

# Best Large Cap Australian Equities Fund in the past 10 years



## Aussie funds deliver strong returns

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The best large cap Australian equities funds in the past 10 years, a list led by Aviva Investors Professional High Growth Shares and Prime Value Growth, posted triple-digit returns for investors even after the decade's economic turbulence.

The Aviva fund, led by portfolio manager Richard Dixon, returned 136.7 per cent in the decade to December 2009, while its Prime counterpart added 135.9 per cent, according to Morningstar data.

The returns compare to the benchmark S&P/ASX 200 Accumulation Index's 87.9 per cent gain over the period.

"When first introduced in the late 1990s, the Aviva Investors High Growth Shares Fund was one of the first products in the Australian market to allow short selling," an Aviva Investors

spokesperson said.

"While predominantly a long equity fund, it has been able to utilise other techniques such as active trading and short selling to add value for investors over what has been an eventful decade.

"The fund's style and integrity has been maintained through a stable management team, which has helped to achieve consistently strong performance over all time periods since its inception."

Other top performers over the period include Perpetual Wholesale Concentrated Equity, Dimensional Australian Value, Tyndall Australian Share Wholesale Portfolio and UBS Australian Share.

The Perpetual product gained 127.7 per cent, while Dimensional added 127.2 per cent, Tyndall 123.6 per cent and UBS 120 per cent.

Among the worst performers were funds from Challenger Financial

Services Group and Macquarie Group.

Challenger's Select Australian Share Fund returned 51 per cent in the 10 years to December 2009, while Macquarie's Active Australian Equities Trust gained 53.5 per cent.

Platinum International Fund was the top performer among global large cap funds, delivering a 96.9 per cent return to investors.

"Platinum is a world class fund manager. Put simply, Australian investors are very lucky to be able to access Kerr Nielson and his team," Morningstar co-head of research Chris Douglas said.

"They have an approach that pays little adherence to a benchmark and the portfolio is well diversified across regions and sectors. Asia in particular has been a rewarding hunting ground for the fund.

"The ability to short and add value

through currency management has also proved very beneficial when markets turn. It's difficult to find a fault with this approach. "

Dimensional Global Value, Zurich Investment Global Thematic Share and Arrowstreet Global Equity (Hedged) were among large cap global equities funds that managed to eek out gains over the decade.

The Dimensional product returned 18.9 per cent while Zurich added 14.8 per cent and Arrowstreet gained 9.3 per cent.

The worst-performing funds in the category included RCM Global Equities, which lost 66.7 per cent, and Perpetual International Share, which fell 57 per cent.

The MSCI World ex-Australia Index in Australian dollars slumped 36.2 per cent over the decade to December 2009. «