Money Observer

Top 10 most popular investment trusts - March 2017

The fine form stock markets have been enjoying since last summer continued in March, with the FTSE 100 crossing the 7,400 mark for the first time.

When markets are riding high investors naturally become more cautious, which is perhaps why it is no surprise that the top 10 most-bought trusts is relatively unchanged for the month of March, with investors continuing to back the tried and tested investment trust names.

Data from our sister website Interactive Investor shows trusts in the global sector continue to dominate the top 10, while UK trusts are also well-represented. But while most trusts have managed to stay in the top 10 for another month, there have been a couple of new entries.

Scottish Mortgage tops most popular investment trusts table

For the 23rd month running Scottish Mortgage was the most-bought trust. The company is still benefiting from its recent promotion to the FTSE 100 index, which should in theory give the trust a short-term boost due to the fact FTSE 100 tracker funds to automatically buy into the company. The trust continues to perform well above its sector's average, and is ranked second for performance within the Association of Investment Companies (AIC's) global sector on both a three and five year timeframe.

An exclusive interview with James Anderson, manager of Scottish Mortgage, appears in the April edition of Money Observer as part of our Money Maker series. The online version of the interview can be read here.

HICL Infrastructure shot up to second place from outside the top 10 this month. In January, we named HICL Infrastructure as an investment trust to watch for income and growth in 2017, due to Trump's pledge to invest $1 trillion in infrastructure. Its future popularity may depend on Trump's ability to follow through with his promises, but with infrastructure trusts being known for providing income and stability in uncertain times, it could well remain in the top 10 for months to come.

HICL's success is Witan Investment Trust's loss, with the latter being bumped down to third place after a few months of climbing the table. The trust had a strong February, with its share price rising 4.8 per cent, but returns cooled somwhat in March, rising 0.4 per cent for the month of March. Overseen by Andrew Bell the trust contains 10 to 15 fund managers, who each run a different geographical portfolio. The blend of different approaches and styles helps smooth out the volatility normally associated with a single fund manager. The trust boasts 41 consecutive years of annual dividend increases.

Woodford Patient Capital Trust and City Of London Investment Trust complete the top five.

Finsbury Growth and Income fell out of the top five to sixth place last month, while RIT Capital Partners moved up from eight to seventh. BlackRock World Mining tumbled quite significantly from fifth place to eighth, after spending two consecutive months climbing the table.

Foreign and Colonial fell to ninth place last month, while finishing off our top 10 is a new entry, Monks. The trust has performed well since Charles Plowden took the helm as fund manager back in 2015, with a fund performance of 65.4 per cent over the past three years – 20 per cent above its sector average.

See the full table below, and don't forget to read our top 10 most popular funds league table for March.

Bankers and Biotech Growth exit the top 10.

Rank	Trust	AIC Sector	Change since February	1m SP total return to 4 Apr (%)	3yr SP total return to 4 Apr
1	Scottish Mortgage*	Global	--	5.6	81.5
2	HICL Infrastructure	Infrastructure	--	3.9	45.2
3	Witan*	Global	-1	0.4	45.5
4	Woodford Patient Capital	UK All Companies	-1	-2.6	n/a
5	City of London Investment Trust*	UK Equity Income	+1	-0.9	24.2
6	Finsbury Growth*	UK Equity Income	-2	0.3	42.1
7	RIT Capital Partners*	Flexible Investment - Mixed Asset	+1	-2.4	46
8	Blackrock World Mining Trust*	Commodities and Natural Resources	-3	-4.3	-10.3
9	Foreign And Colonial Investment*	Global	-2	-1.9	59.4
10	Monks Investment Trust	Global	New Entry	2.2	65.4

**Denotes a Money Observer Rated Fund*