

Press release: The best wealth managers 2012

Berlin, November 17th, 2011: The winners of FUCHSBRIEFE's prestigious annual wealth manager ranking have been determined. While Feri Institutional & Family Office (Germany) took home first place in the annual ranking, runner-up Julius Bär also won the Eternal Ranking of the Best, thus dethroning 2011's champion Credit Suisse to become the next institution to hold the Private Banking Testing Body's award for one year.

Both banks delivered top performance in the field that was the focus of this year's test: offering orientation in a crisis-stricken market and providing viable solutions to save their clients' wealth from an eventual decline of the Euro and a potentially accelerating inflation rate. Both Feri and the Swiss-based Bank Julius Bär were convincing in terms of the initial interview and transparency, and they also provided a detailed, well-founded and understandably written outline of the strategies they recommended.

2011's wealth manager ranking reveals a profound change in the market: Luxemburg and Liechtenstein are the rising stars among Europe's financial centres. Third-placed DekaBank delivered convincing results, as did Hauck & Aufhäuser and SEB Private Banking. All three institutions are based in Luxemburg, while sixth place went to Volksbank Liechtenstein Private Banking, followed by DZ Privatbank (Luxemburg), Neue Bank and Raiffeisen Privatbank (both of Liechtenstein). Germany's Merck Finck & Co. ended up tenth in the annual ranking. Ralf Vielhaber, editor-in-chief of Verlag FUCHSBRIEFE, comments: "Germany's long-standing dominance in terms of high-quality wealth management seems to be at an end, while the efforts made in the German-speaking neighbouring countries are finally paying off. Private banking and wealth management clients find both highly qualified managers and a diverse range of wealth management services in accordance with German legal standards."

This development, which 2011 presumably only saw the beginning of, is partly due to the fact that increasing regulation and well-meant efforts towards a higher standard of customer protection are more and more turning out to be an obstacle to high-quality wealth management in Germany and other "large" and established financial centres. Fear of the legal consequences of potential consulting errors has caused many managers to become extremely cautious in what they recommend – a strategy which is not always in the client's best interest, as Jörg Richter, co-initiator of the wealth management test and CEO of the Institute of Quality Management and Controlling of Financial Services, says. "They're acting with extreme caution for fear of being held liable for errors. But this year's test brought some surprises. Especially smaller institutions were able to prove that they are capable of extraordinary performance. Size does not always matter – and can sometimes even be a disadvantage."

The 2012 case: Wanted – Top managers in the crisis

Interrupted by only short phases of deceptive stability, the financial markets have seen a phase of turmoil ever since the Lehman crash in 2008. This year, what is referred to as "the crisis" reached the European currency union. Our test client is, like many other wealth owners, worried about a potential collapse of the euro. He has lost his trust in the currency and wants to transfer 50% of his assets to what he considers a "safe harbour": the Swiss franc. His wealth manager – whom he "inherited" from his deceased parents – does not share his point of view. The two do not get along very well, which leads our client to look for another wealth management partner whom he expects to guide him through the pitfalls of the crisis-stricken market and to secure his portfolio against a possible crash of the euro while simultaneously maintaining a high level of value retention. Thus, the wealth manager is faced

with the challenge of earning costs and taxes, compensating inflation rates and of addressing his client's concerns about the euro. How must the portfolio be re-structured to achieve all of these aims?

For the 11th time, the annual wealth manager assessment was carried out by the Private Banking Testing Body. For more information, please contact Ralf Vielhaber, Verlag FUCHSBRIEFE, phone: +49 30 28 88 17 – 0, fax: +49 30 28 88 17 28, mail to: ralf.vielhaber@fuchsbriefe.de, www.fuchsbriefe.de. For more information on the analysis of wealth management strategies, please contact Dr. Jörg Richter, Institut für Qualitätssicherung und Prüfung von Finanzdienstleistungen GmbH (IQF) Hannover, phone: +49 511 360 770, mail to: joerg.richter@iqf.de, www.iqf.de.