

[Developing Fund Authority Scores for ETFs and Mutual Funds](#)

Category : The Fund Authority Score System for Evaluating Mutual Funds and ETFs

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Developing Fund Authority Scores for ETFs and Mutual Funds Select mutual funds and ETFs with the most important economic factors that affect long term, diversified, and risk-adjusted investment fund returns Good things are born small and grow over time. Regularly, *The Skilled Investor* evaluates individual mutual funds and ETFs and adds new articles that use [the Fund Authority Score rating system](#). To be alerted when these new articles are published, just subscribe to [our main website's RSS feed](#) or to [our blog's RSS feed](#). You can find a [directory of Fund Authority Scores for mutual funds and ETFs here](#). Fund Authority Scores provide individual investors with concise and objective comparative summaries of mutual funds and exchange-traded funds. According to the [Investment Company Institute](#), at the end of 2006 there were 61,506 mutual funds worldwide, including stock, bond, hybrid, money market, and exchange traded funds. In the U.S. at the end of 2006, there were 8,120 stock, bond, and money market mutual funds with 21,260 different share classes. In addition, there were 359 ETFs - a number which is growing very rapidly. Clearly, the U.S. and worldwide mutual fund industry does not have any fund fertility problems! Because it takes substantial time to analyze mutual funds and ETFs and to publish Fund Authority Score articles, it will be impossible to develop summaries for all diversified investment funds. To manage this investment fund over-abundance problem, *The Skilled Investor* uses a priority system based primarily upon total fund assets, as we tackle this mountain of funds. We also consider reader requests, which you can make through our [Contact Us page](#). To find our growing number of ETF and mutual fund evaluation articles in the future, go to *The Skilled Investor's* website home page and select the main articles category entitled "The Fund Authority for Mutual Funds and ETFs." You will find logical subcategories that group these mutual fund and ETF rating articles by security type, investment asset class, and geography. In addition, you will find that we already have an extensive collection of articles about [methods for screening, selecting, and evaluating ETFs and mutual funds](#). Because mutual funds and ETFs tend to change their fees and trading strategies little over time, you can expect that Fund Authority Scores will remain relatively stable over time. When you are looking for top mutual funds, the Fund Authority Score helps long term investors quickly find the best mutual funds and top ETFs for their purposes. Other investment fund rating systems far over-emphasize what are really just lucky, historical performance records. Performance records tell you very little about how a fund is likely to perform in the future. In contrast, the Fund Authority Score rating system zeros in on fund expenses, transactions costs, fund operating efficiency, and fund maturity, and it penalizes very poor historical performance. These are the economic factors that have been shown to be the most reliable predictors of better future investment fund performance. (See this article: [The Mechanics of the Fund Authority Score System for ETFs and Mutual Funds](#))

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