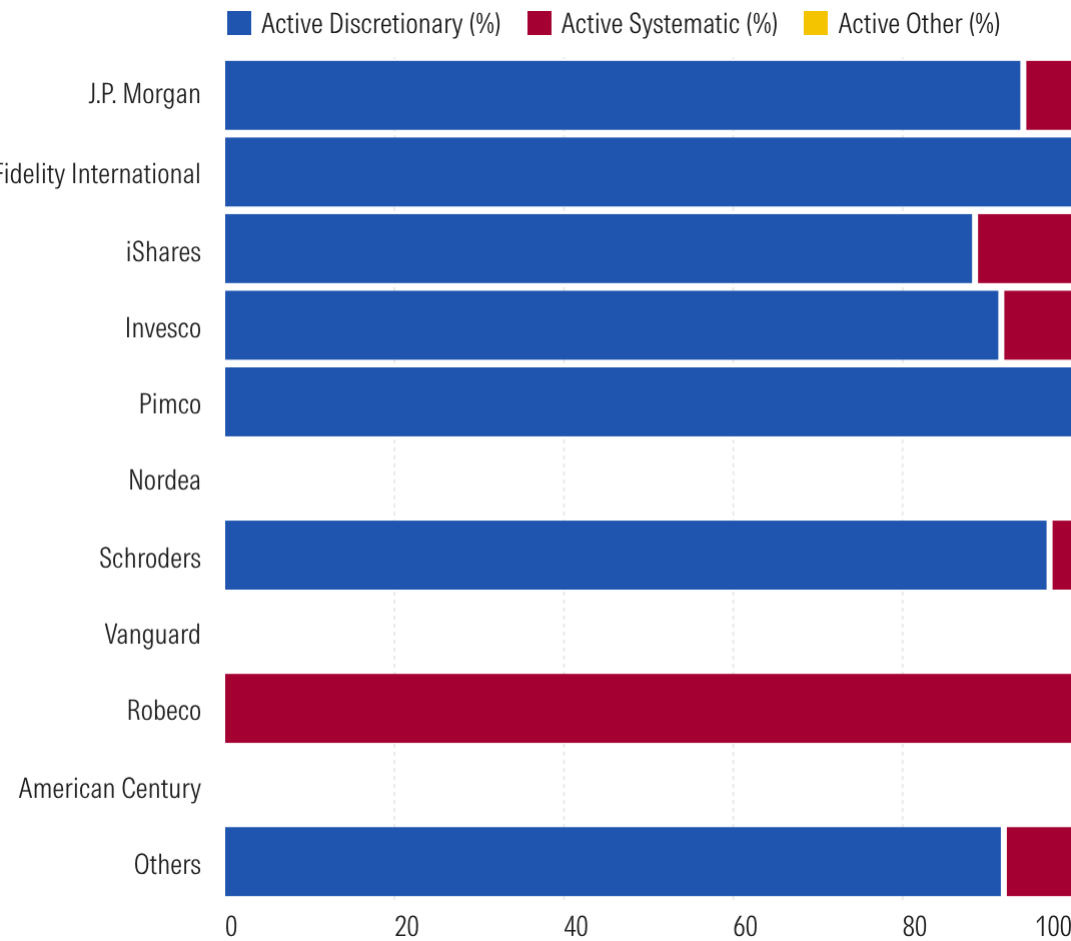
Source: Morningstar Direct. Data as of Sept. 30, 2026. Correction: The third-quarter 2026 market share figures were amended, resulting in Robeco joining the top -10 list and Goldman Sachs dropping out. See Important Disclosures at the end of this report.

Top 10 Providers: Assets by Investment Style by Broad Asset Class

Percentage of Assets by Investment Style, Equity



Percentage of Assets by Investment Style, Fixed Income



Source: Morningstar Direct. Data as of Sept. 30, 2026. Vanguard offers only multi-asset strategies in the European market. Correction: The third-quarter 2026 market share figures were amended, resulting in Robeco joining the top -10 list and Goldman Sachs dropping out. See Important Disclosures at the end of this report.

Appendix

Classifying Active ETFs Through a Clearer Lens

As Europe’s active ETF market expands, investors increasingly want a clearer, apples-to-apples way to compare strategies. Morningstar’s new methodology introduces a scalable framework powered by large language models, with expert oversight built in, to classify active ETFs not just as “active,” but along a spectrum from discretionary to systematic. By parsing fund documents and prospectuses, the framework assigns each ETF a quantitative score that reflects how rules-based or manager-driven the process is. With a human in the loop to review edge cases and ensure consistency, this approach avoids ambiguity, brings greater transparency and reproducibility to classification, and allows investors to better understand whether an active fund relies primarily on quant models or discretionary judgment.

Morningstar’s Active/Passive Strategy Type Classification Framework

Discretionary vs. Systematic: A New Framework for ETFs

Active/Passive Strategy Type	Definition/Criteria	Examples
Passive – Index Tracking	Fund tracks a broad, transparent, rules-based index	S&P 500 ETF
Passive – Other	Index Fund = Yes, but atypical structure (Grantor Trust, Miscellaneous) OR leveraged/inverse index ETFs OR crypto spot/miner ETFs	Spot Bitcoin ETF, 2× S&P 500 ETF
Active – Discretionary	Manager relies on judgment for security selection/allocation (default if unclear)	JPM, Fidelity Research enhanced ETFs
Active – Systematic	Transparent, repeatable, rules-based model with minimal discretion	Avantis and iShares Equity Enhanced
Active – Other	Index Fund = No, and Miscellaneous categories OR products using options, defined outcome, derivative income, or single-stock leveraged	Covered-Call ETF

Useful Links

Read our in-depth report published in October 2025:

[Europe’s Active ETFs Are Stepping Out of Their Comfort Zone](#)





Active ETFs are here to stay

Beyond the Stars

What's behind the increasing popularity of active ETFs in Europe? In this episode, Shannon sits down with Mara Dobrescu and Natalia Wolfstetter to discuss their...

Dec 8, 2025 • 15 min 46 sec





General Disclosure

"Morningstar" is used throughout this section to refer to Morningstar, Inc., and/or its affiliates, as applicable. Unless otherwise provided in a separate agreement, recipients of this report may only use it in the country in which the Morningstar distributor is based. Unless stated otherwise, the original distributor of the report is Morningstar Research Services LLC, a USA-domiciled financial institution.

This report is for informational purposes only, should not be the sole piece of information used in making an investment decision, and has no regard to the specific investment objectives, financial situation, or particular needs of any specific recipient. This publication is intended to provide information to assist investors in making their own investment decisions, not to provide investment advice to any specific investor. Therefore, investments discussed and recommendations made herein may not be suitable for all investors; recipients must exercise their own independent judgment as to the suitability of such investments and recommendations in the light of their own investment objectives, experience, taxation status, and financial position.

The information, data, analyses, and opinions presented herein are not warranted to be accurate, correct, complete, or timely. Unless otherwise provided in a separate agreement, neither Morningstar, Inc., nor the Equity Research Group represents that the report contents meet all of the presentation and/or disclosure standards applicable in the jurisdiction the recipient is located.

Except as otherwise required by law or provided for in a separate agreement, the analyst, Morningstar, Inc., and the Equity Research Group and their officers, directors, and employees shall not be responsible or liable for any trading decisions, damages, or other losses resulting from, or related to, the information, data, analyses, or opinions within the report. The Equity Research Group encourages recipients of this report to read all relevant issue documents—a prospectus, for example) pertaining to the security concerned, including without limitation, information relevant to its investment objectives, risks, and costs before making an investment decision and when deemed necessary, to seek the advice of a legal, tax, and/or accounting professional.

The report and its contents are not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country, or other jurisdiction where such distribution, publication, availability, or use would be contrary to law or regulation or that would subject Morningstar, Inc., or its affiliates to any registration or licensing requirements in such jurisdiction.

Where this report is made available in a language other than English and in the case of inconsistencies between the English and translated versions of the report, the English version will control and supersede any ambiguities associated with any part or section of a report that has been issued in a foreign language. Neither the analyst, Morningstar, Inc., nor the Equity Research Group guarantees the accuracy of the translations.

This report may be distributed in certain localities, countries, and/or jurisdictions ("territories") by independent third parties or independent intermediaries and/or distributors ("distributors"). Such distributors are not acting as agents or representatives of the analyst, Morningstar, Inc., or the Equity Research Group. In territories where a distributor distributes our report, the distributor is solely responsible for complying with all applicable regulations, laws, rules, circulars, codes, and guidelines established by local and/or regional regulatory bodies, including laws in connection with the distribution of third-party research reports.

Risk Warning

Please note that investments in securities are subject to market and other risks, and there is no assurance or guarantee that the intended investment objectives will be achieved. Past performance of a security may or may not continue in the future and is no indication of future performance. A security investment's return and an investor's principal value will fluctuate so that, when redeemed, an investor's shares may be worth more or less than their original cost.

A security's current investment performance may be lower or higher than the investment performance noted within the report. Morningstar's Uncertainty Rating is a useful data point with respect to sensitivity analysis of the assumptions used in our determining a fair value price.

Conflicts of Interest

- No interests are held by the analyst with respect to the securities subject of this investment research report.
- Morningstar, Inc., may hold a long position in the securities subject of this investment research report that exceeds 0.5% of the total issued share capital of the security. To determine if such is the case, see <https://www.morningstar.com/company/disclosures/holdings>.
- Analysts' compensation is derived from Morningstar, Inc.'s overall earnings and consists of salary, bonus, and in some cases restricted stock.
- Morningstar's overall earnings are generated in part by the activities of the Investment Management and Research groups, and other affiliates, that provide services to product issuers.
- Neither Morningstar, Inc., nor the Equity Research Group receives commissions, compensation, or other material benefits in connection with providing research, nor do they charge companies to be rated.
- Morningstar employees may not pursue business or employment opportunities outside Morningstar within the investment industry (including, but not limited to, working as a financial planner, an investment professional or investment professional representative, a broker/dealer or broker/dealer agent, a financial writer, reporter, or analyst) without the approval of Morningstar's Legal and if applicable, Compliance teams.
- Neither Morningstar, Inc., nor the Equity Research Group is a market maker or a liquidity provider of the securities noted within this report.
- Neither Morningstar, Inc., nor the Equity Research Group has been a lead manager or co-lead manager over the previous 12 months of any publicly disclosed offer of financial instruments of the issuer.
- Morningstar, Inc.'s Investment Management group has arrangements with financial institutions to provide portfolio management/investment advice, some of which an analyst may issue investment research reports on. In addition, the Investment Management group creates and maintains model portfolios whose underlying holdings can include financial products, including securities that may be the subject of this report. However, analysts do not have authority over Morningstar's Investment Management group's business arrangements or allow employees from the Investment Management group to participate or influence the analysis or opinion prepared by them.
- Morningstar, Inc., is a publicly traded company (ticker: MORN) and thus a financial institution the security of which is the subject of this report may own more than 5% of Morningstar, Inc.'s total outstanding shares. Please access Morningstar, Inc.'s proxy statement, "Security Ownership of Certain Beneficial Owners and Management" section at <https://shareholders.morningstar.com/investor-relations/financials/sec-filings/default.aspx>.

Morningstar may provide the product issuer or its related entities with services or products for a fee and on an arm's-length basis, including software products and licenses, research and consulting services, data services, licenses to republish our ratings and research in their promotional material, event sponsorship, and website advertising. Further information on Morningstar's conflict-of-interest policies is at <http://global.morningstar.com/equitydisclosures>.

For a list of securities the Equity Research Group currently covers and provides written analysis on, or for historical analysis of covered securities, including fair value estimates, please contact your local Morningstar office.

For Recipients in Australia: This report has been issued and distributed in Australia by Morningstar Australasia Pty. Ltd. (ABN: 95 090 665 544; ASFL: 240892). Morningstar Australasia Pty. Ltd. is the provider of the general advice ("the service") and takes responsibility for the production of this report. The service is provided through the research of investment products. To the extent the report contains general advice, it has been prepared without reference to an investor's objectives, financial situation, or needs. Investors should consider the advice in light of these matters and, if applicable, the relevant Product Disclosure Statement before making any decision to invest. Refer to our Financial Services Guide, or FSG, for more information at <http://www.morningstar.com.au/s/fsg.pdf>.

For Recipients in New Zealand: This report has been issued and distributed by Morningstar Australasia Pty Ltd and/or Morningstar Research Ltd (together 'Morningstar'). This report has been prepared and is intended for distribution in New Zealand to wholesale clients only and has not been prepared for use by New Zealand retail clients (as those terms are defined in the Financial Markets Conduct Act 2013).

The information, views and any recommendations in this material are provided for general information purposes only, and solely relate to the companies and investment opportunities specified within. Our reports do not take into account any particular investor's financial situation, objectives or appetite for risk, meaning no representation may be implied as to the suitability of any financial product mentioned for any particular investor. We recommend seeking financial advice before making any investment decision.

General Disclosure Continued

For recipients in India: This investment research is issued by Morningstar Investment Research India Private Limited (formerly known as Morningstar Investment Adviser India Private Limited). Morningstar Investment Research India Private Limited is registered with SEBI as a Research Entity (registration number INH000008686). Morningstar Investment Research India Private Limited has not been the subject of any disciplinary action by SEBI or any other legal/regulatory body. Morningstar Investment Research India Private Limited is a wholly owned subsidiary of Morningstar Investment Management LLC. In India, Morningstar Investment Research India Private Limited has one associate, Morningstar India Private Limited, which provides data-related services, financial data analysis, and software development. The research analyst has not served as an officer, director, or employee of the fund company within the last 12 months, nor have they or their associates engaged in market-making activity for the fund company.

For recipients in Japan: This report is distributed by Morningstar Japan, Inc. for informational purposes only. Neither Morningstar Japan, Inc. nor its representatives are acting or will be deemed to be acting as an investment advisor to any recipients of this information.

For recipients in Korea: This report is distributed by Morningstar Korea Ltd., which has filed to the Financial Services Committee, for informational purposes only. Neither Morningstar Korea Ltd. nor its representatives are acting or will be deemed to be acting as an investment advisor to any recipients of this information.

For recipients in Singapore: This report is distributed by Morningstar Investment Adviser Singapore Pte Limited, which is licensed and regulated by the Monetary Authority of Singapore to provide financial advisory services in Singapore. Recipients of this report should contact their financial advisor in Singapore in relation to this report. Morningstar, Inc., and its affiliates rely on certain exemptions (Financial Advisers Regulations, Section 28(1)(e), Section 32B and 32C) to provide its investment research to recipients in Singapore.



22 West Washington Street
Chicago, IL 60602 USA

About Morningstar® Equity Research™

Morningstar Equity Research provides independent, fundamental equity research differentiated by a consistent focus on durable competitive advantages, or economic moats.

©2026 Morningstar. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses, and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete, or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages, or other losses resulting from, or related to, the information, data, analyses, or opinions or their use. Investment research is produced and issued by subsidiaries of Morningstar, Inc. including, but not limited to, Morningstar Research Services LLC, registered with the U.S. Securities and Exchange Commission. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. To license the research, call +1 312 696-6869.