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## Investors flock back to stocks

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By Editor Test      Thu, Aug 8, 2013

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U.S. equity mutual funds and exchange-traded funds received a record \$40.3 billion in July, according to TrimTabs Investment Research. Last month's inflow easily surpassed the previous record of \$34.6 billion in February 2000.

"The 'great rotation' so many pundits have been expecting may finally be starting," said TrimTabs CEO David Santschi, in a release. "In June and July, U.S. equity funds posted an inflow of \$39.9 billion, while bond funds redeemed \$90.1 billion."

In a research note, TrimTabs explained that global equity funds were also attracting heavy inflows. Global equity mutual funds and exchange-traded funds took in \$15.5 billion in July.

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TrimTabs also reported that outflows from bond funds are persisting. Bond mutual funds and exchange-traded funds redeemed \$21.1 billion in July after losing a record \$69.1 billion in June.

"Investors dumped bond funds at a record pace at the mere suggestion that the Fed might take away the punchbowl sometime in the future," said Santschi. "What will happen when the Fed does more than just talk?"

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