

Economico Flash ⚡ #29

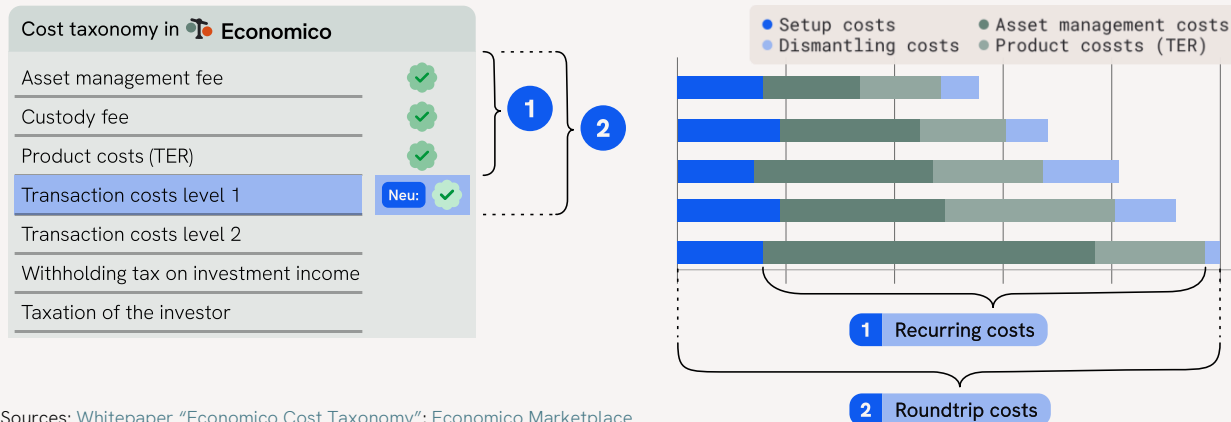
Cost-efficient asset management: **now** with comparison of round-trip costs

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Chart of the week: Transparency and competition in asset management with the Economico cost comparison



Cost efficiency in asset management is a key factor in achieving a high net return. As explained in [Economico Flash Nr. 1](#), up to 2 percent of returns are lost annually if cost transparency and competition are foregone.

Cost transparency in asset management is only possible if the managed portfolio is analyzed and the resulting product costs (TER) are taken into account. **The annually recurring asset management costs** are calculated by adding together the asset management fee, the custody account fees and the weighted product costs (TER).

With this Flash, I am very pleased to announce the **expansion** of the [Economico Marketplace cost comparison logic](#) to include the substantial setup and dismantling costs into the portfolio. The setup and dismantling costs include

- Bank commissions/court fees
- Spreads for ETFs and subscription and redemption commissions for index funds
- Stock exchange fees
- Currency spreads
- Stamp duty

and are calculated on the individual portfolio instruments and shown to the (registered) Economico user.

Based on the setup and dismantling costs, we now calculate - as shown in the chart of the week - in the [Economico Marketplace](#) the so-called Roundtrip costs as the sum of setup costs, dismantling costs and recurring costs.

The roundtrip costs are calculated and displayed for a holding period of one year (setup costs + 1x recurring costs + dismantling costs), three years (setup costs + 3x recurring costs + dismantling costs), five and ten years. We are convinced that with this cost extension we are making an important contribution to the interest-preserving asset management of private investors!

Takeaways

- Economico cost analysis now includes analysis of setup and dismantling costs
- Low costs increase net return