

20th October - 26th October - issue: 514

INVESTOR

Weekly

Welcome to this week's edition of Investor Weekly on-line.

Please find below the headlines of our news, news analysis, money on the move and outside the square stories for this week. For the full stories simply go to the website and gain access with your username and password.

To subscribe to this service please click [here](#).

Bill McConnell
Editor

news

AMP gaining ground in fund of funds

MLC's position of dominance in the funds of funds industry may soon be under threat with the AMP Future Directions platform more than doubling its funds under management in the past two years, according to the latest data supplied by InvestorSupermarket. [more...](#)

Industry-wide push to increase savings for under 40 year olds

[...more](#)

Insto's gain access to residential real estate

[...more](#)

CARE Super to move into corporate super as FUM grows

[...more](#)

Merrill's extends growth fund option to wholesale investors

[...more](#)

APPOINTMENTS

news analysis

Industry presents its case to parliament

This week's inquiry by the House of Representative's standing committee on ways to increase savings for people under 40 saw industry participants offer a raft of proposals. [more...](#)

outside the square

Fidelity brings global property to institutional and retail

Following from its recent launch of 10 global funds, Fidelity will provide both retail and institutional investors with access to its new global securities fund. [more...](#)

Australian Unity offers investment in retirement

[...more](#)

New absolute fund for Australia

[...more](#)

money on the move

CARE super appoints new international equity manager

The \$2.3 billion industry fund, CARE Super has awarded Orbis Investment Management a \$40 million international equity mandate. [more...](#)

Skandia adds six new funds to menu

[...more](#)

WSSP swaps passive for active in Australian shares

[...more](#)

news

Insto's gain access to residential real estate

Bill McConnell

Institutional investment managers and superannuation trustees will from this week begin receiving formal offers to participate in the \$1 billion global wholesale capital raising accessing the Australian residential property market.

The Advanced Real Estate Solutions (ARES) Fund, managed by Rismark International and has been established to provide institutional investors with enhanced capital returns flowing from owner-occupied property on a high-growth, low-volatility and largely uncorrelated basis.

Through the use of the fund's Equity Finance Mortgage (EFM) structure, the ARES Fund will offer expected

value-weighted exposures to between 15,000 and 20,000 individual owner-occupied properties covering metropolitan mainland Australia.

According to Rismark, the ARES will target long-term ungeared returns of at least 13 per cent per annum post management fees, issue costs and expenses in what promoters describe as equity-like performance with far less volatility.

Rismark's research highlights the returns to residential real estate have outperformed, on a risk-adjusted basis, Australian equities, 10 year Government bonds and Listed Property Trusts over the previous 23 years.

"We believe the recent equity mar-

ket volatility will highlight the strong risk-return characteristics of residential real estate as one of Australia's best-performing and most resilient asset classes, which will be accessible through the ARES Fund," Rismark chairman Richard Facioni said.

Rismark also announced it had appointed former chief operating officer and company secretary of Intech Investment Consultants Ms Sandra Donnarumma, as its Chief Financial Officer.

ING Bank through its ING Direct will provide mortgage origination for the EFM's while Macquarie is the exclusive global arranger for the fund.

CARE Super to move into corporate super as FUM grows

Christine St Anne

Industry fund CARE Super is poised to launch a new corporate super product as it positions itself move into the corporate superannuation sector.

CARE Super chief executive officer Julie Lander says, "We are currently cleaning up our corporate product to ensure we can offer a quality product that offers a good price with increased flexibility."

Lander says the product review will also look at replicating insurance arrangements in a bid to bridge the

insurance offering of corporations.

Lander says the fund will ensure the product is competitive, targeting corporations who want to offer superannuation as an employee benefit.

Following the choice of fund legislation, funds under management for the industry fund has exceeded \$2 billion with a 10 per cent increase in membership.

Compared with the same time last year, the fund has experienced a 72 per cent increase in employers

joining the fund, 79.5 per cent increase in rollovers received and 45 per cent increase of members actioning a roll-in.

"With much uncertainty around superannuation and choice, we are pleased to say that only have our members stayed with CARE super but we have experienced significant growth particularly in the last few months," adds Lander.

Merrill's extends growth fund option to wholesale investors

Bill McConnell

Merrill Lynch Investment Managers has this week unveiled a new Australian equity fund with the launch of the Merrill Lynch Australian Growth Share Fund.

According to Merrill's, this latest Aus-

tralian equities has the differentiating feature of being able to offer investors flexible exposure to small, mid and large cap equity listings.

"I am excited about the launch of this Fund as I believe it will be attractive to

investors seeking a Fund that is able to invest in all areas of the Australian market," Merrill Lynch fund manager Matthew Ryland said.

According to Merrill Lynch managing director and co chief investment