

Only 5% of multi-managers have a long term, demonstrable track record.

Defaqto's latest free guide to multi-manager investment reveals that despite Investment Management Association (IMA) figures showing yet another record high for funds under management by multi-managers, there are only a handful with a demonstrable track record.

Despite market uncertainty and tough trading conditions, the IMA shows around £42bn of multi-manager assets under management by its members at the end of 2009. This is an increase of some 42% from the end of 2008, and over 260% for the decade.

Despite this growth, and the number funds available continuing to increase, there are only a handful of multi-managers Defaqto rank highly that have been around for the whole decade. In fact only around 5% of multi-manager funds in the UK market have been around for 10 years, have a named fund manager and therefore a demonstrable track record.

Guide author and Insight Analyst at Defaqto, Fraser Donaldson says: "Multi-manager investing continues to be the investment outsourcing method of choice. The Retail Distribution Review (RDR) is forcing advisers to look at their businesses, and more and more of them are concluding that outsourcing some or all of their investment processes is a sensible business decision".

Mr Donaldson continued, "as implementation of the RDR gets ever nearer, we can only see this trend increasing. There will be more funds being launched, closed or merged. There is a diversity of techniques employed by the managers, from multi-manager passive investing through to employing full use of multi-asset investing, and everything in between".

With all this in mind, advisers will need access to news and research in order to stay familiar with this market. Defaqto's free guide looks at the multi-manger industry over the last 10 years of growth, identifying which managers have stood the test of time and detailing fund information. It aims to help the research process covering over 250 multi-manager funds and associated performance ratios, asset allocation details and fund style indicators. The guide can be downloaded at www.defaqto.com

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Notes to editors:

Fraser Donaldson joined Defaqto in November 1994. Prior to joining Defaqto, Fraser worked for national IFA Towry Law where he was involved in building best advice panels for investment products and was instrumental in setting up the Towry Law Discretionary Management Service in partnership with Mercury Asset Management (now Merrill Lynch). Fraser heads up the Investment Research Team specialising in Unit Linked Single Premium product both offshore and onshore, as well as

collective investment schemes both offshore and onshore, as well as their 'wrappers'. Fraser also helps in the qualitative analysis of industry investment teams to support our consultancy division.

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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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