



**Global Custodian**



**2010 GLOBAL CUSTODIAN  
HEDGE FUND ADMINISTRATION SURVEY**

Reprinted from  
Global Custodian Summer Plus 2010 issue

## Rated in the following categories

🏆 = Top Rated 🏆 = Commended



## Survey Commentary Reprinted from Global Custodian

On a massively increased turnout, the bank has lifted its scores in four out of five questions. Disappointing returns from Ireland and larger clients apart, this was a consistently strong performance across locations, clients and services. “The team assigned to my account is knowledgeable, pleasant to work with, eager to resolve any conflicts that might arise,” writes a large client. “They focus on what is important and know when to research items independently and when to ask the investment manager,” adds a mid-sized counterpart. “They have been very accommodating in meeting various changes in deadlines.” A small client concludes that Citi “deliver on what they promise and follow through consistently at fair price.” There are predictable gripes about scale (“They are large, and the entire organization can be pulling in different directions at times”) and the opportunities it obstructs (“ability to introduce us to other parts of the bank” is the weakness named by a client). But if a large client finds Citi “extremely reactive to service requests,” a small one notes “very personalized services.” Even the client who accuses Citi of “commoditizing the product” concedes that “their portfolio accounting team in Waterford is excellent.” Fund accounting leads robust scores in the core areas of pricing, reporting and servicing of managers and investors. “Fund accounting is their strength,” writes a client, while a second praises their “ability to get through a high volume of deliverables each month.” Efforts to address the concerns expressed last year about systems inconsistencies, by moving hedge funds onto a single global operating platform, pay off in much improved scores for technology and reporting. “Technology to date has been a weakness, but [Citi is] in the process of rolling out [a] new operating platform,” says a client. Multiple comments suggest more than one client has yet to be transitioned to the new platform, but there is praise already for the “ability to provide custom reports” and a “technology platform for delivering investor data.” The addition of a set of “middle office” services—including daily trade processing and P&L reporting; OTC confirmation and valuation; collateral management; and corporate action processing—has also registered with clients. The score in that area is up significantly, and to a high level. “Flexible operating model allows for adjustments to our evolving needs,” writes a giant client, whose only complaint is insufficiently enthusiastic support for the administration business from the wider bank. “Able to respond quickly to new product launches; competitive pricing; senior management very involved in problem resolution.”

## Respondent Profile

(Proportion of respondents who answered.)

Percentage of Client Base Responding	32.0%	<b>AUM WITH THIS ADMINISTRATOR</b>				
Primary Administrator	79.0%	< \$100 Million	34.6%			
<b>STRATEGY</b>		\$100 Million—\$1 Billion	39.3%			
Single Strategy	30.8%	\$1 Billion+	26.2%			
Multi-Strategy	69.2%	<b>NUMBER OF PROVIDERS USED</b>				
<b>GEOGRAPHY</b>		Single Provider	24.3%			
North America	62.6%	Multiple Provider	75.7%			
Europe	15.0%	<b>PROPORTION OF AFFILIATED RESPONDENTS</b>				
Asia	22.4%	Affiliated	0.0%			
<b>AUM IN HEDGE FUNDS</b>		Non-Affiliated	100.0%			
< \$100 Million	24.3%	<b>LOCATIONS RATINGS</b>				
\$100 Million—\$1 Billion	43.0%	<i>Locations</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2010 score</i>
\$1 Billion+	32.7%	Bermuda	▼	▼	▼	6.06
		Dublin (or Ireland)	▼	▼	▼	5.11
		Hong Kong	⊕	⊕	▼	5.85
		Singapore	▼	▼	▼	6.40
		United States	▼	▼	▼	5.82

## Client comments

“Competitive pricing, and quick response time. Senior management is willing to become involved in resolving issues on a timely basis.”

— Hong Kong client, US\$500 Million in assets

“Citi’s strengths lie in their knowledge and expertise of personnel, responsiveness and timeliness of responses, accuracy of work, willingness and ability of staff to adapt to changing needs.”

— Bermuda client, US\$2 Billion in assets

“The team assigned to my account is knowledgeable, pleasant to work with, eager to resolve any conflicts that might arise. Overall a great team.”

— US client, US\$2 Billion in assets

“Friendly team that is easy to interact with. Conscious of the importance of wider client relationships.”

— Ireland client, US\$2 Billion in assets

“We have a customized and highly integrated administrative solution with Citi that leverages off of their technology to improve accuracy and efficiency.”

— Canada client, US\$10 Billion in assets



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Investor-driven solutions.

Hedge fund managers, facing continuing market pressures, are striving to achieve greater efficiencies and transparency, mitigate risk and deliver higher levels of service – across expanding investment products and geographies.

At Citi, we can help relieve your strained resources with our suite of innovative fund-servicing solutions. Our modular approach, advanced technologies and unmatched global presence provide you with a rare combination of flexibility and scale. So you can deliver what the market and your clients demand.

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Asia:

Glenn Kennedy  
852 2868 8986  
[glenn.kennedy@citi.com](mailto:glenn.kennedy@citi.com)

EMEA:

Andrew Collins  
44 (0) 207 508 2704  
[andrew.j.collins@citi.com](mailto:andrew.j.collins@citi.com)

LATAM:

Alejandro Berney  
212 816 6448  
[alejandro.berney@citi.com](mailto:alejandro.berney@citi.com)

North America:

Virginia Volpe  
212 816 7352  
[virginia.s.volpe@citi.com](mailto:virginia.s.volpe@citi.com)

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