

Asset Management Insights

Selected publications from Ernst & Young
Global Asset Management



Issue 7, September 2008

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Introduction



Welcome to this issue of 'Asset Management Insights', collecting together global publications from Asset Management at Ernst & Young. We have included the recent global publications most relevant to asset management professionals. We hope you find them useful.

Publications are available to download from www.ey.com/assetmanagement or from the local country sites. Click 'library' to browse or to search for these and many more publications.

If you have any questions regarding these publications, or require more information, please get in touch with the Global Asset Management Center using the contact details located at the back of this document.

A handwritten signature in black ink, appearing to read 'Ratan Engineer'.

Ratan Engineer

Global Asset Management Leader

Recent Releases



IFRS outlook, September 2008 *Insights on International GAAP*

Published monthly by Ernst & Young UK

IFRS outlook continues to bring you insights into recent IFRS developments and emerging issues on a monthly basis.

In this issue of IFRS outlook:

- ▶ SEC proposed IFRS Roadmap
- ▶ Post-employment benefits – views on IASB proposals
- ▶ Guidance on the fair value of financial instruments in markets that are no longer active
- ▶ IASB feedback opportunities

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GIPS news, September 2008 *"GIPS goes East"*

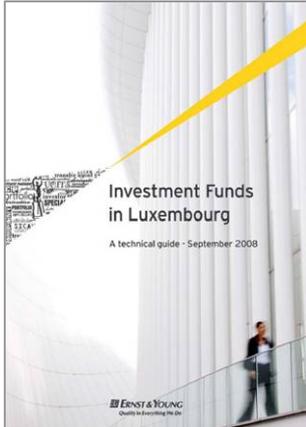
Published quarterly by Ernst & Young Switzerland

This issue looks at recent GIPS compliance trends in China and South Korea, the introduction of GIPS in Japan, and the globalisation of GIPS. GIPS news also covers the key issues in the industry.

Featured articles include:

- ▶ GIPS in China
- ▶ GIPS in South Korea - Interview with Mr. Sung-Gi Hong
- ▶ GIPS Development in Japan
- ▶ GIPS Compliance as a Global Firm
- ▶ The GIPS Guidance Statement on Error Correction
- ▶ GIPS 2010 Key Issues
- ▶ Performance-based Compensation Contracts in the Asset Management Industry
- ▶ Upcoming GIPS Conferences and Seminars

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Investment Funds in Luxembourg

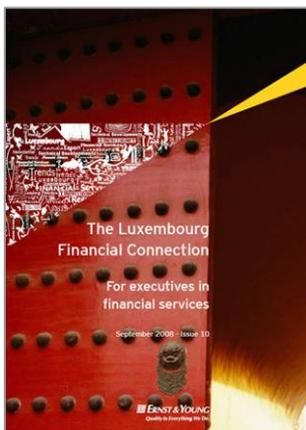
A technical guide, September 2008

Published by Ernst & Young Luxembourg

Luxembourg has become one of the leading centres for investment funds - particularly as a domicile and an administration centre. The first fund was established in 1959. By December 31 2007 there were 2,868 investment funds with € 2 trillion in assets.

Ernst & Young Luxembourg's technical guide entitled Investment Funds in Luxembourg provides an introduction to Luxembourg as a centre for investment funds, the types of funds available and a summary of the regulations applicable to the formation and operation of funds. It also covers the regulations applicable to management companies based in Luxembourg.

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Luxembourg Financial Connection, Sept 2008

for Executives in Financial Services

Published every 6 months by Ernst & Young Luxembourg

Newsletter compiled to keep our clients and friends in the Financial Services Industry updated on regulatory, leading practice and market developments from a Luxembourg perspective.

Along with essential news this issue features:

- ▶ UCITS IV - An outline the European Commission's proposal for an improved EU framework governing UCITS funds issued in July
- ▶ Risk convergence - a way of integrating and rationalizing the risk and control processes to achieve a comprehensive and understandable view of risk, and reduce costs and the administrative burden
- ▶ A high level view of the challenges faced by wealth management in Luxembourg, and the measures being taken at industry level and those which should be taken by individual private banks to meet the challenges
- ▶ Review of key points from a Commission report discussing the implementation of the European Savings Directive, and discuss the potential impacts of some possible amendments.

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Alternative Asset Management Quicknews, September 2008

Published monthly by Ernst & Young UK

A monthly synopsis of major news and events in the alternative asset management industry.

In this issue:

- ▶ Hedge funds operations - better service delivery and increased transparency to investors
- ▶ UK government consultation on investment management - three proposed changes to tax rules for UK investment funds
- ▶ Japanese Independent Agent reform - new guidance
- ▶ Singapore revenue authority circular - Transfer Pricing Consultations with Singapore taxpayers
- ▶ Offshore funds - key points from the current consultation
- ▶ Upcoming hedge fund symposium

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Transfer pricing grows in importance - Singapore introduces transfer pricing reviews *International Tax Alert, August 2008*

Published by Ernst & Young US

On 30 July 2008 the Inland Revenue Authority of Singapore (IRAS) issued a circular (New TP Circular) to announce the introduction of transfer pricing (TP) reviews. The IRAS will conduct TP reviews through a consultative process to understand taxpayers' level of compliance with the recommendations in the Singapore TP guidelines (Guidelines) which were introduced in February 2006. This TP review process is not considered an aggressive challenge to taxpayers' TP practices. Instead, the IRAS hopes to assist taxpayers in reviewing the adequacy of their TP documentation, understanding their TP risks, and adopting steps to manage these risks.

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Investment performance reporting: from obligation to differentiator

Financial Services article, August 2008

Published by Ernst & Young US

Given the current economic environment, the investment management industry is facing increased scrutiny from all its stakeholders. One of this sector's pressing needs is adoption of the right processes, procedures and controls to ensure that reported and marketed performance figures are represented accurately and in a timely fashion.

Firms that achieve and maintain an efficient and effective investment performance reporting framework can distance themselves from competitors. This article highlights a core component of such a framework: a set of standards that can help firms establish a competitive advantage by developing stronger operational and technological infrastructure, devising streamlined processes and training people to support accurate and timely investment performance reporting.

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Other Selected Publications



Americas Asset Management News, Summer 2008 Volume II, Issue 3

Published quarterly by Ernst & Young Americas Asset Management Center

Features the latest in technical and industry news and what we're hearing and learning both inside and outside Ernst & Young in the Americas.

Featured articles include:

- ▶ Exchange-traded funds go mainstream
- ▶ Early results - FAS 157 disclosures
- ▶ Hedge Funds: time for a more mature business model
- ▶ Wealth of internal control reports allows greater transparency
- ▶ How investment reporting can improve value
- ▶ Go east, young hedge funds
- ▶ Why funds find IRS Section 6694 challenging
- ▶ New products create challenges for mutual funds

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Mutual funds: new strategies bring new challenges

Published by Ernst & Young US, July 08

The evolution of mutual funds into complex investment vehicles has enabled investment managers to utilize non-traditional financial instruments and strategies. Innovation enables them to compete for new capital, but to remain successful, fund managers must effectively navigate the risk, tax and compliance issues associated with this new environment. This article discusses these issues in detail.

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CrossCurrents Volume 9, Issue 2 - June 2008

The Magazine for Financial Services Executives

Published quarterly by Ernst & Young US

CrossCurrents is a quarterly Ernst & Young publication featuring content provided by our financial services practice, covering Asset Management, Banking & Capital Markets and Insurance around the globe.

Featured articles include:

- ▶ Bank finance heads into the breach
- ▶ Ready, set, go! Insurers gear up for Solvency II
- ▶ Back-office bonanza: improving credit derivative operations to gain competitive advantage
- ▶ Seven core challenges life insurance executives must address
- ▶ Rules of the game: winning in emerging markets
- ▶ Peak performance: does your anti-money laundering technology investment deliver?
- ▶ IFRS in the spotlight: preparing for the move
- ▶ Pare, then repair: looking for risk rewards
- ▶ Taxing protected cells: a loan in disguise?
- ▶ Commercial real estate: two ways to improve risk management

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Regulated Funds Quicknews, June 2008

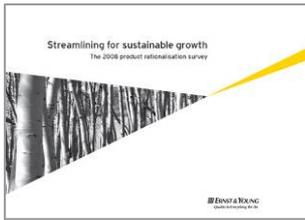
Published by Ernst & Young UK

An ad-hoc synopsis of major news and events in the alternative asset management industry.

In this issue:

- ▶ A revised Statement of Recommended Practice (SORP)
- ▶ for UK authorised funds - the exposure draft
- ▶ EU Savings Directive (EUSD)
- ▶ The Eligible Asset Directive
- ▶ Offshore funds

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Streamlining for sustainable growth *Australia Product Rationalisation survey 2008*

Published by Ernst & Young Australia, August 08

Australia's wealth management industry is one of the most product-saturated in the world. With legislative reform on the horizon, organisations will soon have a greater opportunity to rationalise a wider range of legacy products.

To gain insights into readiness, opinions and experiences the Australia practice surveyed senior representatives on Product Rationalisation.

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SEC proposes roadmap for IFRS adoption in US *IFRS Hot Topic*

Published by Ernst & Young US, August 08

The SEC has approved for public comment its long awaiting proposed "Roadmap" related to the eventual use of International Financial Reporting Standards (IFRS) by US companies.

This publication discusses the proposed roadmap and its content, in particular focusing on the decision to proceed with mandatory adoption of IFRS.

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Netherlands Hedge Funds Update - Aug 2008

Published quarterly by Ernst & Young Netherlands

Bringing readers up-to-date on specific hedge-fund and other alternative investments-related news that has been published in recent months.

This newsletter focuses on features that are most relevant for Dutch hedge fund managers and administrators and, of course, the increasing number of institutional investors. Most of the hedge fund business in the Netherlands is driven by trends and regulations in places like the Netherlands, US, UK, Cayman Islands, British Virgin Islands and Bermuda. Consequently, there is a strong focus on trends and news affecting the hedge fund industry in these jurisdictions.

A range of public sources and results of public surveys and studies have been used to compile this newsletter. Where applicable sources are stated. Hedge fund specialists of several Ernst & Young service lines contribute to this quarterly newsletter.

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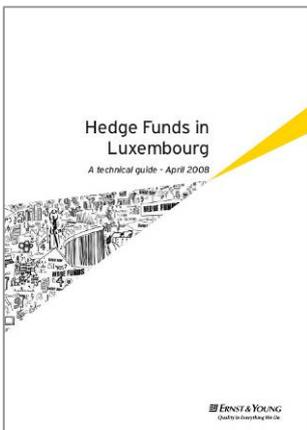
Congress focused on tax treatment of oil, natural gas and related commodities

Hedge Funds Tax Alert, August 2008

Published by Ernst & Young US

A draft was recently proposed in the Senate which would eliminate the long-term capital gain treatment on certain oil, natural gas and related commodities. Concern was voiced about excessive speculative trading in the oil and gas industry as traders and investors generally receive long-term capital gain treatment on a portion of their profits while dealers and those who take delivery of these products for their own commercial use do not receive the same treatment.

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Hedge Funds in Luxembourg

A technical guide - April 2008

Published by Ernst & Young Luxembourg

Ernst & Young Luxembourg's technical guide entitled Hedge Funds in Luxembourg 2008 provides an introduction to Luxembourg as a location for hedge funds, and a comprehensive guide to the setting up and running of Luxembourg hedge funds along with details of the key regulations applicable.

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Global Asset Management Center

Ratan Engineer

Global Asset Management Leader
reengineer@uk.ey.com
+44 (0)20 7951 2322

Crispin Rolt

Markets Director
crispin.rolt@dk.ey.com
+45 35 87 25 35

Richard Le Tissier

Global Channel 1 Technical Leader
rletissier@uk.ey.com
+44 (0)1481 717 468

Leigh Pennington

Marketing Manager
lpennington@uk.ey.com
+44 (0)20 7951 2373

Brendan Dodds

Knowledge Coordinator
bdodds@uk.ey.com
+44 (0)20 795 10293

Joanne Coquard

Business Unit Coordinator
jcoquard@uk.ey.com
+44 (0)20 7951 1921

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About Ernst & Young's Global Asset Management Center

The asset management industry is evolving at a deceptively fast pace. Asset managers and service providers face challenges every single day whether it's managing business growth, mitigating risk, providing transparency or embracing regulatory scrutiny. Ernst & Young's Global Asset Management Center brings together a worldwide team of professionals to help you achieve your potential – a team with deep technical experience in providing assurance, tax, transaction and advisory services. The Center works to anticipate market trends, identify the implications and develop points of view on relevant industry issues. Ultimately it enables us to help you meet your goals and compete more effectively. It's how Ernst & Young makes a difference.

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