

Allan Gray bests peers to retain top position

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Allan Gray has outplayed its peers for the second quarter running to top two categories in an independent analysis of retail unit trust funds in SA. The asset manager scored the top spots in investment research firm Morningstar's SA Rating Analysis of unit trusts' returns for the quarter ended December 2016.



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This is the third report of its kind. The reports compare funds' risk-adjusted returns over three, five and 10 years on a rolling quarterly basis. While Morningstar says the analyses are not an indication of future performance, they are useful for reference purposes.

Allan Gray, Prudential Investment Managers and Truffle Asset Management are the only three asset managers (out of 20) that have secured the top-five spots across the two main categories of Morningstar's rating since June 2016.

An asset manager must manage at least R5bn in assets and have at least three retail funds with a three-year track record in order to be included in the ratings. The ratings include an overall-weighted and asset-weighted category. The latter gives a heavier weighting to the larger funds in an asset manager's portfolio, while the former indicates the average quality of the overall fund range.

Allan Gray has topped the two categories for the past two quarters. For the quarter ended June 2016 it topped the asset-

weighted rating but came second to Foord Unit Trusts in the equal-weighted rating.

The performance of the asset managers' equity, fixed-income and multi-asset portfolios are also ranked.

Allan Gray was ranked the strongest equity manager to the end of the fourth quarter, nabbing the title from Foord, which had held it for the previous two quarters and shared it with Truffle for the quarter ended June 2016.

Coronation topped the fixed-income rankings for the quarter ended December 2016, while Allan Gray was placed first in the multi-asset category for the third quarter running.

In line with previous quarters, the performance of unit trusts offered by investment companies within large life insurers fell in the bottom half of the rankings.

Source: Business Day

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