



## Press Release

### **S&P Releases Latest Index Versus Active Fund Scorecard (SPIVA)**

#### *SPIVA Results Show Divergent Fortunes of Equity and Bond Funds*

**New York, August 20, 2009**— Standard & Poor's Index Services released today the mid-year 2009 results for its Standard & Poor's Index Versus Active Fund Scorecard (SPIVA). The SPIVA Scorecard is produced semi-annually, and can be accessed in its entirety at: [www.spiva.standardandpoors.com](http://www.spiva.standardandpoors.com).

For the five-year period ending June 30, 2009, the SPIVA scorecard shows that the S&P 500 outperformed 62.9% of actively managed large cap funds, the S&P MidCap 400 outperformed 73.4% of mid cap funds, and the S&P SmallCap 600 outperformed 57.4% of small cap funds. However, asset weighted averages suggest a more level playing field, with active managers level or ahead of benchmarks in most categories except mid-caps and emerging markets.

“Our latest five-year data for equity funds can be interpreted favorably by proponents of both active and passive management,” notes Srikant Dash, Global Head of Research & Design at Standard & Poor's and author of the report. “Passive management believers can point out that indices have outperformed a majority of active fund managers across all major domestic and international equity categories; with real estate being the lone exception. Conversely, proponents of active fund management can point to the asset weighted averages.”

The five-year data is unequivocal for fixed income funds. Across all categories, except emerging market debt, more than three fourths of active managers failed to beat their benchmarks. Similarly, five-year asset weighted average returns are lower for active funds in all but two categories.

#### **About SPIVA**

The SPIVA scorecard reveals quarterly performance data for U.S. equity, international and fixed income mutual funds benchmarked against appropriate asset class indices. More than 3500 actively managed funds are covered in the scorecard. Mutual fund data is derived from CRSP® Survivor-Bias-Free U.S. Mutual Fund Database.

The SPIVA methodology is designed to provide an accurate and objective apples-to-apples comparison of funds' performance versus their appropriate style indices, correcting for factors that have skewed results in previous index-versus-active analyses in the industry. SPIVA scorecards show both asset-weighted and equal-weighted averages, include survivorship bias correction to account for funds that may have merged or been liquidated during the period under study, and show style consistency for each style group across different time horizons.

#### **About Standard & Poor's Index Services**

Standard & Poor's Index Services, the world's leading index provider, maintains a wide variety of investable and benchmark indices to meet an array of investor needs. Over \$1 trillion is directly indexed to Standard & Poor's family of indices, which includes the S&P 500, the world's most followed stock market index, the S&P Global 1200, a composite index comprised of seven regional and country headline indices, the S&P Global BMI, an index with approximately 11,000 constituents, and the S&P

GSCI, the industry's most closely watched commodities index. For more information, please visit [www.standardandpoors.com/indices](http://www.standardandpoors.com/indices).

**About Standard & Poor's**

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