


Investment companies v OEICs/unit trusts

The AIC has been training advisers who are less familiar with the sector about issues which affect the performance of investment companies, such as discounts and the closed-ended structure. Advisers have been asking us how this translates into actual performance and in particular how this compares with the performance of funds they are more familiar with, such as open-ended funds (unit trusts/OEICs). We thought it would therefore be helpful if we showed the performance of investment companies relative to comparable open-ended funds and we have provided the latest table of this information (to the end of December 2018) produced by Canaccord Genuity. We are publishing this table quarterly and, over time, we hope this table will help advisers understand better how different market conditions can affect the performance of investment companies compared to open-ended funds.

Shareholder total returns to 31 December 2018 (unweighted, £ adjusted, base = 100)

Sectors	1 year		5 years		10 years	
	Investment companies	OEIC/Unit trusts	Investment companies	OEIC/Unit trusts	Investment companies	OEIC/Unit trusts
Global	95.8	94.2	171.1	146.4	378.4	252.6
Global Equity Income	92.5	94.2	148.8	141.8	372.7	252.9
Flexible	95.9	93.3	137.9	126.7	218.8	210.3
UK Equity Income	91.8	89.4	125.1	120.1	351.0	238.5
UK All Companies	87.2	88.8	114.5	119.2	319.2	248.6
North America	96.4	98.6	156.4	174.4	292.9	333.4
Europe vs. Europe ex UK	87.4	87.8	143.7	130.8	320.7	216.9
Global Emerging	92.7	88.4	128.7	136.0	195.1	238.5
AsiaPacific ex Japan	95.8	90.2	168.9	151.8	408.4	284.3
Japan	85.2	88.7	172.1	150.6	401.2	200.1
UK Direct Property	100.0	103.0	138.2	133.9	399.2	175.9
UK SmallCap	89.8	88.2	145.4	137.6	562.6	420.0
Japanese SmallCap	88.2	87.8	202.1	184.0	467.7	309.9
TMT	103.2	101.0	217.5	190.4	743.7	454.7
European SmallCap	80.2	84.6	155.4	143.2	381.9	320.3
North American Smaller	96.6	95.1	155.1	157.0	387.0	369.6

Source: IA/Morningstar

 Indicates investment company outperformance vs OEIC/unit trust performance over given time period

 Indicates OEIC/unit trust outperformance vs investment company performance over given time period

The investment company data is unweighted share price total return performance figures on a mid-price to mid-price basis. OEIC/unit trust data is unweighted total return performance figures on a bid price to bid price basis. Source: IA/Morningstar. All data to end of December 2018. Table produced for the AIC by Canaccord Genuity. The AIC, and Canaccord Genuity, accept no responsibility for any errors or omissions in this table or for any loss occasioned to any person or organisation acting or refraining from action as a result of any material contained or any omissions.