

## Questor share tip: JLIF's popularity is for good reason

John Laing Infrastructure Fund saw strong demand in a fundraising. Questor says buy for the income.



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### John Laing Infrastructure Fund

**107.6p+0.85**

### Questor says BUY

John Laing Infrastructure Fund (JLIF) has raised £60.4m in a share issue that was “significantly” oversubscribed.

The demand for the issue is a reflection of investors search for yield in a low interest rate environment. Private investors have been soaking up retail bonds from companies such as National Grid and Workspace Group in a win-win situation for investors and business. In capital constrained times, companies have accessed funding and investors have got a solid return for their cash.

The proceeds of the share sale will be used to buy two new projects and an additional stake in Forth Valley Royal Hospital from its parent John Laing Group. This relatively low-risk investment provides a long-term return and is the type of investment favoured by some pension funds.

JLIF is on track to pay a dividend of around 6p this year, after paying 3p at the interim stage. Last year the group paid a total of 6pc, so investors are hoping for an increase at the full year. If the payment is not raised, the yield is about 5.5pc.