

**Client:** Thesis Asset Management  
**Source:** Citywire Wealth Manager  
**Date:** 24 September 2009  
**Page:** 4  
**Circulation:** 0  
**Size:** 199cm2  
**Value:** 0

## MANAGERS: WE HAVE LEARNED FROM CRUNCH

Even fund managers who rode out the storm successfully admit that it has left them the wiser, as our exclusive Citywire-rated fund manager survey reveals



DYLAN LOBO  
dlobo@citywire.co.uk

There are many people who endured some hard knocks in the past year: indebted consumers, reckless bankers and sluggish central bankers. But what did the crisis teach Britain's top fund managers?

Many fund managers have been lambasted for losing investors piles of money during the credit crisis. The Citywire-rated managers have fared better than most in the past 12 months but admit even they have learned some harsh lessons.

Rising star Philip Rodrgs, manager of the Investec UK Smaller Companies fund, says the events following the Lehman Brothers' collapse illustrate just how unpredictable markets can be and that a dose of pragmatism is essential.

He says he has learned to 'never underestimate just how extreme market sentiment can get, but never lose sight of reality and common sense'.

For Kevin Doran, manager of the Brown Shipley Sterling Bond fund, the crisis has underlined the importance of the investment process and communication.

He says: '[It] showed the importance of having a solid framework and investment principles and the need to communicate more often with investors.'

Paul Mumford, manager of the Cavendish Opportunities fund, had a dig at politicians and economists, who he accused of making the same mistakes.

However, Philip Brides, manager of the BlackRock Balanced Income Portfolio, believes the crisis created investment openings. 'Distressed sellers create opportunities for flexible investors,' he says.

Meanwhile, Samuel Morse, manager of the Fidelity Moneybuilder Growth fund, was reminded of the importance of liquidity. 'Always keep at least 24 months of fixed charge cover in liquid assets,' he says.

The stockmarket rally of the past five months has surprised many, given just how bad conditions were at

the start of the year.

However, while the rated managers might believe the recession is almost over, they also agree that markets have got ahead of themselves and that another correction is likely before the end of the year.

James Grayson, manager of the Thesis Optima Bond fund, underlines the managers' overwhelming concerns.

He says: 'I believe the current market rally will end, as the realisation that the level of company earnings growth is not sustainable in a low growth environment. Also, the level of government and personal debt will overhang economic growth and credit will remain relatively expensive and difficult to obtain.'



Philip Rodrgs: A dose of pragmatism is necessary