

METRO



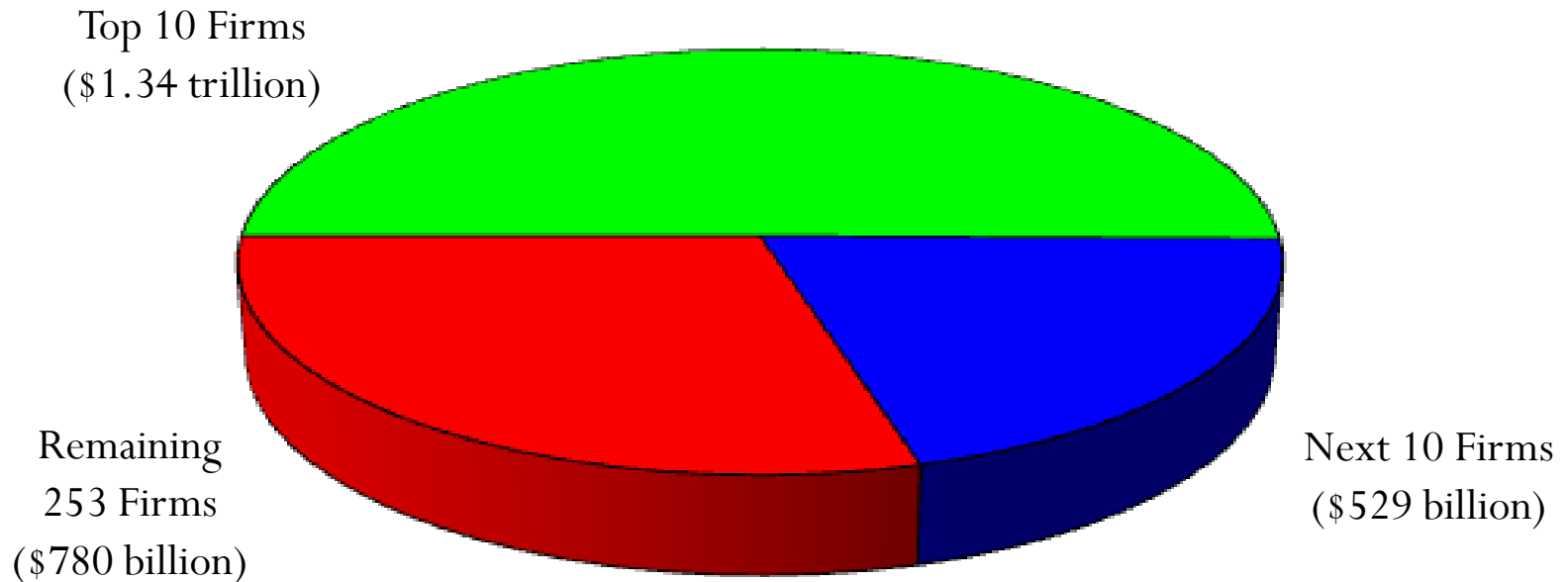
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Big Firms

Active Domestic Fixed Income Manager Universe (273 firms)



Top 10 firms represent **50.5%**

Top 20 firms represent **70.5%**

Big Firms

- Could miss out on opportunities that smaller, more nimble money managers can capitalize on
- Harder to quickly trade in or out of positions without impacting the market
- Often require derivatives or a large number of holdings to gain market exposure

- Significant internal ownership
- Greater intensity and entrepreneurial spirit
- Less bureaucracy allows investment team to move quickly and efficiently

- Access to the portfolio management team
- Access to the firm decision makers

- Constraining manager searches to only large firms could eliminate top performing managers
- Studies have shown that the performance of large managers tend to gravitate toward the median¹