

Defaqto publishes a free guide to absolute return funds

Independent research company Defaqto has published a free guide to absolute return funds, which is designed to remind intermediaries of the background to absolute return investing and underlines the research considerations that financial advisers need to make when researching this type of fund.

The fund schedules, performance fees and manager details have been updated to give advisers a current view of the 2010 absolute return retail fund marketplace, summarising funds that employ absolute return techniques.

Areas covered by the guide include:

- A market overview of absolute return funds and how they became possible
- Performance fees
- How absolute return funds work
- The different approaches to absolute return funds
- Questions that need to be asked before investing

The guide also features a case study that examines the Standard Life Investments Global Absolute Return Strategies fund. The case study takes two different time periods to demonstrate trading strategies in contrasting economic environments. It has been produced to provide the reader with a greater understanding of absolute return investment strategy, and highlights the core benefit of absolute returns; the ability to produce positive returns in all market conditions.

The absolute return funds guide can be downloaded free from www.defaqto.com/adviser. The full case study on Standard Life is also available for download at www.defaqto.com/adviser

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Notes to Editors:

About the authors of the Absolute Return Funds guide

Fraser Donaldson is Insight Analyst for Funds at Defaqto. Fraser joined Defaqto in November 1994. Prior to joining Defaqto, he worked at national IFA Towry Law where he was involved in building best advice panels for investment products and was instrumental in setting up a Towry Law Discretionary Management Service in partnership with Mercury Asset Management (now BlackRock). Fraser is responsible for producing Insight Reports and guides in the investment arena, having written several reports and guides on investment subjects such as platforms, onshore and offshore bonds and he authors a half yearly guide on the multi-manager market. He is also responsible for developing Defaqto's investment proposition.

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David Abbis is Insight Analyst for Wealth Management at Defaqto. Following a career in retail banking, David joined Defaqto in 1997. His main responsibilities involve ensuring that pension products and investment bonds are reflected properly within the database to ensure that advisers are able to select the correct products for their clients and carrying out analysis on those products to produce the Defaqto 5 Star ratings for SIPPs and on and offshore investment bonds. In addition carrying out bespoke consultancy work on investment and pension orientated products he writes adviser guides and market reports relevant to pensions and bonds. David oversees the preparation of best advice

product panels and manages the relationships with panel clients. Until recently he sat on the ABI Investment Classification Committee and is now a member of the ILAG Distribution Practitioner Group. David qualified as an associate member of the Chartered Institute of Bankers in 1972.

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About Defaqto: www.defaqto.com

Defaqto is an independent financial research company specialising in rating, comparing and analysing financial products.

Since 1994, Defaqto has built the largest, whole of market, financial product database and become one of the leading providers of financial product data in the UK. We now cover over 30,000 products across banking, life, pensions, investments and general insurance.

Our experts validate and analyse the data to provide insight and consultancy to all layers of the financial services sector including IFAs, mortgage and general insurance brokers, providers, web aggregators and the public sector.

Our products and services include the following:

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Our Star Ratings reflect the quality of a financial product and help to identify the range of features and benefits in each one. We review and assess every financial product across various categories and award a Star Rating from 1 to 5. The ratings are aimed at helping consumers and advisers decide which product suits their specific needs. Providers also use the ratings to ensure they offer products to meet differing consumer demands.

Aequos Online

An extensive, independent, financial product analysis and comparison database available in the UK. The database contains feature, rate and fees information on more than 30,000 products from nearly 2,000 providers. Our customers include leading insurance and assurance companies, banks and building societies and investment organisations.

Defaqto Engage

An integrated system for independent financial advisers (IFAs) and insurance brokers. The system makes the reporting, analysis, recommendation and review process easy, delivering the perfect product to meet client needs.



Defaqto Compare

An interactive, comparison tool enabling consumers to easily compare product features against each other on a host of key features, using a simple 'traffic light' system.

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