Zurich-based wealth manager reveals MiFID II payment stance

By **Margaryta Kirakosian** / 28 Sep, 2017

Zurich-based Altrafin Group will absorb all research costs related to the upcoming MiFID II regulation, Citywire Switzerland can reveal.

The firm manages around €3 billion in assets and a large part of its client base comes from Germany. According to the group, the necessary prospectus changes for fund mandates are already underway.

'For our investment philosophy, macro research comes first and this type of research in particular is an integral part of our asset management offering,' Altrafin's spokesperson said.

Speaking to Citywire Switzerland in May 2017, Patrick Picenoni, founding partner at Altrafin, said the market analysis of the firm consists of three pillars: macro picture, valuations and market technicals.

Top-down allocation also means a strong emphasis on specific leading investment themes.

'Generally we don't over- or underweight 3 to 5%. We want significant exposure to a specific theme (5 to 10%). On the other hand, we won't shy away from reducing our equity exposure, which we once brought down from 60% to 20% by tactically selling index futures.'

German tax challenge

The Zurich-based group is also a portfolio manager of CONREN Fonds, which manages the CONREN Fortune and CONREN Equity funds.

The minimum equity share of both strategies will be increased to 51% in anticipation of the German investment tax reform (Investmentsteuerreform), which will come into force in January 2018 and will apply to German investment funds.

The current minimum equity share of CONREN Fortune is zero, while in CONREN Equity it is already at 51%. The firm's prospectuses will be updated ahead of the new tax law.

'The minimum share of 51% is a significant benefit for Conren investors and – what is very important for us – doesn't impact the work of portfolio managers. Therefore with this development there is no alternative for us,' the spokesperson added.