American Funds Is the Top Brand in Large Cap Funds

By Editor Test *Wed, Nov 17, 2010*

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American Funds is considered the "go-to" provider of large-cap growth and large-cap value funds among registered investment advisors, according to a new report from Cogent Research.

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BlackRock, American Funds' nearest competitor in these two asset classes, is named as the "go-to" fund provider by 7% and 6% of advisors, respectively.

No single fund company dominates among advisors seeking mid-cap, small-cap, or international product offerings, according to Cogent's *Advisor Trends in Asset Class Mix 2010TM,* a report based on a nationally representative survey of over 1,400 registered advisors.

American Funds dominate all channels except for the registered investment advisor (RIA) channel, where Vanguard Group, Fidelity Investments, and, to a lesser extent, DFA (Dimensional Fund Advisors) pose a challenge.

In all six style boxes comprised of mid-cap and small-cap asset classes, Fidelity Investments and Franklin Templeton are just a few points behind American Funds for advisors who name them as "go-to" providers in these categories.

Franklin Templeton is strong among Regional and Bank channel advisors. "There's a lot more competition… outside of the large-cap arena," said Tony Ferreira, Managing Director of Cogent's Wealth Management practice. "At least a half dozen fund companies are in the hunt within the mid- and small-cap fund space."

"Take The Hartford and Lord Abbett, for example," he added. "Among Regional [broker-dealers], these two players match or surpass what a number of larger competitors, including American Funds, are doing in all three mid-cap categories."

For international equity funds, American Funds and Franklin Templeton were named by 25% and 17% of advisors respectively as their "go-to" provider. Beyond those two providers there are at least 30 contenders each with their own small piece of the pie.

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