

## Buying Newly Created Funds 2018

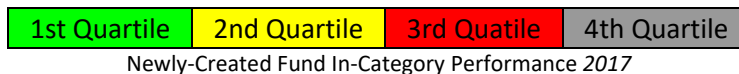
Over the years, I have conducted many studies that prove newly-created funds do not offer a better performance opportunity than their older, often bloated competitors. Here are the 2018 results.

Of the 277 funds that had their maiden voyage in 2017,

- ❑ 24% delivered top quartile in-category performance
- ❑ 22% delivered 2<sup>nd</sup> quartile in-category performance
- ❑ 21% delivered 3<sup>rd</sup> quartile in-category performance
- ❑ 33% delivered bottom quartile in-category performance

Taking a broader view, 46% of first-year funds performed in the top half of their respective peer groups, while 54% finished in the bottom half. A coin toss produces superior results. These performance results refute the view that newly created funds, able to concentrate on a manager’s top few picks and without a bloated asset base, have a performance advantage.

Note: If a new performer was simply a clone of an existing fund, it was not considered.



Fund	Symbol	Category	rank
1290 DoubleLine Dynamic Allocation A	TNXAX	Allocation--30% to 50% Equity	3
1290 Global Talents A	TNYAX	World Large Stock	2
361 Domestic Long/Short Equity I	ADMZX	Long-Short Equity	2
361 US Small Cap Equity I	ASFZX	Small Blend	1
Aasgard Dividend Growth Sm & Md-Cp N/L	AADGX	Mid-Cap Blend	3
AB FlexFee High Yield Advisor	HIYYX	High Yield Bond	3
AB Income A	AKGAX	Intermediate-Term Bond	1
Aberdeen US Mid Cap Equity A	GUEAX	Mid-Cap Blend	1
AC Alternatives Emerg Opps Ttl Ret A	AEOLX	Emerging Markets Bond	4
ACR International Quality Return(IQR) A	IQRAX	Foreign Large Blend	4
AIG ESG Dividend A	EDFAX	Large Value	4
Alambic Mid Cap Growth Plus	ALMGX	Mid-Cap Growth	4
Alambic Mid Cap Value Plus	ALMVX	Mid-Cap Value	1
AllianzGI Best Styles EMkts Eq A	AABSX	Diversified Emerging Mkts	2
AllianzGI Best Styles Intl Eq A	AXABX	Foreign Large Value	1

AllianzGI Best Styles US Equity A	AABUX	Large Blend	1
Altegris GSA Trend Strategy A	TRNAX	Managed Futures	4
American Beacon Bridgeway Lg Cp Gr A	BLYAX	Large Growth	3
American Beacon GarciaHmltnQual Bd Instl	GHQIX	Intermediate-Term Bond	3
American Beacon GLG Total Return A	GLGAX	Emerging Markets Bond	4
American Beacon Numrc IntgrtdAlpha Instl	NIAIX	Long-Short Equity	4
American Century Adaptive Equity A	AVDAX	Large Blend	3
American Century Emerg Mkts Sm Cp A	AECLX	Diversified Emerging Mkts	2
American Century Focused Intl Gr A	AFCLX	Foreign Large Growth	2
American Century Global Small Cap A	AGCLX	World Small/Mid Stock	1
American Funds Emerging Markets Bd A	EBNAX	Emerging Markets Bond	1
American Funds Strategic Bond A	ANBAX	Multisector Bond	4
AMG SouthernSun Global Opportunities I	SSOLX	World Small/Mid Stock	4
AMG TimesSquare Emerging Mkts Sm Cp I	TQEIX	Diversified Emerging Mkts	3
Anchor Tactical Equity Strategies Instl	ATESX	Long-Short Equity	1
Anchor Tactical Municipal Strats Instl	ATMSX	High Yield Muni	4
Anchor Tactical Real Estate Instl	ARESX	Real Estate	2
AQR Emerging Relaxed Constraint Eq I	QERIX	Diversified Emerging Mkts	2
AQR International Relaxed Cnstrnt Eq I	QIRIX	Foreign Large Blend	1
AQR Large Cap Relaxed Constraint Eq I	QLRIX	Large Blend	2
AQR Small Cap Relaxed Constraint Eq I	QSRIX	Small Blend	4
Archer Dividend Growth	ARDGX	Large Value	4
Aristotle Value Equity I	ARSQX	Large Value	1
Ashmore Emerging Markets Active Eq A	EMQAX	Diversified Emerging Mkts	2
Aspen Portfolio Strategy A	ASPEX	Multialternative	1
BlackRock Emerging Mkts Eq Strats Inv A	BEFAX	Diversified Emerging Mkts	3
BlackRock Impact Bond Investor A	BIAAX	Intermediate-Term Bond	4
BMO Elkhorn DWA MLP SelectÖ ETN	BMLP	Energy Limited Partnership	1
BNY Mellon Income Stock A	BMIAX	Large Value	3
Boyd Watterson Limited Dur Enh Inc I2	BWDTX	Multisector Bond	4
Bramshill Income Performance Instl	BRMSX	Nontraditional Bond	4
BrandywineGLOBAL Global Flex Income A	LFLAX	Multisector Bond	1
Calamos Phineus Long/Short A	CPLSX	Long-Short Equity	3
Canterbury Portfolio Thermostat I	CAPTX	World Allocation	3
Cavanal Mid Cap Core Equity A	AAWVX	Mid-Cap Blend	3
Centerstone International A	CSIAAX	Foreign Large Blend	4
Chautauqua Global Growth Institutional	CCGIX	World Large Stock	1
Chautauqua International Growth Instl	CCWIX	Foreign Large Growth	1
Chilton Strategic European Equities	CHEUX	Long-Short Equity	4
Clarkston Institutional	CILGX	Large Blend	4
ClearBridge Global Health Care Innvts A	CGALX	Health	4
CMG Tactical All Asset Strategy A	CMGQX	Multialternative	1
Cognios Large Cap Growth Institutional	COGEX	Large Growth	3

Cognios Large Cap Value Institutional	COGVX	Large Value	2
Community Development A	CDCDX	Intermediate Government	2
Consulting Group Infl-Lnk'd Fxd Inc	TILUX	Inflation-Protected Bond	1
Convergence Market Neutral Institutional	CPMNX	Market Neutral	2
Cornerstone Advisors Core Plus Bd Instl	CACTX	Intermediate-Term Bond	3
CRM Long/Short Opportunities Instl	CRIHX	Long-Short Equity	4
Delaware Small Cap Growth A	DSGDY	Small Growth	1
DFA Diversified Fixed Income Instl	DFXIX	World Bond	4
DFA Social Fixed Income Institutional	DSFIX	Intermediate-Term Bond	3
DGHM MicroCap Value Institutional	DGMIX	Small Blend	1
Diamond Hill Core Bond A	DHRAX	Intermediate-Term Bond	2
Diamond Hill Short Duration Total Ret A	DHEAX	Short-Term Bond	1
DoubleLine Infrastructure Income I	BILDY	Intermediate-Term Bond	1
DoubleLine Shiller Enhanced Intl CAPE I	DSEUX	Europe Stock	4
Dreyfus/The Boston Company Sm Cp Val A	RUDAX	Small Blend	3
Dundas International Equity Growth Instl	DUNIX	Foreign Large Growth	4
Dunham Alternative Dividend A	DADHX	Long-Short Equity	4
Eaton Vance 1-to-10 Yr Lad Corp Bd A	EACBY	Corporate Bond	4
Eaton Vance Stock NextSharesÖ	EVSTC	Large Blend	3
EVALuator Tactically Managed RMS Service	EVTTX	Tactical Allocation	3
EVALuator Very Conservative RMS Service	EVVLX	Allocation--15% to 30% Equity	3
Federated Equity Advantage A	FEKAX	Small Blend	1
Fidelity Advisor Global Real Estate A	FWRAX	Global Real Estate	2
First Investors Long Short A	FRLBY	Long-Short Equity	4
Franklin CA Ultra-Shrt Tx-Fr Inc Adv	FCUZX	Muni Short	4
Franklin Florida Tax Free Income Advisor	FFTZX	Muni Long	4
Franklin K2 Global Macro Opps A	FKMAX	Multialternative	4
Franklin NextStep Conservative A	FNCAZ	Allocation--15% to 30% Equity	3
Franklin NextStep Growth A	FNGBY	Allocation--70% to 85% Equity	3
Frontier Silk Invest New Horizons Instl	FSNHX	Diversified Emerging Mkts	4
Glenmede Equity Income	GEQIX	Large Value	1
Glenmede Short Term Tax Aware Fixed Inc	GTAWX	Muni Short	4
Goehring & Rozencwajg Resources Retail	GRHAX	Natural Resources	4
Goldman Sachs Global Infrs A	GGIAX	Infrastructure	4
Goldman Sachs GQG Ptnrs Intl Opp A	GSIHX	Foreign Large Growth	2
Goldman Sachs Target Date 2045 A	GTAQX	Target-Date 2045	4
Goldman Sachs Target Date 2055 A	GTANX	Target-Date 2055	4
Gotham Absolute 500 Core Institutional	GACFX	Long-Short Equity	2
Gotham Defensive Long 500 Institutional	GDLFX	Long-Short Equity	1
Gotham Defensive Long Institutional	GDLIX	Long-Short Equity	2
Gotham Enhanced 500 Core Institutional	GECFX	Large Blend	1
Gotham Hedged Core Institutional	GCHDX	Long-Short Equity	1
Gotham Hedged Plus Institutional	GHPLX	Long-Short Equity	1

Gotham Neutral 500 Institutional	GONFX	Market Neutral	1
GQG Partners Emerging Markets Equity Inv	GQGPX	Diversified Emerging Mkts	3
Great-West Lifetime 2020 Instl	MXAKX	Target-Date 2020	2
Great-West Lifetime 2030 Instl	MXAYX	Target-Date 2030	3
Great-West Lifetime 2040 Instl	MXBGX	Target-Date 2040	3
Great-West Lifetime 2050 Instl	MXBSX	Target-Date 2050	2
Great-West Lifetime Cnsrv 2020 Instl	MXAFX	Target-Date 2020	4
Great-West Lifetime Cnsrv 2030 Instl	MXARX	Target-Date 2030	4
Great-West Lifetime Cnsrv 2040 Instl	MXBCX	Target-Date 2040	3
Great-West Lifetime Cnsrv 2050 Instl	MXBNX	Target-Date 2050	4
Guggenheim Diversified Income A	GUDAX	Allocation--30% to 50% Equity	4
Guggenheim Market Neutral Rel Est A	GUMAX	Market Neutral	1
GuidePath Managed Futures Strat Instl	GIFMX	Managed Futures	2
Harbor International Small Cap Instl	HAISX	Foreign Small/Mid Growth	2
Hartford Environmental Opportunities A	HEOMX	World Small/Mid Stock	4
HCM Income Plus A	HCMEY	World Allocation	4
Hedeker Strategic Appreciation Instl	SAFFX	Convertibles	4
HedgeRow Income and Opportunity Instl	HIOIX	Long-Short Equity	3
Highland Merger Arbitrage A	HMEAX	Market Neutral	2
Highmore Managed Volatility Instl	HMVZX	Multialternative	4
Holbrook Income I	HOPIX	Short-Term Bond	1
Horizon Active Dividend Investor	HNDDX	Large Value	1
Horizon Active Income A	AIHAX	Intermediate-Term Bond	2
HSBC Euro High Yield Bond USD H A	HEYAX	High Yield Bond	1
HVIA Equity Institutional	HVEIX	Large Growth	4
Integrity Energized Dividend A	NRGDX	Equity Energy	1
Invesco Global Responsibility Equity A	VSQAX	World Large Stock	2
Ivy California Municipal High Income A	IMHAX	Muni Intermediate	1
Ivy Focused Energy NextShares	IVENC	Equity Energy	4
Ivy Focused Growth NextSharesÖ	IVFGC	Large Growth	2
Ivy Focused Value NextSharesÖ	IVFVC	Large Value	4
Ivy Pictet Targeted Return Bond A	IRBAX	Nontraditional Bond	4
Jackson Square All Cap Gr IS	JSSSX	Large Growth	4
Jackson Square Global Growth Instl	JSPTX	World Large Stock	1
Jackson Square Large-Cap Growth Instl	JSPIX	Large Growth	2
Janus Henderson International Sm Cp N	HIZRX	Foreign Small/Mid Blend	1
Janus Henderson Intl Mgd Volatil N	JMRNX	Foreign Large Growth	3
JHancock ESG All Cap Core A	JHKAX	Large Growth	4
JHancock ESG Core Bond A	JBOAX	Intermediate-Term Bond	4
JHancock ESG International Equity A	JTQAX	Foreign Large Blend	1
JHancock ESG Large Cap Core A	JHJAX	Large Blend	4
JHancock Global Focused Strategies A	JGFOX	Multialternative	3
JHancock Multimanager 2060 Lifetime A	JJERX	Target-Date 2060+	3

JOHCM International Opportunities Instl	JOPSX	Foreign Large Blend	4
JPMorgan Small Cap Core A	VSSBX	Small Blend	1
JPMorgan SmartRetirement 2060 A	JAKAX	Target-Date 2060+	2
JPMorgan SmartRetirement Blend 2060 I	JACSX	Target-Date 2060+	4
JPMorgan SmartSpending 2050 A	JTQBX	World Allocation	4
JPMorgan Ultra-Short Municipal A	USMSX	Muni Short	4
Ladder Select Bond Institutional	LSBIX	Intermediate-Term Bond	4
Lazard Global Dynamic Multi Asset Inst	GDMIX	World Allocation	1
Lazard Real Assets & Pricing Opps Instl	RALIX	World Allocation	4
Leader Floating Rate Institutional	LFIFX	Bank Loan	4
LMCG International Small Cap Instl	ISMIX	Foreign Small/Mid Blend	3
Loomis Sayles Core Discp Alpha Bd Instl	LSABX	Intermediate-Term Bond	3
Loomis Sayles Global Growth A	LSAGX	World Large Stock	1
MainStay Epoch Capital Growth A	MECDX	World Large Stock	2
MainStay Retirement 2060 A	MYSQX	Target-Date 2060+	1
Matrix Advisors Dividend	MADFX	Large Value	4
Matthews Asia Credit Opportunities Instl	MICPX	World Bond	2
MFS Blended Research Mid Cap Eq A	BMSFX	Mid-Cap Blend	1
MFS Lifetime 2060 A	MFJAX	Target-Date 2060+	3
Miles Capital Alternatives Advantage I	MILIX	Multialternative	2
Mirova Global Sustainable Equity A	ESGMX	World Large Stock	1
MM Select Bond and Income Asset I	MSBJX	Intermediate Government	2
MM Select Equity Asset I	MSEJX	World Large Stock	3
Moerus Worldwide Value Institutional	MOWIX	World Small/Mid Stock	4
Morgan Stanley EmMkts Breakout Ntns A	EMAPX	Diversified Emerging Mkts	4
Morgan Stanley Instl Gbl Concnr A	MLNAX	World Large Stock	3
Morgan Stanley Instl Global Core A	MLMAX	World Large Stock	3
Morgan Stanley Instl US Core A	MUOAX	Large Blend	4
Multi-Manager Directional Alt Strat A	CDAAX	Long-Short Equity	2
Muzinich Low Duration Supra Instl	MZLSX	Multisector Bond	4
Muzinich US High Yield Corp Bond SI	MZHSX	High Yield Bond	3
Nationwide Emerging Mkts Dbt A	NWXAX	Emerging Markets Bond	2
Nationwide International Sm Cp A	NWXSX	Foreign Small/Mid Blend	3
Neiman Opportunities A	NEOMX	Mid-Cap Blend	1
Neuberger Berman Intl Small Cap A	NIOAX	Foreign Small/Mid Blend	1
Northern Active M US Equity	NMUSX	Large Blend	4
Nuveen California Interm Muni Bond A	NUCAX	Muni Intermediate	1
Nuveen Multi-Asset Income A	NMKAX	Allocation--30% to 50% Equity	2
Nuveen Multi-Asset Income Tax-Aware A	NMXAX	Allocation--30% to 50% Equity	1
NWS Global Property Institutional	NWSGX	Global Real Estate	2
Oppenheimer International Gr & Inc A	OIMAX	Foreign Large Blend	4
Oppenheimer Macquarie Global Infrs A	OQGAX	Infrastructure	2
O'Shaughnessy Market Leaders Value I	OFVIX	Large Value	1

O'Shaughnessy Small Cap Value I	OFSIX	Small Value	2
Osterweis Emerging Opportunity	OSTGX	Small Growth	1
Osterweis Total Return	OSTRX	Intermediate-Term Bond	1
Pax Core Bond Fund Institutional	PXBIX	Intermediate-Term Bond	4
Pax ESG Beta Dividend Fund Institutional	PXDIX	Large Blend	3
Pax Large Cap Fund Institutional	PXLIX	Large Blend	3
Pax Mid Cap Institutional	PMIDX	Mid-Cap Blend	3
PineBridge Dynamic Asset Allc Instl	PDAIX	World Allocation	2
PNC International Growth A	PIGAX	Foreign Large Growth	1
Polen International Growth Institutional	POIIX	Foreign Large Growth	2
Preserver Alternative Opportunists Instl	PAOIX	World Allocation	4
Principal Finisterre Uncons EM Bd Instl	PFUMX	Emerging Markets Bond	2
Principal Multi-Manager Equity L/S Instl	PGPIX	Long-Short Equity	2
Prudential Core Conservative Bond Q	PQCNX	Intermediate-Term Bond	4
Prudential Day One 2010 R1	PDBDX	Target-Date 2000-2010	4
Prudential Day One 2015 R1	PDCDX	Target-Date 2015	4
Prudential Day One 2020 R1	PDDDX	Target-Date 2020	4
Prudential Day One 2025 R1	PDEDX	Target-Date 2025	4
Prudential Day One 2030 R1	PDFCX	Target-Date 2030	4
Prudential Day One 2035 R1	PDGCX	Target-Date 2035	4
Prudential Day One 2040 R1	PDHDX	Target-Date 2040	3
Prudential Day One 2045 R1	PDIDX	Target-Date 2045	4
Prudential Day One 2050 R1	PDJDX	Target-Date 2050	4
Prudential Day One 2055 R1	PKDX	Target-Date 2055	2
Prudential Day One 2060 R1	PDLDX	Target-Date 2060+	3
Prudential International Bond A	PXBAX	World Bond	3
Prudential Jennison Small-Cap Core Eq Q	PQJCX	Small Blend	1
Prudential QMA Emerging Markets Eq Q	PQEMX	Diversified Emerging Mkts	2
Prudential QMA Mid-Cap Core Equity Q	PQCCX	Mid-Cap Blend	2
Prudential TIPS Q	PQTSX	Inflation-Protected Bond	2
Pzena Small Cap Value Institutional	PZISX	Small Value	4
RARE Global Infrastructure Value A	RGAVX	Infrastructure	2
Rareview Longevity Inc Generation Instl	RVIGX	Allocation--30% to 50% Equity	2
Rational/ReSolve Adaptive Asset Allc A	RDMAX	Managed Futures	2
Russell Inv Unconstrained Total Ret A	RUTAX	Nontraditional Bond	4
RWC Global Emerging Equity Institutional	RWCEX	Diversified Emerging Mkts	1
Schwab Target 2060	SWPRX	Target-Date 2060+	1
SCM Shelton International Select Eq Inst	SISEX	Foreign Large Blend	1
Seafarer Overseas Value Institutional	SIVLX	Diversified Emerging Mkts	4
SEI Tax-Free Conservative Income F(SIMT)	TFCAX	Muni Short	4
SGA International Equity Institutional	SGLCX	Foreign Large Blend	3
Sit ESG Growth I	IESGX	Large Growth	4
State Street Asia Pacific Value Sptlgt K	SIDKX	Diversified Pacific/Asia	3

State Street Disciplined Global Eq I	SSGMX	World Large Stock	3
State Street Disciplined Intl Eq I	SSZIX	Foreign Large Blend	3
State Street Disciplined US Equity I	SSJIX	Large Value	1
State Street European Value Spotlight K	SIBKX	Europe Stock	2
State Street Global Value Spotlight K	SIKX	World Large Stock	2
State Street International Val Spltgt K	SIVSX	Foreign Large Value	1
State Street US Value Spotlight K	SIEKX	Large Value	2
Sterling Capital SMID Opportunities A	SMDPX	Mid-Cap Blend	3
Strategic Global Long/Short A	SGFAX	Long-Short Equity	4
Summit GI Small Cap Low Volatility A	LVSXM	Small Blend	4
T. Rowe Price QM Global Equity	TQGEX	World Large Stock	2
T. Rowe Price QM US Sm&Md-Cp Cor Eq I	TQSIX	Mid-Cap Blend	2
T. Rowe Price QM US Value Equity	TQMVX	Large Value	3
T. Rowe Price Total Return	PTTFX	Intermediate-Term Bond	1
Taylor Frigon Core Growth	TFCGX	Large Growth	4
TCW New America Premier Equities I	TGUSX	Large Growth	1
Thornburg Long/Short Equity I	THLSX	Long-Short Equity	1
TIAA-CREF International Bond Advisor	TIBNX	World Bond	3
TIAA-CREF International Small-Cap Eq Adv	TAISX	Foreign Small/Mid Blend	2
TIAA-CREF Small/Mid-Cap Equity Advisor	TSMNX	Small Blend	1
Toews Tactical Defensive Alpha	TTDAX	Long-Short Equity	1
Tortoise Select Income Bond Investor	TBNTX	Intermediate-Term Bond	3
Touchstone International Growth A	TIAPX	Foreign Large Growth	3
Transamerica Event Driven Advisor	TAEVX	Multialternative	2
VanEck NDR Managed Allocation A	NDRMX	Tactical Allocation	2
Vanguard Core Bond Investor	VCORX	Intermediate-Term Bond	3
Vanguard Emerging Markets Bond Investor	VEMBX	Emerging Markets Bond	1
Virtus DFA 2015 Trgt Date Retire Inc A	VARTX	Target-Date 2015	4
Virtus DFA 2020 Trgt Date Retire Inc A	VATDX	Target-Date 2020	4
Virtus DFA 2025 Trgt Date Retire Inc A	VDAAX	Target-Date 2025	3
Virtus DFA 2030 Trgt Date Retire Inc A	VDFAX	Target-Date 2030	4
Virtus DFA 2035 Trgt Date Retire Inc A	VRTAX	Target-Date 2035	4
Virtus DFA 2040 Trgt Date Retire Inc A	VTARX	Target-Date 2040	3
Virtus DFA 2045 Trgt Date Retire Inc A	VTATX	Target-Date 2045	2
Virtus DFA 2050 Trgt Date Retire Inc A	VTDAX	Target-Date 2050	2
Virtus DFA 2055 Trgt Date Retire Inc A	VTRAX	Target-Date 2055	2
Virtus DFA 2060 Trgt Date Retire Inc A	VTTAX	Target-Date 2060+	2
Voya Global Corporate Leaders 100 A	VGDAX	World Large Stock	3
Voya Global High Dividend Low Volatil A	VGLAX	World Large Stock	3
Voya Investment Grade Credit A	VACFX	Corporate Bond	2
Voya SMID Cap Growth A	VGROX	Mid-Cap Growth	4
Voya US High Dividend Low Volatility A	VHDAX	Large Value	2
Wells Fargo Low Volatility US Eq A	WLVLX	Large Blend	4

Wilshire Income Opportunities Invest	WIORX	Multisector Bond	3
Yorktown Mid-Cap A	YWBAX	Mid-Cap Blend	4
Yorktown Small-Cap A	YOVAX	Small Value	3
Ziegler Floating Rate A	ZFLAX	Bank Loan	1