# Separately managed account inflows rebound in 2012: TrimTabs

By Editor Test *Tue, May 29, 2012*

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Separately managed accounts received estimated net inflows of $34 billion in the first quarter of 2012, reversing outflows of $104.6 billion in the last two quarters of 2011, according to TrimTabs Investment Research and Informa Investment Solutions Plan Sponsor Network.

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Separate accounts, which are managed by investment companies on behalf of pension funds, pooled funds, insurance companies, or wealthy individuals, allow investors substantially more control over their holdings compared to investments in mutual funds, hedge funds and exchange-traded funds.

In a research note, TrimTabs reported that first-quarter flows into separate accounts—favoring fixed-income securities and shunning U.S. stocks—match investor demand for other major investment vehicles including mutual funds, ETFs and hedge funds.

“These flow numbers suggest investors are unconvinced that the global economy will remain in recovery mode going forward,” said Charles Biderman, CEO and founder of TrimTabs. “Separate account managers see limited potential for capital appreciation in stocks and they are putting a premium on current income in a low-yield environment.”

Flows into separate accounts for the three quarters ending March 31 tell much the same story, according to TrimTabs. While U.S. equity accounts lost $158.1 billion, foreign equity accounts gained $28.9 billion and bond accounts gained $31.9 billion.