



mindfields

complexity simplified

A platform for introducing and debating the more controversial and complex issues that face our industry

August 2008

Anne Cabot-Alletzhauser



Anne Cabot-Alletzhauser:

Why manager performance sheds little light on manager skill

Here's a fact that should give investors pause for thought: There are times in the market's cycle when a fund manager who earned a mere 1% outperformance of the market should be deemed highly skilful, and other times when it would be difficult to conclusively say that a fund manager who earned 6% outperformance (or even a 6% underperformance) demonstrated considerable skill (or lack thereof).

Monika Kraushaar



Monika Kraushaar:

Sustainability, responsibility, environment and investments - Possible partnerships or pipe dreams?

Various topics covering responsibility and the environment have formed a focal point in the financial and investment industry for some time, with proponents and opponents arguing the numerous factors and elements making up each of these issues.

Eugene Botha



Eugene Botha:

The art and science of applying quantitative tools in manager assessments

Manager assessment is a complex process in its own right. A typical manager assessment model would consist of two parts, namely a qualitative assessment as well as a quantitative assessment. The qualitative assessment is usually thought of as judgemental, while quantitative assessments are the cold scientific analysis of the facts...just the facts! Read more in the full issue

Sonja Saunderson



Sonja Saunderson:

The optimal offshore exposure

Exchange controls on institutional investors will be removed and replaced with a system of prudential regulation, involving quarterly reporting and monitoring of foreign exposures by the Reserve Bank," Manuel said in the financial budget speech to Parliament on 20 February 2008. This long-awaited announcement caused a lot of speculation and debate in the institutional fund space about what it will mean for pension funds.

Matthys Meintjes



Matthys Meintjes:

Appendix 1: The algorithm

The genetic algorithm optimisation technique is a search technique used to find approximate solutions to optimisation problems. It is based on evolutionary concepts.



Mind Fields is produced by the Research team at

advantage
asset managers

We aim to share the insights of our research team, and provide on-going output on a wide range of research initiatives that should have particular significance to investors and trustees.

We welcome suggestions of specific topics that you would like to see addressed, so please feel free to contact us directly at sonjas@advantage.am