

Leading fund managers reveal priorities for 2006

London, 02 February 2005 – Investit Intelligence, the research forum dedicated to the operational issues of the fund management industry, has revealed the largest investment management companies' top priorities for spend and focus in 2006.

The 25 investment management companies, who attended Investit Intelligence's Winter Conference last week, highlighted the following as either being a big area of spend for them or an area they will be watching with interest this year:

- derivatives (95%)
- liability driven investments (92%)
- MiFID (88%)

Investit Intelligence has already addressed MiFID as a key area of concern for fund managers, by hosting the industry's first MiFID forum for the buy-side in November 2005, *MiFID – Mountain or Molehill?* And Investit continues to provide help and information on MiFID to buy-side firms

Following the success of the MiFID forum, Investit is also planning a Derivatives Forum in late April. This will be aimed at investment managers planning to increase their use of derivatives, including OTC derivatives, and want to hear and share best practice experience in how to do this more efficiently. UCITS III also appeared to be a concern for around 30% of those surveyed although the majority did not classify the directive as a priority for this year and 27% said they had already got this sorted.

Of those surveyed, only 8% reported 'cost reduction' as a key focus in 2006 indicating a shift in priorities towards business development – although budget is being used more wisely and many fund managers continue to keep a watchful eye on this area.

Interestingly, some previously high concerns are not now on managers' top concerns lists. M&A activity - 65% of managers said this was already sorted or not a top concern for 2006 - and globalisation - 52% of managers said this was already sorted or not a top concern for 2006.

Catherine Doherty, Principal at Investit comments, "The survey of leading fund managers attending the Investit Intelligence conference has enabled us to predict key areas of interest and focus for spend in the year ahead. Assisting the buy-side in their preparation for MiFID and helping investment management companies to understand the use of derivatives have been key areas for us recently demonstrating our commitment in assisting members of the Intelligence service to stay ahead of the curve."

Investit Intelligence is the research service available designed to support the COO's requirements in investment management companies. Investit Intelligence looks at a range of issues from an intensely practical point of view, providing workable solutions to business issues. Investit plans to conduct comprehensive studies into three nominated areas on behalf of the investment management companies who are members of the Investit Intelligence service. The areas chosen for detailed research will be announced next month.

- Ends -

About Investit

Investit is the leading fund management consultancy providing integrated investment and operational advice and research. Investit was founded in 1998 and includes five core expertise areas: investments, client management, performance and risk, operations and systems. In 2001, Investit People was added to provide specialist recruitment services to our clients. In 2004, Investit Projects started work, providing a unique outsourcing service for business projects. Investit Intelligence completes the offering with a range of specialist surveys and detailed research papers. For further information go to www.investit.com

About Investit Intelligence

Investit Intelligence is a customised information tool for all people concerned with turning high-level business plans into reality. Investit Intelligence consists of a number of research and survey services.

- **Investit Intelligence Member Service**

The member service is an interactive service where members take an active role in selecting, shaping and researching topics by voting on new discussion and research ideas.

- **Investit Intelligence Business Process Assessment – defining best value**

BPA is a service where Investit works closely with COOs of investment management companies to identify the value output of all business processes and how that compares with peers – it's an essential decision-making tool.

- **Investit Intelligence IT Value Survey**

The IT Value Survey looks in detail at the spend, effectiveness and plans of companies IT departments. It is an annual survey particularly designed for COOs and Heads of IT.

- **Investit Intelligence Performance & Risk Survey**

The Performance & Risk Survey is the only tool specifically designed for, and by, Performance heads in Investment Management companies. It looks at performance and risk systems, performance roles and remuneration, future trends and benchmarks against peers.

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