

News

Dutch asset manager PGGM to lower investment costs for clients

31 Aug 2012



NETHERLANDS – PGGM, the asset manager for the €11.8bn healthcare scheme PFZW, has said it will focus on lowering the investment costs for its six clients in the coming years.

According to Bob Rådecker, PGGM's public markets CIO, cost-cutting is one of the biggest challenges the asset manager currently faces.

"Research by CEM Benchmarking has made clear [Article continues below](#)

that internal asset management is cheaper, and we would like to prove that we are better at cost-cutting than external managers," he told IPE.

"Of course, we need to provide a quality that at least equates the performance of other market parties."

PGGM said it aimed to lower costs through direct investing in particular, rather than through fund-of-fund managers.

"This allows us to remove a layer of costs," Rådecker said.

Healthcare scheme PFZW reported that it had paid investment costs of 0.5% over 2010.

In Rådecker's opinion, PGGM's main challenge is to pilot the investment portfolios and balance sheets of its clients through the current crisis, "in a period of low growth and increased tail risk and counterparty risk".

He added: "We must make sure our clients have sufficient liquid assets to enable them to fulfil their daily commitments."

In the short term, Rådecker also sees the implementation of legislation, such as a revised financial assessment framework (FTK) and the clearing of OTC derivatives, as new focal points for the pension fund, he said.

He said PGGM was currently in touch with several pension funds that were considering handing over the management of their assets to PGGM.

"We don't limit ourselves to the care sector," he said, referring to the pension funds for architects and private security, which already contracted out their asset management – involving €3bn in total – to PGGM.

The pension fund for vicars ('Predikanten') has already joined PFZW, and the scheme for the cultural sector ('Cultuur') is to follow on 1 October.

PGGM is managing €122bn of assets in total.

Author: [Leen Preesman](#)

Search Results for pggm

[Recent](#) | [Most read in the last week](#)

NEWS: [PGGM to 'intensify' talks on controversial wind farm project](#) 2 hours ago

NEWS: [Dutch asset manager PGGM to lower investment costs for clients](#) 31 Aug 2012

NEWS: [IPE Top 400: Dutch asset managers boost institutional AUM by nearly 10%](#) 29 Aug 2012

NEWS: [AP3 JV acquires €1.11m social infrastructure portfolio](#) 17 Aug 2012

NEWS: [Robeco reports strong increase in institutional assets](#) 15 Aug 2012

NEWS: [Major players in Dutch pensions industry criticise derivatives proposals](#) 07 Aug 2012

NEWS: [Pension fund for doctors re-allocates bonds to Germany, Netherlands](#) 11 Jul 2012

NEWS: [PGGM invests in Chinese logistics development fund](#) 06 Jul 2012

NEWS: [EIOPA failed to plan for 'negative' holistic balance sheet result](#) 27 Jun 2012

NEWS: [Norway oil fund excludes Israeli firm over occupied territory activity](#) 20 Jun 2012

NEWS: [European managers see sharp drop in equity assets – IPE Top 400](#) 08 Jun 2012

NEWS: [Deutsche to unveil new strategy in September as wealth, asset management divisions merge](#) 06 Jun 2012

Articles you've viewed recently

IPE-Quest: Your first step in manager selection

IPE-Quest is a manager search facility that connects institutional investors and asset managers.



Institutional investors place your search [here](#). [IPE QUEST »](#)

[RSS](#) | [What is RSS?](#)

PREALESTATE

REIM
The Real Estate
Investment
Managers
Service
2011/12



[Twitter](#)

[LinkedIn](#)

MENA
Investment
Management
Forum

2012

Morningstar ETF
Invest Conference
Europe
Oct. 23. – 24. 2012
Milan, Italy

Showing 0 comments

Sort by popular now ▾

 [Subscribe by email](#)  [RSS](#)

Add New Comment

[Login](#)



Type your comment here.

Trackback URL

[blog comments powered by DISQUS](#)

 [What is RSS?](#) | [Top of page](#)

 [Print this article](#)



Email to a friend:

Comments:

[About IPE](#) | [Contact IPE](#) | [Terms & Conditions](#) | © IPE International Publishers Limited 2010

IPE International Publishers Limited, Registered in England, Reg No. 3233596, VAT No. 685 1784 92
Registered Office: Pentagon House, 52-54 Southwark Street, London SE1 1UN