

## Leading investment managers reveal top priorities for year ahead

### - OTC derivatives top the list -

**London, 07 February 2007** – Investit Intelligence, the research forum dedicated to the operational issues of the investment management industry, has revealed the UK's largest investment management companies' and third party administrators' top priorities for spend and focus in the coming year.

The 35 investment management companies and third party administrators, who attended Investit Intelligence's Winter Conference on 24 January, highlighted the following as key areas of spend or focus for 2007/8:

- OTC derivatives (89%).
- Supporting alternative assets, such as private equity, property etc (83%).
- MiFID (78%).
- Change management (67%).

The operational and technology challenges associated with OTC derivatives continue to top fund managers' agendas. To meet member requirements, Investit Intelligence has already run detailed workshops on 'OTC derivative governance and education programmes', 'OTC derivative pricing, valuation and data' and 'OTC derivative systems infrastructures'. Investit is planning to run more workshops this year.

Alternative assets, such as property and private equity continue to grow in popularity, as institutional clients look for more diversified returns. However, many investment management firms' systems and operational processes cannot properly support, and report on, these assets.

Unsurprisingly, MiFID continues to be a key area for investment managers, as they have to be compliant by November this year. Only one of the investment management companies attending the Winter Conference said that they had already got MiFID sorted. Investit's clients are finding MiFID compliance less of a problem than at first feared. They have been able to incorporate MiFID into other business as usual projects.

Change management has been recently recognised as an individual and essential discipline, reflecting the growing maturity of investment management businesses.

The Winter Conference also revealed some lesser concerns for managers. Only 39% of managers are prioritising merger and acquisitions, although this has risen from 25% at the Intelligence Summer Conference in July 2006. And only 41% of managers are currently considering increasing headcount.

**Catherine Doherty, Principal at Investit comments,** "This survey of leading fund managers attending the Investit Intelligence Winter Conference has enabled us to identify key areas of interest and focus for spend in the year ahead. OTC derivatives and MiFID have both been areas Investit Intelligence has concentrated on over the last two years. We will look forward to exploring alternative assets and change management as we continue to assist our members in staying ahead of the game "

Investit Intelligence will conduct comprehensive studies into three nominated areas on behalf of the member companies of the Investit Intelligence service. The areas chosen for detailed research will be announced next month.

- Ends -

## **About Investit**

Investit is the leading investment management consultancy. It has a unique range of services, providing expert advice across all areas of investment management companies, from front to back office. Investit also offers detailed research and benchmarking services. Investit was founded in 1998 and includes five core expertise areas: investments, client management, performance and risk, operations and technology. In 2002, Investit People was added to provide specialist recruitment services to support project work. In 2006, Investit Technology was created from an alliance with US investment management systems consultancy, InvestTech Systems. Investit Intelligence completes the offering with a range of specialist surveys and detailed research papers. For more information, go to [www.investit.com](http://www.investit.com)

## **About Investit Intelligence**

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 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.

## **For further information**

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