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## VanEck ETF Model Portfolios Outperform

**Sydney, 18 May 2018** – Since they first launched 12 month ago, VanEck ETF Model Portfolios developed by Lonsec Investment Solutions (Lonsec) have outperformed their respective market benchmarks. Advisers and brokers are increasingly attracted to ETF portfolios given their reliability, transparency and performance.

VanEck ETF Model Portfolios draw on Lonsec's established research and portfolio construction expertise to provide recommended strategic asset allocations tailored to three risk/return profiles: Balanced, Growth and High Growth. The portfolios include ETFs from providers other than VanEck. All ETFs included in the VanEck ETF Model Portfolios must have a minimum 'Lonsec Recommended rating' with ongoing independent oversight by Lonsec.

Over the year to 31 March 2018, the VanEck ETF Model Portfolio – Balanced returned 6.63%, compared to 4.64% for its benchmark, the Financial Express Unit Trust Peer Group Multi-Asset Balanced Index. The VanEck ETF Model Portfolio – Growth returned 8.20%, outperforming its benchmark FE UT PG Multi-Asset Growth Index by 2.48%. The VanEck ETF Model Portfolio - High Growth gained 9.90%, easily outperforming the FE UT PG Multi-Asset Aggressive Index which returned 6.83%.

Arian Neiron, Managing Director, VanEck Australia said, "Our ETF Model Portfolios have performed strongly and VanEck's smart beta ETFs, the Australian Equal Weight ETF (MVW) and the VanEck Vectors MSCI World ex Australia Quality ETF (QUAL) have driven that outperformance, adding the biggest contributions to the annual returns for each of the three portfolios. This highlights that investors cannot rely on pure market capitalisation index approaches for strong investment returns."

This outperformance contrasts with active fund managers who have struggled as a whole to deliver growth for their investors. The S&P Dow Jones Indices' SPIVA scorecard for the period ending December 2017 reveals that nearly 60% of active Australian equity managers were outperformed by the S&P/ASX 200 over the previous twelve months. Over the long-term, almost 74% and 77% of active managers were outperformed by the benchmark over 10-year and 15-year periods respectively.

"Each VanEck ETF Model Portfolio provides broad market exposure across asset classes including Australian equities, global equities, property, Australian fixed income and international fixed income. These ETF Model Portfolios take the guess work out of asset allocation and provide potential for portfolio growth for considerably less costs than the average Australian actively managed funds," said Neiron.

"Moreover, the popularity of ETFs will grow following revelations of the conflicts of interest inherent with vertically integration financial organisations at the Hayne Royal Commission. Investors are now looking for greater transparency and performance. ETFs, especially smart beta ETFs, have the edge in providing this. The VanEck ETF Model Portfolios provide advisers with a transparent investment framework to assist their clients to build wealth," said Neiron.

To view VanEck ETF Model Portfolios [click here](#).

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