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Invitation to contribute research

Re: Growth / Defensive Asset Categorisation Proposed Solution

21 July 2020

Background

The working group has undertaken a signification amount of research which underpins the draft proposal for growth/defensive (G/D) categorisation. However, there were limitations, particularly with regards to data. There are a number of areas where further research would be beneficial. We encourage groups to explore these areas and contribute to a more robust G/D framework. Candidate researchers include asset managers, asset consultants, super funds and research institutions.

Call for Research

We welcome suggested research topics, based on the draft G/D categorisation. The working group has identified the following areas of particular interest:

1. Assessment of high yield, bank loans and other sub-investment grade credit markets (focussing on volatility and drawdowns)
2. Assessment of different categories of emerging markets debt (e.g. local and hard currency indices, sovereign, corporate etc.)
3. Unlisted property assessment: case studies based on the scoring criteria
4. Unlisted assets: further research into appropriate scoring of unlisted versus listed
5. Unlisted infrastructure assessment: case studies based on the scoring criteria
6. Hedge funds: case studies to illustrate the risk scaling approach
7. Fund-of-hedge-funds: research to help determine an appropriate multiple to determine G/D score for a fund-of-hedge-fund compared with a portfolio of hedge funds
8. Niche alternative sectors: development of case studies
9. Private credit: case studies and additional research into risk of public versus private market credit
10. High duration bonds: development of case studies

Research would preferably be completed by Monday 28 September. Please contact David Bell for further information.

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