

Defaqto publishes a free guide to discretionary management

Independent financial research company Defaqto has published a free guide to discretionary management for the intermediary market entitled 'Letting go'.

As advisers continue to look at their business strategies in the run up to implementation of Retail Distribution Review policy at the end of 2012, it is clear that outsourcing the management of the client's investments is becoming a solution of choice for many advisers.

All but lost to the retail market for the best part of the last decade, discretionary management has once again become a real option. This is clearly a growing area, and Defaqto's guide is designed to help advisers in their due diligence of what may be an unfamiliar market.

Author of the guide Fraser Donaldson and Insight Analyst for Funds said: "With few exceptions, discretionary managers deserted the independent adviser market at the turn of the century, preferring to target the more affluent client and encouraging them to become 'private clients' of the firms they work for.

"These same discretionary managers have noticed the growth in multi-manager, as well as the increasing number of advisers outsourcing their investment process in this way, with the result that they are now targeting the retail investment market again. Recent research in to platform users for instance showed that nearly 20% of those surveyed used a discretionary manager."

Mr Donaldson continued: "The SIPP market has taken note of this possible solution, and now more than three quarters of pure SIPPs facilitate access to a discretionary manager, with more than 35% offering a panel of preferred services. Many discretionary managers now have dedicated resource for dealing with the IFA market and are more than happy to discuss their services. Our research indicates that interest in this market will continue to grow."

Areas covered by the guide include:

- Why use a discretionary manager?
- The different types of discretionary service
- The different levels of service available
- What to consider when undertaking due diligence
- An overview of a selection of IFA friendly discretionary services currently in the market

The discretionary management guide can be downloaded free from www.defaqto.com/adviser

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Notes to Editors:

About Fraser Donaldson, Insight Analyst for Funds

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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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.

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Defaqto Engage

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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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