

# Different Shades of Blue

Stockholm (HedgeNordic) – Yesterday, Tuesday November 21, Man Group held a breakfast seminar at the Grand Hotel in Stockholm dedicated to institutional investors. Presentations spanned over four different aspects of alternative investments, all covered by Man Group's umbrella which comprises distinct specialised asset management styles: AHL, Numeric (both quantitative strategies), GLG, FRM (both discretionary managers), and Global Private Markets.

The first session covered new advances in machine learning and artificial intelligence and was held by Anthony Ledford, Chief Scientist at Man AHL. This part of the group has pioneered systematic trading for over 30 years and has a unique collaboration with the University of Oxford. As his title suggests, Ledford is a man of science, and it is hence scientifically that he presented the methods of analysis and exploration regarding the use of artificial intelligence in finance.

In the second presentation, Priya Kodeeswaran, Portfolio Manager at Man GLG, touched upon creative disruption, and the implications in alpha generation. Established in 1995, Man GLG is a discretionary investment manager offering absolute return and long-only strategies across asset classes, sectors and regions. Kodeeswaran's presentation focused in particular on some of the long and short stock selection processes that rely on innovative disruption as a principle, without the help of more targeted themes.

The third session held by Otto van Hemert, Head of Macro Research at Man AHL, showed the result of a recently published study on the best strategies to use in the case of financial crisis. While the paper was written and led by AHL, expertise was gathered throughout Man group to refine the findings and make the conclusions more robust. As van Hemert pointed out, Man has a very high level of competences across its different arms, with each one of them having a slightly different shade of blue. The study explores different strategies that investors may turn to in times of crisis and compares them to find out which ones offer the most effective protection when used passively across good and bad times.

The fourth and last presentation was given by Simon Savage, Portfolio Manager of Man Group's risk premia product range. Picking up on the theme previously laid out by Kodeeswaran, Savage shows how the finance industry is no exception to innovative disruption. In the 90s, long-only managers were able to charge a 2 percent management fee, their only benchmark was their peer group, and everyone went out for long lunches. Then indexes managers came along, they slashed fees, and the party was over. In parallel, hedge funds grew and took advantage of a market that was inaccessible for most, with shorting and leverage difficult to obtain for the average investor. Now the alternatives market is being disrupted by alternative risk-premia, just like when long-only managers saw their lunches cut short.

We found interesting aspects in each of these presentations and look forward to highlighting some of these features for our readers in the upcoming weeks.