



PRESS RELEASE

LRI Investment Summit 2019: Navigating the latest ESG investment trends and technical innovations

Luxembourg, 27 June 2019 – Fund managers, wealth advisors and their business partners are actively seeking ways to maximise the opportunities presented by ESG and Artificial Intelligence for investors as the global investment landscape goes through a period of unprecedented transformation, according to LRI Group (“LRI”), a leading investment services company. This was the consensus amongst the 100+ senior industry attendees to LRI’s 2019 Investment Summit in Frankfurt.

Frank Alexander de Boer, Managing Director of LRI Group said:

“Latest developments in Ai and ESG, coupled with a low interest rate environment and new regulation do challenge managers around the world, but at the same time offer new opportunities and solutions. Being able to navigate smartly this increasingly complex and fast-changing environment can give a competitive edge. This Summit showed that there is huge interest in actively sharing opinions, insights and experiences on these topics with thought leaders and peers.”

The issue of how Ai can be used to support ESG, identify carbon risk and enhance portfolio management was a major feature of the Summit.

Prof. Dr. Martin Hellmich, Deloitte explained the increased role of Ai and machine learning in investment management saying:

“The theory behind Ai and machine learning has been around a long time and is now increasingly being used for a range of crucial initiatives in fund management. For instance, technology is helping fund managers and financial institutions with market regime forecasting by determining how asset classes react differently under different regimes, as well as with stress testing.”

“Machine learning is also playing an important part in carbon risk measurement and management, due to the complexity of climate finance and modelling. It’s helping managers to judge the potential impact on financial markets, stock prices, borrowing costs and ultimately balance sheets. As many companies don’t report carbon risk, technology is able to identify carbon clusters and develop hedging strategies.”

A panel of experts including **Ralf Baron von Ziegesar** and **Markus Hill** from MH Services (Conference Moderator); **Christian Stadermann**, Logos Patrimon and **Dr. Thomas Rüschen**, Deutsche Oppenheim Family Office AG, discussed ‘*Due diligence and distribution challenges for fund selectors and fund boutiques*’.

They concluded that there is now much more interest in fund boutiques and that investors are interested not only in liquid but also in non-liquid and direct investment such as venture capital. However, some totally refuse to invest in start-ups, while others are more open and some even like to seed investments.

However, there was agreement that fund boutiques should do more of their homework, particularly regarding preparation for due diligence material as this is the way the product providers look to get in touch with the decision maker side at family offices.



A second panel including **Dr. Alexandra von Bernstorff**, Luxcara; **Tobias Giesser**, Partners Group; **Dr. Ralf Schnell**, Siemens Fonds Invest GmbH and **Konstanze Ziegler**, KMPG Luxembourg, discussed '*Opportunities for real asset investments in 2019 and beyond*'.

This panel stated that there is a tendency for investors to hold specific assets for longer periods and that the role of technology in the evolution of the private equity industry is becoming more and more important. The panel agreed that there is growing demand for new forms of debt financing and also stressed the importance of ESG.

About LRI Group

Luxembourg Regulated Investments established 1988: LRI Group, an Apex Group company, is a leading investment services company based in Luxembourg. It provides asset managers and investors with more than three decades of experience in structuring and administration of traditional and alternative investment strategies. LRI Group acts as Super Management Company (Super ManCo), authorized as an Alternative Investment Fund Manager (AIFM) and as a UCITS Management Company in Luxembourg, and now boasts over EUR 70 bn of assets under service across more than 540 funds and has more than 200 staff.

About Apex Group Ltd.

Apex Group Ltd., established in Bermuda in 2003, is a global financial services provider. With over 40 offices worldwide and 3,000+ employees, Apex delivers a broad range of solutions to asset managers, capital markets and private clients. The Group has continually improved and evolved its service suite to include fund administration, middle office, banking, depositary, custody, corporate services plus HR and payroll solutions. Apex administers over \$650 billion in assets globally.

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