

News release

24 February 2006

£7.5 billion of investors' hard-earned savings wasting away in dud funds

With more than £7,500,000,000 of investors' hard-earned savings wasting away in 'dud' funds, Moneyspider urges investors to ignore this year's ISA marketing hype and pay much more attention to the funds they're already invested in

With Spring all but upon us and the ISA season kicking in, funds ratings provider **moneyspider.com** is urging investors to review their current portfolios and to check whether their funds are 'top of the pops' or at the 'bottom of the charts'.

According to new data from **moneyspider.com**, in the popular UK All Companies sector alone, more than **£7,500,000,000 – yes, £7.5 billion - of investors' hard-earned savings is simply wasting away** in underperforming funds. **That's nearly £1,600 for each of the UK's estimated 4.7 million ISA and PEP holders.**

Consumers' champion and moneyspider.com Managing Director, Bill Ross said:

"At this time of year, many investors have started to consider the funds they might choose to invest their ISA allowance, but that really should be their second priority.

"What investors should be doing, as a matter of urgency, is undertaking a complete review of their existing portfolio. Many investors have forgotten what they're invested in, and more alarming still, simply don't realise that their hard earned savings may be simply wasting away in some of the worst performing funds on the market.

*"Take the UK All Companies sector, one of the most popular with investors. **If you had invested £5,000 in the best performing fund, the Schroder UK Mid 250 Fund, five years ago, you would today be £5,662 better off than the investor who put his money in the S&W Nucleus Growth Fund, the worst performing fund** – more than £5,000 better off.*

"Whilst there are some 'stand out' stars in the UK All Companies sector, from groups such as Schroder, Fidelity and JP Morgan, the performance of other funds, from some of the biggest names in the industry - Scottish Widows being a prime example - is truly appalling."

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Top 5 'UK All Companies' funds, as rated by *moneyspider.com*

Fund Name	1 year %	3 year %	5 year %	Moneyspider Rating	Moneyspider % Score
Schroder UK Mid250	30.1729	154.1930	102.0079	A	98.4623
JPM UK Dynamic A	33.8062	131.2036	70.5954	A	97.5474
Fidelity Special Situations	29.3895	120.6030	91.8227	A	97.2643
Saracen Growth A	26.5789	151.8372	78.7284	A	97.1360
SVM UK Opportunities R	26.6751	128.4021	61.6742	A	95.8721

Bottom 5 'UK All Companies' funds, as rated by *moneyspider.com*

Fund Name	1 year %	3 year %	5 year %	Moneyspider Rating	Moneyspider % Score
CF Canlife General	19.9852	68.8633	-9.7682	D	29.9655
Scot Wid Environmental Inv A	19.9524	68.5356	-13.2382	D	28.4088
Premier UK Opportunities	22.1762	50.7685	-22.4594	E	25.7141
CF GHC UK Equity B	18.0596	53.4245	-9.7734	E	23.2588
S&W Nucleus Growth	14.0985	64.8270	-11.2356	E	23.0967

Source: *moneyspider.com*/Financial Express, as at 5/2/06.

If you would like to discuss *moneyspider.com* in more detail, please contact:

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Notes to Editors

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The **Moneyspider Rating®** monitors and ranks **2,000 Unit Trusts and OEICs**, providing a ranking for all funds, and a 'Rank in Sector' rating for each fund, **telling investors what the fund management companies won't** – how their fund holdings compare with their peers.

The **Moneyspider Rating®** is produced by converting a sophisticated **proprietary algorithm of 34 computations** into a % score, calculated to four decimal points, which is then ranked into one of 5 easy-to-understand ratings - **from A (highly rated) to E (very poorly rated)**. The Rating is calculated against a daily information feed, provided by financial services data collector and solutions provider, Financial Express.

The **Moneyspider Rating®** assesses the performance of each fund over 1, 3 and 5 years, comparing it with the FTSE100 and also how that capital sum would have done had it been held in cash (i.e. a secure deposit account). It gives investors a **current valuation on all the funds they hold, at the same point in time**.

The **Moneyspider Rating®** provides a unique assessment of the performance of each fund measured against four parameters, each analysed over one, three and five years (weighted towards the longer term) as follows:

Sector ranking: *comparison with all other funds in the same sector (based on the sector definitions used by the Investment Management Association).*

All Funds ranking: *comparison with all other 2,000 or so Unit Trusts and OEIC funds available to UK investors.*

FTSE 100: *comparison of the total return of the fund with the total return of the FTSE 100 index, providing a consistent benchmark for each fund.*

Cash: *comparison of the fund's performance with the return from an equivalent amount deposited in a 90 day access account.*