

How Fees Can Destroy Your Wealth

UNDERSTANDING THE TOTAL
COST OF INVESTING

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About InvestSMART

Founded in 1999, InvestSMART Group Ltd is a leading Australian digital wealth adviser. It owns Intelligent Investor, Eureka Report and has launched a number of its own funds.

InvestSMART's goal is to provide quality advice, research and easy-to-use tools, free from the jargon and complexities so commonly found in the finance industry, to help you meet your financial aspirations.

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Top 5 findings

Percentage of funds lost to fees over a 30-year investment

26% lost to fees of **1%**

45% lost to fees of **2%**

59% lost to fees of **3%**

Over 30 years, investors paying 3% in ongoing fees essentially sacrifice more than half of what their portfolio would have been worth had they paid no fees at all.

The myth of outperformance by funds

78%

The percentage of funds that underperform industry standard benchmarks over 10 years

The extent of underperformance equals the fees charged

1.74%

The average fee charged for underperformance

1.88%

The extent of underperformance

An example of how fee stacking works

UPFRONT FEES	
Financial plan fee	\$3,500
Implementation fee	\$1,500
ONGOING FEES	
Adviser fees	0.5%
Platform admin fees	0.5%
Product issuer fees	0.5%
Total ongoing fees	1.5%

The number of ways to get your fees down

5 (see page 19)

“If you focus on lowering your fees rather than paying for outperformance that probably won’t materialise, you’ll enjoy a far more prosperous retirement.”

DEAR INVESTOR,

Investing can be an expensive business. From brokers and advisers to fund managers and administrators, everyone wants a comfortable, padded seat on the gravy train. And it is you, the investor, that pays for their ticket.

A fee of 1.5 % might sound like a small number but it carries a devastating punch.

Over the 30 years to June 2018, the annual return from Australian shares was 9.2%. Had you invested \$100,000 at the start of that period and paid a fee of 1.5% to achieve that return, you'd have \$896,508 at the end of it. If you paid just 0.5% you'd have \$1,207,807. Small number; big difference.

And the higher the fee you pay, the bigger the difference it makes.

In most cases, fees rather than returns will make the biggest difference to the quality of life in your later years. That's something the finance industry prefers to keep quiet.

On the basis that "you get what you pay for", fund managers justify high fees with the promise of higher-than-average returns. But, as this report reveals, that promise is rarely met. Over the long term, most fund managers underperform by the amount of their fees.

Many investors are paying for outperformance and getting the opposite. The impact on their nest egg is huge. The money lost to fees, and the corresponding loss of the benefits of compounding, ends up in the pockets of the middlemen and women in finance.

According to research house Rainmaker, Australians paid \$20 billion in superannuation fees in 2013. Three years later that figure had risen to \$31 billion.

In our view, this is an industry that acts largely in the interests of those that work within it rather than the clients that finance it.

We want to change that. And the first step towards that goal is in helping you, the investor, understand the depth and extent of the fees you're paying and the impact that has on your savings over time. That's what this whitepaper is all about.



A stylized, handwritten signature in black ink, appearing to read 'Ron Hodge'.

Ron Hodge
Managing Director

The **Visible Cost** of Traditional Advice



#TIP

To help you find a reliable, honest adviser with your interests at heart, check out our articles [*Six questions for your financial planner*](#), [*It's time to grill your financial adviser*](#) and [*Finding a \(half\) decent financial planner*](#).

There are stages in life when it makes sense to seek out a financial adviser. Unfortunately, not many of us do. Only one in five Australians use a financial adviser. The rest either find the cost prohibitive – we'll get to that – or are so lacking in trust they prefer not to run the risk in the first place.

In both cases, a hefty price might be paid. You either miss out on potentially vital advice or pay too high a price to get it. It's an invidious choice, and the recent Royal Commission hardly helps, with its revelations of conflicts of interest, fees for no service and fraud.

So, how should you go about finding a trustworthy, knowledgeable adviser? Understanding an adviser's remuneration structure is perhaps the best place to start.

“ONLY ONE IN FIVE AUSTRALIANS USE A FINANCIAL ADVISER.”

As the Royal Commission has made clear, financial incentives matter. Inappropriate strategies and products are frequently recommended if it is in the organisation's or adviser's financial interests to do so.

Let's begin our examination of the total costs of investing where investing often begins; in an adviser's office.

There are typically four kinds of fees levied by financial advisers:

1. Adviser fees

Typically, this is the cost paid for a Statement of Advice (SOA) and implementing its recommendations, covering the adviser's understanding of your circumstances, your financial goals and the strategies to achieve them, including product recommendations. Fee-for-service advisers charge a flat fee for an SOA, while others charge based on a percentage of your investments, generally 1–2% of the total value of your portfolio.

This latter method is usually best avoided. If you expect your portfolio to increase by 6% a year but are paying an annual advice fee of 2%, the adviser is effectively taking 33% of your portfolio's annual increase. This dramatically increases the cost of advice whilst diminishing the beneficial impacts of compounding.

#TIP

A financial adviser is legally obliged to provide you with a Financial Services Guide and Statement of Advice, including details on how you will be charged. Make sure you check it before proceeding.

2. Investment platform fees

A platform allows you or your adviser to buy, sell and manage your investments. DIY investors might consider their online broker a platform, the costs of which are negligible (as long as you don't trade too much). Your superannuation fund might also be considered a platform. Australian Super's Members Direct, for example, allows investors to buy and sell individual shares, ETFs and term deposits for an annual Portfolio Admin fee of up to \$395 and a cash account fee of 0.12% p.a. of the balance.

As for advisers, most use a platform provider that charges a fee (again, sometimes embedded in the cost of ongoing advice). A wrap account, for example, will maintain all of your assets, from property and cash to managed funds, shares and insurance policies. This can save on paperwork, offer extensive reporting and cheaper access to a broad range of investment products. The fee, however, will usually be higher, perhaps as much as 1% of assets held on the platform.

Whilst independent platform providers like NetWealth and OneVue are growing in popularity, especially among independent advisers, most still use platforms owned by the big banks and AMP. Although costs have fallen and platforms can negotiate lower rates with fund managers, they remain expensive. There can also be a hidden cost in the form of in-house products being preferred over other products that might be more suitable to the client.

#TIP

ASIC suggests you never write cheques payable to your adviser if the money will be used for investments. Make the cheque payable to the product provider instead.

3. Product issuer fees

Manufacturers of financial products like managed funds or exchange traded funds don't work for free. If you buy a financial product you will pay for it somehow, somewhere. It might be possible to reduce these fees but you won't be able to avoid them altogether, and in some funds they're buried because the fee is deducted from the overall returns.

Like platform fees, product fees can have many components. Fortunately, regulations require product issuers like fund managers to disclose the total fees charged as a percentage of your investment. This is known as a Management Expense Ratio or MER.

The MER you pay will vary depending on the kind of product in which you invest. So-called 'passive' funds that track a common index, such as exchange traded funds or 'ETFs', tend to charge lower fees than active funds that aim to beat a particular index.

The MER for a typical ETF like the Vanguard Diversified Balanced ETF is 0.27% because little human intervention is required. But an active fund requires human skill and energy, for which you are charged whether it pays off or not. You might, for example, pay up to 2% for a specialised active fund, perhaps with performance fees on top.

One final point: prior to 1 July 2013, advisers were allowed to receive a commission on financial products sold. Many clients would be unaware of an additional and undisclosed fee being charged on such products. Whilst this practice is now banned (except for life insurance products), an adviser that sold products prior to this date might still be receiving commissions for them.

4. Admin & other Fees

If you operate a Self-Managed Super Fund (SMSF) you can safely assume you'll be up for at least an additional \$2,000 in accounting, audit and administration fees. There may be other ad hoc costs related to the administration of your investments but, aside from SMSF accounting fees, they shouldn't be substantial.

#TIP

Exit and entry fees on managed funds used to be common (and egregious) but, thankfully, are less so nowadays. But if you do happen across such a product, avoid it.

So, a meeting with a financial adviser might entail four different kinds of fees, and multiple forms of fees within each category. For most people, the effect is bewilderment. It's as if the finance industry has adopted the mobile phone approach to marketing: to overwhelm and confuse in order to hide the true cost of getting financial advice and acting on it.

Fortunately, the Australian Securities and Investments Commission (ASIC), the regulator that has received a bashing at the Royal Commission, has done some useful work showing the overall cost to a fictional investor.



Eric has \$400,000 to invest and also wants life insurance coverage. He visits an adviser, gets a **Statement of Advice** and looks at the fees associated with implementing the plan.

This is what he sees.



FIGURE 1

FEES PAYABLE BY ERIC	FEE CHARGED (\$)	FEE AS A PERCENTAGE OF INVESTMENTS	FEES RECEIVED BY		
			FINANCIAL ADVISER	INVESTMENT PLATFORM	PRODUCT ISSUERS
Upfront fees					
Financial plan fee	\$3,500	–	\$3,500	–	–
Implementation fee	\$1,500	–	\$1,500	–	–
Ongoing fees based on \$400,000 in investments					
Ongoing advice fees	\$2,000	0.50%	\$2,000	–	–
Platform administration fees	\$3,000	0.75%	–	\$3,000	–
Investment management fees ⁽¹⁾	\$3,000	0.75%	–	–	\$3,000
Insurance premiums					
Insurance premiums year 1 (100% commission to adviser)	\$1,000	–	\$1,000	–	–
Total fees in Year 1	\$14,000	–	\$8,000	\$3,000	\$3,000
Estimated ongoing investment fees and insurance premiums	\$9,000	2%	\$2,000	\$3,000	\$4,000

(1) Investment management fees are usually deducted from investment returns before they are credited to your account which means investment returns quoted are usually net of investment management fees.

Eric now understands that the total fees for the first year are \$14,000.

Source: ASIC’s MoneySMART

Eric pays total fees of \$14,000 in the first year and then ongoing fees of \$9,000 per year, which is reduced to \$8,000 if you exclude the insurance premiums. All up, Eric’s ongoing fees come in at about 2% a year.

This might sound like a small number, but what Eric may not know is the impact a small number like 2% a year can have on total returns over time. This is the hidden cost of traditional advice.

And it’s a big one.

The Hidden Cost of Traditional Advice

Eric's case is a good example of 'fee stacking'; pile up a raft of apparently small fees so that a substantial and ongoing slice of the overall sum invested ends up in someone else's pocket.

What his SOA won't show is the long-term cost of a 2% fee on his growing investment.

Let's do the numbers for him, making a few assumptions along the way.

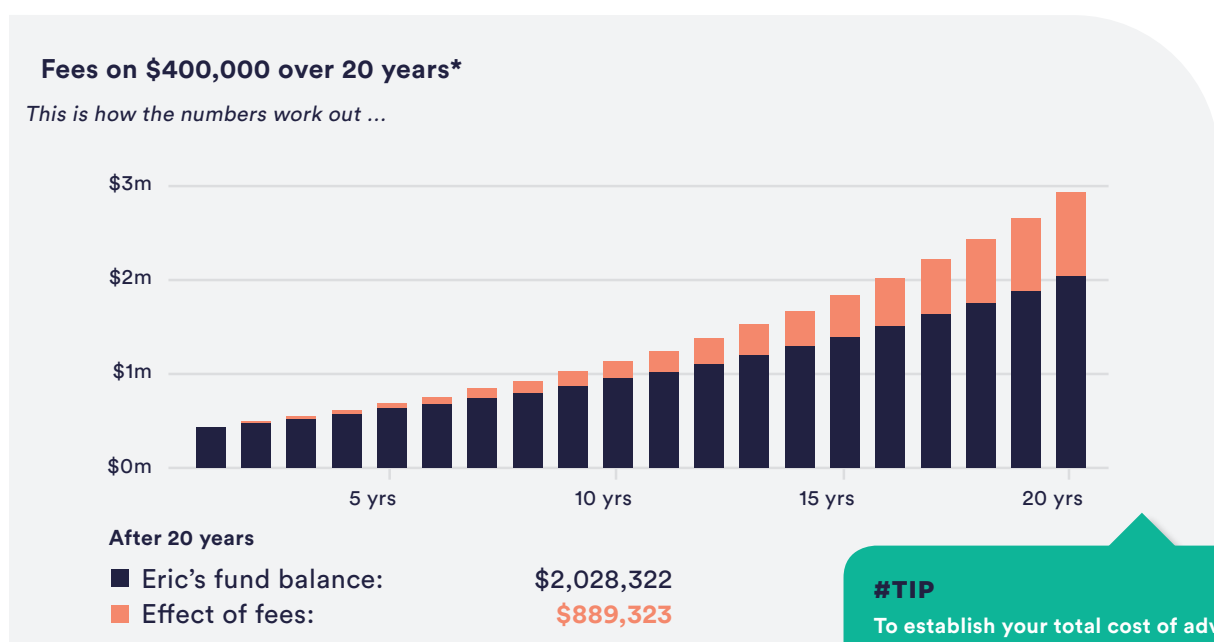
Because Eric already has a superannuation balance of \$400,000 (from which we have to deduct that upfront fee of \$5,000) we're going to assume he's aged 45 and on an above-average gross salary of \$120,000. He contributes 9.5% of his monthly salary to his investment portfolio, as per the compulsory

Superannuation Guarantee levy. We're going to assume he retires at 65 and that between now and then his portfolio delivers an average annual return of 9.2%.

The good news is that after 20 years Eric's investment has grown to just over \$2m. The bad news is that were it not for that 2% annual fee, he'd have had almost \$3m. The difference is the amount lost to fees.

The difference of just under \$1m can't be explained by the annual fee alone. This is the hidden cost of investing. The higher the fees you pay, the lower the benefit of compounding on your returns over time. Instead, those benefits accrue to someone else – in this case Eric's adviser.

FIGURE 2



*\$395,000 initial investment after \$5,000 of upfront fees in the first year.

Source: [ASIC's MoneySmart managed funds fee calculator](#)

#TIP

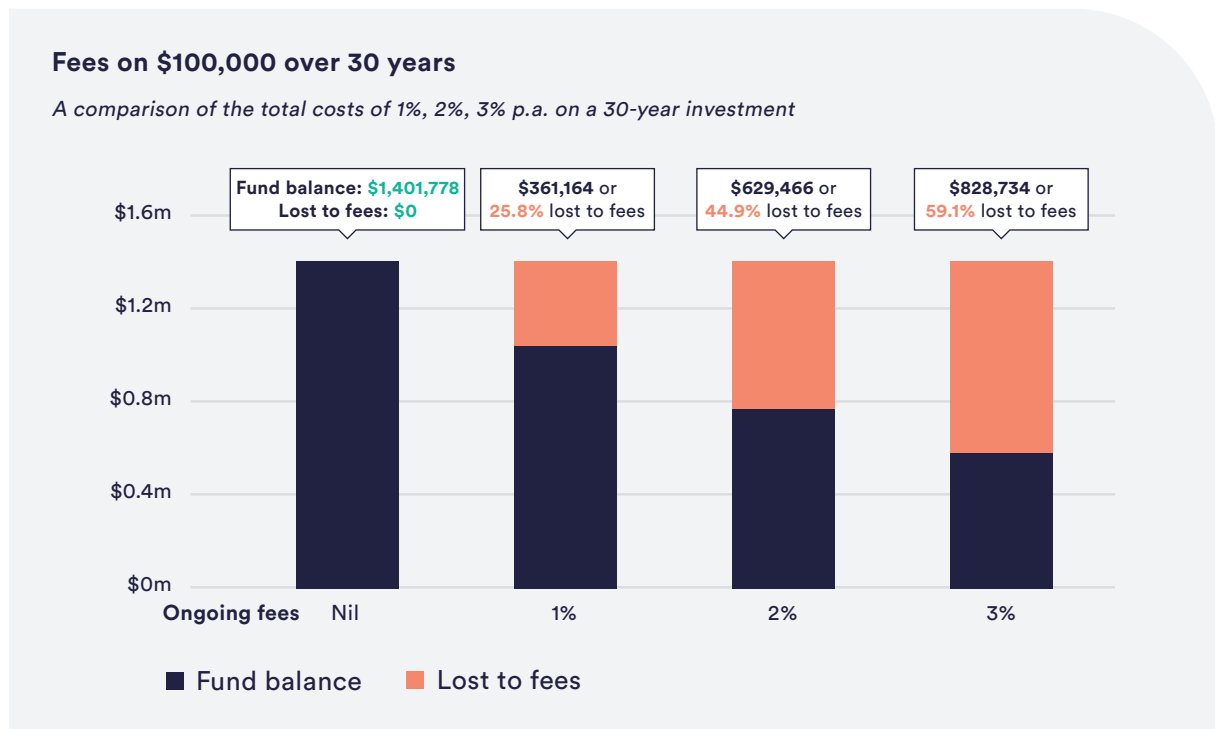
To establish your total cost of advice based on your salary, wealth, advice fees, investments and contributions, check out [ASIC's managed funds fee calculator](#).



FIGURE 3

Fees on \$100,000 over 30 years

A comparison of the total costs of 1%, 2%, 3% p.a. on a 30-year investment



Source: [ASIC's MoneySmart managed funds fee calculator](#)

Assumptions: Initial investment amount \$100,000; Investment earnings 9.2%

Let's now look at the cost of investing more generally. Figure 3 shows that, over 30 years, investors paying 3% in ongoing fees sacrifice more than half of what their portfolio would have been worth had they paid no fees at all.

This is how the finance industry has traditionally worked, feasting on a small number that disguises the big impact it has on portfolio accumulation as the years pass, to the industry's benefit rather than yours.

“OVER 30 YEARS, INVESTORS PAYING 3% IN ONGOING FEES ESSENTIALLY SACRIFICE MORE THAN HALF OF WHAT THEIR PORTFOLIO WOULD HAVE BEEN WORTH HAD THEY PAID NO FEES AT ALL.”

The message is simple: fees matter far more than most investors think.

Is the **Extra Cost** Worth it?

Of course, the zero fees comparison is a tad unfair. Even engaged, hard-working investors will struggle to get their costs down to zero. There's another factor, too: even investors that understand how fees can adversely impact long-term returns might have valid reasons to continue paying them.

The first is the availability of someone to give you advice. If you're happy with your financial adviser and trust the advice they offer, having them on call to help out when needed is a tangible and potentially valuable benefit.

The second is a consequence of that engagement. Having an adviser select a platform on which your investments are held can lower the paperwork flood level, and perhaps even the product fees. It can also improve the quality of reporting on your investments, alerting you, for example, when you become overexposed to a particular asset class or a substantial tax liability. A good adviser will also help you stick to your investment strategy.

But the major reason for continuing to pay comparatively high costs is the widespread belief that in investing, as in other areas of life, you get what you pay for.

#TIP

If you're in a fund either currently or previously owned by a major bank you're probably paying a higher fee than you should be. Either talk to your adviser or look for lower-cost alternatives.

FIGURE 4

TOTAL FUNDS		UNDERPERFORMING FUNDS		OUTPERFORMING FUNDS		UNDERPERFORMING FUNDS	
PERFORMANCE	NO. OF FUNDS	NO. OF FUNDS	AVG FEES (%)	NO. OF FUNDS	AVG FEES (%)	AVG PERFORM.	% OF FUNDS
3 years	7,327	5,892	1.67	1,435	1.25	-2.00%	80%
5 years	6,875	5,644	1.64	1,231	1.26	-2.06%	82%
10 years	5,297	4,136	1.74	1,161	1.24	-1.88	78%

Source: InvestSMART Research June 2018. Data Source: Morningstar. Only funds and investment products included in the Morningstar Australia database are available for comparison. This may not include all funds available for retail investment in Australia. Only funds with ten year returns were included, and were compared to Morningstar’s nominated benchmark. Fees are calculated by Morningstar as the average over 10 years. Whilst every care has been taken in producing these numbers, InvestSMART does not guarantee the accuracy of the figures produced in the table.

For most investors this is demonstrably untrue. According to InvestSMART research data, of the fund managers that attempted to beat an index over the 10 years to June 2018 – and charged a higher fee whether they did so or not – 78% failed to do so.

“OVER THE LONG TERM, THE LOWEST-COST FUND MANAGERS OUTPERFORM THE MOST EXPENSIVE FUND MANAGERS.”

Remarkably, the average fee for achieving this underperformance was 1.74%. As for the 22% of fund managers that did beat the benchmark, their fees tended to be lower.

Neither is a coincidence. Over the long term, the lowest-cost fund managers outperform the most expensive fund managers because they charge lower fees. Once one accepts that most fund managers won’t outperform, fees should become your focus. Higher fees make it harder to keep up with the index and lower fees make it easier.

Fund managers aren’t necessarily lying when they say they’ll be able to beat an index. We all kid ourselves about something. For example, research indicates that at least three quarters of people think they’re above average drivers. Psychologists call this illusory superiority and fund managers are as susceptible to it as the rest of us. In funds management, it just happens to yield a greater and more easily quantifiable cost than elsewhere.

We already know how high advice fees inhibit returns. We also now know that paying high product fees in the hope of outperformance doesn’t pay off in three out of four cases. So why not simply forget about outperformance altogether and concentrate on paying the lowest total percentage fee possible (incorporating your own need for advice, administration and reporting)?

#JARGON ALERT

An index or passive fund owns a portfolio that mirrors an index like the ASX 200. These require little human input, which is why MERs tend to be much less than 1%. Active funds aim to beat an index and charge accordingly. Active fund MERs can be as much as 2–3% and potentially even higher when performance fees are included.

Let’s now look at how you might do exactly that.

What the Low Cost Model Looks Like

Twenty years ago it was common for managed funds to charge an entry and/or exit fee of 2%, plus annual management fees of another 2–3%. To that you can add higher advice and platform fees, plus brokerage fees of 1% or more. In that environment, only insider traders stood a chance of getting ahead (that is a truth, not a suggestion).

#TIP

To learn more about ETFs, check out [InvestSMART's Exchange Traded Product Quarterly Report](#).

Thankfully, over the past 20 years fees have been coming down. [Morningstar's Global Fund Investor Experience Study 2017](#) now rates Australia in the top band of its fees and expenses scorecard, along with The Netherlands, New Zealand, Sweden and the US. We are, however, below average on disclosure and bottom for regulation and taxation. This is what average investment costs now look like:

FIGURE 5

FEES AND EXPENSES	
ASSET-WEIGHTED MEDIAN EXPENSE RATIOS	
Fixed-Income	0.55%
Equity	1.26%
Allocation	0.9%

Note: "Allocation" is a combination of advice and platform fees
Source: Morningstar Global Fund Investor Experience, p34

The fall in overall fees has been accompanied by a growing understanding of the impact of fees on long-term returns and the difficulties fund managers have in beating the market. Together with a low cost and competitive industry funds sector, these factors have driven a shift to lower cost passive (also known as index) funds.

A decade ago, passive US assets accounted for about 15% of total share market assets. They're now twice that, fuelled in large part by the booming market for exchange traded funds (ETFs). The same trend is evident in Australia, with people switching to lower cost products.

“THE FALL IN OVERALL FEES HAS BEEN ACCOMPANIED BY A GROWING UNDERSTANDING OF THE IMPACT OF FEES ON LONG-TERM RETURNS AND THE DIFFICULTIES FUND MANAGERS HAVE IN BEATING THE MARKET.”

As of June this year, there were 176 ETFs listed on the ASX, with new products being listed almost monthly. Funds under management held in ETFs, meanwhile, has more than tripled since the 2014 calendar year.

Whilst ETFs have lowered the cost of investing (most cost a fraction of 1%), there's another factor that's having an even bigger impact.

The internet has challenged traditional business model in many sectors but especially in finance. Where brokers, advisers and fund managers once acted as gatekeepers to the investing supermarket, the internet has flung the doors wide open. This offers investors the prospect of lowering overall costs in a way that was not previously possible.

By comparing the old fee structure with a potential new one, it's easy to see where and how you can lower your fees.

1. Adviser fees (avoidable)

The key here is to avoid ongoing advice fees charged as a percentage of assets under management which can do great damage to your long-term returns.

This doesn't mean you should avoid the services of an adviser altogether. It might make sense to see one occasionally to review your portfolio, make recommendations on investment strategy and assess your financial structure. When you do, you're almost always better off paying on a fee-for-service basis, rather than incorporating it into an annual asset fee, which will be levied whether you get advice or not.

If you want to reduce your fee-for-service charges, services like InvestSMART provides ongoing contributions from our team of financial advisers and analysts, plus a Q&A service, are available for a modest fee. Many industry super funds also offer issue-specific financial advice, known as 'scaled advice', by phone at competitive rates.

Either way, it's possible to reduce your adviser fees considerably and, for highly engaged investors prepared to do their own research, maybe avoid them altogether. If you do want to retain the services of an adviser, remember that the fee is often negotiable. There's really no harm in asking.

#TIP

The *ASIC View Podcast* has an [excellent episode](#) on the issue of Fees for No Service.

2. Platform fees (avoidable)

If you're going to avoid platform fees, be prepared to take on a little more work yourself. That said, it might not be as hard as you think and you'll save up to 1% in fees in the process.

InvestSMART's free [Portfolio Manager](#) allows you to maintain all your investments and assets in one place, with comprehensive reporting features, including a HealthCheck feature that alerts you to

potential risks in your portfolio. It's a free tool and certainly more useful than the spreadsheets many investors still rely on.

Because ETFs and many managed funds can now be bought and sold like ordinary shares, many investors use their online broking account as a pseudo platform. Although they tend to offer limited reporting and administration functions, they do so without additional costs.

Industry funds such as Australian Super also offer a basic platform service called Members' Direct, which lets members trade ASX-listed stocks and ETFs through their super fund at attractive rates.

#JARGON ALERT

ETFs track an index, a commodity, bonds, or a basket of assets like an index fund but can be traded just like ordinary shares.

3. Product issuer fees (reducible)

Across the board, product fees are coming down. This is largely because investors now have direct access to products that were previously available only through advisers. As long as you have an account with an online broker, you now have access not just to every listed stock and ETF but also a growing range of managed funds. InvestSMART's recently launched [Australian Equity Income Fund](#), for example, can now be traded on the ASX with the code INIF. Along with the ASX's mFund service, more and more funds can now be accessed without using an adviser. Fees are lower as a result.

“THE KEY HERE IS TO AVOID ONGOING ADVICE FEES CHARGED AS A PERCENTAGE OF ASSETS UNDER MANAGEMENT WHICH CAN DO GREAT DAMAGE TO YOUR LONG-TERM RETURNS.”

If you're heading down the passive route, just look for a low fee. If you're looking for an active fund, make sure it has the performance track record to justify the fees charged. Past performance is no guarantee of future returns. But it's better to have a track record of beating the index than not.

4. Admin and other fees (reducible)

While services like eSuperfund can bring down the typical accounting costs of running your own Self Managed Super Fund (SMSF), there isn't much else in this area that offers scope to bring your fees down. It's the first three points you should focus on.

#TIP
 In our article, [Alpha impaled by infinite monkey](#) you'll find 5 factors to look for when seeking out high performing active fund managers.

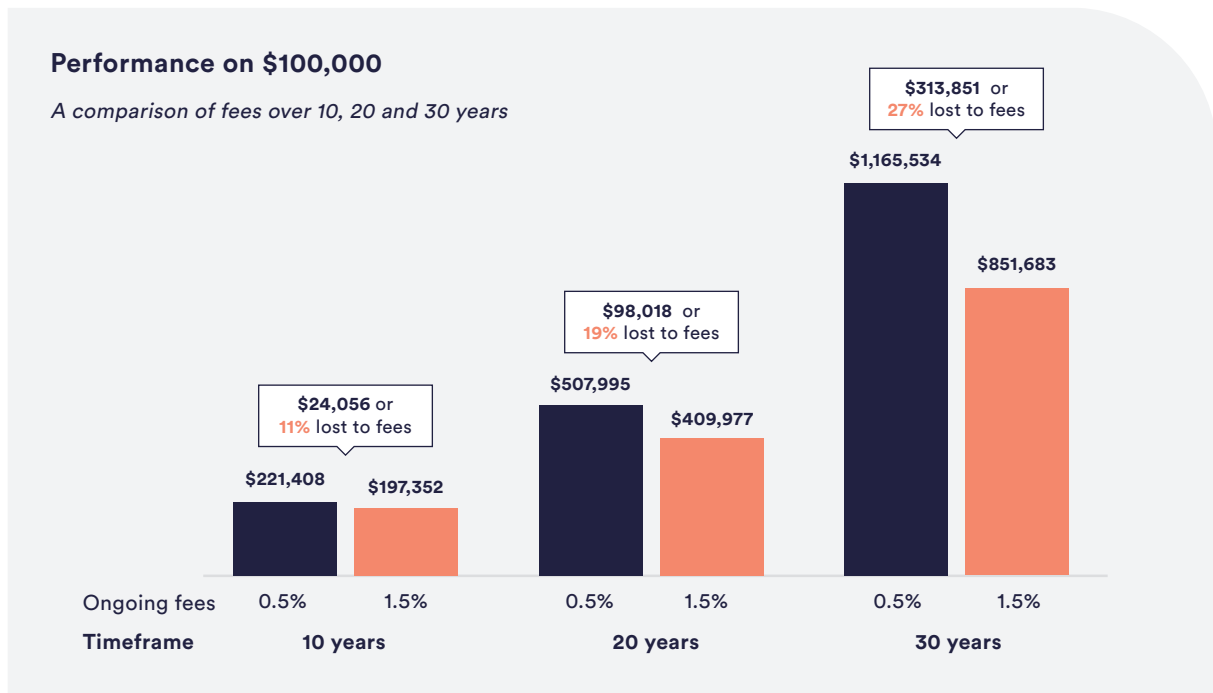
Let's now compare what an investor might pay under the old fee structure with what he or she could pay using new tools and services:

That ongoing 1% difference in fees might not sound like much but over time it has a huge impact, particularly on top of the \$1,500 saving at the outset. Look at the returns over 10, 20, and 30 years to see.

FIGURE 6

	OLD FEE STRUCTURE	NEW FEE STRUCTURE
UPFRONT FEES		
Financial plan fee	\$3,500	\$3,500
Implementation fee	\$1,500	NIL
ONGOING FEES		
Adviser fees	0.5%	NIL
Platform admin fees	0.5%	NIL
Product issuer fees	0.5%	0.5%
Total ongoing fees	1.5%	0.5%

FIGURE 7



Source: ASIC's MoneySmart managed funds fee calculator

Assumptions: Initial Investment Amount: \$100,000; Upfront fees deducted from initial investment amount; Investment earnings: 9.2% p.a.

**“FORGET ABOUT
OUTPERFORMANCE AND
CONCENTRATE ON PAYING
THE LOWEST TOTAL
PERCENTAGE FEE POSSIBLE.”**





Action Plan

If there's just one message to take from this whitepaper, it's that fees matter. Too many investors are seduced into thinking they can beat market returns by paying higher fees when in fact they underperform the index by the extent of those fees.

An average investor's nest egg will grow more quickly if they concentrate on reducing the fees they pay. As Anthony Klan wrote in *The Australian* on 12 June 2018: "Once you take out the (often massive) fees and charges you are hit with ... the returns you get from your fund manager, on average, will be well below how the market has performed."

Here's an action plan to get you started

1 Consolidate multiple super accounts into a single account

The more accounts you have, the higher the percentage fee you pay. This is because most industry and retail funds charge a fixed annual administration fee. Your legacy super accounts might only have a few hundred dollars in them but most of that is being eaten away by this fee. Consolidate your accounts and get all your money working for you in one place.

2 Get a breakdown of the fees you pay

The second step to lowering your fees is working out what fees you're currently paying. If you use an adviser, ask them for a fee breakdown or check your Statement of Advice. Then list the fees as per the table in the previous section. Work out your overall percentage fee and examine where you think you can reduce it. If you pay a platform fee, perhaps you could use InvestSMART's free Portfolio Manager instead. If your adviser charges an annual ongoing advice fee, maybe a fee for service arrangement would be better.

#TIP

Switching funds may trigger a capital gains tax event that could undermine the value of the change. Always check with your tax adviser before making a switch.

3 Check to see if product fees are worth it

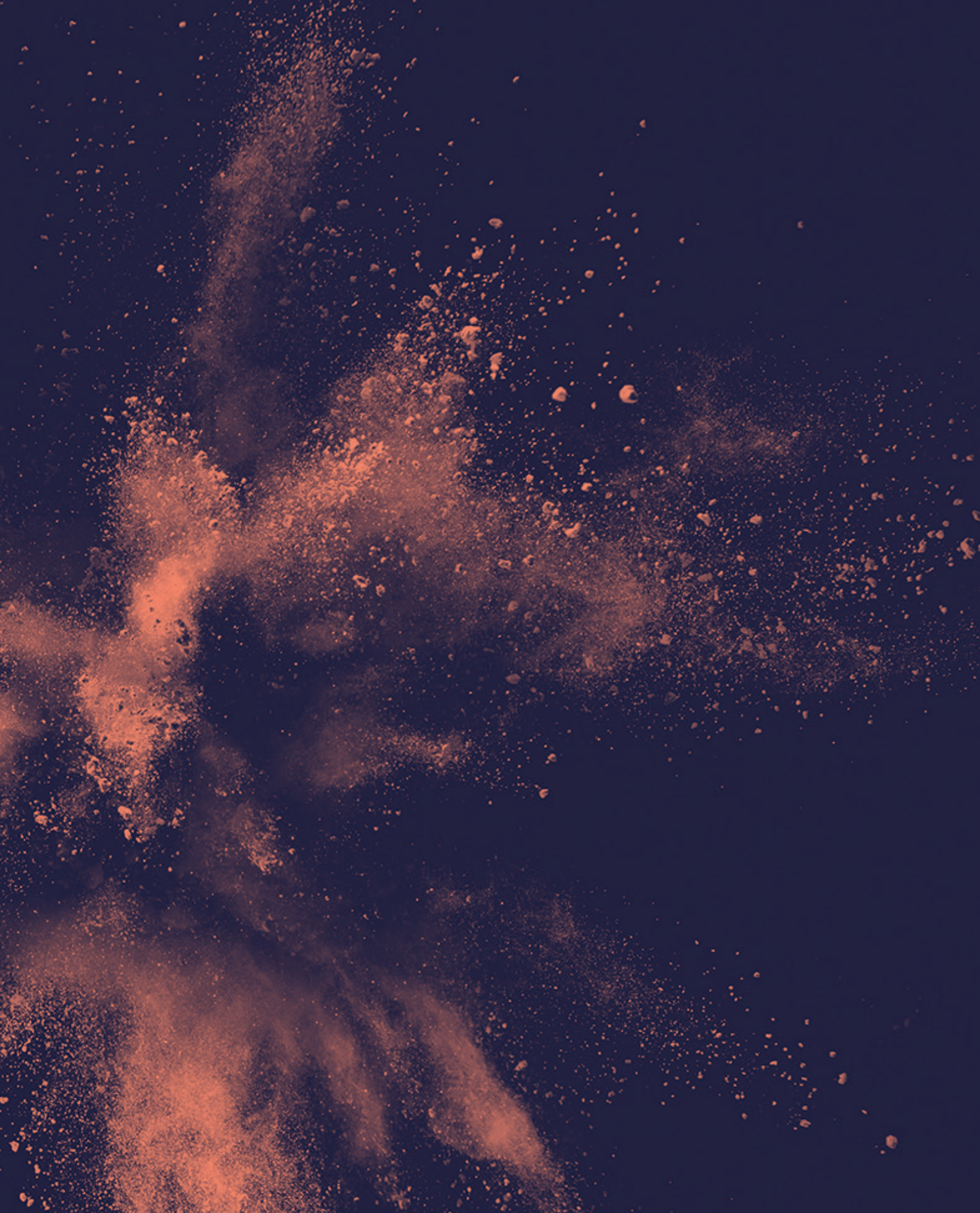
InvestSMART's [Compare Your Fund](#) tool can help you find out how your fund is performing and the fees you're paying. If you invest only in index funds you really shouldn't be paying much at all. Even if you go for something a little more fancy, you should aim to keep the MER below 1%. And international exposure should be a lot cheaper than the 1.5% charged by some international fund managers.

4 Run a portfolio health check

Before making any changes to your portfolio and the products within it, run a health check in [InvestSMART's Portfolio Manager](#). Too many Australian investors are overexposed to Australian equities and property. This tool rates the health of your portfolio, alerting you to potential dangers.

5 Swap high fee products for low fee alternatives

Now you've identified the product fees you can reduce or avoid, and found suitable, lower fee replacements, it's time to take action. You might be able to make some sensible readjustments to your portfolio at the same time. If you're prepared to do the work yourself, you can probably also cut your advice fees by a fair bit. If you want to retain an adviser then at the very least tell them what you're prepared to pay in terms of ongoing fees and begin the negotiation.



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