

Asset manager briefing Diversifying alternatives breakout

John Jackson, Global Leader, Diversifying Alternatives Boutique
Tom Ashford, Diversifying Alternatives Specialist

Europe Global Investment Forum | 29 March 2022

A business of Marsh McLennan



Diversifying alternatives at Mercer

Experience

22+ years

global asset management
experience

16 years

managing custom
hedge fund portfolios

\$34bn

global hedge fund
assets under
advisement

\$14bn

global Mercer hedge
fund solutions

\$37bn

global multi-asset/
other assets
under advisement

Note: Global assets under advisement and global assets under management as of 31 December 2021. All figures in US\$. Please see important notices for information about assets under advisement and assets under management data.

Diversifying alternatives at Mercer

What we do



Manager selection



Due diligence



Portfolio construction



Effective risk reporting



Risk management



Client support

Diversifying alternatives specialists

Americas

Peter Willett, CFA, MBA, MSc, Boston, 34 yrs
Dave McMillan*, CFA, St. Louis, 28 yrs
John Lake*, MBA, CFA, St. Louis, 25 yrs
Stephen Ewen*, CFA, Cleveland, 23 yrs
Jonathan Douek, Chicago, 22 yr
John Jackson, CFA, St. Louis, 22 yrs
John Schelich, St. Louis, 21 yrs
Gabe Nelson, CAIA, Seattle, 19 yrs
Juleigh Eggert, MBA, CAIA, St. Louis, 17 yr

Scott Zipfel, CFA, CAIA, St. Louis, 16 years
Steven Lachance, CFA, CAIA, CIPM, St. Louis, 13 years
David Triplo, CAIA, Chicago, 12 yrs
Sonal Singh*, MBA, Cleveland, 13 yrs
Josh Zajicek, CFA, Minneapolis, 9 yrs
Brett Kasper, Chicago, 9 yrs
Dev Singhvi, CFA, CAIA, New York, 8 yrs
Daniel Romero, Chicago, 4 yrs

Varun Patel*, St. Louis, 4 yrs
Kelly Benoist, St. Louis, 2 yrs
Christopher (CJ) Schaeffer, St. Louis, 2 yrs
Calvin Racy, St. Louis, 1 yr
Jasmine Mrozek, Chicago, <1yr
Josh Brechtel*, Chicago, <1 yr
Connor Bryant*, St. Louis, 1 yr

Europe

Bill Muysken*, FIA, FIAA, London 40 yrs
Diane Miller, FIA, London, 39 yrs
Robert Howie, FIA, London, 25 yrs
Penny Aitken, ACA, London, 24 yrs
Romule Nohasiarisoa, CFA, London, 23 yrs
Garvan McCarthy*, CAIA, FIA, Dublin, 19 yrs
Daniela Doria, MSc, London, 16 yrs
Tomasz Kierzkowski*, CFA, London, 16 yrs

Shailan Mistry, CFA, London, 11 yrs
Deborah Wardle*, CFA, CAIA, London, 11 yrs
Olivia Hu*, CPA, CFA, CAIA, London, 9 yrs
Edward Richardson*, CFA, CAIA, London, 8 yrs
Darja Potjakina, MSc, London, 7 yrs
Daisy King*, CFA, London, 6 yrs
Momo Tani*, London, 4 yrs
Tom Ashford, London, 4 yrs

Davina Rajasooriyer, MSc, London, <1 yr
Bradley Vaughan, London, <1 yr

Asia Pacific

Simon Coxeter*, CFA, MBA, Singapore, 19 yrs
Adrian Worth, CFA, CAIA, MSc, Hong Kong, 16 yrs

Data as at 1 March 2022.

*Shared resource with another boutique or team.

Diversifying alternatives universes

Unconstrained Direct Hedge Funds	Unconstrained Fund of Hedge Funds	Liquid Alternatives (Constrained)	Other Alternative Diversifiers
<ul style="list-style-type: none"> Active currency Activism Alternative risk premia Asset backed Commodities long/short Credit long/short Digital assets & trading Discretionary macro Distressed debt Event driven Fixed income relative value Insurance linked Long/short equity Long-biased equity Market-neutral equity Multi-strategy Multi-strategy relative value Systematic digital assets Systematic macro Tail-risk hedging Volatility Other 	<ul style="list-style-type: none"> Event-driven & credit Long/short equity Macro & managed futures Multi-strategy Other 	<ul style="list-style-type: none"> Liquid alternatives (40 Act & UCITS) <ul style="list-style-type: none"> Equity hedge Event-driven & credit Discretionary macro Multi-strategy Systematic macro Fund of hedge funds Other International multi-asset (DGFs) <ul style="list-style-type: none"> Core/risk parity Diversified inflation Idiosyncratic multi-asset Other 	<ul style="list-style-type: none"> Natural resources – Commodities Other alternatives – Other

As at 1 March 2022.

Lead research committees

Long/short fundamental equity

Daniela Doria
Darja Potjakina
John Schelich
Adrian Worth

Systematic macro/ alternative risk premia

Diane Miller
Romule Nohasiarisoa
Dev Singhvi
David Triplo

Fund of hedge funds

Steven Lachance
Gabe Nelson
Peter Willett

Long/short credit and distressed

Jonathan Douek
Daniela Doria
Dev Singhvi
Scott Zipfel

Relative value

Robert Howie
Brett Kasper
David Triplo

Multi-asset/insurance linked

Shailan Mistry
Gabe Nelson
Romule Nohasiarisoa
Josh Zajicek

Discretionary macro, commodities, currency

Penny Aitken
Jonathan Douek
Juleigh Eggert
John Jackson

Multi-strategy/ event driven

Juleigh Eggert
Brett Kasper
Adrian Worth

Individuals listed in alphabetical order (by surname).
As at 1 March 2022.

Diversifying alternatives boutique

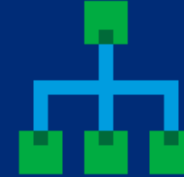
Themes, priorities, opportunities



Defensive/
risk mitigation



Liquid/low
cost solutions



Diversification



New launches/
expand capacity

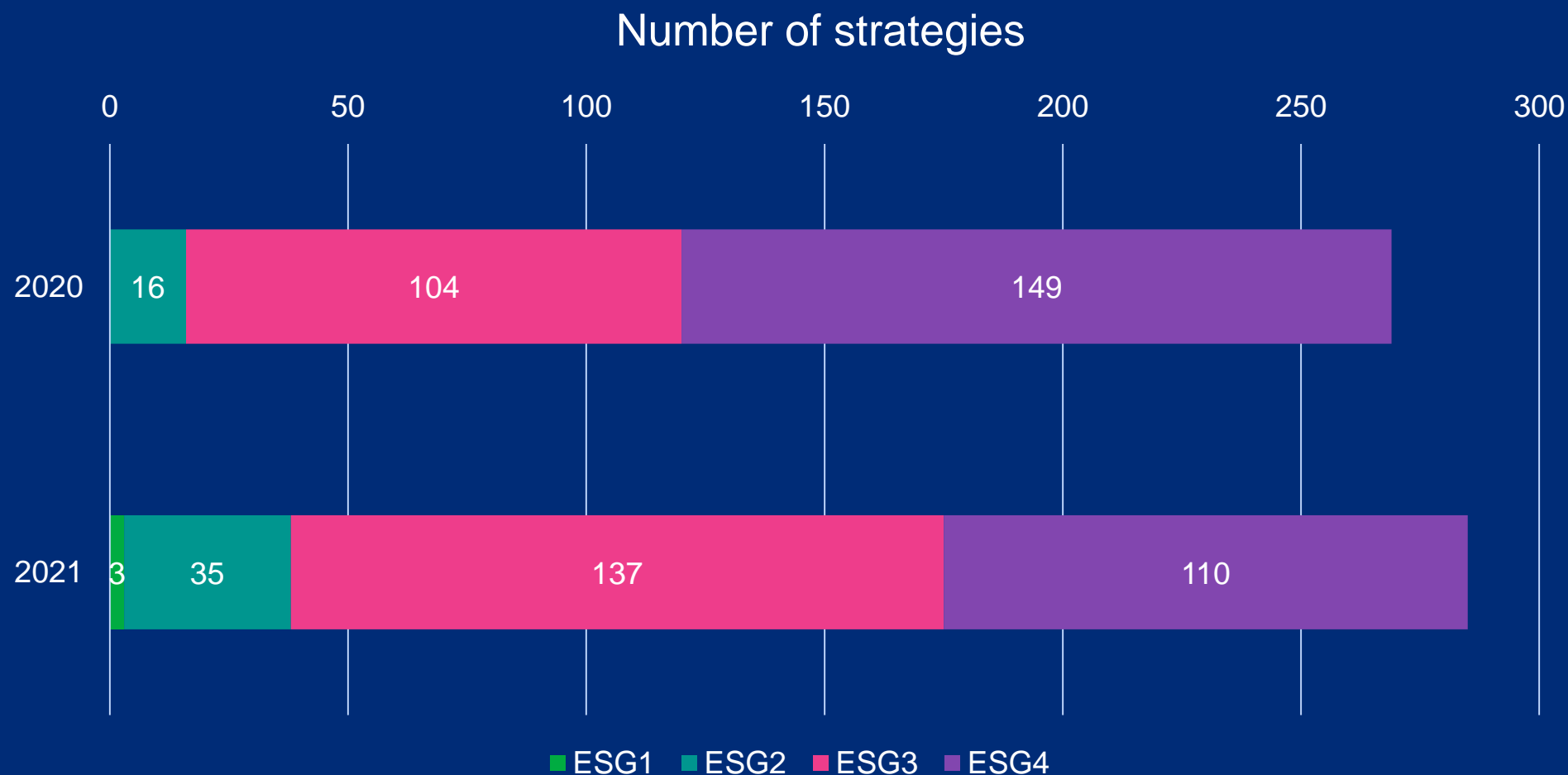


DEI



ESG

Diversifying alternatives ESG distribution



Source: MercerInsight®. Please see Mercer's guide to ESG ratings: www.mercer.com/ourthinking/merc-esg-ratings.html

Intellectual capital

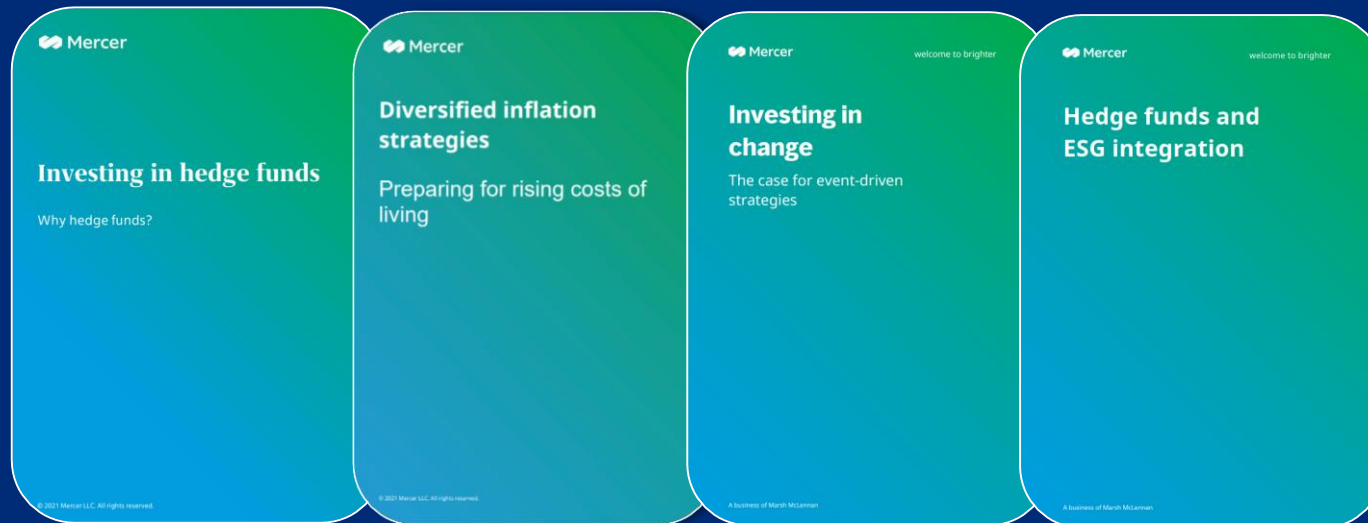
Investments
Hedge funds

Refreshed hedge fund landing page

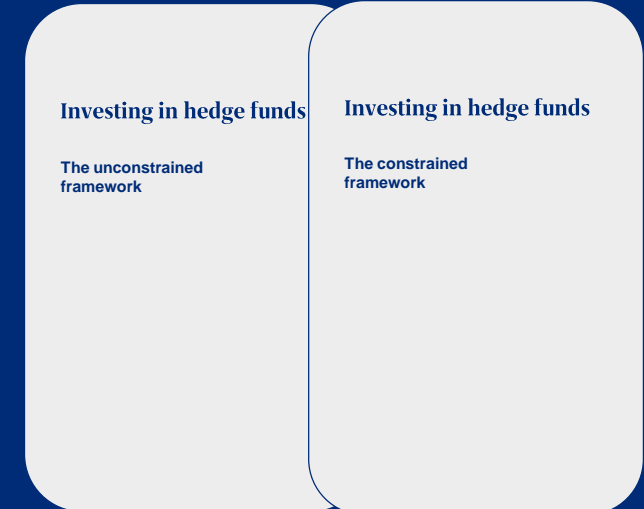
MercerInsight® Community

Industry investment research hub:
insightcommunity.mercer.com/dashboard

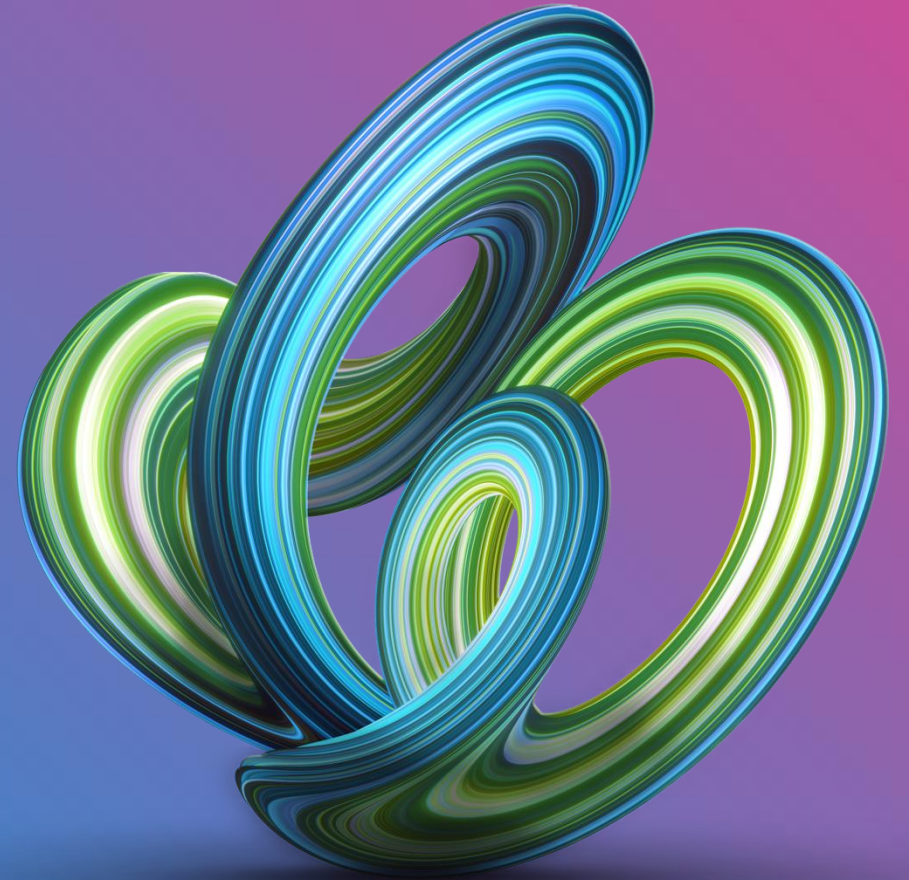
Released over the past year ...



Coming soon ...

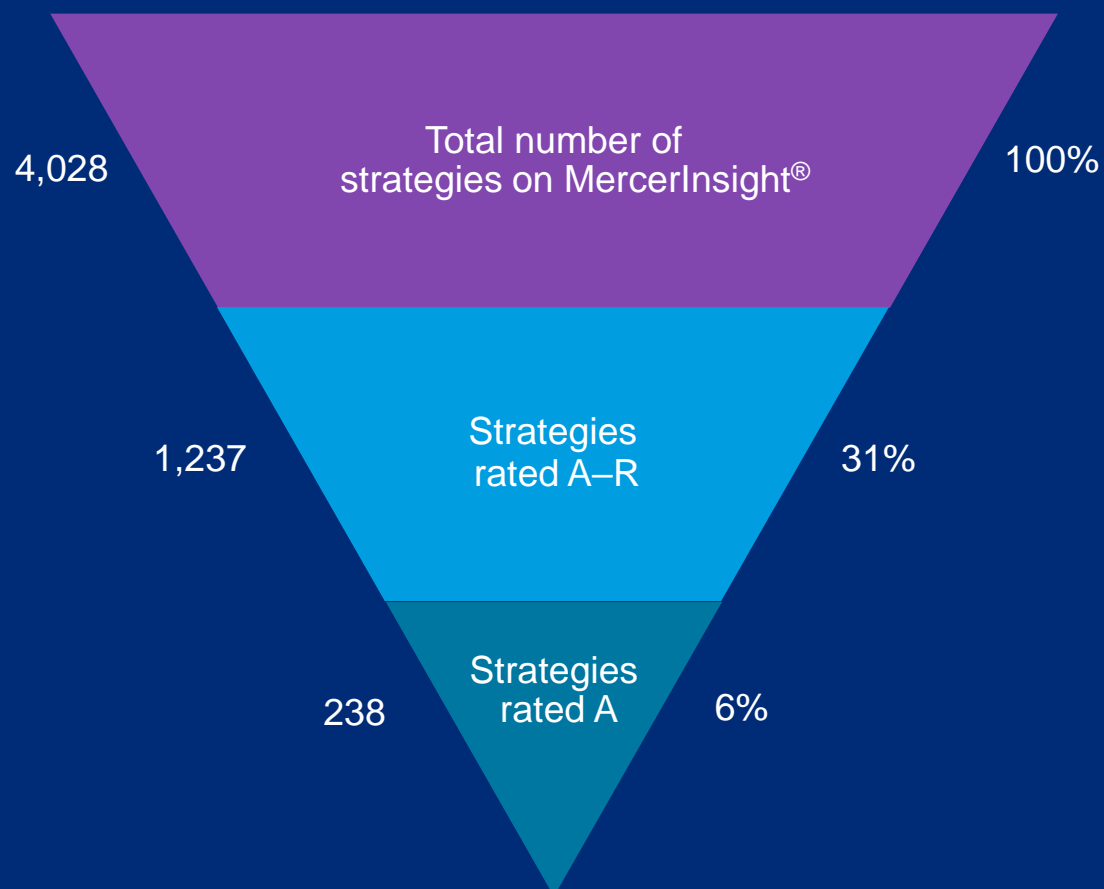


Appendix



Diversifying alternatives

Current coverage



Sub-categories	Strategies	A rated
Long/short equity	738	34
Long-biased equity	49	12
Event driven	302	17
Long/short credit & distressed	253	23
Relative value	180	15
Discretionary macro	185	12
Systematic macro (Pure trend, diversified trend, multi-strategy)	257	26
Alternative risk premia	66	5
Insurance linked	88	6
Currency	93	3
Commodities	75	2
Tail-risk hedging	33	2
Other	111	1
Multi-asset core (idiosyncratic, other)	320	14
Multi-asset (diversified inflation, risk parity)	506	15
Liquid alternatives (UCITS, 40 Act)	354	35
Fund of hedge funds	418	16
Total	4,028	238

Source: MercerInsight®. Data as at 31 December 2021. Please see the Guide to Mercer's Investment Strategy Ratings:

<https://www.mercer.com/content/dam/mercer/attachments/private/nurture-cycle/gl-2020-wealth-guide-to-mercers-investment-strategy-research-ratings-mercer.pdf>



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