

16<sup>th</sup> May 2011

### Advisers begin to look closer to home for returns

Advisers are beginning to look closer to home with their investment choices, with UK All Companies, UK Equity Income and European sectors all increasing in popularity in April, according to the latest adviser sales trends figures from Cofunds, the leading independent platform for financial planning.

UK Equity Income, despite being the second highest sector for total assets on the platform, only accounted for 2.0 per cent of net sales in the first quarter of 2011. However, April saw an uplift to 4.4 per cent which allowed the sector to finish the month as the sixth highest selling based on net sales. Its highest selling fund was Artemis Income (see table below).

April 2011 Net Sales	
1	Jupiter Merlin Income Portfolio
2	M&G Global Dividend
3	Invesco Perpetual Monthly Income
4	Thames River Distribution
5	Henderson MM Income & Growth
6	Aberdeen MM Cautious Managed
7	Henderson MM Distribution
8	M&G Recovery
9	M&G Global Basics
10	M&G Optimal Income
11	Invesco Perpetual Distribution
12	Newton Real Return
13	Standard Life Investments Global Absolute Return Strategy
14	Aberdeen Emerging Markets
15	Newton Global Higher Income
16	Legal & General Dynamic Bond
17	Artemis Income
18	AXA Framlington UK Select Opportunities
19	Jupiter Merlin Balanced Portfolio
20	Jupiter Merlin Growth Portfolio

In a similar trend UK All Companies increased its net sales from 7 per cent year to date to 8 per cent in April and the European excluding UK sector moved into inflow in April with 1 per cent of net sales (from -1.2 per cent year to date).

Cautious Managed remained the highest selling sector although it reduced its lead considerably from 32 per cent in March to 24 per cent in April. This was the lowest monthly sales Cautious Managed has seen since 2009.

Michelle Woodburn, Manager, Fund Group Relations at Cofunds said: "There were two themes of interest that emerged from the April sales trends. Firstly the sectors closer to home, UK Equity Income, UK All Companies and Europe excluding UK all

saw an increase in their net sales as advisers began to favour these sectors due in part to increased volatility in the markets and unrest in the middle east. Secondly, although Cautious Managed remained the highest selling sector, it had a sizable decrease in net sales. As the gross figures maintained their strength this suggests that this decrease was due to redemptions, not a stemming of new money flowing in."

- Ends -

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**Notes to Editors:**

Cofunds is the leading independent investment platform for advisers and other financial institutions, with assets under administration in excess of £32bn (as at 01.05.11). It is an independent platform providing flexible, reliable and convenient administration and management services for advisers and their clients as well as dealing and custody services for financial institutions. It does not offer investment management or advice, nor does it compete with advisers by offering its services direct to the end client. Cofunds exists to serve the needs of institutions, advisers, their clients, and fund managers.

Cofunds is authorised and regulated by the Financial Services Authority.