



**Source:** Victory Capital Holdings, Inc.

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## **Victory Capital Ranks 9th in Barron's 2018 Best Fund Families**

### ***Firm's Highest Ever Ranking***

### ***Earns 4<sup>th</sup> Place in Mixed Asset Category and 5<sup>th</sup> in Taxable Bond Category***

CLEVELAND, March 11, 2019 (GLOBE NEWSWIRE) -- Victory Capital (NASDAQ:[VCTR](#)) today announced that it is honored to be ranked ninth in “*Barron's Best Fund Families of 2018*” for the one-year period ended December 31, 2018. This is Victory Capital's highest ever placement in the *Barron's* rankings. The firm also took fourth place in the mixed asset category and fifth place in the taxable bond category for 2018. This is the second consecutive year that Victory Capital has been ranked among the top 10 best fund families and the fifth consecutive year that it has been ranked among the top 25 best fund families by *Barron's*.

“We are proud to have built an innovative, integrated multi-boutique platform that aims to put investment excellence first and deliver real solutions in all market environments,” said David Brown, Chairman and Chief Executive Officer of Victory Capital. “Providing excellent risk-adjusted returns to our clients remains our top priority.”

### **About Victory Capital**

Victory Capital is a global investment management firm operating a next-generation, integrated multi-boutique business model with \$57 billion in assets under management as of January 31, 2019.

Victory Capital's differentiated model is comprised of nine Investment Franchises, each with an independent culture and investment approach. Additionally, the Company offers a rules-based Solutions Platform, featuring the VictoryShares ETF brand, as well as custom and multi-asset class solutions. The Company's Investment Franchises and Solutions Platform are supported by a centralized distribution, marketing and operational environment, in which our investment professionals can focus on the pursuit of investment excellence.

Victory Capital provides institutions, financial advisors and retirement platforms with a variety of asset classes and investment vehicles, including separately managed accounts, collective trusts, mutual funds, ETFs, UCITs and UMA/SMA vehicles.

For more information, please visit [www.vcm.com](http://www.vcm.com). Go to [www.victorysharesliterature.com](http://www.victorysharesliterature.com) for ETF prospectuses or [www.victoryfundliterature.com](http://www.victoryfundliterature.com) for mutual fund prospectuses.

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**Past performance is not indicative of future results.**

**An investor should consider the fund's investment objectives, risks, charges and expenses carefully before investing or sending money. This and other important information about the investment company can be found in the fund's prospectus. To obtain a prospectus, please call 1-800-539-FUND (1-800-539-3863) or visit [www.vcm.com](http://www.vcm.com). Please read the prospectus carefully before investing.**

Victory Funds are distributed by Victory Capital Advisers, Inc. (VCA). VictoryShares ETFs are distributed by Foreside Fund Services, LLC. Victory Capital Management Inc. (VCM) is the adviser to VictoryShares ETFs and Victory Funds. VCM and VCA are affiliated. They are not affiliated with Foreside Fund Services, LLC.

*Barron's* ranked Victory Capital 9<sup>th</sup> overall, 4<sup>th</sup> in the Mixed Asset category, and 5<sup>th</sup> in the Taxable Bond category out 57 fund families for the one-year period ended December 31, 2018; 10<sup>th</sup> out of 58 firms for the one-year period ended December 31, 2017; 21<sup>st</sup> out of 61 firms for the one-year period ended December 31, 2016; 25<sup>th</sup> out of 67 firms for the one-year period ended December 31, 2015; and 15<sup>th</sup> out of 65 firms for the one-year period ended December 31, 2014.

### **How *Barron's* Ranks the Fund Families**

For more than two decades, *Barron's* has ranked fund families annually to gauge how firms stack up, based on relative one-year performance across a range of categories.

All mutual and exchange-traded funds are required to report their returns (to regulators as well as in advertising and marketing material) after fees are deducted, to better reflect what investors would actually experience. But our aim is to measure manager skill, independent of expenses beyond annual management fees. That's why we calculate returns before any 12b-1 fees are deducted. Similarly, fund loads, or sales charges, aren't included in our calculation of returns. Each fund's performance is measured against all of the other funds in its Lipper category, with a percentile ranking of 100 being the highest and one the lowest. This result is then weighted by asset size, relative to the fund family's other assets in its general classification. If a family's biggest funds do well, that boosts its overall ranking; poor performance in its biggest funds hurts a firm's ranking.

To be included in the ranking, a firm must have at least three funds in the general equity category, one world equity, one mixed equity (such as a balanced or target-date fund), two taxable bond funds, and one national tax-exempt bond fund.

We have historically excluded single-sector and country equity funds, but those are now factored into the rankings as general equity. We exclude all passive index funds, including pure index, enhanced index, and index-based, but include actively managed ETFs and so-called smart-beta ETFs, which are passively managed but created from active strategies. Finally, the score is multiplied by the weighting of its general classification, as determined by the entire Lipper universe of funds. The category weightings for the one-year results in 2018 were general equity, 34.8%; mixed asset, 21.3%; world equity, 17.1%; taxable bond, 22.4%; and tax-exempt bond, 4.4%.

The category weightings for the five-year results were general equity, 35.9%; mixed asset, 19.7%; world equity, 17.3%; taxable bond, 22.5%; and tax-exempt bond, 4.5%. For the 10-year list, they were general equity, 37.1%; mixed asset, 20%; world equity, 16.7%; taxable bond, 21.2%; and tax-exempt bond, 4.9%.

The scoring: Say a fund in the general U.S. equity category has \$500 million in assets, accounting for half of the firm's assets in that category, and its performance lands it in the 75th percentile for the category. The first calculation would be 75 times 0.5, which comes to 37.5. That score is then multiplied by 34.8%, general equity's overall weighting in Lipper's universe. So, it would be 37.5 times 0.348, which equals 13.05. Similar calculations are done for each fund in our study. Then the numbers are added for each category and overall. The shop with the highest total score wins. The same process is repeated to determine the five- and 10-year rankings.

Source: "*Barron's Fund Family Ranking: How the Best Active Managers Performed*", March 8, 2019.