

Paris, October 24th 2013

## Global Survey **Over two thirds of French financial advisors believe the traditional approach to asset allocation should change**

**Natixis Global Asset Management today publishes the results of a survey conducted on financial advisors\* throughout the world.** Covering a panel of 1,300 financial advisors, including 150 financial advisors in France, the survey was carried out across 9 countries in Asia, Europe (France, Germany, Italy, Spain and Switzerland), the Americas and the Middle-East. The study took place during August and September of 2013.

### **The advice proposition is structured around 3 pillars: explaining investment concepts to clients, understanding client risk appetite and retirement planning.**

French advisors see their main strengths as explaining investment concepts to clients - with 26.7% of advisors highlighting this item as their key strength -, understanding client risk appetite (23.13%), and retirement planning (15.3%). 63.3% of French advisors say these three pillars are their primary functions. "On a global basis, 'constructing portfolios to meet client risk-return profiles' also features among the strengths most frequently selected by advisors", highlights Christophe Point, Director, Natixis Global AM France.

### **Income, risk management and managing markets volatility are the primary concerns of French advisors when selecting products for clients.**

Generating income is mentioned by 87.3% of respondents, while 73% of French advisors say they seek strategies/investment products for risk management purposes, and 69% attempt to reduce volatility. In addition, French advisors are confident about their ability to provide a sufficient income for their clients in retirement with only 30.7% suggesting they would have any difficulty (vs. 46% for other countries). 38% were very confident that their clients' portfolios in 2013 would provide a steady income in retirement, (vs. 27.6% for other countries). "As asset managers, our challenge is to offer more durable investment solutions regardless of our clients' objectives: generating capital growth, diversifying risks, or preserving the capital", adds Christophe Point.

### **Advisors in France are particularly open to new approaches to portfolio construction.**

Advisors are strongly receptive to the idea of introducing new methods to offer investors the appropriate diversification in their portfolios. Almost two-thirds (64.7%) of French advisors agree that the traditional 60% equities/40% bonds split is no longer the best to pursue returns and manage investment risk for most investors (vs. 49% for other countries). Two-thirds of advisors (67.4%) also agree that financial advisors need to replace traditional diversification and portfolio construction techniques with new approaches to achieve results (vs. 58.5% for other countries).

\*For France: independent financial advisors, tied financial advisors, heads of an advice firm (practising advisers) and other advisory roles.

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*"But using these new techniques requires further education and support; and it is with this in mind that we developed our new Durable Portfolio Construction approach. Our aim is to help advisors construct resilient portfolios that can adapt to unpredictable market conditions", adds Christophe Point. "There is already strong demand for training, particularly in France: four in five (80%) of French advisors agreed they need more support in constructing their clients' portfolios".*

**Finally, advisors are not sufficiently relying on alternative products as investment strategies.** 61.3% of French advisors have already discussed alternatives with their clients (vs. 72.6% for other countries). And while four out of five financial advisors (79.4%) in France say they have a good grasp of alternative investments, they believe that less than one in six clients (16.7%) also has a good understanding of these strategies (vs. 34.2% for other countries). The latest survey on retail investors published by Natixis Global AM showed that **85% of respondents were keen on learning more about these products/strategies before investing.** *"Again, the need for information and support is significant, as 65% of retail investors declared they could consider investing in these strategies if their advisor recommended it", adds Christophe Point.*

### **Methodology**

The survey was commissioned by Natixis Global Asset Management's "Durable Portfolio Construction" arm and conducted by Core Data Research, a London-based financial research company. The global study involved 1,300 independent financial advisors across 9 countries in Asia, Europe (France, Germany, Italy, Spain and Switzerland), the Americas and the Middle-East. 150 advisors took part in the survey in France : 95 independent financial advisers, 14 tied financial advisers, heads of an advice firm (practising advisers) and 7 other advisory roles. The online study was conducted in August and September of 2013. The full report can be accessed through the following link : [www.ngam.natixis.com/pressroom](http://www.ngam.natixis.com/pressroom)  
More information on: [www.durableportfolios.com](http://www.durableportfolios.com)

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### **About Natixis Global Asset Management**

*Natixis Global Asset Management is one of the 15 largest asset managers in the world based on assets under management. Its affiliated asset management companies provide investment products that seek to enhance and protect the wealth and retirement assets of both institutional and individual investor clients.*

*Its proprietary distribution network helps package and deliver its affiliates' products around the world. Natixis Global Asset Management brings together the expertise of multiple specialised investment managers based in Europe, the United States and Asia to offer a wide spectrum of equity, fixed-income and alternative investment strategies.*

*Headquartered in Paris and Boston, Natixis Global Asset Management has assets under management totalling \$602.5 billion as of June 30, 2013 \*\*. Natixis Global Asset Management is part of Natixis.*

\*\* Source : Natixis Global Asset Management