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## Woodford's new fund and a strong sterling bumps up IMA UK Equity Income sector

The UK Equity Income sector has taken the top spot in the Q2 IMA sector leader board, following huge inflows into the CF Woodford Equity Income fund, according to figures from Cofunds, the leading general investment platform.

UK Equity Income is the best selling sector, recording the highest percentage of net sales with 55.33 per cent over the last three months. Additionally, the strength of sterling is a compelling reason for investors to prefer UK funds over international alternatives, with sterling hitting multi-year highs against many currencies.

The Mixed Investment 20-60% Shares sector proved to be the second best selling sector with net inflows of 38.94 per cent over this period, suggesting momentum behind mixed asset funds continues to gather pace as investors maintain their focus on diversifying risk.

Meanwhile, the popularity for investing in the Property sector has continued into Q2. Property was placed third among the top five with 33.80 per cent of net sales after being named the highest selling sector in May. The figure is due largely to commercial property with momentum coming from an improvement in economic fundamentals.

The £ Strategic Bond and Global sectors appear fourth and fifth with net sales of 14.52 per cent and 8.78 per cent respectively. The £ Strategic Bond has defied the uncertainty that has plagued fixed-income markets over the past year while the Global sector's ranking amongst the top five can be directly attributed to improved sentiment towards developed markets. The economic data from the US, the UK and even Europe has been encouraging and is further supported by Japan's stock market rally since the second half of last year, following the announcement of massive stimulus measures.

A number of Income Generating funds were among the top 20 highest selling, although it was the hugely popular Woodford offering which launched in June that proved to be the best selling fund over the last quarter.

Commenting on the latest adviser sales trends, Graham Venn, Head of Commercial at Cofunds, said:

“Neil Woodford’s £1.6bn portfolio in the already popular Equity Income sector has bumped Property off its perch. As global equity markets continue to hit new highs there is a natural tendency for investors to reduce their interests overseas and increase their exposure to domestic markets, which is why we’re seeing considerable demand for UK equities.

“Interestingly, a closer look at the leader board reveals a 46.55 per cent spread separating the UK Equity Income sector from the Global.”

20 top selling Q2 funds	
1	CF Woodford Equity Income
2	Henderson UK Property
3	Premier Multi-Asset Distribution
4	Henderson Cautious Managed
5	F&C MM Navigator Distribution
6	Threadneedle UK Equity Income
7	Artemis Global Income
8	Invesco Perpetual Gbl Targeted Ret
9	Royal London UK Equity Income
10	Jupiter Strategic Bond
11	SWIP Property
12	HSBC American Index
13	SL Inv UK Property Feeder
14	Schroder MM Diversity
15	Cavendish Opportunities
16	Invesco Perpetual European Equ
17	M&G Feeder of Property Portfolio
18	M&G Optimal Income
19	Fundsmith Equity
20	AXA Framlington Managed Balanced

- Ends -

**Notes to editors**

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\* Source Fundscape at 31/3/14 (nb these assets are made up of Cofunds and Investor Portfolio Services)