

PRESS RELEASE

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“Fund Damoa” Enables Easy and Convenient Comparison of Fund Yields

“Fund Damoa,” a website for comparing the rate of return of various funds, officially went online January 19, 2017. The website allows investors to, at a glance, effectively compare 50 top-performing funds. Additional information, including commissions, fund managers, sales volume, and investment prospectuses, is just a click away. Investors may also search for and compare funds with their preferred traits with regards to investment region, risk-return profile, etc.

Background

Efforts were carried out to develop a more efficient and easy-to-use fund disclosure system in order to enhance investor trust by encouraging competition in the fund industry. The previous “Integrated Fund Disclosure System” was mired down by several issues which were brought on due to the system being crafted from the perspective of experts on funds. In particular, the system made use of exhaustive lists filled with complex jargon and unnecessary details about the fund, making it difficult for retail investors to understand and utilize the system. As such, “Fund Damoa” was devised as a new investor-friendly platform for comparing information on funds in an easy and convenient manner. One of the key features of the website is being able to pull up a side-by-side comparison of yields, the most highly sought information for investors.

Overview of Fund Damoa

Fund Damoa aggregates and discloses selected information from KOFIA’s disclosure service website (dis.kofia.or.kr) so that investors may easily compare funds based on their returns. Disclosures are made on public funds with KRW 5bn or more in AUM, and performance as of the end of the previous month are disclosed on the first week of each month.

The Fund Damoa website may be accessed at the URL fundamoa.kofia.or.kr, or by clicking on the Fund Damoa banner on the FSC website.

Key Features

The user-friendly homepage has an intuitive interface with six large icons, one for each fund category: equity, bond, hybrid, MMF, ETF, and other. Clicking on the appropriate icon will pull up a list of the top 50 funds by yield in that category, in descending order.

Within each fund category, users can conduct an advanced search by clicking on the orange button on the upper right of the list, which offers additional search parameters: preferred yield term, yield, risk preference, investment region, AUM, and fees.

Clicking on the orange magnifying glass icon next to the name of each fund will open a new window which allows users to take a closer look at the fund, and view details about the fund such as the fund manager and distributors. Distributors are listed in descending order according to their sales balance. By clicking on a distributor, the user is directed to the distributor’s website, where he/she may subscribe to the fund.

Also within this window, below the name of the fund are three orange tabs: fund information, fund manager, and distributors. Clicking on each tab will pull up more in-depth information about the fund.

The fund information tab provides details on the fund and investment prospectus, including costs (i.e., fees and commissions), management professionals, and other basic information. Other details are also provided, such as the base price, type of fund, investment region, establishment date, AUM, fees, commissions, yield curve, investment prospectus, fund portfolio, asset management report and management professionals' profiles.

Under the fund manager tab, information such as the level of the fund manager's internal control over management of public funds and indices which demonstrate how well the funds are being managed is provided. These indices include: average overall fund lifespan; share of small funds; number of managed funds per management professional; changes in AUM; and length of service of management professionals.

And under the distributor tab, information regarding fund sales by affiliates and non-affiliates of distributors is provided. Fund sales, costs and fund yields of affiliates and non-affiliates can be compared at a glance.

By making use of these features, investors are able to find the perfect fit for their various preferences and investment objectives.

Expected Outcome and Future Plans

The user-friendly interface is expected to facilitate retail investor's access to fund disclosures as well as to increase competition between fund managers. Individual investors can now find high-performing funds with ease using this yield-centric interface. This will in turn increase competition among fund managers to seek out better yields. Going forward, KOFIA will continuously monitor user experiences and inquiries and add more information based on the needs of users of the site.