

PERIOD ENDING – 28 FEBRUARY 2019

Managed Funds

Fund name	Size	1 year		3 years		5 years	
	\$m	% p.a.	Rank	% p.a.	Rank	% p.a.	Rank
AUSTRALIAN EQUITIES							
Dimensional Australian Value Trust	690	7.0	16	18.9	1	8.3	40
Allan Gray Australia Equity Fund	1668	7.0	15	18.4	2	10.3	10
Macquarie Australian Shares Fund	117	6.6	23	17.5	3	15.7	2
Solaris High Alpha Australian Equity	288	8.6	5	16.2	4	9.5	21
Macquarie WS Australian Equities Fund	165	5.5	38	16.2	5	11.7	4
Lazard Select Australian Equity Fund	203	6.0	33	15.7	6	9.2	28
Antares High Growth Shares Fund	622	5.6	37	15.7	7	10.6	8
Solaris Core Australian Equity Fund	762	8.8	3	15.4	8	9.4	23
Alphinity Sustainable Share Fund	33	10.2	2	15.3	9	9.6	19
Alphinity Concentrated Australian Share Fund	14	6.9	17	15.0	10	10.2	13
Sector average	\$627	3.6		11.8		8.0	
S&P ASX 200 Accum Index		7.1		12.9		7.3	

INTERNATIONAL EQUITIES

T. Rowe Price Global Equity Fund	2655	11.7	16	18.2	1	15.8	2
AB Global Equities Fund	164	13.3	11	15.8	2		
Walter Scott Global Equity Fund	3372	18.9	2	15.8	3	14.7	4
Platinum International Brands Fund	756	2.9	65	15.7	4	10.3	47
Arrowstreet Global Equity Fund	2359	10.7	20	15.7	5	14.5	5
Franklin Global Growth Fund	194	6.3	52	15.7	6	14.4	7
Nikko AM Global Share Fund	75	14.0	8	15.5	7	14.1	8
Antipodes Global Fund - Long Only	1067	0.9	73	15.4	8		
Ironbark Royal London Concentrated Global Share Fund	86	14.9	5	15.4	9	10.4	46
Platinum Unhedged Fund	303	-2.2	79	15.2	10	10.1	49
Sector average	\$1,037	7.4		12.7		11.5	
MSCI AC World ex AU Index		9.2		13.6		12.0	

Note: The performance figures for diversified funds are net of fees, performance figures for sector specific funds are adjusted for fees.

Fund name	Size	1 year		3 years		5 years	
	\$m	% p.a.	Rank	% p.a.	Rank	% p.a.	Rank
COMBINED PROPERTY							
Australian Unity Retail Property Fund	26	25.7	1	25.3	1	20.3	1
Australian Unity Healthcare Property Trust	806	9.3	43	15.4	2	14.1	4
Lend Lease Aust Prime Property Commercial	4968	12.3	38	14.6	3	13.6	11
Premium Asia Property Fund	9	4.3	48	14.2	4	16.8	2
Investa Commercial Property Fund	5295	14.1	31	13.8	5	13.8	9
DEXUS Property Fund	9389	12.7	37	13.8	6	13.3	17
Australian Unity Property Income Fund	207	16.1	18	11.6	7	13.1	20
Lend Lease Aust Prime Property Industrial	950	14.4	30	11.4	8	12.5	25
Macquarie Property Securities Fund	65	22.9	5	11.2	9	14.6	3
Legg Mason Martin Currie Real Income Fund	661	14.5	28	11.0	10	14.1	5
Sector average	\$1,070	14.9		9.6		11.9	
S&P ASX200 A-REIT Index		18.9		8.6		13.0	

FIXED INTEREST

Franklin Templeton Multisector Bond Fund	350	2.1	61	6.2	1	3.4	58
Ardea Real Outcome Fund	876	3.7	38	5.3	2	4.0	50
Yarra Income Plus Fund	94	6.4	5	5.0	3	4.8	22
Janus Henderson Diversified Credit Fund	276	2.9	49	4.9	4	3.8	52
PIMCO Global RealReturn Fund	11	2.1	60	4.9	5	6.1	1
Perpetual Diversified Income Fund	1257	1.7	64	4.6	6	4.2	46
BMO Pyrford Global Absolute Return Fund	922	6.1	10	4.4	7		
Macquarie Global Income Opportunities	396	2.7	54	4.4	8	3.4	57
PIMCO Global Bond Fund	5457	3.1	46	4.3	9	5.1	4
Perpetual Dynamic Fixed Income Fund	29	2.5	56	4.2	10	4.4	43
Sector average	\$808	3.7		3.3		4.3	
Bloomberg Ausbond Composite		6.5		3.6		5.0	

Source: Rainmaker Information



End game

MySuper is not a backstop. It is not what you do with your superannuation while you figure what else you should do.

It is ground zero and we need to start thinking about MySuper like the superannuation equivalent of Medicare or public schools.

Some wrong-footed super operators are just starting to get this.

And if they aren't, a quick browse of the recently passed 'Improving Accountability and Member Outcomes in Superannuation' and the 'Design and Distribution Obligations and Product Intervention Powers' legislation should fix that.

The not for profit (NFP) sector has meanwhile won the war. They are twice as big as retail, attract twice the contributions and are growing twice as fast.

But this victory has come with a twist. It's putting more scrutiny on less competitive or excessively conservative MySuper products that were previously shielded by the rhetoric of the tribal fight between them and their retail opponents.

This is why fewer retail funds hasn't given NFP funds the keys to the Kingdom. It's just resulted in everyone now competing with the heavyweights like they've all been promoted to Premier Division.

In Premier Division, no one frets about the Productivity Commission's Best in Show because they know it's already here – the 20 most popular super funds right now attract 80% of all contributions. Best In Show just brings this into the open.

Yet while the market is dominated by two dozen popular super brands, the ones attracting the contributions aren't always the ones with the top performance track records. A smartly run distribution network still seems to beat low fees and top investment returns.

Which is why the penny has finally dropped among regulators that they should no longer exempt the super sector from competition laws.

In the meantime, we can jaw-bone Australians as much as we like about why they must be vigilant about their choice of super fund. But we also have to be realistic about how hard it is to be a modern consumer.

For many, having to constantly compare choices whether they be schools, banks, health funds or even the type of energy you want pulsating through the wires in your house is just exhausting.

Having to find a good super fund is just one more thing to be confused about.

It doesn't have to be that way of course because getting a list of Australia's top funds is easy. Rainmaker publishes those lists every

month for free as do many other publishers.

At first glance this seems an environment tailor-made for NFP funds. Trouble is, not all NFP funds have been created equal. Some genuinely struggle, and with fewer and fewer retail competitors guess which funds will now be taking their spotlight at the bottom of the league tables?

This leaves little room for the narrowing list of NFP fund operators to misstep. Retail funds may be down but they're not yet out. Illustrating this, it may shock some NFP super fund trustee boards to learn that many of their millennial members would have been better off in a bank-owned retail life stage choice these past few years.

It may also shock them to learn some of their younger members aren't just breaking the 3% fee barrier but they have smashed through the 30% barrier.

Will this be enough to get retail back into the game? Hard to say, but in anycase their next battlefield could be their most daunting: retirement.

NFP funds in 2016 held 37% of retirement FUM in APRA-regulated funds. By June 2018 this share had climbed to 41%. Within five years it could surge past 50%.

If retail superannuation allows retirement to be MySupered then we are in the end game. You won't want to miss this blockbuster. **FS**



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