Multi-asset investment guide 2017: Flexible approach, stable returns

Featuring:

- The popularity of multi-asset funds and how they are evolving to meet the changing needs of pension fund investors
- How the management of risk is at the heart of delivering consistent, stable multi-asset returns
- How a combination of member profiling and applying a risk-first investment approach improves member outcomes
- How diversified, absolute-return strategies can help meet the return requirements demanded by pension schemes, without sharply raising their overall risk profile
- Why pension schemes should look to external funds when implementing multi-asset investment

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A wider investment world

Pensions Age explores the popularity of multi-asset funds and how they are evolving to meet the changing needs of pension fund investors

Given the increased focus on, and popularity of, multi-asset funds over the past couple of years, you would be forgiven for thinking they were the latest innovative product to hit the market. And yet pension funds have been multi-asset managers themselves for years.

"In the vast majority of cases, pension scheme portfolios are already multi-asset funds in their own right," M&G fund manager, macro investment business, Tony Finding says. "The concept of diversification has been a crucial foundation for strategic asset allocation within schemes for many decades now."

While Finding claims that "multi-asset funds are clearly not an asset class in their own right" with pension funds already accessing the diversification benefits through their own asset allocation choices, "signs of profound changes in the investment environment suggest that more dynamic active asset allocation is likely to be required than has been the case for much of the recent past".

At the same time, the changing needs of pension schemes as they mature, as well as an increasing range of alternative assets and investment strategies now available, mean that external multi-asset funds have far more to offer pension funds today, he adds.

However, these external multi-asset funds have been around and helping pension schemes for the past 10 years, with their popularity showing no signs of abating.

As Investec multi-asset team investment director Atul Shinh says: "Modern multi-asset strategies continue to occupy the attention of institutional pension funds a decade on from when these strategies first started to become in vogue".

But just what are these strategies?

Multi-asset funds – which contain a number of different types of assets within the one fund in order to achieve equity-like returns but with smoother volatility – can take many forms, from diversified growth funds, to absolute return strategies, to multi-asset credit on the fixed income side.

"Three key designs are already established within *[the multi-asset]* space, namely multi-asset funds that evolved from balanced mandates, hedge fund-like strategies that incorporate long and short positions, and strategies using risk parity principles," Lombard Odier Investment Managers head of solutions for institutional investors Ritesh Bamania states. "However, there continues to be innovation even within these categories and relating to strategies that mix some aspects of the various existing designs."

Whatever their individual design, multi-asset funds aim to deliver absolute returns across all market conditions.

To achieve this, Unigestion head of macro and dynamic allocation Guilhem Savry recommends that a truly broad investment universe is harnessed, along with a dynamic approach to asset allocation. Finally, the definition of risk should be comprehensive and focus on more than just volatility in order to deliver smooth returns.

Natixis Investment Managers head of UK DC strategy and sales, Nick Groom, agrees that risk is an important consideration of any multi-asset fund. He advocates a risk-first investment approach to asset allocation within a multi-asset fund, in order to manage volatility. The result, he says, is added predictability and ultimately, durability, within the portfolio.

This predictability is appreciated by pension schemes, as with the current economic and financial uncertainty, institutional investors have been looking to diversify their portfolios to protect their assets.

Growing interest

CQS chief executive and senior investment officer Sir Michael Hintze notes that he has seen a pick up in pension fund interest in multi-asset formats due to them being seen as part of the solution to achieving through-cycle returns.

Multi-asset funds' alpha-seeking investment focus, combined with the potential to manage downside risks and market volatility, could help meet the return requirements demanded by pension schemes without sharply raising the overall risk profile, Amundi client portfolio manager David Greene explains.

PLSA policy lead, investment and defined benefit, Caroline Escott, finds that multi-asset funds allow pension schemes to diversify in a low-governance way, "which is particularly important for smaller schemes that might not necessarily have access to significant investment expertise and resource".

However, "it is important that diversification serves the purpose of enhancing risk-adjusted returns as opposed to dampening growth", Columbia Threadneedle client relationship director Andrew Brown warns.

So, with its diversification benefits, multi-asset funds are now being used by pension funds to outperform liabilities and close funding gaps, the role historically played by equities, Aviva Investors head of investment strategy for global investment solutions John Dewey explains.

However, in periods where equity markets perform well and generate high returns, there can be pressure on trustees to justify multi-asset allocations, "as the risk reduction component gets less focus, as investors become complacent about equity market volatility", Pictet Asset Management senior business development manager Tim Bird warns.

Lagging equity peaks in return for smoother volatility seems a price worth paying for pension funds, judging by the popularity of multi-asset funds. So much so, in fact, that new ways in which to implement multi-asset funds within different investment areas are increasingly being explored.

New opportunities

"New multi-asset products increasingly access private markets, providing exposure to liquidity premia through both debt and equity investments in real assets," Dewey says.

Hintze highlights how alternative credit in a multi-asset format has become an attractive solution for schemes to de-risk from equities, while maintaining reasonable expected returns.

This trend has also been spotted by Escott. She states that an increased take up in multi-asset credit strategies has occurred as maturing DB schemes "try to de-risk by selling some of their equity exposure and moving away from government bonds into a wider range of credit classes, such as corporate bonds and emerging-markets debt".

For Shinh, many of the recent new business opportunities for multi-asset fund investment has come from both DB and DC investors making their first foray into this space, along with "a number of opportunities from investors re-brokering existing DGF allocations".

The DC market in particular has become an area of growth, with multi-asset funds increasingly being used within default fund design.

"Products have been developed for the DC market that aim to provide smoother returns with less volatility than equities, principally through the use of dynamic asset allocation and exposure to to a wider range of asset classes," Brown says.

Changes

Whether used for DB or DC, multi-asset funds will continue to respond and change to investors' needs.

Bamania sees evolution arising from regulatory changes, such as increased disclosure requirements, which could impact some of the more complex strategies. "Another example is of regulatory changes is in relation to collateral requirements linked to use of some derivatives, which means greater amounts of cash needs to be held," he says.

"Increased uncertainty due to unknown cashflow requirements, leading to more frequent selling of such funds, could also test the liquidity buffers in some funds," Bamania warns.

Environmental, social and governance factor within multi-asset funds will also face growing scrutiny, Shinh predicts, as these considerations have become "a topic at the forefront of conversations with our clients recently".

However they may change, one thing seems clear: pension funds' love of multi-asset investment looks set to continue.

Smoothly navigating all market conditions

Unigestion's cross-asset solutions team believes that the management of risk is at the heart of delivering consistent, stable multi-asset returns

Many multi-asset products seek to deliver absolute returns across all market environments, but this is not always a straightforward objective. At Unigestion, we believe three factors are needed to achieve this aim:

1. A **truly broad investment universe** – this should include a large range of traditional and alternative risk premia, which enhances the ability to harvest more independent sources of return and therefore improve diversification.
2. A **dynamic asset allocation approach** - macroeconomic regimes determine the returns and behaviour of risk premia over the long run. While these long-term regimes are of essence, we believe the short term matters as well, so it is essential that a portfolio can be modified to reflect both views.
3. The definition of risk should be comprehensive and focus on more than just volatility; this is essential in being able to deliver smooth returns. The **ultimate risk for us is the loss of capital.**

Our Cross Asset Navigator strategy, better known as 'Navigator', is built around these three principles and seeks to deliver consistent, risk-adjusted returns over a 3-5 year cycle, targeting a return of cash + 4 per cent per annum net of fees while delivering significantly lower long-term risk than the equity market.

The team behind our Navigator strategy draws from a combined heritage of both traditional and alternative investments and this underpins our ability to build a portfolio that harvests the widest spectrum of risk premia.

We believe it is important to expand the investment universe into the alternative space to ensure we avoid being overly reliant on equities or fixed income assets, and provide extra diversification in adverse market regimes due to their low correlation to traditional risk premia.

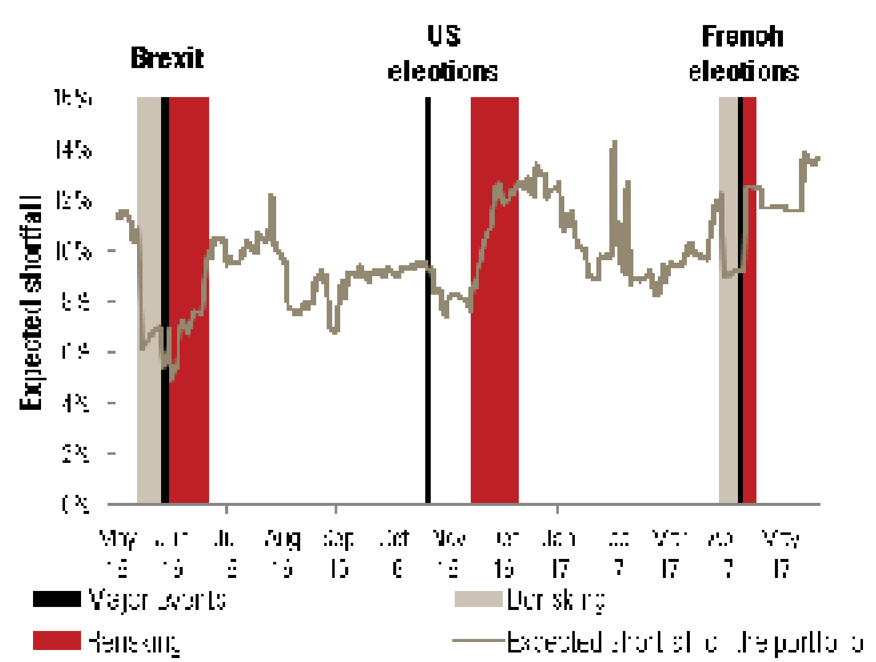
Macroeconomic framework

Our research shows that the returns of risk premia vary over time and that their performance can be linked to different macroeconomic and market conditions. Therefore, we seek to build a portfolio that is balanced across macro regimes, while also seeking diversification from our broad investment universe in order to achieve our aim of delivering smooth returns.

Our long-term, strategic allocation is systematic and anchored around strong macroeconomic analysis, which has shown that the economic cycle can be split into four macro regimes: steady

Steady growth	Recession	Inflation shock	Market stress
Equities Low-Risk	Duration	Inflation Break Even	Duration
+	+	+	+
Long-Short Equity Factors	Trend-Following	Industrial and precious metals, Energy	Precious metals
+	+	+	+
Credit Spreads	G10 FX Value	Trend- Following	Trend Following
+	+	+	+
Carry Growth-biased (FX, volatility, credit, dividend)	Carry Bonds	Carry FX	Carry Bonds
			+
			G10 FX Value

Source: Unigestion



Source: Bloomberg, Unigestion's calculations. September 2017

growth, recession, inflation shock and market stress. We have then mapped the investment universe according to these regimes to observe which assets have historically best responded to each of these market conditions. We have used this analysis to build specific portfolios of risk premia that best respond to each of these macro scenarios on a long-term, strategic basis, as illustrated in the table opposite.

Our long-term allocation is then supplemented by a shorter-term allocation strategy that seeks to allow the portfolio to dynamically adapt to the ever-changing economic market conditions over the short and medium term. It is based on proprietary indicators, called 'nowcasters', which assess conditions in real time and systematically modify the portfolio's asset allocation accordingly.

Rather than relying on a purely quantitative system to perfectly assess forward-looking risks, we complement this approach with qualitative analysis to determine relative value across and within asset classes.

Dynamic risk control

Finally, risk analysis is at the heart of our process, as we believe risk-based investing is the most robust way to manage a multi asset portfolio. We impose strict controls at the portfolio level, dynamically allocating risk rather than capital because, in our view, risk is multi-dimensional. Therefore, we focus on expected shortfall rather than volatility, allowing us to take into account more dimensions of risk, such as valuation, asymmetry, 'fat tails', or liquidity.

Furthermore, we believe risk needs to be managed on a forward, rather than backwards, looking basis. An example of this can be illustrated by our approach to Brexit, where we chose to reduce our risk exposure ahead of the referendum and maintaining upside exposure through options. When the referendum took place, the strategy's downside exposure was limited and we were able to quickly reposition the portfolio for the rebound.

Risk targeting around political events

With markets likely to become ever more challenging, the ability to generate all-weather returns and navigate volatility could prove valuable for institutional investors. We believe our approach, which has the management of risk firmly centred at the heart of its process and seeks to achieve true diversification at every stage of the process, could provide a solution to achieving these goals.

For more information please contact: clients@Unigestion.com

Written by Guilhem Savry, head of macro and dynamic allocation, Unigestion

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Time to re-invent the default wheel?

Nick Groom reveals how a combination of member profiling and applying a risk-first investment approach improves member outcomes

Auto-enrolment is the most successful pension scheme mechanism to drive up participation rates since we were hoodwinked into our company's final salary scheme.

Just enroll members at the highest contribution rate and add auto-escalation and we can really celebrate!

And do you remember your first DB scheme, enrolled by stealth, stuck with this undecipherable benefit until death us do part? It was hidden towards the end of your contract of employment: "You will be automatically placed in the company's final salary pension scheme; this scheme will give you 1/60th of your final pensionable pay for every year that you work until you reach your 65th birthday. Some of your benefit may be taken as tax-free cash; this will be commuted using the following calculation: 3n/80ths. Please refer to your scheme booklet for a full description of your benefits". It all sounded like gobbledygook!

I remember my first DB scheme. I was just 24 years old in the '80s in my first financial services job, but that didn't mean I understood my pension! The language was difficult for most people to understand, so they were not unlike the DC joiners of today – pretty disengaged by the language and complicated calculations we often use, but without the safety net that we had back then.

Wow, and what a benefit a DB scheme was (still is for some), with so many people not even knowing they had this gold-plated reward until they came up to retirement. Normally they twigged it when the company held a retirement seminar with a local IFA or benefit consultant.

But then if you recall, annuity rates were so good that they headed off into the sunset with plenty of regular cash, none the wiser as to how they did it, keeping quiet just in case it was a magnificent ruse, no investment decisions to make, apart from perhaps a few who got duped into some weird and wonderful offshore investment scheme for their tax-free cash that admittedly was burning a hole in their pocket.

This is in stark contrast to now, with all of the risk transferred to the hapless employee, who is being asked to dip hard into his pocket to augment the employers' contribution, which is a small fraction of what the employer had been paying with DB – something the employer is extremely glad about!

I am going to skip a generation of early DC pioneers and arrive in my pensions Tardis at pension freedoms, now allowing greater flexibility and better death benefits than final salary schemes. Many are now heading towards taking their pension as cash to spend on things they wouldn't ordinarily have, or for the lucky ones with enough of a pot, they can consider drawing an income from it.

As a result of these changes, the DC market of default funds needs a considerable review and overhaul, given that in many cases one size does not now fit all of the needs of a workforce where circa 95 per cent invest in the default. Also, a high proportion of defaults may still be heading towards a 75/25 mix of bonds and cash, and that just won't cut it.

So as the pensions market migrates from DB to DC, and the investment risk shifts from the corporate provider to the member, there are enormous investment implications. And the DB adage of buy-and-hold may not be appropriate in the new DC world where member engagement is increasing and member investment experience is gaining in importance.

At Natixis, we believe that member profiling and member segmentation, which is the establishment of different member cohorts, are of paramount importance. One size rarely fits all of the population within a scheme and although age-based cohorts are a good start, members may more likely be as interested in cohorts built around their attitude to risk, ethical stance, domestic bias etc. And even within age-segmented cohorts there is argument that the younger cohorts may not want to invest in a buy-and-hold strategy at the highest risk level because limiting the risk of loss of capital is very important to them.

We could consider default cohorts based around the generation game; for instance centennials who are going to live forever, millennials the most knowledgeable generation. Also, there are baby boomers, all set pretty fair with DB and property, while Gen X perhaps need careful consideration as they could have either been very lucky, or very unlucky as they may have neither had a DB scheme or took advantage of early undeveloped DC. So as you can see, there are lots and lots to think about.

The younger age groups are complicated as they tend to be more mobile and with this mobility, they may be consolidating pension pools and potentially crystallising or at least seeing the effects of volatility at the wrong time. In some cases a fund might have a third of its value wiped away by a risk event. They may also be more ethically and socially aware than older cohorts.

Furthermore, the non-pension investment plans such as LISAs are going to take 'market share' from pension contributions if this cohort isn't correctly engaged and satisfied with their pension investment. In short, we believe that a combination of member profiling and applying a risk-first investment approach to our multi-asset solutions will lead to better member outcomes in both investment experience and return.

And why are we suggesting that we turn investment philosophy on its head and put risk first?

Risk is a far more stable indicator of markets. In this instance, we consider the rolling annualised volatility of markets over five- or ten-year periods. When comparing this to the annualised return counterpart, we note that volatility tends to be more stable over time.

Applying this logic to specific cohorts we can better manage the risks associated for that group. In particular, we can be better placed to manage future corrections in a way that is more acceptable from a risk perspective for that group. We truly believe that it's not the members that need to be thrown a choice of cautious, moderate and aggressive risk profiles for them to choose, but for the scheme governors to do that choosing for them.

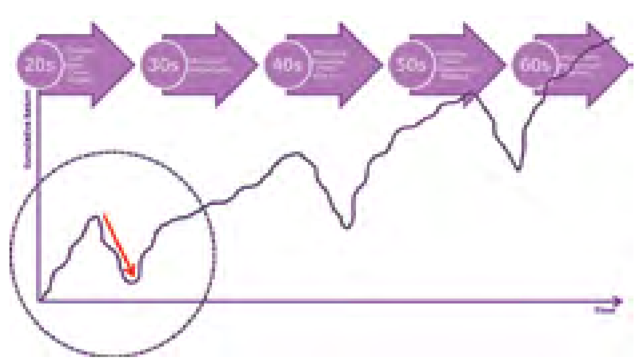
In the chart opposite, we show how the early years of a member's investment can experience considerable volatility. If this was the start point for a young person starting out on his/her career, entering with piled up student debt and looking for a deposit on a house, they could be easily put off pensions at a critical time because a high-risk strategy was wrongly chosen for this younger cohort. But it could be any cohort.

So we are advocating the use of risk parameters as the main input for asset allocation to manage volatility. For the last decade, the risk profiles of some indexes have been relatively stable – while their returns varied dramatically. Durable Portfolio Construction®, our investment methodology therefore, targets a consistent range of risk, rather than a potential range of returns.

The result is added predictability and, ultimately, durability in the portfolio. Return, and performance, analysis is important but secondary to risk. Furthermore, the global investor community has migrated from longer-term investment horizon to shorter-term horizons that tend to have greater emphasis on investment experience, where risk of loss is becoming more prevalent in investment processes.

We believe those responsible for governing employers' schemes have the appropriate knowledge of the schemes' membership (and are better placed) to build an optimum number of risk-first multi-asset default solutions based around specific cohorts that cater better for the needs of a diverse and more demanding workforce. Let's reinvent the wheel!

Why is understanding/managing risk important in a portfolio?



Source: Natixis Portfolio ClaritySM

Written by Nick Groom, head of UK DC strategy and sales, Natixis

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Seeking an alternative solution

David Greene describes how diversified, absolute-return strategies can help meet the return requirements demanded by pension schemes, without sharply raising their overall risk profile

Brexit, stubbornly low inflation and falling bond yields – both sovereign and corporate – are among a number of challenges that are proving painful for institutional investors and are unlikely to go away anytime soon.

With liabilities increasing and deficits widening, schemes are being forced to revisit their approach to risk and consider whether they should broaden their exposure to other asset classes in order to increase potential returns.

At Amundi, we believe diversified, absolute-return strategies that seek to generate positive returns in different market environments could provide a solution. Their alpha-seeking investment focus combined with the potential to manage downside risks and market volatility could help meet the return requirements demanded by pension schemes, without sharply raising the overall risk profile.

In order to pursue these features, we believe it is key to build an investment process that seeks to generate multiple, low correlated sources of return by investing in traditional and non-traditional asset classes.

The absolute-return strategies have been managed within the multi-asset team since 2004, with significant AUM. A robust investment process has been developed that seeks effective diversification through allocating risk across four components. We refer to these components as the 'Four Pillars' approach.

'Four Pillars' approach

The first pillar in the investment process starts with the macro strategy, the directional, top-down element that expresses the view of the world. The macro component may also include long-term structural thematic investments, such as robotics and longevity.

Risk management is a ubiquitous thread that runs through every investment decision. The second pillar is macro hedging, where an independent team of hedging specialists assess risks to the macro strategy and seeks to protect the portfolios from 'tail risks'.

The third pillar, satellite strategies, tend to be relative value in nature and invest across multiple asset classes.

Relative value investing can dramatically expand the investment universe and help to generate new sources of alpha, independent of equity and bond markets. This is a key differentiator from long-only funds that are directional in nature. Each satellite strategy has a target price and strict drawdown management levels to ensure disciplined position management.

The final pillar is selection strategies, which aims to improve diversification and generate income by investing in sovereign bonds and high-quality credit, while seeking to generate stable yields above cash rates.

For institutional investors looking to boost asset returns while continuing to protect their portfolio from downside shocks, we believe that absolute return strategies are an investment component that needs to be explored.

Written by David Greene, client portfolio manager, Amundi

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Amundi ASSET MANAGEMENT

Looking outwards

Tony Finding explains why pension schemes should look to external funds when implementing multi-asset investment

In the vast majority of cases, pension scheme portfolios are already multi-asset funds in their own right. The concept of diversification has been a crucial foundation for strategic asset allocation within schemes for many decades now.

Moreover, a background of strong government bond returns, as well as negative correlation between bonds and equities in periods of stock market stress has been hugely supportive for static allocations to the traditional asset classes.

So why should pension schemes consider using external multi-asset funds? There are three main reasons:

Active asset allocation

The environment that has been so supportive for traditional static asset allocations seems very unlikely to persist. Not only do extremely low yields today suggest that a repeat of the past 30 years of bond returns is close to impossible, but correlation patterns could also be far less stable.

Less faith in monetary policy's ability to solve growth challenges (particularly at low yields) limits the ability of bonds to act as insurance when equity markets are weak. Emergent challenges to globalisation could also threaten the trend for more benign inflation outcomes around the world.

Seeking diversification across asset classes is therefore likely to require more dynamism and selectivity in the future, perhaps including the use of less traditional strategies such as relative value or the use of derivatives. Experienced asset allocators would have an extremely important role to play for pension schemes in this environment.

Specific outputs

Actively managed multi-asset funds can be run so as to deliver specific outcomes that are attractive to pension trustees. For example, funds that are able to deliver growth-like returns with lower volatility can be useful for schemes seeking to de-risk their assets, while funds that deliver regular income payments can help manage cashflows in more mature schemes.

Alternative exposures

The advances in financial services over the past two decades have meant that many areas of the market that were inaccessible to all but very specialist part of the market are now far more widely available. This comes with opportunities, and with challenges.

Alternative asset classes can appear attractive at a time when traditional assets appear to be offering lower prospective returns than they have provided for much of history. Similarly, the diversification of behaviour they have delivered can be very desirable.

However, the very fact that these alternatives have become more widely used could serve to make them more correlated with other assets in periods of stress, while very few will have been tested in environments of rising interest rates.

Conclusion

Multi-asset funds are clearly not an asset class in their own right and in many instances the positive diversification characteristics that they offer will already be captured in the asset allocation of a pension scheme itself. However, signs of profound changes in the investment environment suggest that more dynamic active asset allocation is likely to be required than has been the case for much of the recent past. At the same time, the changing needs of pension schemes as they mature, as well as an increasing range of alternative assets and investment strategies now available, mean that external multi-asset funds have far more to offer pension schemes today.

Assessing external multi-asset managers offers very different challenges for trustees. When external managers have more freedom as to the universe of assets they can invest in, it is far more important to gain an understanding of their approach and how the fund can be expected to behave in relation to the rest of the scheme's portfolio. However, the rewards for getting this process right look set to be significant.

Written by Tony Finding, fund manager, macro investment business, M&G

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OUR HERITAGE IN MULTI-ASSET INVESTING

M&G's multi-asset team has over fifteen years' experience managing dynamic multi-asset investments. Our unique 'episode' investment philosophy combines behavioural finance, a valuation-driven approach and macro-economic research to find value, giving us a competitive edge. You can be confident that we have the right multi-asset solutions for your needs.

www.mandg.co.uk/multiasset

Company Profiles

Unigestion

Unigestion is a boutique asset manager with the scale to deliver global tailor-made investment solutions for thoughtful investors. Our core values – integrity, independence, excellence and guidance – are at the heart of everything we do.

We are responsible for managing $25.9 billion in client assets across our four areas of expertise: equity, multi-asset investing, private equity and alternatives. We believe that risk management is an enduring driver of long-term investment performance, and we therefore apply a risk lens to all our strategies. In February 2017 Unigestion acquired Akina with the aim of creating a uniquely qualified specialist in global small and mid-market private equity.

Ideas drive our growth, and Unigestion strives to be always at the forefront of innovation in investment management. For us, innovation is about co-creating with our clients the investment solutions that meet their needs through a partnership approach.

Our tradition of research sets us apart. Unigestion's ongoing research focus, as well as our collaboration with the world of academia, enables us to arrive at new ideas to the benefit of our clients.

With over half of our assets managed through segregated mandates, we have a proven ability to understand clients' objectives and are trusted by them to design strategies tailored to their needs.

We are privately owned, with a majority of the equity controlled by our senior management, and we focus solely on asset management. This gives us the independence to take a long-term perspective and stay true to our convictions for the long-term benefit of clients.

This independence also means that our interests can truly be aligned with those of our clients. We demonstrate our commitment to our clients by investing our own capital in the strategies we manage for them.

Source: Unigestion. All data as at September 2017.

Natixis Investment Managers

At Natixis Investment Managers, we believe in a different way to invest, and we have built our business on the same foundation. We focus on portfolios, not products. We reject transaction-oriented, short-term thinking and have instead invested in resources that help our clients build long-term sustainable value. We believe in independent thinking, trust and transparency, and our approach is consultative, objective and rigorously insight-driven.

Behind our investment approach is a global multi-affiliate organisation with more than £716.4 billion under management[1] making us one of the world's largest asset managers.[2] Our firm is a global leader in retirement provision, with in excess of £88 billion in pensions and retirement assets under management (as of 31 December 2015), a large proportion of which is defined contribution-related.

We know retirement is a universal issue with different challenges from region to region. One thing is common: all individuals and schemes can benefit from solid advice, and consistent investment choices.

Our Durable Portfolio Construction Research Centre gives us unique insights into investor sentiment, having surveyed more than 37,000 individual and institutional investors across 29 countries, since 2010.

The UK market is undergoing a number of fundamental changes in the pensions arena, creating new hurdles for retirement clients and their investment advisers.

We believe that our experience in the retirement and DC fields around the world, alongside our diverse investment expertise from leading global investment managers within our group, offers a compelling solution to our clients and more importantly to their investors.

[1] *As of 30 September 2017.*

[2] *Cerulli Quantitative Update: Global Markets 2015 ranked Natixis Investment Managers S.A. as the 15th largest asset manager in the world based on assets under management ($877.1 billion) as of 31 December 2016.*

Amundi

Amundi is Europe's largest asset manager by assets under management and ranks in the top 10[1] globally. Thanks to the integration of Pioneer Investments, it now manages 1.4 trillion[2] euros of assets across six main investment hubs[3]. Amundi offers its clients in Europe, Asia-Pacific, the Middle-East and the Americas a wealth of market expertise and a full range of capabilities across the active, passive and real assets investment universes. Headquartered in Paris, and listed since November 2015, Amundi is the 1st asset manager in Europe by market capitalisation[4].

Leveraging the benefits of its increased scope and size, Amundi has the ability to offer new and enhanced services and tools to its clients. Thanks to its unique research capabilities and the skills of close to 5,000 team members and market experts based in 37 countries, Amundi provides retail, institutional and corporate clients with innovative investment strategies and solutions tailored to their needs, targeted outcomes and risk profiles.

Amundi. Confidence must be earned.

Visit amundi.com for more information or to find an Amundi office near you.

Follow us on

[1] Source IPE "Top 400 asset managers" published in June 2017 and based on AUM as of end December 2016.
[2] Amundi figures as of September 30, 2017
[3] Investment hubs: Boston, Dublin, London, Milan, Paris and Tokyo
[4] Based on market capitalization as of September 30, 2017

M&G Investments

M&G Investments is the European asset management arm of Prudential plc, operating in the UK, Europe and Asia. As a trusted partner, our clients' individual needs are at the heart of our business. We align our interests with those of our clients and develop value-based strategies to generate strong and consistent returns. Our goal is to help our clients meet their long-term liabilities regardless of the market environment.

With £281 billion* of assets under management (including £132 billion* on behalf of Prudential) across fixed income, equities, real estate and multi-asset strategies, and over 400* investment professionals (including what we believe to be one of Europe's largest credit research teams), we have the scale and expertise to offer tailored investment solutions across a wide range of risk and return requirements.

M&G is an active investor – both in terms of how we manage our assets, and how we innovate and develop our offering to ensure that we continue to meet evolving investor requirements.

* As at 30 June 2017