



The Alternative Investments Council AIC - A SFAMA Expert Committee

Alternative Investments in Switzerland

EDITORIAL

Dear Reader

Alternative investments such as real estate, private equity, private debt, commodities and hedge funds have historically played a key role in a balanced portfolio. Many investors believe that well-managed alternatives solutions are designed to deliver attractive risk-adjusted returns despite periods of market turbulence.

In a world where growth is fragile at best and interest rates are likely to remain low for an extended period, there's a growing consensus that returns from traditional asset classes will come under pressure in the years ahead.

Adding alternative investments to a portfolio may provide broader diversification, reduce risk, and enhance returns. An allocation to alternative asset classes offers a return pattern that differs for example from equi-

ty or fixed income markets. These complementary qualities have boosted the appeal of adding alternative investments to a traditional portfolio.

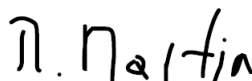
At the same time, there has been a fundamental shift in our understanding of these alternative investment strategies. On the one hand, thanks to the availability of relevant data and new analysis methods, we know more about the return drivers and associated risks. On the other hand, the industry has come to realize that implementation is of key importance for the success of these investments.

With this in mind, this brochure sets out to describe how SFAMA and the Alternative Investments Council are working together to promote alternative investments in Switzerland.

We hope you find it an informative read.



Markus Fuchs
CEO SFAMA



Régis Martin
Deputy CEO Unigestion and
Chairman AIC

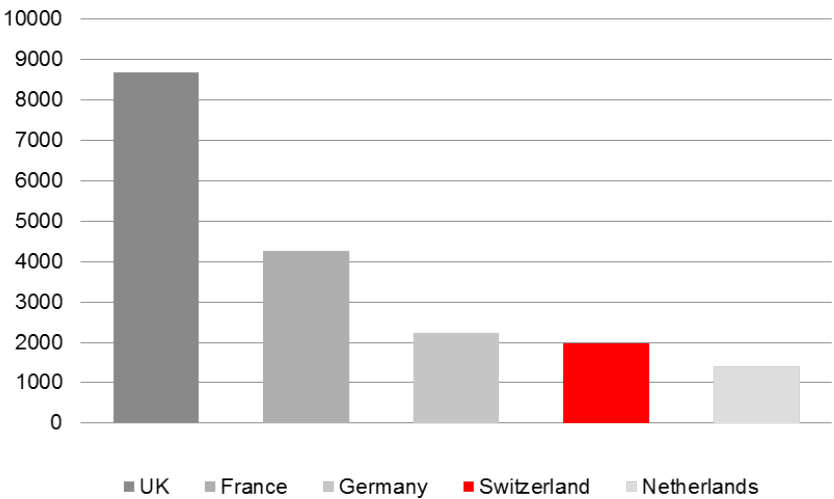
ASSET MANAGEMENT IN SWITZERLAND

Switzerland - a prime location for Asset Management

Switzerland is one of the largest centres for asset management in Europe and globally. Asset management is a key pillar of the Swiss financial centre next to the traditional strengths in the banking and insurance business. Swiss asset management firms successfully manage the savings and pensions of millions of people in Switzerland and abroad.

In terms of assets under management, Switzerland is the fourth largest asset management location in Europe. Considering assets under management per capita, Switzerland holds the top position globally among all major asset management locations.

Assets under Management (in billion CHF), Top 5 Countries



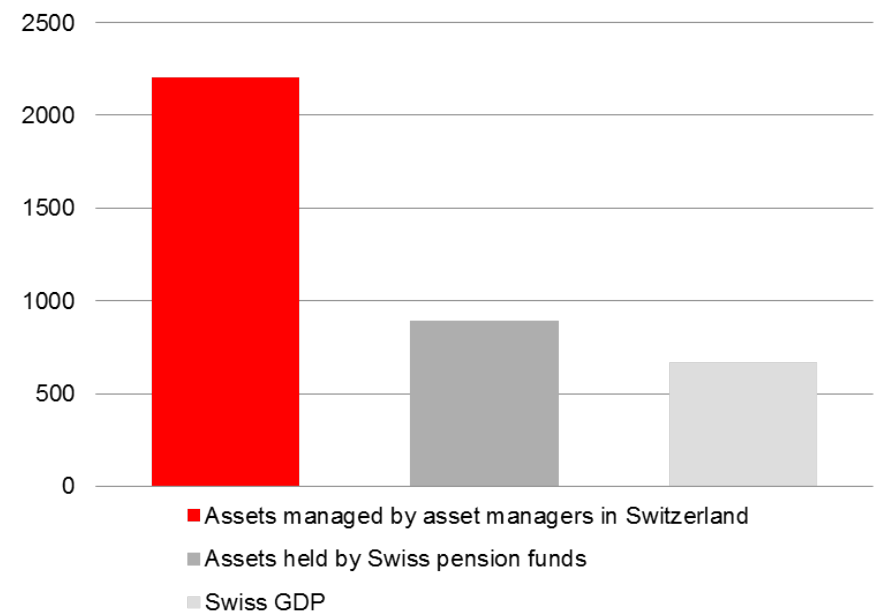
Sources:
efama, *Asset Management in Europe*, September 2018. Based on 2016 year-end figures.
Swiss Funds and Asset Management Association SFAMA, November 2017. Based on 2016 year-end figures.

A strong and growing pillar of the Swiss financial centre

Asset management substantially contributes to the growth and reputation of the Swiss financial centre. Switzerland is one of the largest and most dynamic asset management hubs in Europe. Asset management companies based in Switzerland manage

roughly CHF 2,200 billion for domestic and international investors. They enjoy a strong reputation in serving institutional clients. Furthermore, the Swiss asset management industry is a world leader in the field of sustainable investments.

Comparison (in billion CHF)



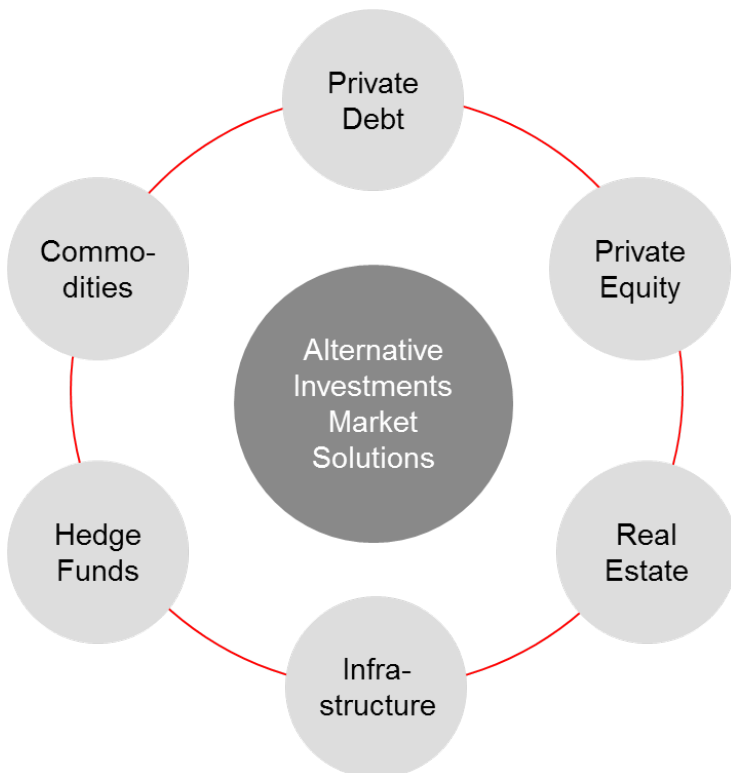
Source: SFAMA. Based on 2017 year-end figures.

ALTERNATIVE INVESTMENTS IN SWITZERLAND

Overview

Alternative investments are investments in asset classes other than publicly listed stocks, bonds or cash. They are to be contrasted with traditional investments. Investments in the alternative space complement traditional investment portfolios in terms of return enhancement, portfolio di-

versification and inflation protection. An allocation of funds to alternative assets classes offers a return pattern that differs for example from equity market movements. Broadly spoken, alternative investments also include commodities and precious metals.



ALTERNATIVE INVESTMENTS IN SWITZERLAND

Traditional Markets



Listed Debt

Listed Equity

Alternative Markets



Private Debt

Private Equity

Real estate

Infrastructure

Hedge Funds

Commodities

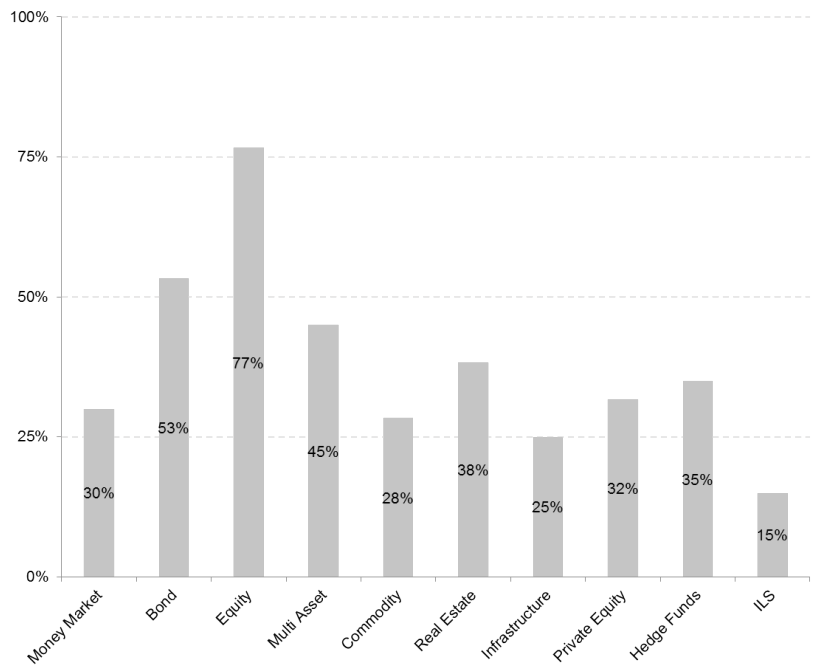
The liquidity pattern of alternative investments varies from a liquidity point of view, i.e. relatively illiquid (e.g. infrastructure) to high liquidity (e.g. most hedge funds and commodities).

Diverse universe

In terms of their value proposition, Swiss asset managers offer their customers a broad variety of products and services based on different asset classes, especially in the alternative space. As the IFZ / AMP Asset Management Study 2018 shows, Swiss asset management is diverse in the sense that asset ma-

nagement institutions offer products and expertise in a variety of alternative asset classes like real estate (38% of the asset management institutions offer real estate products), hedge funds (35%), private equity (32%), commodities (28%), infrastructure (25%), and insurance linked securities (15%).

Asset classes offered by asset management companies in Switzerland (percentage of companies offering respective products and services)



Source: IFZ / AMP Asset Management Study 2018

THE ALTERNATIVE INVESTMENTS COUNCIL

Vision and mission



Promotion of alternative investments in Switzerland, namely by measures to increase trust in the underlying asset classes

Promotion of Switzerland as an asset management hub with special focus on the Swiss alternative investments managers

Identification of the main issues which have to be tackled by the industry members and/or the regulators in the interest of all parties involved

Embedded in the SFAMA

The Alternative Investments Council AIC is embedded in the Swiss Funds & Asset Management Association (SFAMA) as an Expert Committee. The SFAMA, which was established in Basel in 1992, is the representative association of the Swiss fund and asset management industry. It is a member of the European Fund and Asset Management Association (EFAMA) and the International Investment Funds Association (IIFA). In the alternative investments sector, it works together closely with the Alternative Investment Management Association (AIMA), Invest Europe and the Swiss Private Equity & Corporate Finance Association (SECA).

Start in 2006

The AIC was initiated in 2006 by its founding members and became an expert committee of the SFAMA in 2007. Its members are amongst the business leaders in the hedge fund and private markets industries in Switzerland.

Who we are

The AIC is a highly recognized discussion partner within the SFAMA, with the Swiss regulator (FINMA), the ministry of finance, tax and other Swiss authorities, representing the alternative investment industry and taking an active part in the decision-making process. It has established itself as an important industry voice through press releases, articles in the media and press conferences.

How are we organised

The Expert Committee consists of senior alternative investment business representatives of SFAMA member institutions. It typically meets four times a year. Its members are all on senior level. The committee is open to all SFAMA members who are ready to contribute to the development of the alternative investment industry in Switzerland.

As of today, the members' representatives are the following:

Régis Martin (Chairman)
Unigestion

John Argi
Union Bancaire Privée, UBP SA

Hans-Jörg Baumann
StepStone / SwissCapital

Markus Fuchs
SFAMA

Christian Hinze
StepStone / SwissCapital

Francesco Ilardi
Pictet Alternative Investments SA

Cédric Kohler
Fundana SA

Robert Lustenberger
Partners Group

Olivier Marion
Union Bancaire Privée, UBP SA

Francesco Pastorini
Unigestion SA

Peter Sigg
LGT Capital Partners AG

Alex Tobler
Berner Kantonalbank

Dirk Wieringa
Credit Suisse

Contact

Please contact Markus Fuchs (markus.fuchs@sfama.ch) or Régis Martin (rmartin@unigestion.com) if interested.

Visit the Expert Committee Alternative Investments on the internet:

[SFAMA Webpage](#)

SFAMA



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