

## Press Release – Under Embargo until 00.01 hours 29 March

### **GAM launches UCITS III global systematic quant fund with Wadhvani Asset Management**

London, 29 March 2010: GAM has continued to expand its existing range of UCITS III funds to include a highly liquid, systematic, managed futures fund managed by Dr Sushil Wadhvani, Founder and CEO of Wadhvani Asset Management. This is the first time that investors have been able to access these strategies in an onshore, regulated format.

GAM Star Keynes Quantitative Strategies relies on directional fixed income and equity models to produce returns that exhibit a low correlation to traditional markets. The proprietary investment models, which have been developed with Wadhvani's 25+ years' experience of quantitative modelling, seek to harness the economic factors that underpin each market. By combining momentum indicators with macro influences the models can enhance returns relative to other trading strategies. The inclusion of non-price information is key as it significantly helps the models anticipate changes in market direction.

The strategies employ a multi-tiered approach to risk management where risk control is embedded within the systematic models and risk positions are also continuously monitored and analysed by the Risk Committee and Research Team. The offshore versions of these strategies have outperformed global equity markets by more than 8% pa. over the last five years, with significantly lower drawdowns.

Sushil Wadhvani's investment philosophy and approach are deeply rooted in Keynesian economics. He comments, "Human nature gives too much weight to recent events, and clings to beliefs in the face of contrary evidence. Our current economic and market outlook suggests macro uncertainty, which can create a 'herding' effect among investors. It is important to know when to run with the herd and when to break away before it has a chance to stampede. Our quantitative models enable emotion to be removed from the decision-making process and can therefore exploit mispricings resulting from behavioural biases."

Craig Wallis, Group Head of Institutional & Fund Distribution at GAM, said: "GAM has always employed an open architecture approach to investment management in order to give our clients access to the best money managers in the world. Sushil Wadhvani has long been recognised by GAM as one of the most talented and innovative investors in his field. We are delighted to have been able to work with Sushil to create a product which combines access to his enviable economic and market experience with a highly liquid and regulated format."

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#### **GAM Star Keynes Quantitative Strategies: Key Facts**

Fund type:	UCITS III, Dublin domiciled
Return objective:	Net absolute return of 12 – 15% pa
Minimum subscription:	USD 10,000
Currency classes:	USD, GBP, EUR, CHF
Dealing:	Weekly



## **Dr Sushil Wadhvani**

Dr Sushil Wadhvani, CBE, is the Founder and CEO of Wadhvani Asset Management LLP (WAM), a London-based specialist quantitative macro asset management company. WAM is responsible for managing a systematic strategy investing in equity and fixed income markets for GAM. Sushil was a full-time member of the Monetary Policy Committee at the Bank of England from 1999 to 2002. Prior to this, his roles included director of research, head of systems trading and a partner at the Tudor Group, and director of equity strategy at Goldman Sachs International Ltd.

Sushil began his career as an academic in the economics department of the London School of Economics where he is still a Governor and a visiting Professor. He is also a visiting Professor at City University Business School and a Governor of the National Institute of Economic and Social Research. Sushil has held various advisory roles and published numerous articles in academic journals. He holds a PhD in Economics from the London School of Economics and was recognised as a Commander of the British Empire in the Queen's Birthday Honours List in 2002.

## **Notes to Editors**

### **GAM**

GAM delivers active investment management to private clients, institutions and intermediaries. Its goal is to produce outstanding results for clients by providing access to great investment talent throughout the world. All of GAM's fund managers, whether employed by GAM or contracted to GAM, are unconstrained in their investment management process and decisions. As well as active management within funds, GAM uses active asset allocation to combine funds in managed portfolios that meet clients' diverse needs.

GAM's funds and strategies cover a broad range of asset classes, currencies and market conditions. It has long experience of hedge funds and funds of hedge funds. With rigorous attention to detail and client-friendly technology, GAM provides excellent service to its clients. It manages some CHF 51.0 billion<sup>1</sup> of clients' assets.

<sup>1</sup> Data as at 31 December 2009