

SIXTY SECOND REVIEW

UK FUND INDUSTRY

1ST QUARTER 2014



FUNDSCAPE

It was a good first quarter for the UK fund industry, although investors did become slightly more cautious. There were concerns about the possibility of US interest rates starting to rise earlier than expected, and the problems in the Ukraine didn't help either. Still equity funds continued to be the main game in town.

UP AND UP

Gross retail sales in Q1 were up 28% on Q113. Net sales were an impressive 96% higher than Q1 last year.

EQUITIES STILL ON TOP

Equity funds were the best sellers to retail investors for sixth quarter in a row.

NUMBER ONE ONCE MORE

Pridham Report shows M&G back in top spot for gross retail sales in Q1.

TWO IN ONE

Kames in top ten for net retail sales thanks to successful launch of Diversified Income — a mixed asset fund for income hungry investors.

PROPERTY OWNER

Henderson's top selling property fund helps keep it among top retail sellers.

UP AND DOWN

But relative to Q413, net retail investment was 10% down despite an 11% rise in gross sales.

PROPERTY BOOM

Net sales of property funds in Q1 were 17% higher than at the same time last year.

NET BENEFICIARIES

Old Mutual Global Investors tops the net retail sales chart thanks to Buxton and re-launch.

MIXED RESULTS

Barings regains place in retail net top ten as its Multi Asset and European funds find favour with wealth mgrs.

MORE THAN

Legal & General enters top ten for net retail sales due to passive and property fund sales.

PLUS AND MINUS

ISA gross sales were higher than last year, but so too were redemptions. Still the net result was £480m.

BACK TO THE BLACK

Retail investment in bond funds turned positive again in first quarter.

PERFORMANCE WINNER

Invesco Perpetual sees gross retail sales increase as good performance makes up for Woodford exit.

STILL GOING STRONG

Standard Life continues to feature in gross and net retail top tens with GARS still a strong seller.

GOOD NEWS

Increased ISA allowance and no need to purchase annuities bode well for fund industry future.