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Best Fund Families of 2024

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If you didn't own Nvidia or the other red-hot tech stocks, it was a tough year to be an active fund manager.

Most managers got trounced in 2024 as the S&P 500 index rose 25%, lifted by the Magnificent Seven of Alphabet, Amazon.com, Apple, Meta Platforms, Microsoft, Nvidia, and Tesla. Chip maker Nvidia led the way with a 171% return, powered by the artificial-intelligence investing boom.

Active managers in large-cap funds concede that having exposure to AI—and owning Nvidia, in particular—was necessary to compete in 2024. "Specifically about Nvidia, as Reggie Jackson would say, [it's] the straw that stirs the drink for the global stock market. So you had to get that one right," says Mark Baribeau, head of global equity at Jennison Associates, a unit of PGIM Investments.

That wasn't all, however. For Baribeau and the other active managers whose firms ranked in the top five of Barron's annual Best Fund Families survey, picking the right stocks in a market that started to broaden out in the second half of the year produced outsize returns for their investors.

Some of those non-Nvidia names that the top managers had in common included Broadcom and Arista Networks in tech, and Netflix and JPMorgan Chase for nontech holdings. In fixed income, securitized debt was a winner for a second year, particularly in commercial mortgage-backed securities, as savvy managers bet that select properties in the commercial real estate market had bottomed out.

For 2024, the top five Best Fund Families were led by Lord Abbett, followed by Sit Investment Associates, Fidelity Investments, PGIM Investments, and Nuveen/TIAA.

To beat the indexes and their peers in 2024, the top five asset managers took advantage of volatility-inducing factors in equity and fixed-income markets, including the Federal Reserve and other central banks changing monetary policy, a U.S. presidential election and other global contests, and the unwinding of a Japanese yen currency trade.

Overall, it wasn't a shabby year to be an investor, no matter where you were. According to LSEG Lipper data, the average U.S. equity fund rose 17.4%, while world equity funds gained 7.3%. Taxable bond funds rose 5.7%, while municipal bond funds returned 2.9%. Mixed-asset funds rose 10.7%. Cash did well, as Lipper data show that taxable money-market funds returned 4.9%; about $6.4 trillion remains in those accounts, close to 2023's level.

Barron's has conducted its annual survey of fund families for more than 20 years, focusing on one-year performance across a range of actively managed funds for its primary ranking. It's a snapshot in time, but many of the biggest and best-performing funds in 2024 also have strong long-term returns. That suggests these funds aren't merely one-hit wonders.

Because the Best Fund Families results are asset-weighted, firms' largest funds have the biggest impact on their rankings. That is how a small firm like the No. 2–ranked $16.4 billion Sit Investment Associates can compete with much larger firms.

This year's top five families showed some significant changes in the top two spots, with Lord Abbett jumping from No. 39 to No. 1 and Sit Investment Associates rising from No. 11. Otherwise, the No. 3, No.4, and No. 5 asset managers mostly tangoed around their previous rankings.

This Year's List

To be included in the ranking, firms must offer at least three actively managed mutual funds or active exchange-traded funds in Lipper's general U.S. stock category, plus one in world equity and one mixed-asset—such as a balanced or allocation fund. They also need to offer at least two taxable bond funds and one national tax-exempt bond fund. All funds we consider must have a track record of at least one year. The ranking also includes "smart beta" ETFs, which are run passively but built on active investment strategies. The final list reflects each firm's active-management ability.

All told, just 48 asset managers out of the 793 in Lipper's database met our criteria for 2024, down from 49 in the previous year, as Putnam Investments was acquired and folded into Franklin Templeton Investments.

No. 1: Lord Abbett

When Doug Sieg, CEO of $221 billion Lord Abbett, took the helm at the 95-year-old firm seven years ago, an early decision was to define company culture as performance-oriented. Lord Abbett encourages frequent cross-firm collaboration and built a new headquarters so teams can share information and ideas in person.

The firm studies which markets to invest in for its 50 active mutual funds, choosing those where active managers can differentiate themselves from the benchmark indexes.

"That's not every market in the world," Sieg says.

Best Fund Families for 2024

This is the eighth year we've ranked the fund families purely on their actively managed funds. The winners were helped by owning technology names benefiting from the artificial-intelligence boom and expecting limited interest-rate cuts by the Federal Reserve. There was limited movement in the ranking of funds between No. 3 and No. 5.

2024 Rank	2023 Rank	Fund Family	Total Assets (billion)*	Weighted Score	General Equity	World Equity	Mixed Equity	Taxable Bond	Tax-Exempt Bond
1	39	Lord Abbett	$157.5	82.26	1	9	2	2	5
2	11	Sit Investment Associates	1.5	71.84	12	1	1	11	1
3	2	Fidelity Investments	2,264.6	64.99	2	10	26	17	28
4	3	PGIM Investments	156.5	64.88	7	7	14	8	30
5	6	Nuveen/TIAA	245.7	61.24	9	33	11	5	23
6	37	First Trust Advisors	81.5	60.53	8	2	18	28	36
7	34	Capital Group/American Funds	2,815.7	57.69	14	21	5	34	16
8	45	J.P. Morgan Asset Management	672.7	57.56	6	36	22	15	11
9	9	Thrivent Mutual Funds	38.0	57.43	28	15	8	12	26
10	26	Morgan Stanley Investment Management	155.1	55.80	13	23	16	21	27
11	48	Federated Hermes	73.5	55.31	21	39	3	36	12
12	17	Dimensional Fund Advisors	583.0	55.29	26	19	9	22	38
13	22	Transamerica Asset Management	33.7	55.28	18	40	6	33	4
14	7	T. Rowe Price	866.5	55.23	22	27	12	18	22
15	8	Columbia Threadneedle Investments	192.9	55.02	17	30	20	26	3
16	33	DWS Group	27.7	53.76	25	11	21	29	14
17	13	State Street Global Advisors	47.9	52.47	3	20	42	41	43
18	18	John Hancock Group	181.6	51.62	24	16	27	27	9
19	15	Goldman Sachs Asset Management	149.4	51.54	5	18	35	42	8
20	38	Invesco	257.3	51.21	4	45	37	9	25
21	46	SEI Investments	78.0	50.77	10	4	39	43	21
22	36	Allspring Global Investments	78.5	50.75	15	42	19	32	17
23	10	BlackRock	370.1	50.74	20	25	25	37	19
24	4	Virtus Investment Partners	47.2	50.54	40	37	7	3	44
25	27	Macquarie Asset Management	81.6	50.52	35	17	4	45	15
26	40	AllianceBernstein	114.9	50.47	41	5	10	30	32
27	23	UBS Asset Management	11.3	50.45	33	29	15	10	45
28	44	Hartford Funds	120.5	50.10	23	13	45	6	18
29	29	Victory Capital Management	95.1	50.03	36	12	32	7	10
30	12	Pimco	406.8	49.89	19	3	44	19	34
31	30	BNY Mellon Investment Management	48.9	49.20	16	47	23	14	31
32	21	Brinker Capital	11.7	48.14	29	31	28	13	24
33	43	MFS Investment Management	409.6	47.89	32	8	41	24	2
34	25	Affiliated Managers Group	96.5	47.42	11	44	13	46	48
35	5	Touchstone Investments	28.8	44.10	38	38	17	25	42
36	32	Franklin Templeton Investments	470.4	43.86	27	41	31	38	7
37	14	Vanguard Group	1,904.4	43.52	39	22	24	39	20
38	47	Neuberger Berman	46.7	43.49	42	6	40	16	35
39	24	Amundi US	50.0	42.82	46	35	33	4	29
40	42	American Century Investments	206.9	41.30	34	14	43	31	33
41	31	New York Life Investments	70.8	40.90	31	24	36	40	41
42	19	Northern Trust Investments	14.5	39.36	30	43	34	44	40
43	16	Principal Asset Management	179.8	38.54	45	32	29	35	37
44	28	Russell Investments	40.4	37.67	37	28	30	48	39
45	41	SS&C ALPS Advisors	7.1	36.68	48	26	38	23	13
46	20	Guggenheim Investments	43.5	34.02	47	46	48	1	6
47	49	Manning & Napier Advisors	6.4	33.77	44	34	46	20	47
48	35	Madison Investments	3.8	22.25	43	48	47	47	46

*Total assets reflect the funds included in this survey.

Source: LSEG Lipper

Not only is it Lord Abbett's first time at No. 1, but it hasn't been in the top five for at least 10 years. The asset manager reached the apex with strong returns across categories, including the top spot in the general equity category.

Lord Abbett has long been known for value investing, and one of its oldest funds is the $6.3 billion Lord Abbett Affiliated, launched in 1934. But it also has a deep bench in growth, with its $7.3 billion Lord Abbett Growth Leaders, the firm's largest general equity fund. Both of those funds beat their respective Russell 1000 Value and Russell 1000 Growth indexes in 2024. Growth Leaders bested 95% of its Lipper peers with a 45% return to help propel the firm to the top spot both overall and in the general equity division.

Matt DeCicco, director of equities at Lord Abbett, says while the Magnificent Seven stocks still dominated in 2024, his firm expected that market breadth would expand. When dispersion among stocks rose and specific equities became more correlated with earnings, picking the right stock drove returns, he says.

Holdings in generative AI and adjacent industries did well, but it wasn't just owning names like Nvidia and Taiwan Semiconductor Manufacturing, he says. AI-adjacent plays, such as software firm SAP and Emcor Group, which helps data center buildouts, also supported performance.

Lord Abbett shined in its fixed-income picks as well. A key highlight was investing in select commercial mortgage-backed securities, which supported returns as parts of that market began to bottom.

DeCicco believes that 2025 will be another year of improved earnings growth for companies outside the Magnificent Seven, which should reward fundamental bottom-up pickers such as Lord Abbett. But he is also on guard for inflation to creep up or economic growth to slow.

No. 2: Sit Investment Associates

Sit Investment Associates may not be a household name, but it has performed strongly before in the Fund Families rankings. With its second-place finish this year, the Minneapolis-based firm placed in the top five for the second time since 2021.

CEO Roger Sit, whose father, Gene Sit, founded the firm in 1981, says the investment approach used by the $16.4 billion asset manager features a mix of 75% bottom-up and 25% top-down macroeconomic research to find high-quality, longer-term investments for its 14 mutual funds.

The bulk of the research goes into a security's fundamentals, while the macroeconomic homework is to "make sure we don't get blindsided," Sit says.

Coming into 2024, the firm focused on the pace of Fed interest-rate cuts and expectations that the yield curve would normalize. Bryce Doty, senior portfolio manager for taxable bonds at Sit, says the fixed-income team was optimistic that the pain from the Fed's rate hikes in 2023 would subside and that rates would slowly fall.

Navigating 2024 wasn't an easy task. Roger Sit called 2024's market environment "schizophrenic," as markets lurched after every data point and news headline, reminding the team of 38 investment professionals to reconfirm their intermediate-to-longer-term outlooks and reposition themselves as needed.

Doty says the fixed-income team took advantage of the sentiment flip-flops over the Fed meetings to reposition portfolios a little further along the yield curve, about three to eight years out. Ahead of big data reports, the team would sometimes purchase put options to protect risk-adjusted returns on the downside without limiting the upside. Moves such as those helped to solidify Sit's strong bond rankings in this year's survey, allowing its biggest taxable bond fund, the $160 million Sit US Government Securities, to beat 97% of its Lipper peers with a 2.4% return.

While the firm owned some Magnificent Seven stocks, such as Nvidia, Kent Johnson, portfolio manager of the $56.2 million Sit Global Dividend Growth —which gained 16.8% in 2024 and bested 98% of its peers—says lesser-known names that powered performance were Recruit Holdings, a Japanese firm that owns job-placement website Indeed, and HVAC company Trane Technologies.

No. 3: Fidelity Investments

Like many other firms, Fidelity Investments has heavily invested in mining quantitative data and alternative data sets to support its in-house research capabilities, hiring quantitative researchers to support its global asset classes and the managers of its more than 575 mutual funds and ETFs, says Neil Constable, head of the $5.8 trillion asset manager's quantitative research and investments.

What sets Fidelity apart is that it is mining its own data sets across assets that stretch back decades, giving it differentiated information from the publicly available alternative data, he says.

The investment is paying off, as Fidelity has placed in the top five of Barron's survey for three straight years. Strong performance by some of its biggest funds in the general equity category motored the firm to No. 3.

Tim Cohen, chief investment officer for equities, says early in 2024 there was some skepticism as to whether the handful of tech names would lead markets, "but what we saw was a carbon copy of 2023."

The large-cap growth $161 billion Fidelity Contrafund, its biggest equity fund, trounced 100% of its general equity peers for the second year in a row, with a 36% gain, and easily outpaced its S&P 500 benchmark. In his fourth-quarter letter to shareholders, manager William Danoff wrote that the fund's overweight in Amazon was the top contributor to performance.

Another strong performance came from Sonu Kalra, portfolio manager of the $75.9 billion Fidelity Blue Chip Growth fund, which beat 95% of its peers. Kalra says he was cautiously optimistic in 2024 and had a bias toward cyclical stocks, which underpinned Blue Chip's 39.7% gain. He also pointed to tech stock selection as a return

Best Families Over Five Years

Rank	Fund Family	Weighted Score
1	Sit Investment Associates	81.43
2	Fidelity Investments	74.72
3	Dimensional Fund Advisors	66.74
4	Pimco	66.62
5	Thrivent Mutual Funds	64.98
6	Lord Abbett	63.68
7	Nuveen/TIAA	63.56
8	PGIM Investments	63.47
9	Capital Group/American Funds	63.30
10	Virtus Investment Partners	62.69
11	Amundi US	62.68
12	J.P. Morgan Asset Management	61.98
13	Goldman Sachs Asset Management	60.52
14	Columbia Threadneedle Investments	60.01
15	Neuberger Berman	59.09
16	New York Life Investments	58.95
17	Victory Capital Management	57.75
18	Affiliated Managers Group	57.23
19	Federated Hermes	57.05
20	UBS Asset Management	56.87
21	BNY Mellon Investment Management	56.62
22	Touchstone Investments	56.61
23	State Street Global Advisors	56.49
24	Morgan Stanley Investment Management	56.18
25	Macquarie Asset Management	55.39
26	T. Rowe Price	54.91
27	John Hancock Group	54.42
28	First Trust Advisors	53.98
29	BlackRock	53.72
30	Vanguard Group	53.59
31	American Century Investments	53.42
32	Hartford Funds	51.95
33	Franklin Templeton Investments	51.82
34	Manning & Napier Advisors	50.46
35	AllianceBernstein	50.02
36	Invesco	49.48
37	Transamerica Asset Management	49.45
38	Allspring Global Investments	48.24
39	MFS Investment Management	47.81
40	DWS Group	46.88
41	Guggenheim Investments	46.27
42	Principal Asset Management	43.70
43	SEI Investments	43.41
44	Northern Trust Investments	34.10
45	Madison Investments	33.47
46	Russell Investments	31.64

Source: LSEG Lipper

Best Families Over Ten Years

Rank	Fund Family	Weighted Score
1	Fidelity Investments	77.03
2	Virtus Investment Partners	72.75
3	Columbia Threadneedle Investments	70.48
4	Morgan Stanley Investment Management	69.73
5	Pimco	69.12
6	Dimensional Fund Advisors	68.90
7	Thrivent Mutual Funds	68.71
8	Sit Investment Associates	68.47
9	First Trust Advisors	68.27
10	Vanguard Group	67.16
11	T. Rowe Price	66.49
12	PGIM Investments	66.44
13	Nuveen/TIAA	66.26
14	MFS Investment Management	64.71
15	J.P. Morgan Asset Management	64.20
16	Capital Group/American Funds	64.20
17	Amundi US	63.82
18	Affiliated Managers Group	63.45
19	New York Life Investments	62.81
20	Hartford Funds	62.12
21	Touchstone Investments	62.10
22	AllianceBernstein	61.16
23	Lord Abbett	60.47
24	State Street Global Advisors	60.06
25	BlackRock	59.41
26	John Hancock Group	59.40
27	Victory Capital Management	58.50
28	DWS Group	58.41
29	Goldman Sachs Asset Management	57.53
30	Federated Hermes	57.44
31	BNY Mellon Investment Management	56.69
32	Allspring Global Investments	56.32
33	Transamerica Asset Management	56.22
34	Macquarie Asset Management	54.04
35	UBS Asset Management	51.86
36	Franklin Templeton Investments	51.54
37	Principal Asset Management	51.36
38	Invesco	48.11
39	Neuberger Berman	47.82
40	American Century Investments	46.52
41	Manning & Napier Advisors	45.95
42	Guggenheim Investments	44.01
43	Madison Investments	43.09
44	SEI Investments	39.90
45	Northern Trust Investments	36.84
46	Russell Investments	29.79

Source: LSEG Lipper

General Equity

Rank	Best	Score
1	Lord Abbett	34.14
2	Fidelity Investments	30.22
3	State Street Global Advisors	30.01
4	Invesco	25.45
5	Goldman Sachs Asset Management	25.00

World Equity

Rank	Best	Score
1	Sit Investment Associates	12.36
2	First Trust Advisors	12.32
3	Pimco	11.58
4	SEI Investments	11.06
5	AllianceBernstein	11.00

Mixed Asset

Rank	Best	Score
1	Sit Investment Associates	20.08
2	Lord Abbett	19.98
3	Federated Hermes	18.09
4	Macquarie Asset Management	17.01
5	Capital Group/ American Funds	16.85

Taxable Bond

Rank	Best	Score
1	Guggenheim Investments	16.43
2	Lord Abbett	14.89
3	Virtus Investment Partners	14.78
4	Amundi US	14.64
5	Nuveen/TIAA	14.36

Tax-Exempt Bond

Rank	Best	Score
1	Sit Investment Associates	3.87
2	MFS Investment Management	3.51
3	Columbia Threadneedle Investments	3.41
4	Transamerica Asset Management	3.41
5	Lord Abbett	2.92

Source: LSEG Lipper

driver, highlighting a position in Marvell Technology as a key contributor.

Robin Foley, the firm's head of fixed income, says Fidelity figured last year that the U.S. economy would stay strong and that companies were financially healthy. Accordingly, it overweighted corporate bonds and asset-backed securities to take advantage of higher absolute yields. Ford O'Neil, co-portfolio manager of the $38.3 billion Fidelity Total Bond fund, said that holdings in high-yield and emerging market debt also underpinned performance.

How We Ranked the Fund Families

In ranking funds, our aim is to measure manager skill, independent of expenses beyond annual management fees. That's why we calculate returns before any 12b-1 fees are deducted. Similarly, we don't include fund loads, or sales charges, in our calculation of returns.

Each fund's performance is measured against all of the other funds in its LSEG Lipper category, with a percentile ranking of 100 being the highest and one the lowest. This result is then weighted by asset size relative to the fund family's other assets in its general classification. If a family's biggest funds do well, that boosts its overall ranking, and vice versa.

To be included in the ranking, a firm must have at least three funds in the general equity category, one in world equity, one in mixed equity such as a balanced or target-date fund, two taxable bond funds, and one national tax-exempt bond fund.

Single-sector and country equity funds are factored into the rankings as general equity. We exclude all index funds, but include actively managed ETFs and so-called smart-beta ETFs, which are passively managed but created from active strategies.

Finally, the score is multiplied by the weighting of its general classification, as determined by the Lipper universe of funds. The category weightings for 2024 were general equity, 39.1%; mixed asset, 21.6%; world equity, 15.3%; taxable bond, 20.1%; and tax-exempt bond, 3.9%.

The category weightings for the five-year results were general equity, 39%; mixed asset, 21.7%; world equity, 15.3%; taxable bond, 19.9%; and tax-exempt bond, 4%. For the 10-year list, they were general equity, 40%; mixed asset, 22.1%; world equity, 14.8%; taxable bond, 19.2%; and tax-exempt bond, 3.9%. The weightings may not total 100 due to rounding.

No. 4: PGIM Investments

As the $1.38 trillion global asset management business of Prudential Financial, PGIM Investments uses a multi-affiliate model to specialize in certain asset classes. Its six affiliates actively manage 74 mutual funds and 49 ETFs and are known for their expertise in growth equity and fixed income.

The global and U.S. equity teams at PGIM's Jennison Associates work together to find disruptive businesses with consistent growth in their early stages and hold them, says PGIM's Baribeau. Most innovative companies are U.S.-based, but disruptive companies often have similar development patterns no matter where they are based.

Last year was a good environment for idiosyncratic stock selection in U.S. and non-U.S. markets, Baribeau says. Aside from AI, investments in healthcare companies producing GLP-1 diabetes drugs were a big theme for Jennison, with Eli Lilly holdings adding value broadly.

For global funds, Ferrari and Hermès bucked the trend of weakness in luxury goods, and helped power the performance of the $7.2 billion PGIM Jennison Global Opportunities to a 22.3% return. That handily beat the 17.2% return of the Lipper category of global large-cap growth funds.

Looking ahead, Baribeau sees Reddit as fitting the profile of an early-stage innovative company, noting that consumers like the brand and its monetization is lower than it could be.

With a volatile fixed-income market defined by how many times the Fed would—or wouldn't—cut rates, Gregory Peters, co-chief investment officer of PGIM Fixed Income, says his team focused on risk-adjusted return. PGIM turned to higher-quality structured products to balance a safer investment with a higher yield.

Owning high-quality collateralized loan obligations, both triple-A and double-A rated, supported returns, and Peters says PGIM found opportunities across markets, particularly in Europe, where collateralized loan obligations traded more cheaply. Other strong performances came from investments in credit-risk transfer mortgages, which are guaranteed credit securities from Fannie Mae and Freddie Mac designed to transfer risk from the agencies to private investors.

For 2025, Peters expects opportunities to take advantage of differentiated interest-rate environments as some central banks, such as the European Central Bank, cut rates, and the Fed stands pat in response to different inflation and growth outlooks in their regions.

No. 5: Nuveen/TIAA

The three drivers of success for $1.3 trillion Nuveen/TIAA in 2024 were being positioned in technology to take advantage of the AI boom, expecting interest rates to stay higher for longer, and for inflation to remain sticky, says Saira Malik, head of equities and fixed income and chief investment officer at the firm.

Malik says the asset manager has been bullish on AI since 2023, so it already had large positions in Nvidia and Broadcom and other names before the theme boomed in 2024. That call helped lift Nuveen's biggest equity ETF, the $2.8 billion Nuveen Growth Opportunities, to a 35.9% return. By topping 89% of its Lipper peers in large-cap growth, the ETF helped catapult the asset manager into the fifth spot in the survey. It's one of Nuveen's 101 actively managed mutual funds and ETFs.

In equities, Nuveen uses an analyst-as-investor model, so analysts invest alongside the portfolio managers. This setup of analysts investing in their recommendations "sends a very high-conviction signal to the portfolio managers who are running those mutual funds," she says.

The interest-rate call was decisive in Nuveen's overall and taxable-bond positioning in Barron's survey. The firm's fixed-income team uses bottom-up research with a top-down macroeconomic view to help inform security selection to boost income in the funds while trying to sidestep extreme volatility.

With its view that rates would remain higher and the U.S. economy would be strong, Nuveen increased floating-rate and leveraged-loan exposure, buttressing fixed-income performance relative to peers, says Joe Higgins, lead portfolio manager for the $10.7 billion Nuveen Core Bond, its biggest taxable bond fund.

Nuveen also found success owning credit-risk transfer mortgages in 2024. Higgins says he likes these for two reasons: These assets aren't in major bond indexes, and they are floating-rate, so they worked well in last year's higher-for-longer environment.

Looking to 2025, Malik says Nuveen has dialed back its bullishness on tech and is investing more broadly. Financials tend to perform well in a Republican administration, she says, and they have a lot of promise if pending tax cuts and deregulation come through. That macroeconomic environment should also support small-caps. On a valuation basis, developed international markets such as Europe are at a 40% discount to the U.S.

There are wild cards for 2025, notably tariffs and the potential impact to reaccelerate inflation.

Her advice for investors in 2025 is to rebalance out of crowded tech trades, pointing to the selloff in tech in late January after the launch of China's AI offering DeepSeek. "One piece of news, and what happened? I think you need to be more cautious," she says.

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