



## **PRESS RELEASE**

30 June 2008

### **EXCHANGE TRADED FUNDS SET TO SWEEP UK FUND MANAGEMENT LANDSCAPE**

#### **predicts Pan-Asset Capital Management as it launches new ETF publication**

Exchange Traded Funds (ETFs) are set to sweep across the UK fund management landscape over the next five years, predicts Pan-Asset Capital Management today as it launches its new publication 'The Way of the Future'.

With traditional investment management struggling to deliver cost effective results and economic instability causing a lack of confidence in the stock market, investors are seeking alternatives that offer a better way forward. Pan-Asset Capital Management believes strategic asset allocation and investment through ETFs is the answer.

First introduced to the UK in 2000, ETFs are a type of low-cost index-tracker that remain relatively unknown and little understood. Some ETFs have enabled investors to capture the performance of major markets at virtually no cost. The Pan-Asset publication aims to demystify ETFs, explain how they can be used effectively as investment portfolio building blocks and illustrate the wide universe of asset classes available.

John Redwood, Chairman of Pan-Asset Capital Management says: "There has been explosive growth in the ETFs market over the past couple of years and this is set to continue as investors, dissatisfied with returns from traditional active fund managers, look for other options.

"ETFs give investors exposure to markets all over the world and cost less than most unit trusts or OEICs. Using ETFs also takes away the risk of choosing an underperforming investment manager. Once ETFs are better understood and more widely distributed, they will sweep through the investment marketplace."



Robert Brown, Chief Executive of Pan-Asset Capital Management says: “We believe ETFs, with their flexibility, good liquidity, wide range of investment opportunities and low-costs, are the way of the future. They offer the ultimate consumer prize of better performance than most competitor products, at a lower price.”

“We hope our new publication provides a valuable insight into the importance of asset allocation, the benefits of the rapidly expanding ETF market and the rich universe of investment opportunities now available.”

‘The Way of the Future’ publication is available on the Pan-Asset website at <http://www.pan-asset.co.uk>.

Ends

**Issued on behalf of Pan-Asset Capital Management by Kelso Consulting.**

**For further information contact:**

Sara Phipps/Victoria Morgan, Kelso Consulting (PR advisers): 020 7242 2272  
[www.kelsopr.com](http://www.kelsopr.com)

Robert Brown, Chief Executive, Pan-Asset Capital Management: 020 7398 5841  
Christopher Aldous, Director, Pan-Asset Capital Management: 020 7398 5842  
[www.pan-asset.co.uk](http://www.pan-asset.co.uk)

Pan-Asset Capital Management Limited is authorised and regulated by the Financial Services Authority.

**Notes to Editors:**

Pan-Asset Capital Management was launched in early 2008. The company was set-up by three experienced investors: Christopher Aldous, Robert Brown and John Redwood. Brief biographical details follow:



**Christopher Aldous**, Director of Pan-Asset Capital Management, has worked in investment banking since 1981 with Cazenove, BZW, UBS and Robertson Stephens. He has been involved in wealth management since 2001 as a founder and Chief Executive of Absolute Fund Management.

**Robert Brown**, Chief Executive of Pan-Asset Capital Management, has worked in investment management for family wealth, charitable endowments and institutional funds since 1972 with Phillips & Drew, NM Rothschild and UBS. Between 1998 and 2004 he was the Managing Director of Chiswell and later Chief Executive of Sarasin Chiswell.

**John Redwood**, Chairman of Pan-Asset Capital Management, was an investment analyst and Director of Robert Fleming and NM Rothschild in 1970s and 1980s. Since then he has been a Pension Fund trustee, member of the investment committee of an Oxford college, the chairman of an investment company and a non-executive director of a hedge fund. He was an early advocate of tracker funds to cut the costs of equity investment. He has been the Member of Parliament for Wokingham, since 1987 and is currently co-chairman of the Conservative Party's Policy Review Group on Economic Competitiveness.

**Exchange Traded Funds:** Exchange traded funds (ETFs) are index-tracking funds or trusts that are listed on an exchange and whose assets mirror the price movements of the underlying share portfolio of an index, sector or commodity (such as the FTSE 100, water sector shares or gold). Investors can buy or sell shares in the collective performance of an entire stock portfolio as a single security.

ETFs were first introduced in the USA in 1993. At the end of 2007 the number of ETFs had grown to over 1200 worldwide with assets totalling over \$800bn.

Pan-Asset Capital Management Limited, Vestry House, Laurence Pountney Hill, London EC4R 0EH.