

# Press release

FOR IMMEDIATE RELEASE

## Number of funds delivering top quartile returns, each year, for the last three years remains below the historic average

**LONDON, 08 May 2017** — The number of funds achieving top quartile returns over a one year rolling period, for three years, is below the historic average, driven by geopolitics impacting market sentiment.

According to the F&C Multi-Manager Survey, of the main 12 IA sectors, only 18 out of 1,138 (1.6%) funds achieved top quartile returns each one year period, for the past three years, to the end of Q1 2017. This is a slight increase from Q4 2016, which saw 1.1% of funds achieving this, but remains below the historic average of between 2-5%.

Of the 12 IA sectors, seven failed to record a fund achieving this feat. Of the five that did, the IA Global Equity sector was the most consistent, with 4.9% of funds achieving this. This was followed by the IA Emerging Markets (3.3%), IA £ Strategic (2.9%), IA £ Corporate Bond (2.6%) and IA UK All Companies sectors (1.2%).

Lowering the hurdle, 124 out of 1,138 funds delivered above median returns, for each one year period, over three years as at the end of Q1 2017. Nearly a quarter of funds in the IA £ Corporate Bond sector recorded this, the highest proportion of the 12 sectors. The IA Global Equity and IA £ Strategic Bond sectors recorded the second and third highest at 18.4% and 15.9% respectively.

**Kelly Prior, investment manager for F&C Multi-Manager Solutions, commented:** “In the first quarter of 2017, our survey has again revealed the low number of funds achieving consistent top quartile returns over three years remains below the historic average. This is not surprising given how much markets were impacted by geopolitical factors and central banks policies. Politics exerted significant influence on the direction of currencies of the affected economies. Despite the Federal Reserve raising interest rates, the Dollar fell back as confidence in the ability of President Trump to push through market friendly policies fell. However, the Yen was the beneficiary of this, making solid ground over sterling as a perceived safe haven currency.”

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### **About BMO Global Asset Management**

BMO Global Asset Management is a global investment manager with offices in more than 25 cities in 14 countries, delivering service excellence to clients across five continents.

Our four major investment centers in Toronto, Chicago, London and Hong Kong are complemented by a network of world-class boutique managers strategically located across the globe: BMO Real Estate Partners, LGM Investments, Money, Inc., Pyrford International Ltd., and Taplin, Canida & Habacht, LLC. BMO Global Asset Management is a signatory of the United Nations-supported Principles for Responsible Investment initiative (UNPRI).

BMO Global Asset Management is a part of BMO Financial Group, a highly diversified financial services provider based in North America with total assets of CDN \$692 billion as of January 31, 2017, and over 45,000 employees. BMO Wealth Management has worldwide assets under management of CDN \$402 billion as of January 31, 2017.

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