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GLOBAL INVESTOR AWARDS 2017

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> LIFETIME ACHIEVEMENT IN SECURITIES SERVICES

Daron Pearce

Pearce has consistently set an excellent example for colleagues during his career, including 17 outstanding years at BNY Mellon

Daron Pearce has held the position of CEO of Emea Asset Servicing at BNY Mellon since June 2016, the latest stage in his 17 years with the custodian bank. Throughout this time it has been the people he has worked with that have left the greatest impression.

"The thing you recognise when you progress in your career is how the journey is all about the people you meet," he said. "That has certainly been true at BNY Mellon, when I think about the phenomenal teams and people that I have worked with."

LIFETIME ACHIEVEMENT: DARON PEARCE, CENTRE

He is responsible for day-to-day delivery of services, setting the strategic direction and ensuring businesses adhere to risk, compliance and regulatory guidelines. "I would like to take the profitability and revenue of the business to the next level," he said. "It has been tracking very successfully – hopefully I will continue down that road, improving profitability, gaining more clients and creating an even better capability set."

The main area he is currently focused on is the bank's digitisation programme, Nexen. "To have consultants who I have known for 25 years say 'you guys are at the forefront' is phenomenal to hear. To step into that leadership position at such a critical time is very exciting."

Pearce sits on several committees including the corporate operating committee, Emea operating council, senior leaders meeting and the Emea revenue council. He has held a very long list of roles within BNY Mellon, including most recently CEO of global financial institutions, between 2015 and 2016, and head of global financial institutions Emea, 2012 to 2015.

He was also head of asset servicing, UK, Ireland and Sub-Saharan Africa, between 2009 and 2012 and delivered some of his greatest achievements. He was also head of Emea relationship management between 2007 and 2009, where he successfully integrated three companies while retaining 100% of its clients through the first year.

"People continue to be key," he said. "In some very mature markets the lowest price will be critical but there are also markets where the quality and consistency of the relationship as well as the reliability and trust that has developed between the service provider and client is still of primary importance."

Michael Cole-Fontayn, Emea chairman for BNY Mellon, said: "Outstanding attention to detail and a passion to enhance client service is the secret to Daron's outstanding career."

Hani Kablawi, Emea CEO of Investment Services, said: "Having joined BNY Mellon in 2000 and advanced through the ranks, Daron is a true advocate not only for the institutional investors we serve, but for the end investor, bringing our mission of 'improving lives through investing' to life. I've witnessed with admiration Daron's capacity to climb a steep learning curve and his ability and patience to help others climb their own. Daron leads with both head and heart. He will never expect anything of anyone that he wouldn't do himself. His people know that and admire and respect him for it."

Luke Jeffs, managing editor of Global Investor Group, added: "Daron Pearce has consistently shown himself over the past 20+ years to be a big advocate for and insightful commentator on the European custody industry. He also happens to be one of the nicest guys in the business."

Before joining BNY Mellon in 2000 he held roles at Baring Asset Management, Norwich Union Investment Management, JP Morgan and HD International Limited. "One highlight was going in to start the master custody business at JP Morgan. There were just four of us to kick the business off and we took it from zero to a very big business. Being part of that start-up was a particularly exciting a fruitful period," he said.

"This award was a wonderful shock and honour – everyone did a wonderful job of keeping it a secret."

LIFETIME ACHIEVEMENT IN ASSET MANAGEMENT

Dr J Mark Mobius

The emerging markets pioneer retains his enthusiasm for active management and creating value

This year Dr J Mark Mobius, who is 80 years of age, is set to enter into his thirtieth year as executive chairman of Templeton Emerging Markets Group. The group continues to flourish under his leadership and continues to be recognised as one of the largest and most expert emerging markets groups globally, with benchmark-beating performance across a number of its strategies. Today, he oversees $26bn in emerging market equities.


LIFETIME ACHIEVEMENT: DR J MARK MOBIUS, CENTRE

"When I first started investing in emerging markets in a more formal way with legendary investor Sir John Templeton back in 1987, there were many challenges as an investor in this space, including a very limited number of markets to invest in," said Dr Mobius.

"Today, we can invest in a variety of emerging markets around the world, as well as a host of lesser-developed frontier markets, which we think hold exciting potential over the next 30 years and opens up an array of new opportunities within the asset class."

Although he has stepped back from the day-to-day management of several funds, he continues to be actively involved in mentoring and cultivating the next generation of investment leaders.

"When mentoring new team members, I try to first lead by example," he said. "Explanations can only be effective to a certain point. After that, it's important to implement the procedure so its effectiveness can be seen. Second, we need to tolerate mistakes. Third, I encourage new members to be creative. I try to ensure that any new idea is given serious consideration, even if it may appear crazy."

Dr Mobius He boasts one of the highest profiles of any investor in the emerging markets sector and is regarded by many in the financial industry as one of the most successful emerging markets investors over the last 20 years. He was once named 'the king of emerging markets' by The Wall Street Journal.

Dr Mobius holds the status of being a true pioneer, having entered the field 16 years before the first Bric fund. He joined Templeton in 1987 as president of the Templeton Emerging Markets fund with assets of only $100m, which has grown circa 25,000% over the last 30 years.

"I would cite my greatest success as growing Franklin Templeton's flagship emerging markets unit from just three employees and a single fund in 1987 to more than 80 staff in 18 offices around the world."

Today the group, still under his leadership, is one of the largest and skilled of its kind. It has grown under his leadership to 50 analysts and portfolio managers, the most senior of which have all worked with Dr Mobius for an extended period.

To this day, he continues to live the true principles of active management and the value approach, spending over 200 days a year travelling to meet the management of the more than 2000 companies he invests in, using his investment knowledge to transform companies for the better.

"While Sir John Templeton is no longer with us, his lessons live on," he said. "Even after he became a wealthy man, he lived and worked very simply. He didn't spend a lot of money and abhorred waste. This resourcefulness was reflected in how he worked – he was constantly reading and studying in order to make the most informed decisions possible.

"I also learned about humility from Sir John. He always said that without humility we won't be able to learn and adapt to changing environments. And he didn't just talk about those things, he really led by example. That's something I try to emulate."

Mobius seeks improvements across many aspects of these businesses from operational efficiencies to corporate governance, to make them truly sustainable and profitable to return maximum shareholder value.

"The key thing is that you have to love what you're doing, that's number one," said Dr Mobius. "Forget about the money – that will come. The second thing is to keep an open mind. Don't draw conclusions based on your own opinions or biases. Be ready to accept new ideas – it's very, very important."

LGIM took the awards for fiduciary manager of the year as well as ESG manager or the year

The exchange of the year award went to Eurex Exchange

Roll of honour

The Global Investor Awards 2017 took place at a gala ceremony on July 5 in central London

Former chief executive of Standard Chartered Peter Sands made a speech after dinner

Ulf Noren on his way to collecting multiple sub-custody awards for SEB

Amundi was awarded the prize for equity smart beta manager of the year

BlackRock was the 2017 asset manager of the year

ASSET MANAGER OF THE YEAR

BlackRock

The world's largest asset manager by AuM continues to go from strength to strength

In a year of dramatic change and uncertainty, clients continued to put their trust in BlackRock. It delivered the strongest annual net inflows in the firm's history of $202bn for 2016. Of this vast sum $98bn came in the fourth quarter, including $18bn in cash management.

An expansion in its operating margin over the previous year reflected its discipline in controlling expenses and allowed it to return $2.7bn to shareholders. Demand for BlackRock technology solutions drove 13% full-year revenue growth in Aladdin, its proprietary risk and portfolio management system.

In 2016 BlackRock launched several important technological initiatives. It launched Aladdin Risk for Wealth Management, which took Aladdin's analytical power beyond its traditional institutional client base. It built iRetire to redirect the focus of retirement planning to the estimated yearly income individuals will need in retirement. It acquired FutureAdvisor to provide high-quality, scalable, digitally-enabled advice capabilities to its distribution partners. And, BlackRock invested in iCapital, a technology solution to deliver illiquid alternative investments to retail clients and financial advisors.

BlackRock offers a complete set of solutions across asset classes and geographies, extensive market intelligence and industry-leading risk management and analytic capabilities. Its clients have entrusted it to manage $5.42trn (at the end of March 2017) earning BlackRock the honour of being the world's largest fiduciary investment manager.

"BlackRock is trusted to manage more money than any other investment firm," says a spokesperson. "We believe that we are uniquely positioned to help our clients meet their long-term goals, combining a fiduciary mindset with a comprehensive offering and an in-depth understanding of local needs. Above all, it is our ability to take a holistic approach to our clients' challenges that sets us apart."

BlackRock launched a number of new products during 2016, most notably the UK Strategic Alternative Income Fund, for UK pension schemes to match long-term liabilities, and the BSF Sustainable Euro Bond Fund, which screens companies using MSCI ESG methodology. ■

BOUTIQUE ASSET MANAGER OF THE YEAR

Unigestion

The boutique manager is steadily attracting clients with its value for money proposition

Unigestion performed well in a challenging environment over the past year. Its assets under management rose from CHF18.8bn ($19.6bn) to CHF23bn over the 12 months to the end of March and it attracted prestigious new clients in several countries, according to the firm.

Unigestion developed and launched a number of innovative projects over the year to 31 March 2017. It launched a long-short multi-factor equity strategy based on close collaboration with its longstanding client RPMI Railpen. It constructed an equity portfolio with similar return potential to the MSCI World but with a 75% lower carbon footprint. And, it helped its clients maximise the return potential of their alternatives allocation through its Alternatives 2.0 proposition.

The boutique manager conducted extensive research into how to incorporate environmental, social and governance (ESG) considerations into its investment processes over the past year, which resulted in the evolution of some of its existing investment solutions and the launch of new ones. It also continued to publish research into ESG integration in the alternatives industry.

"At Unigestion we never claim to be able to compete with the biggest investment firms in terms of assets under management or product range. For a boutique like ours to survive, we must be at the forefront of innovation and develop high-quality, creative solutions," says a spokesperson.

Unigestion places huge importance on providing its investors with value for money, according to the firm. For example, its research showed much of hedge funds' returns can be replicated through lower-cost exposure to liquid alternative risk premia and in December it broadened its offerings in the sector. "We worked alongside several clients last year to help them reduce the cost of their alternatives exposure by allocating to alternative risk premia and negotiating fees with their hedge fund managers. We saved one client 93 basis points in fees in 2016," adds the spokesperson.

In February 2017 it merged its private equity business with that of Akina, a small- to mid-market private equity specialist, together trading under the Unigestion's brand. ■

EQUITIES MANAGER OF YEAR

Artisan Partners

Several of Artisan's equity strategies are in the top fifth percentile

Artisan Partners is a global investment management firm that provides a broad range of high value-added investment strategies to clients around the world, with AuM of $96.8bn (at the end of 2016) of which over 65% is from its institutional channel.

Since 1994, the firm has stuck to its policy of taking on experienced and disciplined investment managers. Seven of the firm's eight autonomous investment teams are dedicated to managing active equity investment strategies.

At the end of 2016 Artisan Global Opportunities was first out of 64 strategies in eVestment's global growth equity universe. Similarly, Artisan Global Value was fourth out of 90 in the global equity value universe and Artisan Global Equity was 18 out of 592 (third percentile) in the all global equity universe. All were therefore ranked in the top fifth percentile since inception, gross-of-fees, in their respective eVestment universes.

The AuM of Artisan's Ucits equity funds stood at $3bn at the end of 2016, a 69% increase over the year. At the same time, assets from clients domiciled in Emea stood at $13.8bn, having grown 31%. Artisan also saw net equity inflows of $2.4bn in the Emea region over the year.

"The stability of our business model allows us to remain focused on who we are. Artisan Partners is a high value-added investment management firm designed for talent to thrive in a growth-oriented culture," says CEO Eric Colson.

Artisan focuses solely on active, high value-added strategies where it can differentiate itself from its peers and benchmarks by utilising fundamental research and a disciplined investment process. Each autonomous investment team pursues alpha based on its individual investment process.

Artisan aligns the interests of its investment professionals with its clients through its equity ownership structure, which encourages the teams to emphasise long-term results.

Artisan says it is "thoughtful" in its approach to new investment talent and investment strategies. In 2016, Chris Smith joined Artisan as founding portfolio manager of the thematic team, the firm's eighth autonomous team. ■

BOUTIQUE EQUITIES MANAGER OF THE YEAR

Quadra Capital Partners

Its global equity long-short fund has achieved sustained outperformance in volatile markets

Over the last 12 months, the Global Equity Alpha fund realised performance (net of all fees) of 16.2% while keeping volatility between 5% and 6% (as of April 2017).

Quadra has also notably outperformed its peers during special events. As a result of Brexit the MSCI and HFRX indices were down -0.45% and -0.22% respectively but Quadra's global equity fund achieved +0.75%.

Quadra has also been remarkably accurate at predicting M&A activity. Over the last 12 months, the firm says four stocks that it held in its portfolio have been subject to M&A activity, the largest two of which were Actelion and Mead Johnson.

Quadra utilises a "consistent and robust approach" developed by portfolio manager Paul-Georges Moucan, who started the strategy at Amundi in 2005 and continues to replicate it today.

"We have an experienced and consistently outperforming portfolio manager over the last 10 years, realising an annual average performance of 11% since 2005 vs 0% for peers and 6% for the MSCI," says a spokesperson.

Quadra says that achieving performance is key but controlling volatility is also an important aspect, which is capped at 10% and typical around 5-6%. "Quadra mixes the robustness of the institutional structure (Sicav) with the agility of a boutique," says the spokesperson. "We are small and yet outperform larger institutions by far. We differentiate ourselves also by our originality."

Quadra's global equity long/short strategy has proven itself to work well. Moucan has developed a unique and original strategy with stable grounds and proven to outperform once again in the long run while managing the drawdowns and controlling the volatility, according to the firm.

Quadra was ranked number one within the global equity long/short category in the Citywire ranking selector at the end of March, with a 13.3% one-year rolling average, volatility of 5.6% and max drawdown of 2.2%.

Quadra has very low drawdowns (max -2.2%) and a quick recovery time after they occur, according to the firm. ■

FIXED INCOME MANAGER OF THE YEAR

Royal London Asset Management

The active manager's experienced team is able to venture beyond mainstream index bonds

Royal London Asset Management (RLAM) has a 25-strong fixed income team with an average of 17 years of investment experience and takes a collegiate approach to investing the £58bn of bonds and cash under management (at end-2016).

Across the fixed income spectrum, many of its funds and mandates have outperformed their benchmarks over both short and long time periods. Its process is value-oriented and based on research of a wider universe than that covered by mainstream credit indices. Rather than relying solely on ratings agencies, its team seeks to add value by incorporating unrated bonds.

"We use market knowledge to exploit investment opportunities and build robust and diversified portfolios, with a high weighting in secured bonds that perform well through changing economic conditions," according to a spokesperson.

In August 2016, a new fund manager and three credit analysts were appointed to its global high yield team ahead of the launch of a Multi Asset Credit (MAC) fund in 2017. The fund will comprise a directly-invested, globally-diversified portfolio concentrating on the alternative part of the credit universe.

The Buy & Maintain Credit Fund, which was launched in 2015 to meet a particular appetite for risk-adjusted returns, attracted gross sales of £1.2bn into the strategy in 2016. The strategy follows its established credit process based on exploiting market inefficiencies through robust credit research, in a low-turnover portfolio.

RLAM also attracted £1.3bn of gross sales into its cash funds; its range of products met demand for well-diversified, secure and liquid solutions, suiting a range of different risk appetites.

In July 2016, RLAM appointed Nick Woodward as head of LDI, to work across RLAM and the wider Royal London Group, to advise and oversee cashflow-focused bespoke solutions for current and prospective clients. ■

BOUTIQUE FIXED INCOME MANAGER OF THE YEAR

BlueBay Asset Management

The fixed income specialist takes a collaborative approach to fund management

BlueBay prides itself on a "collaborative, innovative and dynamic approach," which applies to client service as much as its investment process.

In December 2015 BlueBay launched the Global Sovereign Opportunities Fund, which employs a global unconstrained approach that enables investment across both developed and emerging markets. The fund has an annualised return since inception of 9.78% (net of fees, end-March 2017) and in was the top performer in its peer group in 2016, according to Morningstar.

In February 2017, BlueBay expanded its ESG offering by launching the Global High Yield ESG Bond Fund. In addition to product development, BlueBay has been focusing on culture and values. "We believe our strong culture and collaboration internally is an asset that clients can benefit from," says a spokesperson.

BlueBay's is set up to respond quickly to market conditions, both in terms of investment decision-making and product innovation. Collaboration is evident in increasing collaboration across investment teams and a greater focus on team dynamics and decision-making. BlueBay has been seeking new ways to analyse and make investment decisions, particularly relating to social media. This analysis is actively included in investment strategies, including its sovereign fund.

BlueBay's house view is that a structural shift is taking place in fixed income markets – with rising interest rates, inflation, QE tapering and increased dispersion – and, coupled with ongoing requirement for income and diversification, means active management of the asset class will become increasingly relevant.

"Our unconstrained approach to fixed income investing is well suited to the current market environment and we believe offers clients the potential for positive returns in, what we believe, is the end of a fixed income bull market," adds the spokesperson.

Its Global Sovereign Bond Fund illustrates this unconstrained approach, according to the firm, and its ESG strategy highlights its ability to nimbly respond to investor needs. ■

ETF MANAGER OF THE YEAR

iShares

The provider has attracted record inflows to equity and fixed income products on both sides of the Atlantic

In a year marked by unprecedented political change and periods of significant market uncertainty investors turned to ETFs in record numbers, and iShares has been investors' preferred manager.

It set a new growth record in the US with net inflows of $107bn (beating $97bn in 2015) and market-leading $32bn of net inflows in Europe. iShares was the market share leader in both regions – 38% in the US and 61% in Europe – and investors in Asia Pacific also set a regional iShares record of over $10bn.

iShares bond ETFs gathered a record $60bn, capturing 52% of all net inflows into bond ETFs globally, attracting record net inflows in the US ($38bn) and Europe ($21bn) in the process. iShares Core ETFs added a record $67bn in global net inflows. BlackRock re-priced its US iShares Core ETFs in October and since then investors have adopted iShares Core ETFs faster than expected, adding $27bn.

Institutional investors looking for simpler, less costly alternatives to derivatives switched around $10bn to iShares ETFs from futures or swaps positions.

iShares ETFs and BlackRock Index Funds are managed by the same portfolio management team, which has extended access to BlackRock indexing experts to provide market and instrument insights. The team has a disciplined focus on optimal tracking, enhanced returns and low total cost of ownership. "We leverage our scale, strategy breadth and client diversity with a view to minimising costs and preserving investment value."

BlackRock is the world's largest asset manager with more than $5.4trn (at the end of March 2017) of client assets, of which its index investment platform represents more than $3.4trn, 64% of the total AuM.

iShares launched the first ETF in Europe in 2000 and offered both the first equity and bond ETFs. "Today, our clients benefit from a unique indexing product offering including 2,500+ funds managed against 750+ benchmarks – the most comprehensive index range across market exposures and product features," says a spokesperson. ■

ESG MANAGER OF THE YEAR

LGIM

The firm's Future World Fund has ESG at its core but could achieve widespread application

Legal & General Investment Management (LGIM) launched an innovative ESG pension product last year, in addition to its ongoing ESG-conscious investment process and demonstrable long-term commitment to driving long-term positive change in the market.

Last year LGIM launched the Future World Fund, a product specifically designed for the growing defined contribution (DC) pension scheme market with ESG at its core. The fund targets enhanced risk-adjusted equity returns by using an alternatively-weighted index. It also incorporates a climate tilt to address the long-term investment risks associated with climate change, reallocating capital to the likely beneficiaries of the transition to a low-carbon economy.

Through LGIM's climate impact pledge, it also works directly with the companies in which it invests to bring about positive change, and threatens those companies that do not meet the minimum criteria for strategy, governance and transparency with exclusion.

"LGIM has extensive dialogue with the management of investee companies throughout the year on a range of topics, such as governance, financial performance and strategy," says a spokesperson. "The objective of LGIM's engagements is to have an open dialogue that is constructive and helpful. Voting is one of the tools available to LGIM to ensure companies behave responsibly and have sustainable policies for long-term growth."

The Future World Fund is designed as a core, long-term equity holding for DC schemes, which is particularly suitable for schemes with a younger member demographic that is likely to be more engaged with ESG themes.

LGIM designed and launched the fund in partnership with the index provider FTSE-Russell and the HSBC UK Pension Scheme, which is transitioning its £1.85bn equity holding into this new default fund. "Three of Britain's biggest companies have come together for the launch of this ground breaking new fund, which is a testament to our status as the world's leading financial centre," said Philip Hammond, chancellor of the exchequer, at the fund's launch. ■

EMERGING MARKET EQUITIES MANAGER OF THE YEAR

Investec Asset Management

The firm has not forgotten its South African roots in the process of becoming a significant emerging market manager

Investec Asset Management celebrated its 25th anniversary in 2016, a milestone for a business that has navigated its development from emerging market origins into a firm serving over 1,700 clients across advisor, institutional and corporate networks. Its clients are now domiciled in 35 countries across Europe, Africa, Asia and the Americas and its longest-standing client relationship spans more than two decades.

Under the leadership of CEO Hendrik du Toit, Investec Asset Management has grown AuM from £40m to $119bn (at end March 2017) and now employs more than 870 staff across the world.

Approximately half of Investec's AuM is invested in emerging markets. It has evolved and innovated its emerging markets offering, including broad emerging market, frontier, LatAm, African and single-country equity strategies. Investec was the first global investment manager of Ucits funds set up to invest using Stock Connect, for funds within its flagship Luxembourg-domiciled Ucits Global Strategy Fund range.

Given Investec Asset Management's unique heritage and focus on global investment, the firm has pioneered both international investment into Africa, and global allocation of capital from the South African savings pool. The firm says it remains deeply aware of its broader responsibility to society at large and, more specifically, to the communities in which Investec Asset Management has an investment footprint.

Aside from the firm's strategic focus on ESG integration and work in the area of active stewardship, Investec Asset Management is committed to the development and support of social projects that have a measurable and positive impact on society. Examples include South Africa's JL Zwane Community Centre, Songo, the Starfish Great Hearts Foundation and the Tusk Trust, with which it created the Tusk Conservation Awards, now in its fifth year. ■

EMERGING MARKET FIXED INCOME MANAGER OF THE YEAR

Pioneer Investments

Pioneer's London team is a centre of excellence and its broadening fund range increases its appeal

Pioneer Investments' emerging markets fixed income organisation is one of the industry's leading managers of emerging market debt, having developed several innovative strategies over the years to offer a broad range of compelling investment options.

Pioneer's emerging markets bond and high-yield team is led by Yerlan Syzdykov, who has been involved in the flagship Pioneer Funds – Emerging Markets Bond fund since 2000.

In June 2015 Pioneer Investments launched the Emerging Markets Bond Short Term strategy, which was designed to appeal to investors seeking protection from rising rates through shorter duration exposure. The fund was one of the fastest growing emerging bond funds globally in 2016, reaching over €950m AuM at the end of 2016.

Pioneer Investments emerging markets fixed income fund range attracted over €1.7bn net sales in 2016, bringing the AuM of the range to €14.6bn by the end of the year. Pioneer Investments has built an emerging markets centre of excellence in London, with a highly integrated and complementary team of research analysts, portfolio managers and macroeconomists with a culture of collaboration and debate.

The Emerging Markets Corporate Bond and Emerging Markets Corporate High Yield Bond strategies, launched in recent years and managed by the London team, broadened the potential solutions for clients by targeting higher levels of risk and return than its more established products.

"Our overarching investment philosophy is conviction based, where we believe that a highly active, flexible and research-driven process should be rewarded in non-homogenous markets such as emerging ones," says a spokesperson.

The London-based emerging market fixed income team consists of eight portfolio managers, whose investment philosophy is conviction-based. They follow a highly active, flexible and research-driven process and are supported by a 13-person emerging market, high yield and European credit research team.

Pioneer Investments is an active investment management firm, based in 28 countries, with 2000 employees, and approximately €228.4bn in AuM at the end of 2016 ■

MULTI-ASSET MANAGER OF THE YEAR

Aberdeen Asset Management

Aberdeen offers a truly diversified product drawing on deep skills across many asset classes

Many managers claim their funds are multi-asset, but close examination reveals portfolios that are often dependent on simple equity and bond allocations. Aberdeen's Diversified Multi-Asset (DMA) funds give investors access to the kind of diversified portfolio that is typically only available to the world's largest, most sophisticated investors.

DMA is delivered in easily accessible vehicles, with a competitive cost structure. The core investment team, headed by Mike Brooks, is able to draw on Aberdeen's broad investment resources, as well as its economic and thematic research group, tactical asset allocation team, specialist portfolio construction and investment risk teams.

DMA is also integral to Aberdeen's institutional offering, which grew by approximately £1bn in the year to March 2017. During 2016 its Diversified Growth Fund (DGF) returned 7.6% net of fees. Since inception it has returned 5.7% per annum (November 2011 to March 2017), ahead of its long-term objective, while volatility remains well below equities at circa 4.4%. Meanwhile, its Diversified Income Fund has delivered regular income in-line with its current annual target of 4.5%. It also launched its £450m Aberdeen Diversified Income and Growth Investment Trust in February 2017.

DMA funds can invest in 25 different asset classes including listed equities, high-yield bonds, infrastructure, renewable energy, emerging market debt, insurance-linked securities, property, alternative risk premia, litigation finance, aircraft leasing and peer-to-peer lending.

In November 2016 Aberdeen launched its alternative risk premia strategy, which is designed to deliver low volatility and low correlation with other assets and enable the DMA team to access alternative beta at low cost. Allocations to local currency emerging market debt, frontier market and Indian debt take advantage of Aberdeen's traditional skill-set.

INFRASTRUCTURE MANAGER OF THE YEAR

Hermes Infrastructure

Hermes offers institutional clients the benefit of co-investing with its BT Pension Scheme owner

Over the last twelve months Hermes Infrastructure has been busy building its reputation as a leading UK-based and UK-focused direct infrastructure investor. Its maiden fund became substantially invested two years into its five-year investment period, outperforming target returns with 12.4% gross IRR and 7.3% gross cash yield as at end-2016. It deployed or committed in excess of £800m in two major new UK direct investments – Energy Assets and National Grid Gas Distribution – along with a follow-on investment in Southern Water.

Since its formation in 2011, Hermes Infrastructure has had close links to institutional investors; is majority-owned by the BT Pension Scheme (BTPS), one of the UK's largest occupational pension schemes, and appointed Robert Wall as infrastructure partner from the Canada Pension Plan Investment Board.

It provides other investors access to infrastructure, offering clients the opportunity to choose between two separate investment strategies, core and value-added, each with its own risk-related fee structure. It also and offers unique pooling arrangements for Local Government Pension Schemes.

Hermes Infrastructure expanded its co-investment platform to provide new European and Asian clients with access to direct investment opportunities, bringing its AuM to £4.1bn. Its platform allows investment alongside BTPS, enabling UK pension funds – which account for around 92% of its investors – to benefit from large scale investments as well as to fund tomorrow's technologies such as renewable power generation. It also has strong relationships with overseas investors, with long-term partnerships with institutional clients in Canada, the Middle East, China and Australia.

It has a longstanding commitment to holistic returns, offering clients appropriate risk-adjusted returns in a sustainable and ethical manner. It remains committed to responsible investment, engaging with its portfolio companies, factoring ESG into its investment process and contributing to the development of policy by regulators and government.

"Our approach to investment and asset management embody these core principles," according to a spokesperson. "This enables us to support boards and management committed to building long-term sustainable businesses."

FUND OF FUNDS MANAGER OF THE YEAR

Aurum Funds

The London-based manager brings an ESG component to hedge fund investing

Aurum Funds has a goal to mobilise the hedge fund industry to have a net positive environmental impact. "The hedge fund industry deals with complexity and risk every day," says a spokesperson. "An industry strength is analysis of data and seeking to understand the impact of trends and system changes. By extending this approach to environmental impact, the industry is ideally placed to both understand the problems and be part of the solution."

The Aurum Synchronicity Fund was launched back in 2002, aiming to deliver returns that go beyond financial returns. It gives investors an opportunity to both make money and make a difference and has generated over $7m for over 70 organisations in nearly 40 countries. Over the 12 months to March the Aurum Synchronicity Standard Dollar Restricted Fund returned 5.70%. It has positive returns for 83.33% of months, volatility of 1.61% and a Sharpe ratio of 2.93 (indexed risk free rate of return of 0.87%).

The Synchronicity Fund donates its entire management fee to Synchronicity Earth, a registered charity that supports biodiversity and species at risk globally. Synchronicity Earth uses the type of rigour and skills that help Aurum to deliver alpha into maximising environmental and social benefits.

Aurum manages several other successful fund of funds: its longest running fund, the Aurum Investor Standard Dollar Restricted Fund, returned 7.32%; its flagship Aurum Isis Standard Dollar Restricted Fund returned 4.97%.

In 2015 Aurum Fund Management Ltd, in conjunction with Synchronicity Earth, created Project Regeneration, which is an initiative to create strategic funding partnerships between corporates and environmental NGOs in order to regenerate natural habitats. In 2016 Aurum had success encouraging support from others in the industry, co-hosting a briefing with independent hedge fund research Albourne to demonstrate how firms can address environmental factors, including ecological projects in Thailand and Ecuador. ■

WEALTH MANAGER OF THE YEAR

Brewin Dolphin

The wealth manager has thrived through a focus on discretionary investment management, a wide range of services and excellent regional network

Brewin Dolphin is a FTSE 250 provider of discretionary wealth management. Its interim financial results for the half-year ending March 31 2017 saw total funds under management grow 15% to £37.8bn. Its focus on discretionary investment management has led to significant growth in client funds and it now manages £31.5bn on a discretionary basis.

Brewin Dolphin offers personalised wealth management services that meet the varied needs of over 80,000 account holders, including individuals, charities and pension funds. In May 2017, the company successfully completed its acquisition of Duncan Lawrie Asset Management (DLAM).

Chief executive David Nicol stated in the interim company report released in May: "The Group has had a successful first half of 2017 in a period with a favourable market environment. The delivery against our growth strategy has contributed to an excellent financial performance, with underlying earnings growth of 14.1%. We are exceeding the organic growth targets we set as net inflows into our core discretionary service were £1.1bn, in the period, a record and helping drive year-on-year growth of 22.1% in discretionary funds."

The wealth manager specialises in helping clients protect and grow their wealth by creating financial plans and investment portfolios that meet personal and professional ambitions and aspirations, according to the firm. Its services range from bespoke, discretionary investment management to retirement planning and tax-efficient investing.

Brewin Dolphin has built a network of 29 offices across the UK, Channel Islands and Ireland, staffed by qualified investment managers and financial planners, supported by a dedicated investment research team.

Brewin Dolphin unsurprisingly focuses on client service, given its target client base. Nonetheless it is a standout performer in the sector and its regional offices are often singled out for special praise and consumer awards. "We are proud of our success and have the vision and ambition to grow into the UK's leading provider of discretionary wealth management," says a spokesperson. ■

EQUITIES SMART BETA MANAGER OF THE YEAR

Amundi

Amundi has a long track record and a deep pool of expertise to draw on to keep it at the forefront of smart beta innovation

Amundi manages over €12bn in smart beta, across solutions based on both efficient risk management and factor investing, divided into passive and active funds. Its smart beta teams leverage Amundi's other resources, such as its quantitative research and ESG capabilities, allowing it to build customised products for its clients, one of its key strengths.

Over the last 12 months Amundi has developed its smart beta ETF range with the launch of a new multi-factor ETF on European equities, in partnership with index provider ERI Scientific Beta, and two new ETFs that enhances its mono-factor ETF ra tors, such as portfolio factor analysis and solutions that combine its smart beta approach with ESG analysis or portfolio decarbonisation.

Amundi was one of the first firms to embrace Smart Beta so it now has a 10-year track record and offers a full range of solutions. As it has a 30-year track record in index construction and an extensive knowledge in quantitative modelling, Amundi has developed a large spectrum of smart beta expertise. Such know-how enables Amundi to implement customised solutions to meet investor's specifications.

Amundi's investment professionals can also draw on the firm's independent research platform. Together with fund managers, the quantitative research team is strongly involved in designing risk based smart beta strategies, understanding their behaviour and enhancing the added value of the firm's investment process.

Amundi's track record dates back to 2007. During this time it has developed complementary and innovative solutions and become one the most experienced smart beta managers in the industry. Investors are offered open-ended funds, ETF, index funds, mandates, bespoke solutions, backed by in-house and external research with trusted partners such as EDHEC Risk Institute. ■

FIXED INCOME SMART BETA MANAGER OF THE YEAR

Lyxor

The European manager has been producing innovative fixed income smart beta products for five years

Lyxor was an early entrant to the fixed income smart beta market and has had strategies in place since 2012, drawing on its experience of creating equity products three years earlier.

Its fixed income smart beta products are based on risk-budgeting techniques and a proprietary model to measure the credit risk of bond portfolios. The aim of these products is to correct the various biases present in debt-weighted indexes.

It is unusual in offering a variety of strategy styles and has partnered with Societe Generale, JPMorgan and FTSE to launch a wide range of investments across the wider smart beta sector. Lyxor's products are targeted at investor outcomes, with products that target income, enhance returns or reduce risk.

"Lyxor sweats the small stuff," says a spokesperson. "Our background is academic, we spend a lot of time and attention to get the details right on its investments. We take a lot of care to ensure our products work as investors expect. In 2016, we have been changing the index being tracked on its investments to ensure its investments work as investors need them to.

"We've had a long time in the market – we launched the first ETFs sixteen years ago, when the market was in its infancy. This means we've got the experience to get things right. Most of our products are index tracking and accuracy really matters to its investors."

In a year when fixed income is under pressure, it's vital to get the right product. "Investors are fearful of the 'great rotation'. Inflation protection, bonds which are resistant to rate hikes and higher yielding options are all appealing. Lyxor offers exactly these," says the spokesperson

In 2016, Lyxor attracted a total of over €3bn of inflows. In the year to May 2017 it has already taken in €5bn, cementing its place as a top ETF provider. Lyxor is indeed innovative, having launching products such as inflation expectations investments that give access to inflation but hedge out interest rate rises. ■

SMART BETA is increasingly becoming a core portfolio strategy

Given the current context, yield-starved institutional investors are turning towards riskier assets while still seeking to limit potential drawdown. By definition, such asset classes tend to be more volatile and more risky than bonds. Smart Beta, however, could provide an appropriate solution for investors juggling these different constraints.

A Smart Beta approach makes it possible to increase diversification and to improve risk management, while seeking to capture new sources of performance.

Today, at Amundi we consider two major families. The first is made up of approaches that focus on efficient risk management. These include diversification and "minimum variance" strategies, which aim to construct portfolios to minimize drawdowns.

The second is made up of factor-based strategies, which involve structuring a portfolio to take advantage of risk premia. Each of these factors can be implemented alone or as part of a multi-factor strategy. We believe allocation between factors must be risk-based to better address new market regimes and ensure diversification.

These approaches are currently quite popular with institutional investors. Initially used as a satellite to complement more traditional strategies, they have enjoyed a reverse trend over recent years. More and more investors are choosing to consider them as core to the portfolio, and to complement them with riskier satellite strategies in order to capture a potential short-term performance. This attractiveness is compounded by the fact that Smart Beta solutions can be easily customised to take into account the specific requirements of each investor. Of course, this shift relies on asset managers having the necessary skills and size for core portfolio management and thus be able to manage large volumes without compromising risk control or performance.

Three questions for Bruno Taillardat, Global head of Smart Beta & Factor Investing at Amundi

Can you tell us about Smart Beta at Amundi?
We manage over €12bn[1] in Smart Beta, covering both solutions based on efficient risk management and on factor investing. These solutions are available under passive (index-based or ETF) and active management. Our Smart Beta teams also leverage Amundi's other resources, such as our extensive quantitative research and ESG capabilities. This allows us to build customised products for our clients, one of Amundi's key strengths.

Could you give an example of a customised approach?
Amundi seeks to be a partner for our investors. We like to be involved in the development process quite early on in order to be able to provide solutions and advice best suited to investors' particular needs and constraints. For example, we can carry out a factor analysis of a portfolio so as to identify if there is a bias towards one of the factors and then possibly suggest diversification. We have also developed a number of solutions that combine our Smart Beta approach with ESG analysis or portfolio decarbonisation.

> "Amundi seeks to be a partner for our investors"

Do you also offer solutions which take into account regulatory constraints?
Institutional investors tend to express a keen interest in solutions that help lowering the cost of capital. This can be done by using option strategies or by offering a capital guarantee, an area in which Amundi has great expertise. Smart Beta solutions are suited to this because they make it possible, by construction, to absorb market downturns and thus to frame hedging costs.

1. Source: Amundi as of 31/03/2017

LIABILITY DRIVEN INVESTMENT MANAGER OF THE YEAR

Insight Investment

Insight remains a leading provider of LDI solutions due to constant innovation

Insight Investment's expertise in LDI, as well as fixed income generally, has enabled it to provide the key building blocks for an increasing number of UK pension scheme clients. It achieved substantial growth in AuM, including assets from both new clients and existing clients asking it to manage a greater proportion of their assets.

The depth of its relationships was demonstrated by the large amount of new business it won from existing clients. Over the year, of growth in LDI AuM of £106bn, over £19bn was from mandate extensions: "In other words, a substantial proportion of our growth was a result of satisfied clients asking us to manage more of their assets," says a spokesperson.

Integrated solutions that effectively combine its approaches to LDI and fixed income was a major theme of the year, as the focus of many pension schemes shifted towards aiming for greater certainty of income. Insight continued to develop new approaches and ideas over the year, maintaining its reputation as an innovator within the LDI market. A key theme for this year was developing solutions to reduce the funding costs associated with the reduction of liquidity in the repo markets.

Both its segregated and pooled fixed income and LDI mandates performed strongly over the year. Over the year to October 31 2016, over 80% of its full discretionary segregated LDI mandates were ahead of their performance target. Insight helped clients protect their funds against adverse outcomes and to seek potential returns more efficiently. Its proactive approach included providing strategy ideas to help pension schemes to design holistic scheme-specific strategies, according to the firm, and involved a high degree of bespoke tailoring through which it builds valuable long-lasting relationships.

Insight says that client advocacy lies at the heart of its business model. A major client service initiative last year was the development and launch of a dedicated online training portal. ■

FIDUCIARY MANAGER OF THE YEAR

Legal & General Investment Management

LGIM has tackled the thorny issue of conflicts of interest within the sector

Legal & General Investment Management (LGIM) launched its innovative fiduciary management service in 2016, offering full and flexible fiduciary management service, delivering advice, holistic portfolio management and clear and complete monitoring. It says its approach focuses resources where they can deliver the most value for clients; its unconstrained growth portfolio returned 14.6% over 2016, well above its 4.9% target.

LGIM has set new industry standards for managing conflicts of interest. It appointed Deloitte LLP as an independent third-party to review its offering and provide advice to ensure its clients' interests were put first and conflicts are identified and managed appropriately. It acts dynamically in asset allocation, it says, while avoiding the layers of fees and hidden trading costs that reduce performance or lead to higher risk in more traditional approaches.

"Our approach improves on the weaknesses of existing fiduciary management models, and we believe it delivers better outcomes for our clients," says a spokesperson. "Conflicts of interest can be a thorny issue for many fiduciary managers, but by appointing an independent third party to oversee our offering and advice we have demonstrated our commitment to putting our clients' interests first, and driving best practice in the industry."

Despite the relatively brief period since its launch, LGIM reports enthusiastic client take-up. It is already delivering its service to several schemes, and reports positive feedback: "We were introduced to fiduciary management by our investment consultant, but we ultimately chose LGIM because they were clearly best suited to meet our pension scheme requirements," says Lee Neesham, country manager, Yamaha Motor Europe NV, Branch UK.

While traditional fiduciary management models have focused largely on manager selection LGIM focuses its resources on the key determinant of portfolio outcomes, asset allocation. It does not delegate the underlying management of assets so it can ensure that consistent investment beliefs are applied throughout the whole portfolio. ■

FUND ADMINISTRATOR OF THE YEAR

RBC Investor & Treasury Services

The Canadian bank says its aim is to always increase efficiency and reduce risk

RBC Investor & Treasury Services (RBC I&TS) delivers fund administration services via a worldwide network of offices across four continents, calculating over two million net asset values annually. The firm is widely recognised as a leading provider of private equity and real estate fund administration solutions, with nearly $92bn in combined assets under administration at end the March 2017.

Recent developments include the launch of a new fund accounting application as part of RBC One, the company's single point of online access to its products and services. It has also launched an initiative to support the implementation of the Packaged Retail Investment and Insurance-based Products (PRIIPS) Key Information Document (KID).

A global exception monitoring and workflow management solution is now active and automating the NAV production workflow allowing for full straight through processing. In addition, RBC I&TS has partnered with a third-party to enhance its tax reporting offering to US investors requiring passive foreign investment company (PFIC) reporting.

As a prominent offshore provider, the firm has nearly 30 years of Ucits expertise. Its fund administration services cover 13 markets, with funds distributed across 80 countries and centres of excellence in Luxembourg and Dublin. Its fund administration capabilities are underpinned by robust control measures, high levels of automation and a strong quality culture, according to the firm.

The aim is always to increase efficiency and reduce risk. Teams work to deliver efficiency gains through a combination of automation, standardisation and reducing manual processes.

The approach is reflected in the company's multi-year technology strategy. RBC I&TS works closely with RBC's Innovation teams to ensure it is at the leading edge of developments around disruptive technologies, including blockchain, artificial intelligence and big data. ■

HEDGE FUND ADMINISTRATOR OF THE YEAR

BNP Paribas Securities Services

One of the firm's key strengths is its global platform with local expertise

The focus for BNP Paribas Securities Services in 2016 was to complete the integration of Prime Fund Services (PFS). This was achieved, with the retention of all key clients.

The integration didn't stop the firm from winning mandates either, including a US-based global hedge fund management company that selected the firm for administration, global custody, depositary, transfer agency, collateral management and IRP services for its European and international business units.

Additional client wins include a prominent Asian family office appointed us for administration, custody & financing, a prestigious European alternative fund manager and one of the world's largest alternative fund managers.

With service and technology central to its proposition, BNP Paribas Securities Services launched an innovation and digital lab during 2016 with offices in Paris and Dublin. The Dublin office is working with alternative asset manager clients to co-design technological solutions to challenges presented by a fast-changing business environment.

One of the firm's key strengths is its combination of a global platform and local expertise. A fully-integrated platform exists across all fund services: fund administration, investor services, global custody, depositary services, financing services, OTC derivatives middle office and valuation, performance and risk analytics. The bank's global footprint enables it to provide a harmonised offer across multiple jurisdictions and local expertise.

BNP Paribas Securities Services has also been able to integrate new global and local regulations fast, allowing clients understand and comply with changing markets and regulations ranging from the QFII in China to AIFMD, Ucits and Emir in Europe.

The firm currently has more than 500 alternative asset professionals across 10 locations including the US, Europe and Asia Pacific and services 1920 alternative funds – including around 1000 hedge funds and fund of hedge funds – with $440bn in assets under administration. ■

REAL ESTATE FUND ADMINISTRATOR OF THE YEAR

Societe Generale Securities Services

SGSS increased its market share it Europe's two largest fund domiciles

Last year was very positive for Societe Generale Securities Services (SGSS) regarding its fund administration businesses generally and its real estate business, which celebrated its ten-year anniversary in 2017, in particular.

Assets under administration (AuA), across the world and all asset classes, increased more than 2% and have reached for the first time more than €600bn. The increase is significant for funds that are domiciled in Luxembourg for cross-border distribution goals: they are increasing in terms of AuA by more than 10%.

The number of funds under administration is also considerably increased by more than 10% in Luxembourg and more than 20% in Ireland. The level of funds in the others main fund centres (France, Luxembourg, Italy) remained stable.

The key differentiator of SGSS remained in the capacity to adapt our range of services to the most specific needs of our clients, according to the firm. "We are also actively working to launch new offers and allow our customers to benefit from the last technologies. Over the last year, the capacity to manage internal data, and to answer to the requests of the regulator are two elements that have been key in the daily demands of our clients," says a spokesperson.

To face these demands, SGSS has been working closely with clients to ensure that its analytics solution aligns with their requirements: it added 36 additional variables in its multi-factor analytics solutions, it extended its market risk analysis across a broader range of markets, it upgraded its delivery channels for its analytics engine, and it extended the web interface on a white-labelled basis to a number of European asset management companies.

SGSS has improved its Luxembourg market share rankings, to second for European fund administrator and the seventh for administrator, according to the Monterey Insight Fund Report 2016. ■

PRIVATE EQUITY FUND ADMINISTRATOR OF THE YEAR

Northern Trust

Chicago-based bank's blockchain solution is adding efficiency to private equity administration

Northern Trust partnered with technology giant IBM and other key stakeholders to launch the world's first commercial deployment of blockchain technology for the private equity market in February 2017. This milestone followed an intensive project to create the innovation solution for the market and represents a potential game-changer for private equity administration and later other asset classes.

While private equity returns can be attractive, the infrastructure supporting it has not significantly benefited from innovation in recent years during a time when investors are seeking greater transparency, security and efficiency.

Northern Trust and IBM built a security-rich blockchain, or distributed ledger solution, based on the Hyperledger Fabric. It is available for use for managing the administration of a private equity fund managed by Unigestion, a Switzerland-based asset manager with $20bn in assets under management. The bank also conferred with a number of other private equity managers and asset owners and found strong support for the initiative.

It allows the fund to transfer ownership stakes and be managed, serviced and audited throughout the investment lifecycle on a transparent platform offering a single version of the truth to participants that gain access via secured means.

Having been focused on blockchain initiatives and proofs of value for the past two years, this is Northern Trust's first commercially-launched solution. It is an important first step to connecting participants much more effectively, including investors, managers, administrators, regulators, advisors and auditors. "Northern Trust has drawn on its global approach to cutting edge technologies and combined this with its understanding of regional markets such as Guernsey where the fund is domiciled," says a spokesperson.

While Northern Trust's primary focus has been delivering value to the private equity space, the architecture and technology is designed to accommodate a wide variety of asset classes. Northern Trust has $4.9trn assets under administration, including $73.7bn in private equity (at the end of 2016). The firm says it will explore expanding the solution into other asset classes and jurisdictions in the future. ■

EQUITIES MANAGER OF YEAR

bfinance

bfinance is applying its innovative approach to manager selection to an ever-wider range of asset classes

It has been a year of rapid innovation and service development for bfinance. Over the course of 2016-17 bfinance has propelled itself to the forefront manager selection for the nascent alternative risk premia (ARP) sector.

Before January 2016 the firm had not conducted any manager selection or research engagements in the ARP sector. However, building on its experience in the related fields of equity smart beta and hedge funds, between February 2016 and February 2017 the firm conducted over $1.8bn in ARP searches for global clients.

During 2016 the ARP sector developed dramatically, with the number of firms offering products expanding by more than 30%. Providing selection services required the development of new portfolio risk analytics, since ARP targets portfolio diversification. "The bfinance process ensured clients received up-to-date accurate insight and this was a key reason why investors have employed us," says a spokesperson.

The firm has also introduced new services over the last 12 months to support clients in the areas of renewable infrastructure, for which bfinance claims three times wider coverage, as well as taxable municipal bonds and asset pooling, designed ahead of creating of LGPS co-investment funds.

Bfinance is an independent service provider with a bespoke approach to manager selection. It has no pre-built buy-lists, allowing it to start each selection from a fresh perspective. It is independent of any fund management business, which eliminates conflicts of interest.

As it is targeted purely on selection its business depends on covering the widest universe of asset managers. bfinance reports that it is repeatedly told this factor is a key reason, alongside independence, why clients choose it for manager selection rather than their traditional full-spectrum consultant.

The bfinance spokesperson says its blind-bid process also achieves lower fees for its clients: "In an industry where asset owners are often at a structural and informational disadvantage relative to providers/sellers, bfinance strives to put power back in the hands of our clients." ■

MANCO PLATFORM OF THE YEAR

FundRock

The third-party management company has built on its success in Luxembourg with a new office in Dublin

It's been over two years since RBS Luxembourg was sold to BlackFin Capital Partners and became FundRock Management Company (FundRock). Since then the third-party management company, or manco, has expanded its reach and enhanced its offering in response to the growing needs of asset managers.

Setting up structures to distribute funds can be complex, time consuming and costly. Plugging in to FundRock's Ucits and AIFM platform significantly eases the process for clients.

Current uncertainty in the market, particularly after the UK's vote to leave the EU, means buy-side participants are identifying the best location for their funds. According to figures from the Association of the Luxembourg Fund Industry (Alfi), fund managers from the US and the UK are increasingly domiciling their funds in the grand duchy.

FundRock has more than 60 people based in Luxembourg, speaking in excess of 20 different languages, so is an ideal partner to assist asset managers on cross-border fund domiciles.

Ireland closely follows Luxembourg as a destination of choice. Earlier this year, FundRock opened a branch in Dublin and hired a head of legal and compliance, Louise Harris, to support its expansion.

Fund management and governance is FundRock's core business. This includes overseeing the investment management, marketing and central administration of funds, as well as establishing a risk management and due diligence process that protects investor interests.

FundRock also ensures that all regulatory reports relating to funds, such as AIFMD and Solvency II, are completed and sent to the regulator on time. In addition, the business introduces and connects clients to partners, from legal advisers to auditors, tax agents and local custodians.

One of the highlights for Fundrock last year was partnering with Standard Chartered to launch a platform that gives managers in Asia and the Middle East room to grow in Luxembourg, until they have the scale to provide their own infrastructure.

This incubator approach provides complete infrastructure including a full licence to operate, a distribution network and an established operating model with all third-party providers in place, plus a robust compliance, risk, control environment. ■

> TRANSITION MANAGER OF THE YEAR

Citi TM

The global transition manager is expanding its team to manage growth in its business

In 2016 Citi TM executed in excess of 150 full-service transition events, all executed on time, efficiently and without error with a total value of assets transitioned at $150bn, according to the firm.

In 2017, Citi TM continued to grow in terms of both new clients, including six large new clients, and transition activity, with an increase exceeding 67% over 2016 year-to-date, across its three transition management (TM) offices in London, New York and Sydney.

"This was a great success for Citi TM considering it was a year witnessing a significant increase in global market volatility with macro events such as the UK Referendum and the US Elections, seeing transaction volumes decrease from both a transitions volume perspective as well as the broader market," says a spokesperson.

Citi TM has also expanded its interim management service. As some clients take time to decide on a new manager, it currently looking after a $500m passive equity portfolio.

Citi TM has continued to invest in its business, including three additional hires across its global team (two in Emea), while some of its competitors were retrenching.

The Citi TM team is situated on the private side of Citi Global Markets. "We work on a designated private side floor and are separated by strict Chinese Walls from the trading areas of Citi Global Markets and are continuously monitored by Citi Legal and Citi Compliance to ensure client information remains completely protected and confidential."

All project management, trading and settlement is controlled by Citi so there is typically very limited involvement of third parties, enhancing confidentiality.

Citi TM provides clients with 24-hour global coverage and all three offices use the same systems, project management approach and multi-asset class capabilities. Citi TM has not or been required to compensate any clients for errors in the past seven years.

"Our primary goal is not to execute the highest number of transitions, but rather to deliver the best service for our clients," adds the spokesperson. ■

> PRIME BROKER OF THE YEAR

Societe Generale Prime Services

Societe Generale Prime Services is steadily increasing its revenues and looks set to increase its global market share

Revenues for the Societe Generale Prime Services business, sitting within Corporate & Investment Banking, totalled €176m ($201m) in the first quarter of 2017, up 9.3% on the same period last year.

The revenue boost was the highest level since the integration of Newedge and is a direct result of the firm's successful formula – leveraging the strength of the investment bank with the multi-asset class, multi-instrument prime brokerage. The early part of 2017 saw healthy commercial momentum particularly in execution and financing activities, the bank pointed out in its most recent quarterly results. As a result, the business is actively pursuing commercial expansion to increase its prime services market share by 1.9 points to 14.8%.

Cross-asset solutions are in place across equities, fixed income, foreign exchange and commodities via physical or synthetic instruments. The division also provides customised solutions through bespoke financial engineering services, helping hedge funds launch, support and build their business. With access to around 130 markets and execution venues, the unit has a deep and stable global equity inventory from both internal and external sources.

Portfolio cross-margin capabilities are well established and a range of innovative financing solutions are on officer across the complete range of securities finance and delta one structures: swap, stock loan, repo and futures as well as synthetic financing exposure to emerging & developed markets.

The capital introduction team serve investors and hedge funds globally and there is an established cross-asset research unit with strong expertise across regions, assets and themes.

The Societe Generale Prime Services proposition includes: global execution services, cross-asset financing, portfolio margining, financial engineering, intermediation, listed and OTC clearing and value added services.

On June 21 Societe Generale CIB announced the completion of the project to combine its execution teams. The final stage of this integration was for the high-touch cash equity team to move into the global execution services team in Societe Generale Prime Services. ■


WHEREVER
YOUR NEXT
MOVE TAKES
YOU.

EXCHANGE OF THE YEAR

Eurex Exchange

The derivatives exchange's innovative new products offer asset managers volatility protection and opportunities for yield

Eurex Exchange is the first recipient of the exchange of the year award, which was created this year to measuring excellence in the exchange world across asset classes and geographies.

The derivatives arm of the Deutsche Bourse group, Eurex Exchange offers trading and clearing in a wide range of instruments from interest rates to dividends. Asset managers surveyed for the award praised the exchange's understanding of their requirements across both trading and clearing business.

Particular praise was given for Eurex Clearing's ISA Direct client clearing model, which a number of firms said they had engaged with during the year for the first time. The firm has also made great strides during the year with its securities lending clearing service, which reduces counterparty risk and improves efficiencies in the market.

It now offers clearing in OTC and exchange traded derivatives, repo and securities lending to bring the full spectrum of clearing to asset managers. On the trading side, Eurex's continued commitment to the conversion of over-the-counter products in to exchange traded derivatives was praised by respondents.

During the year it launched total return futures and continued to invest in growing the fledgling exchange traded FX market. In addition it listed the LDX Constant Maturity Future, which one asset manager described as "the most innovative rates product in a generation" despite its muted trading volumes to date.

As derivatives increasingly come back on to the radar for asset managers as way of increasing yield and protecting against market volatility, Eurex's understanding of the specific requirements of asset managers will enable the exchange to continue to grow participation.

Not only are asset managers seeking lower margin, more efficient means of trading derivatives through futurised OTC products traded on exchange, Eurex is constantly adding new products, such as the expansion of its MSCI suite, that facilitate portfolio diversification and reach. ■

FINTECH INNOVATION OF THE YEAR

EquiChain

EquiChain enables the direct interaction and the exchange of value between market participants

EquiChain's distributed ledger technology platform redefines the investment management and capital markets value chain for emerging markets by equipping asset managers with a one-stop suite of functions including investment management, custody, brokerage and transfer agency, while connecting them directly with market infrastructure such as CSDs and exchanges.

Asset managers can now invest with greater efficiency, less investment risk and with greatly reduced operational costs.

EquiChain operates two invitation-only working groups, one for asset managers and the other for market infrastructure providers. Clients within these groups include Janus Henderson Investors, Legal & General Investment Management, Bahrain Bourse, Abu Dhabi Global Market and the Qatar Stock Exchange.

EquiChain is differentiated by its people, culture and deep industry knowledge. With its headquarters in London, regional offices in Hong Kong and the Middle East, EquiChain has a near 50/50 gender ratio and seven different nationalities.

The team comprises of globally-recognised industry veterans from finance and technology backgrounds. The company's management team is often quoted in a variety of news sources and regularly speak at major industry conferences to advance the evolution of the investment management industry.

EquiChain has a clear strategy and execution plan supported by its world class advisory board including Peter Sands, former CEO Standard Chartered Bank, Markus Ruetimann, former Group COO of Schroders, Sonia Rossetti, senior banker & chair Swift UK NMG and Professor Eva Micheler of the London School of Economics.

EquiChain is committed to providing its clients with technological solutions that position them as leaders in the next generation of asset management. EquiChain's platform is a hybrid system which consolidates the currently siloed functions of a securities transaction such as an asset manager, custodian, broker, exchange and central securities depository. ■

BEST TECHNOLOGY PRODUCT: REGULATORY CHANGE

Droit

The international regtech firm has grown substantially and has on-boarded many top-tier institutions

Originally designed as a solution to help banks comply with Dodd-Frank, Droit's technology platform, Adept, has evolved into a unique tool that isolates data, metadata and decision logic from infrastructural software components.

Currently serving seven of the world's largest banks and financial institutions, with others slated to be fully on-boarded by mid-2017, Droit acts as a real-time guide to navigate regulatory filings.

In November 2016, Droit completed a Series A investment round of $16m led by Goldman Sachs, Wells Fargo and Pivot Investment Partners.

In February 2017, Droit expanded its presence in Europe by hiring additional staff in London, including a new head of business development. Two weeks later, Droit announced a partnership with Trax (part of MarketAxess) for an Emir eligibility and derivatives reporting service.

With new products scheduled for release in 2017 and further expansion into the EU and Asia, Droit continues to forge a rapid growth trajectory as one of the industry's leading providers of regulatory reporting solutions.

Adept provides users with a robust adaptable framework that is capable of keeping pace with market structure unpredictability and regulatory developments for the global derivatives markets. Its proprietary infrastructure design unifies front-office pre-trade decision-making with post-trade compliance analysis for unparalleled regulatory transparency across trade lifecycles.

One of the primary reasons that Adept has been successful is that, not only is data becoming more valuable in making efficient trade decisions, compiling data and understanding regulatory and compliance purposes is overwhelming and arduous.

Additionally, there is a growing demand for point-of-trade compliance for the full suite of global, often complex, derivatives that determine which instrument can be traded where, with whom and when. Droit's Adept platform comprehensively covers the global regulatory framework, including all-G20 aligned regimes.

Demand for accurate and comprehensive regulatory logic is being fuelled by the imminent clearing mandate in Europe, the complexity of bilateral margining and the ongoing efforts to harmonise the US and European derivatives markets. ■

INDEX PROVIDER OF THE YEAR

MSCI

The index provider is applying its 40-years of experience to modern issues such as ESG and gender diversity

During the last 12 months assets benchmarked to MSCI indexes globally exceeded $11trn. Within this, assets exceeding $2.8trn are benchmarked to MSCI ACWI Indexes, more than $184bn is benchmarked to MSCI Factor Indexes and more than $58bn is benchmarked to its ESG-based indexes, all at the end of 2016.

The MSCI ESG Universal Indexes family was launched in February 2017. The innovative indexes, aimed at universal owners, re-weight free-float market cap weights based upon certain ESG metrics. It seeks to increase exposure to those companies demonstrating a robust ESG profile while minimising exclusions from the parent index.

In Sept 2016 the Wealth Management Association (WMA) announced it would end its 20-year relationship with FTSE as provider of its Private Investor Index Series; in March 2017 MSCI took over as sole index provider. The association stated: "The WMA board has been impressed with MSCI's willingness to consider these needs and deliver solutions where necessary."

The MSCI World Women's Leadership Index, representing companies that exhibit a commitment to gender diversity on their boards and in leadership positions, was launched in July 2016.

MSCI has been at the forefront of index construction and maintenance for more than 40 years, launching its first global equity indexes in 1969. Globalisation and the rapid integration of markets has led MSCI to explore alternative approaches to categorising the global equity universe and product development.

MSCI has remained an independent market leader by expanding and enhancing its offering. "We reflect the evolving and complex needs of the institutional investment community with ground breaking new products, innovative research, high quality data and dedicated client support," says a spokesperson. "We realise that in today's challenging market environment, it's more important than ever to have confidence in your index provider. Today, MSCI continues to lead innovation in areas our clients tell us are most important to them." ■

RISK MANAGEMENT SYSTEM OF THE YEAR

Axioma

Cloud-based Axioma Risk is a constantly evolving solution for multi-asset class investment

Axioma Risk is a cloud-based multi-asset class risk management platform offering asset managers, asset owners and hedge funds a flexible, scalable and customised risk solution for the complex and evolving multi-asset class investment environment.

Axioma Risk sets itself apart from its competitors through its unique flexibility and the continuous development of tools and solutions for an evolving market. On a daily basis, thousands of users trading trillions of dollars rely on Axioma's software and risk models. It is recognised as an industry innovator and appreciated for its products' reliability and problem-solving functionality.

Over the past twelve months, Axioma has invested significantly in its multi-asset class capabilities. This has included the acquisition of ConceptONE, which provides clients with a multi-asset class solution that aligns the front, middle and back offices.

Axioma Risk's key functionalities lie in the delivery of extensive risk measures for portfolios with different underlying strategies, asset classes and investment horizons. Further, Axioma Risk provides analytics with integrated market data to over five million active and ten million inactive fixed income, derivative and equity securities across all major currencies and liquid emerging markets.

The flexibility of Axioma Risk means that clients can run scenarios, stress tests and analytics through cloud-based technology and interactivity, effectively responding to changes in the investment outlook.

Axioma Risk was launched in 2013 and bolstered by the acquisition of ConceptONE's regulatory and risk-reporting units in 2016. "Axioma's continuous application of research and analysis methods has ensured the business can consistently deliver tailored, flexible solutions, positioning itself a leader in the development of new and innovative solutions," adds a spokesperson.

Axioma has expanded its managerial expertise with several executive hires, bringing the company's headcount to 200. It increased its international presence with the opening of offices in Frankfurt, Paris, Tokyo and Melbourne. While internal legacy solutions can struggle to keep up with new asset classes and instruments Axioma Risk's innovative design allows to maintain a continuously leading position, according to the firm. ■

CLEARING HOUSE OF THE YEAR

LCH

The world's largest clearing house has made significant product enhancements and seen volumes increase in the past year

LCH operates an open access model, enabling unprecedented choice and greater efficiencies for market participants. It offers clearing services across asset classes for a variety of market participants of all sizes, from the largest dealers to smaller regional banks and pension funds, while maintaining a laser-focus on offering the highest service and risk management standards.

SwapClear continues to lead in clearing inflation swaps, with volumes up five-times over the past year. Inflation cleared notional in March 2017 reached $397bn, up from $51bn in March 2016. There are more buy-side participants than ever before, according to the firm. SwapClear also continues to lead interest rate swaps clearing, clearing $666 trillion in notional in 2016.

LCH has announced plans to launch LCH SwapAgent, a service for the non-cleared derivatives market, designed to standardise and simplify trade processing, margining and payment processing for bilateral trading. 14 major dealers have confirmed their support the service.

LCH's FX clearing service ForexClear has passed several milestones this year. Since the introduction of the non-cleared margin rules in September 2016, the average monthly notional cleared has increased by 500%. It has now cleared over $10trn in notional since launch in 2012.

Clearing volumes and market share continue to grow for CDSClear. In March, LCH announced that CDSClear's first European buy-side client, Amundi, went live. In December, the SEC approved LCH to clear single-name CDS for US clients.

LCH takes seriously its role as a systemically important institution and has issued a number of whitepapers on the topic of CCP risk management and stress testing. LCH continues to review and improve processes, adding new products that deliver significant capital and operational efficiencies, such as inflation swaps clearing and compression.

"LCH is a leading global clearing house that is recognised by its members and clients as maintaining the highest of industry standards, while offering innovative solutions that drive greater efficiencies," says a spokesperson."

COLLATERAL MANAGEMENT SYSTEM OF THE YEAR

Citi

Citi has launched several innovative services to meet regulatory challenges

Citi acquired new clients in all regions and more than doubled the volume of collateral agreements on its platform in 12 months. Citi guided its clients through the complexities of the uncleared margin rules, ensuring new operating models and same-day margining capabilities were tested and deployed globally ahead of the planned big-bang transition on March 1 2017.

Citi developed and launched several innovative new services to meet the regulatory challenges faced by its clients. It launched its initial margin estimator for cleared swaps across all users' clearing brokers; its comprehensive simulation capabilities empower clients to reduce funding requirements, better understand next day calls and more efficiently instruct the allocation of assets.

Citi introduced intra-day cash predictions in response to the uncleared margin rules. By simulating collateral allocations in advance of the margin call process, Citi enables its clients to efficiently manage excess cash during the narrow trading window for cash products.

It also launched its Segregated Initial Margin service, leveraging its global custody network to help its institutional clients meet new regulatory requirements, innovatively supporting both cash and non-cash collateral.

Citi's collateral management service focuses on the needs of the client group of investor. It has been a pioneer in creating an integrated buy-side collateral platform, which provides a single, automated collateral service solution spanning the full complexity of global asset managers' requirements. Clients can collateralise any obligation, via any eligible asset, held at any custodian, facing any clearing broker or bilateral counterparty while all movements are tracked through to settlement in real-time, according to the firm.

Clients can rely on Citi to ensure their margin obligations are covered and their use of collateral is optimised for every fund, without the need for the fund managers to ring-fence assets or maintain buffer accounts. "Citi is the only firm which is structured to provide a fully integrated derivatives offering, including execution, clearing, middle office, custody and margining," adds a spokesperson.