



# How to Win the Loser's Game

Hard-hitting documentary calls for a radical rethink on the global pensions crisis

For immediate release

**Instead of persuading us to invest more in our pension plans, governments and regulators should focus on how much the fund management industry is taking out of them.**

That's the main conclusion of an 80-minute documentary that lifts the lid on an industry which is quietly and steadily eroding the capital of ordinary savers while delivering consistently poor investment returns.

Nine months in the making, *How to Win the Loser's Game* features some of the biggest names and brightest minds in the investing world, from Vanguard founder John Bogle to MoneyWeek editor Merryn Somerset Webb and Nobel Prize-winning economists Eugene Fama and William Sharpe.

Produced by Birmingham-based Sensible Investing TV, the film is being serialised in ten weekly parts. The full-length documentary goes online on November 5th.

“We keep hearing politicians say that people aren't putting enough money away for their retirement,” says Robin Powell, the programme's producer and presenter.

“That is of course true. But an even bigger problem is that savers are typically losing up to half of all the returns they make in charges.

“The industry is simply taking more out of our pensions in fees than markets can deliver in returns, after inflation. It’s no wonder, then, that so many people think it isn’t worth bothering to invest.”

Better Finance, which lobbies the EU on behalf of consumers, recently released a report which revealed that, after charges, the real value of pension pots held by British savers had shrunk by 0.7% a year on average since the year 2000.

That makes the UK one of the worst nations in Europe for pension performance, along with Italy and Spain.

“Our documentary shows how a combination of compounding charges and on-going transaction costs is having a devastating impact on the value of people’s long-term investments,” says Powell.

“The Better Finance report underlines just how acute this problem has become.

“The UK fund industry is unfit for purpose, and yet the IMA continues to lobby against much-needed reforms, such as greater transparency on fees.

“The recent appointment of Lord Hill, a former lobbyist for the fund industry, as the EU’s financial services commissioner is another worrying development.”

In the film, Michael Johnson from the Centre for Policy Studies urges the UK Government to follow the lead of Australia, Norway and the State of California in dispensing with active fund management for public pensions, in favour of cheaper, passive strategies.

“Governments are realising that to the extent that pensioners have small pensions, they ultimately fall back on the state for assistance. So there is a very strong economic rationale to have pension funds perform better,” says Johnson.

But he warns that any attempts at reform will meet with stiff opposition from the industry.

“The trade bodies (of which the IMA is one) are masters at doing just enough to keep the show on the road, in terms of hinting that change and improvement or the consumer is around the corner.

“This is an industry that is a genius at obfuscation and bamboozlement, with terminology that is utterly meaningless. And it needs to be challenged.”



**Note to editors (1):** *Sensible Investing is an independent publisher of educational content for the financial sector, and it neither sells nor endorses any particular investment products. Its aim is to promote the benefits of a long-term, low-cost, low-maintenance and highly diversified investment strategy. Based in Birmingham, England, it serves a worldwide audience of advisers, investors, journalists, bloggers, academics and investment professionals.*

**Note to editors (2):** *The full-length version of How to Win the Loser's Game is strictly embargoed until 5th November, but if you wish to see it we can send you a link. The individual parts can be seen on our website, SensibleInvesting.tv. The tenth and final part will be uploaded on 29th October.*

**Note to editors (3):** *Robin Powell, the programme's producer and presenter, is available for interview. We may also be able to facilitate interviews with contributors to the film.*

## *What they're saying about How to Win the Loser's Game*

"Sensational! How to Win the Loser's Game is critical viewing for every investor."

[David Haintz, Shadforth Financial Group, Melbourne, Australia](#)

"This material, content and presentation is the best I have seen in my 25 years of fumbling around the markets. Thank you."

[Patrick Connors, Paradigm Tax Group, Texas, USA](#)

"How to Win the Loser's Game does a great job of challenging an industry that is plundering the hard-earned savings of investors."

[Dan Solin, Huffington Post](#)

"If you're an investor you can't afford to miss an episode."

[Andrew Pereira, Quadrant Group, London](#)



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