

Danish Active Equity Funds Outperform Benchmarks

Stockholm (HedgeNordic) – According to the latest S&P Indices Versus Active Funds (SPIVA) Europe Scorecard, 79% of Danish active equity funds are beating the SPIVA benchmark over a five-year period. This was by contrast to continuing poor performances among other European active equity funds, global equity funds, U.S. equity funds and Emerging Markets funds relative to the benchmark. The performance of the Danish equity funds amounted to one of the best in Europe relative to the benchmark over one, three and five year-periods.

The SPIVA scorecard provides a detailed overview of results for actively managed funds in relation to the relevant S&P benchmark and data for the decade ending on December 31, 2016. Since its first publication 15 years ago, the SPIVA scorecard has been pivotal in the debate over active versus passive management.

Almost all of the Danish active equity funds outperformed the benchmark over the one-year period. Just 2.94% of the funds underperformed the S&P Denmark BMI. On average, active equity funds in Denmark also consistently delivered higher returns over one, three and five year periods, outperforming the benchmark 11.22% for the one-year period, 2.8% for the three-year period and 2.44% over the five-year period. By contrast, 80% of the benchmark underperformed the S&P Denmark BMI.

In addition, the scorecard finds that 100% of active equity funds in Emerging Markets will be unable to beat the benchmark over the ten-year period. Private equity funds in Emerging Markets fared far worse than the benchmark across all time periods, with 93.62% of funds underperforming the S&P/IFCI over the past year. Underperformance rose to 98.17% over the five-year period. 98.45% of actively managed global equity funds underperformed the S&P Global 1200 over the past year, with 88.52% of active global equity funds performing worse. 77.20% of actively managed equity funds in the U.S. underperformed the S&P 500 in the year ending 31 December 2016, with 97.91% underperforming over the ten-year period.

In Europe, 88% of active European equity funds underperformed the S&P Europe 350 over ten years. Almost nine out of ten, or 88.25%, of euro-denominated, actively managed European equity funds underperformed the benchmark over ten years. European active equity funds underperformed the benchmark over all time periods – 80.41%, 73.64% and 74.17% for the one, three and five year periods respectively.

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