

More Transparency: A New Guide To Managed Accounts

Stockholm (HedgeNordic) – AIMA, the Alternative Investment Management Association, has published a new guide for fund managers with an interest in establishing managed accounts. The Guide aims to provide a better understanding of what to expect when offering managed accounts, and the operational and regulatory challenges associated with them.

Managed accounts are a popular form of investing in hedge funds that afford a greater amount of control and transparency to the investor over the management of an account. Investors thereby gain greater oversight over investment strategy, the fund's choice of service providers and the potential insulation managed accounts provide from liquidity fluctuations that may arise in traditional commingled funds when investors either leave or join.

“Managed accounts are increasingly popular among institutional investors and these segregated structures have underpinned the changing investor/manager relationship since the financial crisis,” says AIMA CEO Jack Inglis. “But they are not for everyone, and there are a number of issues for managers and investors to consider, ranging from minimum investment levels and regulatory changes to fees and expenses. Our Managed Accounts Guide will help managers manoeuvre this complex landscape and decide the best course of action for their businesses.”

The guide thereby also offers insight on crucial topics when setting up and offering a managed account, including sections on structuring, fees, expenses and conflicts of interest. It is co-sponsored by Societe Generale and Simmons & Simmons.

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