The Responsible Investment Association (RIA) conducts quarterly performance reviews of responsible investment (RI) funds across Canada. Using statistical data provided by Fundata, the RIA has found that Canadian RI mutual funds, ETFs and retail venture funds performed strongly in Q2 2014. In Q2 2014, there were outperforming RI funds in all major categories.

There were some notable highlights in Q2 2014. See the graphs below for a quick overview. The averages of RI funds in Canadian Equity and US Equity outperformed the industry averages across the board. The average of RI funds in Global Equity and Canadian Fixed Income also performed very strongly.

In the Canadian Equity fund class, the RI funds’ average outperformed the industry average on a three month annualized basis, as well as one year, three year, five year, and ten year bases. Twenty two of twenty five funds outperformed the industry average on three month, one year and three year bases. Thirteen of seventeen and seven of nine funds outperformed the industry average in the five and ten year returns respectively.¹ This class also saw an increase in assets of approximately six point eight percent over Q1.

In the Global Equity class, a majority of RI funds produced greater returns than the industry averages on one, three, five and ten year compounded bases. Fourteen of fifteen funds outperformed the industry average on a three year basis. Another fourteen of seventeen and ten of thirteen RI funds outperformed the industry averages on one and five year bases respectively. Two of four funds outperformed the industry average on a ten year basis.

In the US Equity class, the average of RI funds outperformed the industry average on the three month annualized basis, as well as the one, three, five and ten year bases. Two out of three RI funds outperformed the industry average on three month, one year, and five year bases. Three out of three RI funds outperformed the industry on a three year basis. On a ten year basis, the one fund for which there is data matched the industry average.

The mid-sized Canadian Fixed Income fund class on average outperformed the industry average on the three, five and ten year bases. The data indicates a stronger long-term RI investment return seeing five of six funds producing greater returns than the industry average in the ten year category. Six of ten, five of nine, and eight of sixteen funds saw better returns than the industry average on five year, three year, one year, and three month bases respectively. The Canadian Fixed Income fund class saw an increase in assets of nine point eight percent over Q1.

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The data shows that RI is an increasingly resilient and robustly-performing investment strategy. You can view the complete, fund-by-fund data on the RIA website here.

¹ Data is not always available for longer periods.
Average RI fund performance vs. industry averages to June 30, 2014.

(*compounded returns)

**Canadian Equity**
- Average RI Canadian Equity
- Average Canadian Equity

**Canadian Fixed Income**
- Average RI Canadian Fixed Income
- Average Canadian Fixed Income

**Global Equity**
- Average RI Global Equity
- Average Global Equity

**US Equity**
- Average RI US Equity
- Average US Equity