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Investors *Get a Better Steer on Fees and Services with Managed Funds Platform Analysis*

New independent research on comparative fund platforms, which compares and evaluates fees and services, rates RaboPlus as the leading online investor platform for wholesale [managed funds](#).

The research undertaken by Investment Trends compared platform fees, minimum [investments](#) to wholesale managed funds, platform administration, online tools, research and [investor education](#) as well as reporting functionality of the major [Wraps](#), such as - Colonial First Choice Wholesale, BT Wrap and Macquarie Wrap. It also compared discount brokers such as InvestSmart, CommSec, and 2020 Funds as well as online platforms E*Trade Australia and RaboPlus. The research is the first of its kind and compares Wraps, which are usually only accessible by financial planners, brokers and online platforms designed for direct [investors](#).

The research compared fees on a \$50,000 investment in 10 common investment funds, over a one to five year period, as well as a blended model portfolio over a five year period.

In year one, Macquarie and BT Wraps were the most expensive in terms of total cost to the investor.

After year two, RaboPlus was the cheapest platform for six out of the ten common funds as the [online platform](#) only charges investors brokerage of 0.75% in the first year, with no entry, exit or ongoing fees.

After the third year, RaboPlus was the most 'cost competitive' platform for the full range of wholesale managed funds surveyed.

Investment Trends researcher Andrew Knox said: "The research found that RaboPlus offered investors consistently lower managed fund brokerage over a five-year investment time horizon across discretionary managed funds and model portfolios, compared with both Wraps and the online managed fund platforms".

"We compared fees over a five-year time horizon because fund managers across most asset classes believe that investors should consider investing in these managed funds long term."

Mr Knox said RaboPlus offered the best value alternative for direct investors who would prefer to conduct their own research and invest in managed funds without seeking advice.

According to RaboPlus Investments Manager Mr Tim Hewson, over a five year period investors can pay up to 260% p.a. more in fees when investing in a Balanced portfolio via a Wrap, and more than 200% p.a. via a discount broker. While RaboPlus can save investors up to 62% pa in fees when compared to the most expensive platform.

"High fees don't always guarantee investors the best platform" Mr Hewson said.

RaboPlus also offers investors the lowest minimum investment into wholesale funds at \$250, compared to all platforms.

E*Trade was the second lowest at \$1,000; CommSec ranged between \$1,000 to \$20,000; and BT and Macquarie Wrap had the highest minimum investments at \$50,000.

"This means that all investors can access the benefits of wholesale funds, rather than just those with larger amounts to invest, improve diversification of their portfolio and better implement strategies like dollar cost averaging to help them traverse volatile market conditions", says Mr Hewson.

"Investors with smaller portfolios have been prejudiced against and have subsidised the discounts made available to investors with larger balances for far too long."

"Fees are a sensitive issue for both investors and the industry, so the less investors pay, the more cost effective it is for investors to implement their investment strategy, and that's an important issue in the current market environment", said Mr Hewson.

"This research challenges the cost of Wraps, online platforms and discount brokers and the real value they deliver direct investors seeking cost effective access to wholesale managed funds."

The research also shows that RaboPlus and E*Trade rated stronger in transaction and administration capabilities with Colonial First Choice Wholesale having the fastest application transaction times.

Mr Knox said RaboPlus offered existing members a completely online transaction experience for new and additional managed fund purchases, an integrated high interest cash account, and flexibility when selling parcels of managed funds, which assists investors to manage their tax position.

"Colonial First Choice Wholesale had the fastest confirmation turnaround times on new investments," Mr Knox. "It was significantly faster than the other online managed fund platforms".

The research also found that RaboPlus was strongest in providing a range of online tools and investor education.

Colonial First Choice Wholesale had the most comprehensive range of reports for investors with RaboPlus offering consolidated tax and CGT reports across multiple funds and individual wraps, as did wrap platforms. CommSec, 2020 and InvestSmart rated weakest on investor reporting.

RaboPlus also provided the most complete managed [fund administration](#) services compared with other online managed fund providers and discount broker, Mr Knox said.

View the detailed findings by clicking here: [RaboPlus Platform Analysis](#)

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RaboPlus is a division of Rabobank Australia Limited, part of the international Rabobank Group, the world's leading specialist in food and agribusiness banking. Rabobank has more than 110 years' experience providing customised banking and finance solutions to businesses involved in all aspects of food and agribusiness.

Rabobank operates in 43 countries, servicing the needs of more than nine million clients worldwide through a network of more than 1600 offices and branches. Rabobank is among the 20 [largest banks in the world](#) based on tier one capital.

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