

**Analysis**

# Top 400 figures reflect a challenging year

**LIAM KENNEDY**

This year's figures for IPE's Top 400 Asset Managers supplement reflect what history is likely to record as the most challenging year in modern asset management. Global assets, removing double counting from parent groups and their subsidiaries, were down 21.8% as at 31 December 2008, with total assets at €26.5trn. The total for 2008 was €33.9trn. European institutional business for the leading 120 firms was down 20.7% to €4.6trn (€5.8trn in 2008).

These figures emerge against a backdrop of profound change in the asset management industry itself. BlackRock's planned acquisition of Barclay's Global Investors will position the combined group comfortably at first place in the global rankings. Other announced mergers include the tie-up between SocGen Asset Management and Crédit Agricole Asset Management, which has not yet come into effect, and the acquisition of Fortis Investments by BNP Paribas Asset Management.

Of the 120 leading managers of European institutional assets, only 16 managed to increase the assets they manage in this business segment. UFG in France topped the bill, with a 79.3% increase in AUM, albeit from €2.8bn to €5bn. PIMCO was a close second, increasing European institutional AUM by 74.6% from €59.5bn to €103.9bn over 2008. DB Advisors increased institutional assets by the second largest amount in absolute terms, adding €5bn in assets - a 3.9% increase.

Two other groups managed to increase institutional assets by more than €2bn - Vontobel in Switzerland with an increase of €2.9bn to €10.2bn (65%) and Putnam, which increased institutional assets by €2.6bn to €6.4bn (35%).

The two merger candidates BlackRock and Barclays Global Investors between them lost over €91bn in institutional assets over the course of 2008. However, their combined institutional assets under management of €363bn would still have placed a merged BlackRock Global Investors near the top of our institutional ranking this year. Nevertheless, a combined Crédit Agricole Asset Management and SocGen Asset Management would manage a total of €439.2bn in institutional assets.

Of the leading 120 European institutional managers, a total of 28 groups (24%) lost between 0% and 20% in institutional assets over 2008; 36 (30%) lost between 20% and 40% in institutional assets, while 13 (11%) lost more than 40%. No 2008 figures were provided in 25 (21%) cases, so no change was registered for these.

As would be expected, these numbers are highly correlated with reported drops in fee revenue reported in a recent survey by Prof Amin Rajan - Future of Investment: The Next Move.

Among the big losers of institutional assets were Aviva Investors, which reported European

**IPE Top 400 Asset Managers 2009**

- Total assets for 2009 down 21.8% at €26.5 (2008: 33.9trn)
- Assets for leading 120 Europe institutional managers down 20.7% at €4.6trn (2008: €5.6trn)
- 14% of the Top 400 managers reported 2008 headline AUM gains
- Likewise, 14% of the Top 120 European Institutional managers recorded a gain in European institutional business
- Overall and in the Top 120 Institutional managers, 11% and 12% respectively recorded a drop in AUM of more than 40%

institutional assets down 51.8% to €24.3bn. Fidelity International reported European institutional assets down 43.2%, to €16.6bn. AXA Investment Managers also reported European institutional business down 43.2%, although this represented a bigger loss in absolute terms - €56.2bn - which took assets down to €74bn.

Index and quant specialists were down by a heavy degree. State Street Global Advisors lost some €95bn in institutional money, taking its figure down by 36.6% to €165bn. Barclays Global Investors reported a drop of €75.6bn, taking European institutional assets down by 23.2% to €249.6bn.

Looking at the Top 400 group in its entirety, only 56 firms (14% of the total) increased headline assets under management over 2008. Some 123 firms (30.8%) lost between 0% and 20% of total assets over 2008. A further 115 firms (28.9%) lost between 20% and 40% of total assets under management, while 49 firms (12%) lost over 40% of total AUM in the course of the year.

No change could be registered in the case of 48 firms (12%) because end-2007 data was not supplied or not available. Six firms (1.5% of the total) registered no gain or loss.

**IPE Top 120 Institutional Managers (top 20 by % AUM gain/loss)**

Rank	Company	Location	2009 AUM (€m)*	2008 AUM (€m)	% change
119	UFG	France	5,030	2,806	79.3
11	PIMCO	UK/US	103,862	59,492	74.6
94	La Compagnie Benjamin de Rothschild	Switzerland	7,328	4,436	65.2
77	Vontobel Asset Management	Switzerland	10,160	7,542	34.7
102	Putnam Investments	US/UK	6,400	4,899	30.6
117	Kepler Fonds	Austria	5,119	3,936	30.1
71	Sparinvest	Luxembourg	11,113	9,316	19.3
89	BlueBay Asset Management	UK	8,358	7,081	18.0
68	IVG Immobilien	Germany	11,957	10,300	16.1
80	Prudential Financial	US	9,735	8,932	9.0
98	Landesbank Berlin Investment	Germany	7,166	6,721	6.6
100	MEAG Munich Ergo Asset Management	Germany	6,615	6,299	5.0
73	LGT Capital Partners	Switzerland	11,000	10,500	4.8
8	DB Advisors	Germany/UK	131,590	126,590	4.0
28	JPMorgan Asset Management	UK/US	44,572	43,143	3.3
23	Pictet Asset Management	Switz/UK	59,362	57,990	2.4
52	BayernInvest	Germany	21,894	22,021	-0.6
63	Swisscanto Asset Management	Switzerland	14,762	15,146	-2.5
42	Metzler Investment	Germany	28,209	29,081	-3.0
25	Dexia Asset Management	Bel/France	51,043	52,879	-3.5

\*31.12.08 Source: ©IPE

**IPE Top 400 Asset Managers (top 20 by % AUM gain)**

Rank	Company	Location	2009 AUM (€m)*	2008 AUM (€m)	% change
366	Agenta	Sweden	1,600	700	128.6
145	La Compagnie Financière Edmond de Rothschild	France	29,400	13,300	121.0
364	Patrizia Immobilien	Germany	1,643	821	100.2
83	Syntrus Achmea Vermogensbeheer	Netherlands	80,000	42,928	86.4
190	OFI Asset Management	France	17,526	9,800	78.8
35	The Dreyfus Corporation	US	230,769	147,900	56.0
208	Sparinvest	Luxembourg	14,061	9,327	50.8
23	Federated Investors	US/Germany	292,591	206,596	41.6
218	Altius Associates	UK	12,495	9,300	34.4
367	CGD Pensões - SGFP	Portugal	1,578	1,184	33.3
319	Vescore Deutschland	Germany	3,300	2,495	32.3
325=	Adveq Management	Switzerland	3,000	2,300	30.4
56	Standish Mellon Asset Management	US	126,812	99,300	27.7
171	SNS Asset Management	Netherlands	22,900	18,000	27.2
220	Adams Street Partners	US	12,343	9,732	26.8
216	Eagle Asset Management	US	12,777	10,312	23.9
79	Swiss Life Asset Management	Switzerland	85,568	70,854	20.8
289	Landmark Partners	US	5,386	4,499	19.7
42	Wells Capital Management	US	178,817	149,412	19.7
155	Wilmington Trust Company	US	26,292	22,155	18.7

\*31.12.08 Source: ©IPE