

# European Service Provider Insights

SPECIAL REPORT 2020

## TECHNOLOGY

Manager understanding comes of age

## CYBERSECURITY

DIY routes must be avoided

## INVESTMENT ENVIRONMENT

Challenges encourage creativity

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# Moves to long-only investing increase demands

AlternativeSoft Analytical Investment Solutions: Best Risk Management Software

As the industry witnesses fading differentiations between long-only, private equity and hedge funds, investors are starting to purchase software and databases which combine all these investment types – long only, private equity and hedge funds. In this environment, the combination of quality client service, free training and customisable fact sheets coupled with ease of use and an attractive interface has seen AlternativeSoft go from strength to strength. The quantitative analytics software firm has seen its revenues increase organically by more than 30% in last 2 years and has opened a New York office as testament to its growing success.

Specialising in asset selection, portfolio construction and customised reporting, AlternativeSoft is the only analytical tool on the market which allows users to build and manage a universe with long only funds, hedge funds, private equity funds easily imported from any source including Bloomberg, Eikon, Morningstar, Albourne, HFR, EurekaHedge, HFM, Preqin, Barclayhedge. It simplifies the asset selection and portfolio construction process for institutional investors. The aim of the firm is also to empower users and enable them to create a personalised investment universe driven by state-of-the-art analytics.

Several industry trends have contributed to the growth and success AlternativeSoft has achieved.

Laurent Favre, AlternativeSoft CEO says: “The key areas of growth we have experienced are related to the

move by team of hedge funds allocators to add long only funds in their offering (the opposite as well). As a result, we are seeing a trend in the industry of hedge fund teams merging with long only teams within asset management businesses and banks.”

He outlines a further trend which is leading to increased business for AlternativeSoft: “Pension funds and family offices are leaving their consultants and doing their funds selection in-house.” This is therefore leading to greater demand for software solutions which are straightforward and simple to use. According to Mr Favre: “Our financial software is much easier to use than any of our competitors.”

In fact, AlternativeSoft counts some of the world’s largest pension funds, sovereign wealth funds, endowments, fund of funds and wealth managers as clients. They use AlternativeSoft’s solutions to create a unique investment universe and perform complex quantitative analysis to identify top-performing funds managers and subsequently build, optimise and manage portfolios.

There are numerous functions for which investors can use

AlternativeSoft. These include analysing funds, performing quantitative searches, building peer groups, tracking and analysing fund exposures, creating customisable funds’ fact-sheets as well as optimising, back-testing and managing portfolios trades.

In its most recent development, the firm introduced a new web-based application in February 2020. Through AlternativeSoft Web, clients are able to choose among all hedge funds and long only funds on the planet, create bespoke factsheets and find which funds has been above the other consistently every year in any groups of funds.

With over USD1.5 trillion in client AuM, AlternativeSoft prides itself on the quality and dedication of its client service. Mr Favre comments: “We offer a five-star quality service to our clients, with free financial training and free customised funds’ fact sheets.” ■



**Laurent Favre**  
CEO, AlternativeSoft



Laurent Favre holds a bachelor’s degree in economics and an MBA in finance (2000), both from University of Lausanne, was professor of economics and mathematics for 2 years in Lausanne, Switzerland, published several papers in the Journal of Alternative Investments, co-authored a book on fund of hedge funds construction (Wiley finance 2005), co-authored a book on Tactical Asset Allocation with Hedge Fund Indices’ (Elsevier Press 2006), worked for UBS Wealth Management Investment Solutions, Zurich, Switzerland, as head of Tactical Asset Allocation (2000-2004), where he implemented the investment strategies in CHF 110 billions for private clients, then worked in London in a multi-billions South African bank as senior quantitative hedge fund analyst (2005-2009) and is currently AlternativeSoft’s CEO where he manages employees et create the visions for the future of finance for institutions.