

June 2015 - Monthly Review

FYI, below are slides summarizing Standard & Poors' recent 2015 study – showing how few fund managers actually beat their index benchmarks. The S&P study covers US, European, Global and South African equity and bond benchmarks. The latest results are a sad indictment on most active fund managers, who rarely outperform their index benchmarks. Typically between 80%-90% of fund managers failed over the past 5 year period!

Kind regards,

Anthony

% of US Equity Managers underperforming the Index (Dec 31 2014)

	1 year	3 year	5 year	10 year
Large-cap (vs. S&P 500)	86.4%	76.3%	88.7%	82.1%
Medium-cap (vs. S&P 400)	66.2%	70.5%	85.4%	89.7%
Small-cap (vs. S&P 600)	72.9%	80.4%	86.6%	87.8%
All US Equity (vs. S&P 1500)	87.2%	76.8%	80.8%	76.5%

Source: Standard & Poors, Year-End 2014 SPIVA Scorecard



% of Global Equity Managers underperforming the Index (Dec 31 2014)

	1 year	3 year	5 year	10 year
Global (incl US) (vs. S&P Global 1200)	76.9%	73.6%	75.5%	79.2%
Global (ex US) (vs. S&P 700)	68.9%	58.5%	62.5%	84.1%
Global Small Cap (vs. S&P Developed Ex-US Small Cap)	69.4%	50.8%	51.9%	58.1%
Emerging Markets (vs. S&P/IFCI Composite)	68.7%	66.0%	72.2%	89.7%

Source: Standard & Poors, Year-End 2014 SPIVA Scorecard



% of US Bond Managers underperforming the Index (Dec 31 2014)

	1 year	3 year	5 year	10 year
US Govt long bonds (vs. Barclays Long Govt)	97.7%	96.7%	97.7%	95.5%
US Inv Grade short bonds (vs. Barclays 1-3 yr Govt/Credit)	56.8%	55.8%	56.8%	67.5%
High Yield Funds (vs. Barclays High Yield)	73.1%	77.0%	88.8%	93.0%
Global Income Funds (vs Barclays Global Aggregate)	36.1%	36.7%	45.8%	46.8%
Emerging Markets (vs. Barclays Emerging Markets)	84.3%	93.2%	89.7%	75.0%

Source: Standard & Poors, Year-End 2014 SPIVA Scorecard



% of European Equity Managers underperforming the Index (Dec 31 2014)

	1 year	3 year	5 year
Europe Equity (vs. S&P Europe 350)	83.0%	75.7%	81.5%
Eurozone Equity (vs. S&P Eurozone BMI)	84.6%	88.9%	85.8%
Global Equity (vs. S&P Global 1200)	90.0%	92.5%	97.2%
US Equity (vs. S&P 500)	93.7%	95.1%	98.5%

Source: Standard & Poors, Year-End 2014 SPIVA Europe Scorecard



% of SA Equity Managers underperforming the Index (Dec 31 2014)

	1 year	3 year	5 year
SA Equity (vs. S&P SA DWS)	83.7%	82.1%	84.7%
Global Equity (vs. S&P Global 1200)	89.3%	93.1%	96.7%

Source: Standard & Poors, Year-End 2014 SPIVA Scorecard



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