

IPE Survey Small & Mid-Cap Equities

| Company name | Janus Capital Group | Kempen CM | Lazard AM | Lombard Odier IM | Lupus alpha AM | M&G Inv. | Macquarie AM | Man Group | Mandarine Gestion | Metzler AM | MFS IM | Montanaro AM | Natixis AM | Oddo Meriten AM | Old Mutual GI (UK) | PanAgora AM | Pioneer Inv. |
|---------------------------------------------------------------------|---------------------|-----------|-----------|------------------|----------------|----------------|--------------|-----------|-------------------|------------|----------|--------------|-----------------------|-----------------|--------------------|-------------|--------------|
| Amount invested in small & mid cap equity (€m) | 27,126 | 1,737.9 | 712.7 | 2,460.47 | 2,600 | 10,560.8 | 13,274 | 2,535 | 1,025.2 | 1,236.35 | 16,327 | 2,750 | 1,380 | 5,286 | 4,219 | 2,470 | 4,291 |
| As at 30/09/16 | 30,09/16 | 30,09/16 | 30,09/16 | 30,11/16 | 30,11/16 | 30,11/16 | 30,09/16 | 30,09/16 | 30/11/16 | 30/11/16 | 30/09/16 | 30/12/16 | 31/12/16 | 30/09/16 | 30/09/16 | 30/11/16 | 31/10/16 |
| Total AUM worldwide (€m) | 173,881 | 47,370.9 | 165,964.5 | 41,173.72 | 8,000 | 307,328.4 (20) | 334,803 | 71,755 | 2,517 | 42,646.07 | 391,930 | 2,750 | 1,380 | 42,554 | 36,500 | 40,027 | 226,327 |
| Market value up to which a stock is regarded as small cap (€bn) | 3 | 1.74 | 1.8 | 3 | 1 | 2.5 | 6 | NA | 1.4 | 1.5 | 2 | 2 | 5 | 5 | NA | 1.5 | 1 |
| Market value up to which a stock is regarded as mid cap (€bn) | 13 | 1.36 | 8.9 | 10 | 5 | 5 | 13 | NA | 7.1 | 6 | 10 | | 8 | 10 | NA | 7.5 | 6 |
| Amount (€m) of small/mid cap equities invested: | | | | | | | | | | | | | | | | | |
| For Europe-based institutional clients | 270 | | | 1,239.22 | 2,600 | 19.85 (21) | 1,785 | 231 | 348 | 176.12 | 375 | 2,300 | | 4,500 | 388 | 263 | 816 |
| Pension fund clients | 0 | 278.5 | | 869.27 (22) | 1,000 | 10.68 (21) | 0 | 0 | 143 | | NA | 1,000 | | 2,300 | | 263 | 111 |
| Insurance company clients | 0 | 89.4 | | | 100 | 9.17 (21) | 51 | 26 | 194 | | NA | | | 1,200 | | 0 | 323 |
| All other institutional clients | 270 | 1,370 | | 369.95 | 1,500 | 0 | 1,734 | 205 | 11 | 176.12 | NA | | | 1,000 | 388 | 0 | 382 |
| Through segregated account mandates | 3,018 | 626 | 484.7 | 562.87 | 2,100 | 0 | 3,865 | 1,960 | 142 | 766.43 | 1,070 | 900 | 122 | 1,937 | 388 | 2,086 | 297 |
| Through investment/mutual fund vehicles | 24,108 | 1,111.9 | 228 | 1,897.6 | 500 | 742.6 (21) | 9,409 | 555 | 883 | 469.92 | 15,257 | 1,800 | 1,258 | 3,349 | | 384 | 3,994 |
| Amount (€m) of small/mid cap equities managed: | | | | | | | | | | | | | | | | | |
| Passively or on an indexed basis | 0 | | | 55.6 | 0 | 0 | 0 | 0 | | | 0 | | | 0 | | 0 | 0 |
| On an enhanced indexed basis | 0 | | | 224.56 | 0 | 0 | 0 | 0 | | | 0 | | | 0 | | 0 | 0 |
| Quant-type strategies | 0 | | | 243.41 | 0 | 0 | 2,256 | 0 | 42 | | 0 | | | 0 | 2,470 | 0 | 0 |
| Actively with 2-5% outperformance | 0 | 1,737.9 | | 1,106.45 | 2,600 | 0 | 11,489 | 0 | 983.2 | 1,236.35 | 16,327 | 2,750 | 1,380 | 857 | 4,219 | 0 | 0 |
| Actively with 5% plus outperformance | 0 | | | 830.45 | 0 | 1,785 | 259 | 0 | | | | | | 4,429 | | 0 | 0 |
| Other | 27,126 (23) | | | | | 10,560.8 | | | | | | | | | | | |
| Description of approach to managing small/mid cap equities: | | | | | | | | | | | | | | | | | |
| Core | | X | X | X | | | X | X | | | X | | | | X | X | |
| Value | X | | | | | | X | X | | X | X | | | | X | X | X |
| Growth | X | | | | | | X | | X | X | X | X | X | | X | | X |
| Enhanced indexing | | | | X | | | | | | | | | | | | | |
| Quant | | | | | | | | X | X | | | | | | | | |
| Top down | | | | | | | | X | | | | | | | X | | |
| Bottom up | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X |
| Thematic | | | | X | | | | | | X | | | | | | | |
| Concentrated/focused | | X | | | | | X | | | | | | | | X | | |
| Sector | | | | | | | | | | | | | | | | | |
| Absolute return | | | | | | | | | | | | | | | | | |
| Other | | | | | | | | | | (24) | | (25) | | | | | |
| Definition your flagship small/mid cap product | | SMID | SMID | MC | SMID | SMID | SMID | | SMID | SMID | SMID | SC | SC | SMID | SC/MC | SC | SMID |
| Amount (€m) of flagship small/mid cap portfolio invested in: | | | | | | | | | | | | | | | | | |
| US | (27) | | 712.7 | 0 | | | 4,801 | | | | 178 | | | | | 1,286 | |
| Europe | (27) | 1,049.7 | 364 | 2,600 | 437.37 | | | 841 | 469.92 | 2,066 | 1,000 | 1,380 | 1,950 | 1,086-2,678 | 0 | 1,047 | |
| Japan | (27) | | 0 | | | | | | | 797 | | | | | 0 | | |
| Emerging markets | (27) | | 0 | | 971 | | | | | | | | | | 0 | | |
| Frontier markets | (27) | | 0 | | | | | | | | | | | | 0 | | |
| If managed on an active basis: | | | | | | | | | | | | | | | | | |
| Targeted information ratio | (27) | NA | NA | NA | 0.5 | NA | NA | NA | NA | 0.5 | (28) | NA | NA | NA | (29) | 0.75-1.0 | NA |
| Achieved information ratio | (27) | 0.7 | 0.22 | 0.29 | 0.45 | -0.09 | 0.5-1.3 | 0.76 | 0.76 | 1.04 | NA | NA | 0.50 (21), -0.02 (24) | 0.40-0.78 (20) | 0.73 (21) | 0.08 | |
| Acceptable tracking error | (27) | Max. 10% | 3-6% | 5-7% | 5-8% | NA | 5-12% | NA | NA | 3-7% | 4-10% | NA | 9.0% (21) | (30) | 3.0-5.0% | Max. 6% | |
| No. of holdings in flagship small/mid cap equities portfolio | (27) | 30-50 | 70-90 | 77 | 60-80 | 62 | 89 | 59 | 59 | 60-80 | 275 | 75 | 122 | 49 | 41-76 | 250-350 | 59 |
| Of total small cap equities holdings (€m) | | | | | | | | | | | | | | | | | |
| Average market cap | 3,000 | 2,063 | 4,048.6 | 1,200 | 620 | 2,000 | 4,652 | 349.4 | 1,160 | 4,200 | 2,900 | 2,725 | 1,000 | | 1,098 | 877 | |
| Median market cap | 2,000 | 1,805.9 | 3,093.9 | 1,100 | 700 | 2,100 | 3,620 | 274.7 | 1,220 | 3,900 | 2,100 | 2,540 | 1,500 | | 763 | 921 | |
| Of total mid cap equities holdings (€m) | | | | | | | | | | | | | | | | | |
| Average market cap | 10,000 | 4,048.6 | 4,100 | 3,000 | 3,500 | 17,394 | 3,760 | 3,760 | 3,150 | 12,100 | 6,200 | 5,400 | 4,500 | 9,032 | 2,788 | | |
| Median market cap | 7,000 | 3,093.9 | 4,200 | 2,500 | 3,400 | 12,597 | 3,680 | 2,840 | 9,900 | 5,300 | 5,400 | 5,000 | 6,754 | 2,370 | | | |
| % of total small/mid cap portfolio made up of: | | | | | | | | | | | | | | | | | |
| Top 10 positions | (27) | 37.5 | 17 | 19.5 | 20 | 23.2 | 26 | 23 | 16.44 | 15.9 | 26 | 15 | 45 | 35.27-45.97 | 13 | 25.5 | |
| Top 20 positions | (27) | | 32.61 | 35.3 | 40 | 42.7 | 41 | 39 | 12.17 | 24.6 | 45 | 27 | 65 | 53.27-72.14 | 23 | 46.3 | |
| % of small/mid cap equities research done in-house | 90 | 100 | 100 | 100 | 100 | 90 | 97 | 100 | 100 | 100 | 100 | 33 | 100 | 100 | 100 | 90 | |
| No. of investment professionals on small/mid cap equities team | 58 | 15 | 4 | 6 | 9 | 100 (29) | 31 | 5 | 15 | 81 | 10 | 5 | 12 | 7 | 21 | 16 | |
| No. of small/mid cap portfolio managers in team | 9 | 15 | 4 | 3 | 7 | 3 (23) | 11 | 2 | 2 | 18 | 4 | 4 | 4 | 5 | 21 | 2 | |

Key:

NA= Not available
SC= Small-cap
MC= Mid-cap
SMID= Small and Mid cap

Footnotes:

- (1) 3-year
- (2) Relates to Europe-based institutional clients
- (3) No style constraint
- (4) 5-year
- (5) Fundamental
- (6) Relates to total small and mid cap assets
- (7) Not split for small and mid cap portions of flagship portfolio
- (8) No target
- (9) Does not include small and mid cap stocks held across all of the firm's portfolios. Figure includes AUM of funds run by the Small Cap team and others that are run with a dedicated small or mid cap strategy
- (10) This and subsequent data relates to BMO Global Asset Management EMEA only. BMO Global Asset Management EMEA manages €2,159m in dedicated small and mid cap strategies
- (11) Plus other exposure (Canada and Pacific ex-Japan) of €26m
- (12) Excludes cash
- (13) Total assets include Carillon Tower Advisers' affiliates Eagle Asset Management, Eagle Boston Investment Management, ClariVest Asset Management, and Cougar Global Investments
- (14) Active
- (15) Passive
- (16) €693m in specific mandates
- (17) Stocks ranked 501 and below on the Tokyo Stock Exchange (TSE) First Section, all stocks in TSE 2nd Section and other small markets
- (18) Stocks ranked 101-500 on the TSE First Section
- (19) Absolute return basis
- (20) 1-year
- (21) Quality/GARP
- (22) As at 31/10/16
- (23) All AUM data includes the assets of the asset management division globally only
- (24) Actively with 2-6% outperformance
- (25) Combined top down and bottom up approach
- (26) Plus €243.93m for all other institutional clients, including wrap fee assets
- (27) Varies by product
- (28) Actively, with no specific outperformance target
- (29) Includes insurance company clients
- (30) As at 30/06/16
- (31) Relates to the M&G Smaller Companies Fund, M&G European Smaller Companies Fund and M&G Japan Smaller Companies Fund
- (32) GARP
- (33) Quality
- (34) As at 30/11/16
- (35) Multi-factor investing
- (36) Passive management approach
- (37) Plus others, €70m
- (38) Majority
- (39) As at 30/09/16