

# The curious case of “sister funds”

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UK Investor Magazine

Virtual Investment Trust Conference

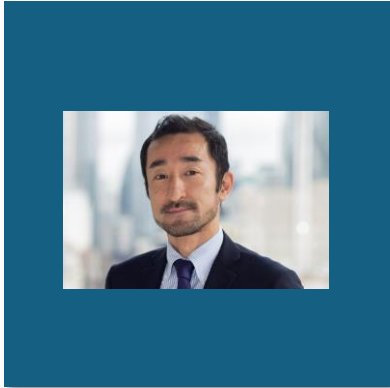
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**aic**  
The Association of  
Investment Companies



# What are sister funds?

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Schroder  
Tokyo Fund  
(an **open-  
ended fund**)



Schroder  
Japan Trust  
(an **investment  
trust**)

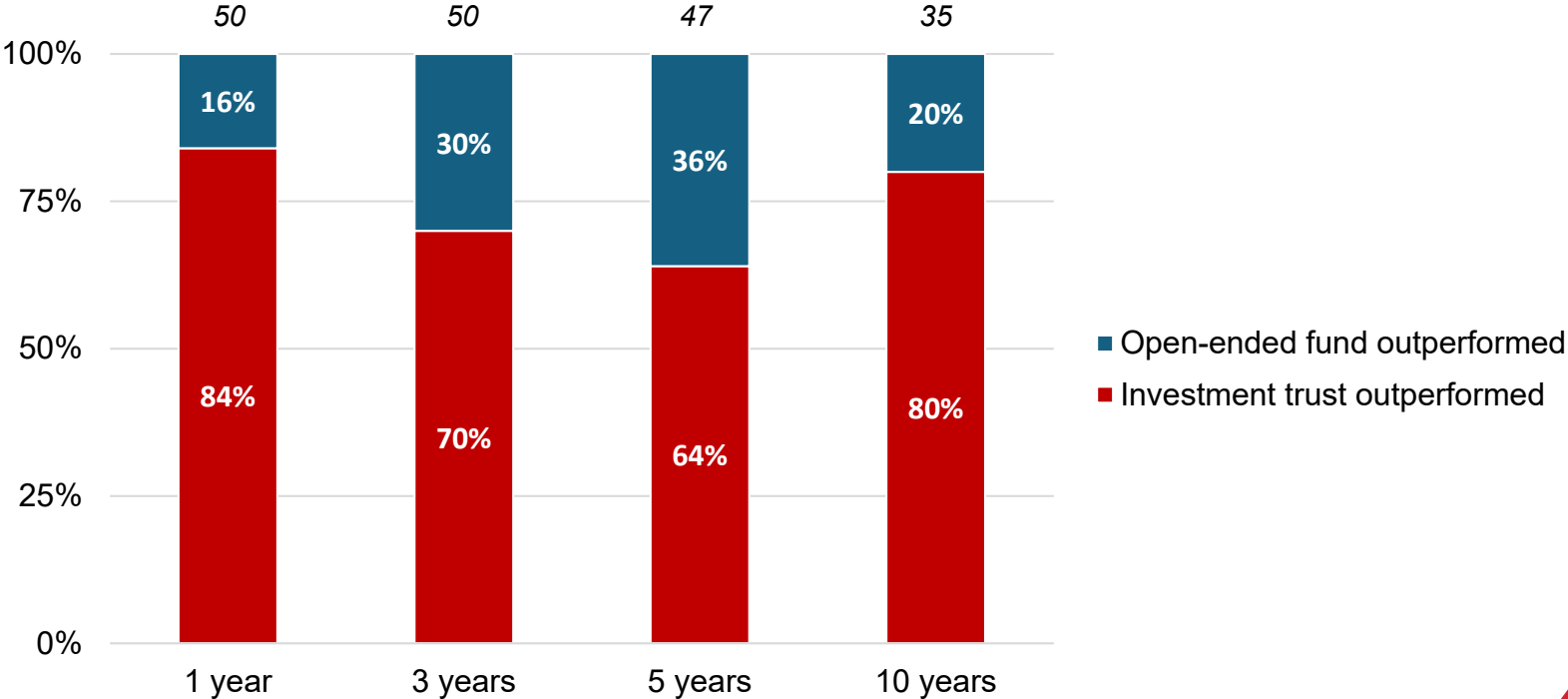
Pairs of open-ended funds and investment trusts **run by the same manager** and with the same mandate

# Spotting them can take some detective work

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Manager	Open-ended fund	Investment trust
Malcolm McColl & Helen Xiong	Baillie Gifford Global Alpha	Monks Investment Trust
Sebastian Lyon & Charlotte Yonge	LF Crystal Fund	Personal Assets
Nick Train	LF Lindsell Train UK Equity	Finsbury Growth & Income

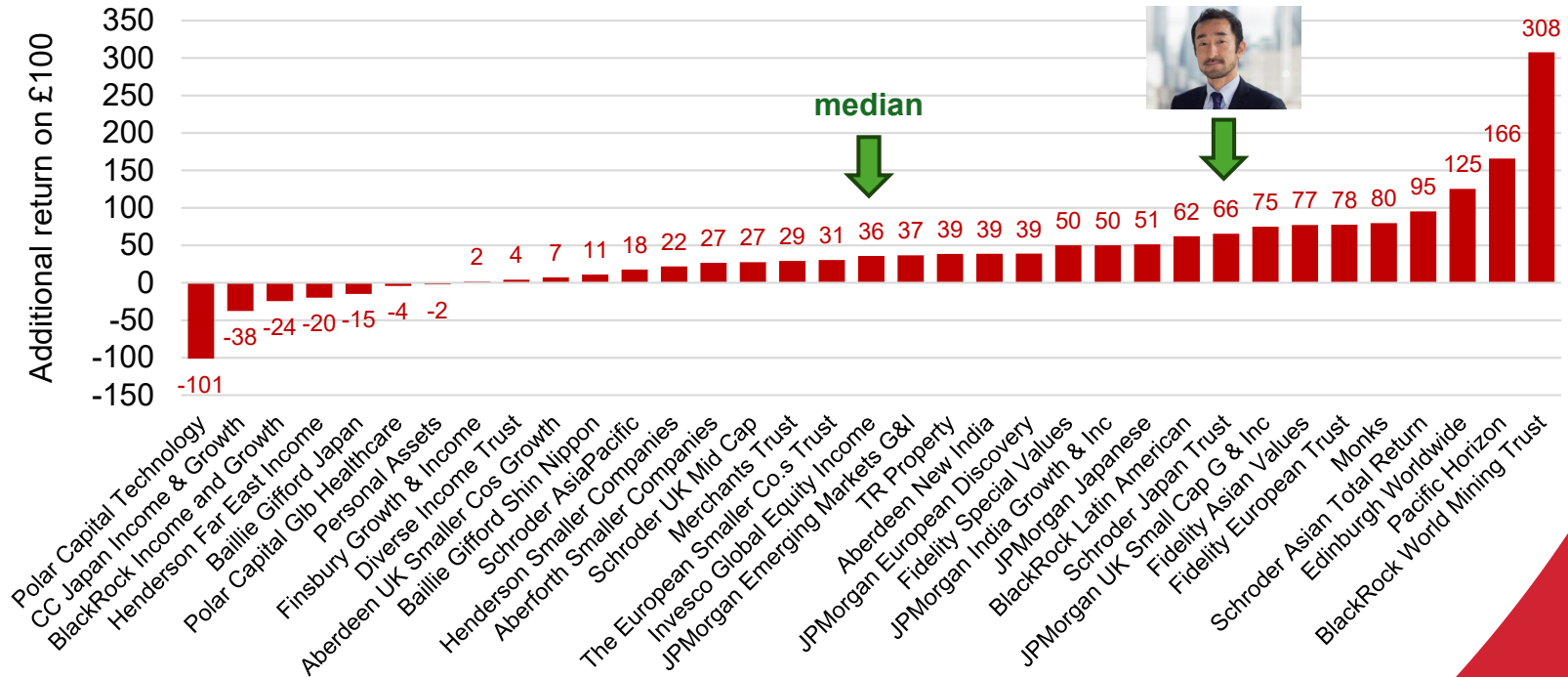
# Performance comparison



Source: theaic.co.uk / Morningstar (to 28/02/26). *Italicised numbers = no. of pairs of funds in comparison.*

# Performance comparison by fund (ten years)

**Additional return of investment trust vs open-ended sister fund for every £100 invested, ten years to 28/02/26**

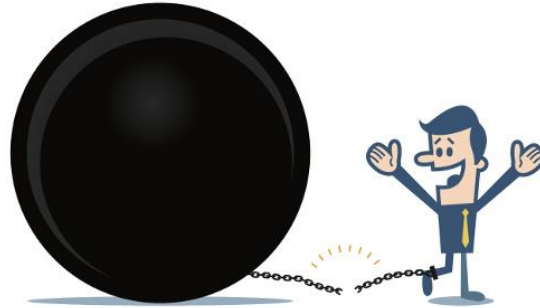


# Why?

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Gearing



Avoid “cash drag”



Stay smaller and nimbler



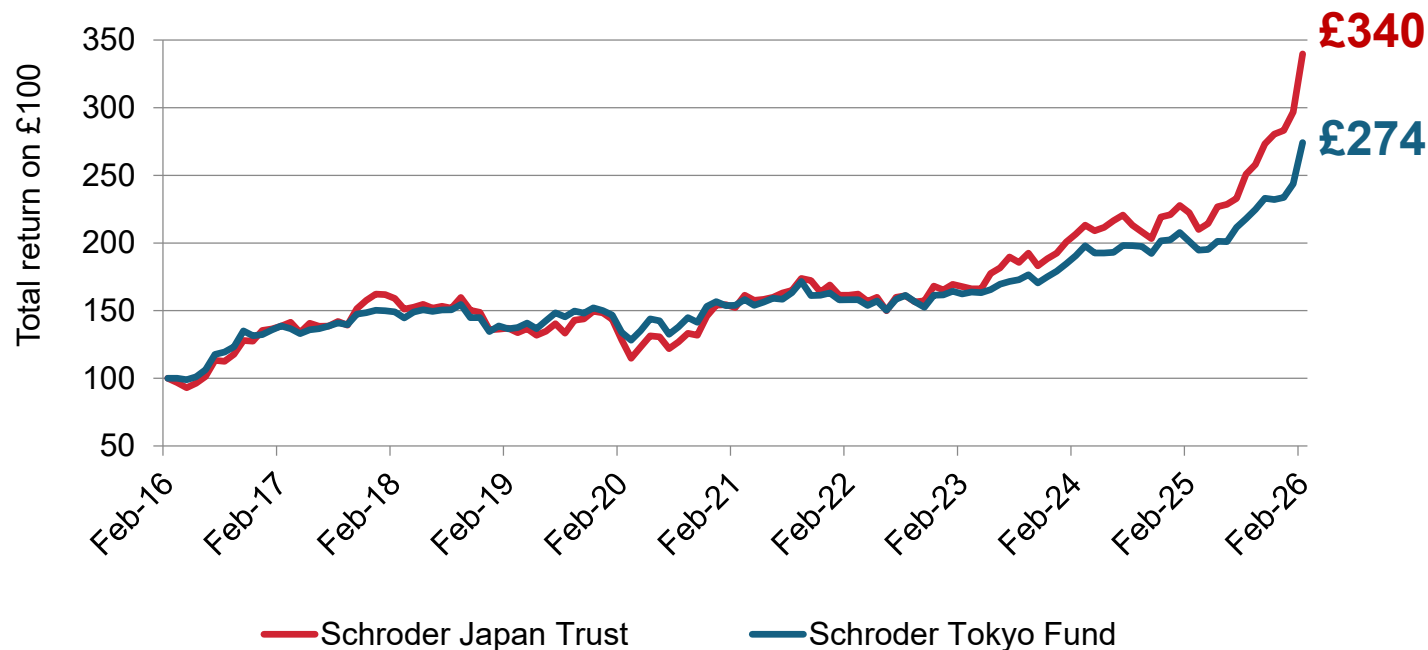
Include less liquid assets



Take long view

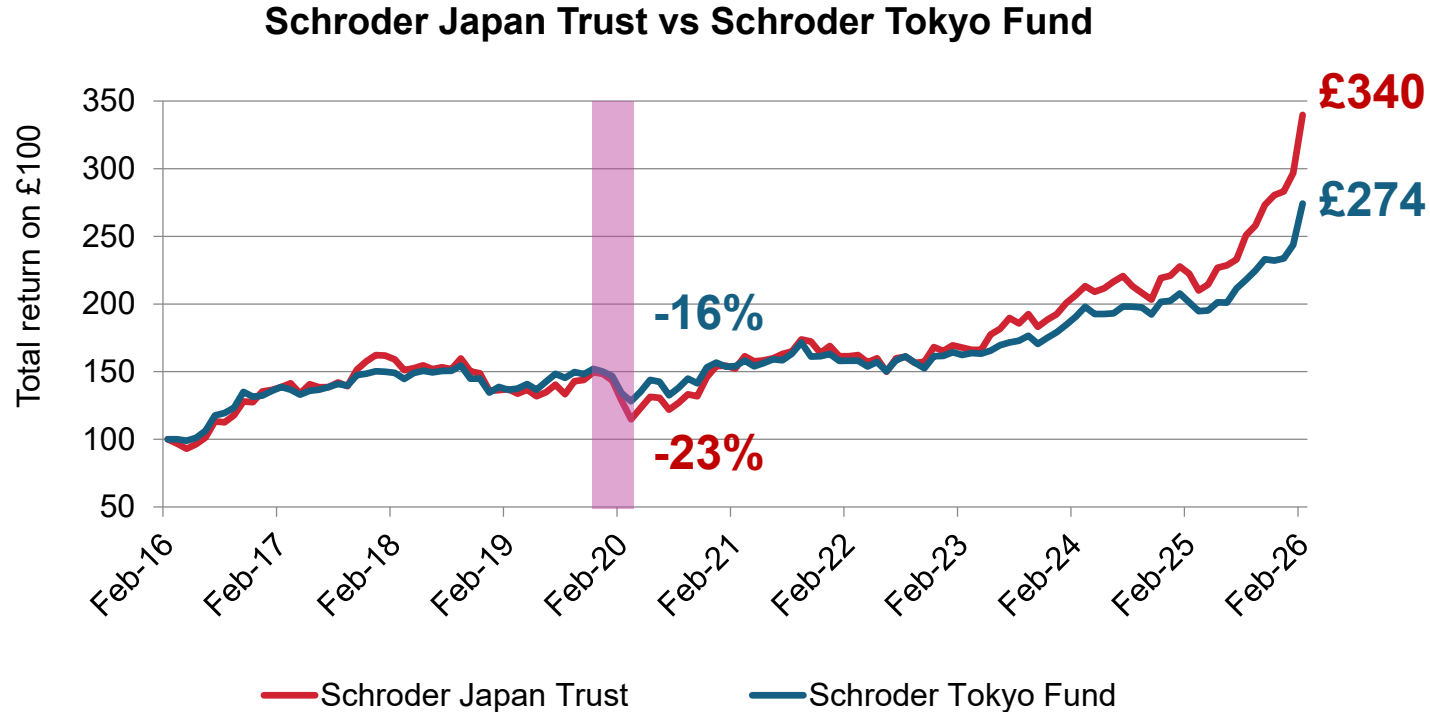
# Performance comparison

## Schroder Japan Trust vs Schroder Tokyo Fund



Source: [theaic.co.uk](http://theaic.co.uk) / Morningstar (to 28/02/26)

# But...



Source: [theaic.co.uk](http://theaic.co.uk) / Morningstar (to 28/02/26). Shaded area = 30/11/19 to 31/03/20.

# To conclude...

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- Investment trusts can give you a performance boost over the long term versus similar open-ended funds
- But they'll tend to underperform in down markets
- Do your homework! (Visit [theaic.co.uk](http://theaic.co.uk))

