

Some Funds Should Skip ‘Rising Tide’ of ETF Switches

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Ignites recently highlighted that converting mutual funds may seem like the fast and easy way to get into the ETF market with scale and an established track record. Although on the flip side, managers should consider several operational and business strategy concerns before they embark on a complex project that ultimately may not provide the boost they expect.

Such conversions require a lot of dedicated time and energy by a firm, and Sonja Format, Senior Director at Foreside, shares in a recent interview that “This is the most detail-oriented kind of project planning.”

“For funds that are distributed largely through intermediaries, fund managers need to understand how those advisors and distributors use the funds – and whether ETFs are a benefit or just a headache,” Formato noted.

The article highlights how seasoned ETF issuers may be able to avail themselves of conversions better because they already have the infrastructure to manage ETFs. Click [here](#) to get a complete insight into why some funds should skip the “rising tide” making the switch to an ETF.