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ALPHA FEMALE

‘Be passionate about what you do’: A-rated boutique PM

Successful manager Birgit Heim explains what candidates should look at.
by **ADAM MALISZEWSKI** Posted 20 SEPTEMBER, 2021



Fund manager and managing director at AMG Fondsverwaltung, [Birgit Heim](#) (pictured), talked to *Citywire Switzerland* how innovation can be measured. Heim manages the [Alpora Innovation Europa Fonds](#), which ranks one out of 170 strategies in the European Equity Blend category over three years.

She said: ‘We measure the innovation of a company, therefore we look at patents, OECD statistics and research, and its development expenditure.

‘However, the companies with the highest research expenditures do not necessarily generate the greatest economic benefit in the form of an EBIT contribution.

‘The model we use compares input and output factors. It takes into account hard facts, such as those regularly provided by financial analysts, and soft factors, such as the way the topic of innovation is handled by the company’s strategic committees. The aim is to identify the companies with the highest effectiveness – across all sectors.’

Heim is among the rated female managers in the Swiss market, according to Citywire data.

Citywire’s latest Alpha Female report, published last week, showed that the vast majority of portfolio managers in Switzerland are men. Only 8% of managers running funds domiciled in Switzerland are women, with the country lagging 15 nations, including Spain (22%) and France (18%). Germany has a quota of just 6%.

Alpora Innovation Europe

The Alpora Innovation Europa Fonds outperformed the sector average by 47% in the past three years.

Heim said: 'We do concentrate on approximately 30 stocks, about 2.5% to 4.5% is allocated to each share so that each stock also has an effect on the overall performance'.

Since the launch in 2014, the fund returned 18.7% per annum, compared with 6.9% MSCI Europe NTR.

'Historically, it has been shown that the selected innovation leaders climb to old highs much more quickly than the market as a whole, especially during market recovery phases. The combination of stock-picking and an overall shorter recovery time is crucial for alpha generation in the fund.

'From a macro perspective, the growth environment in Europe remains intact, and accordingly, we expect companies to continue to perform well. Even though volatility will increase in the context of the upcoming taper, the environment for European equities remains constructive.'

'Be passionate'

Regarding the number of female applicants for fund manager positions at AMG, Heim said that most applications are still from men.

When asked what skills people willing to join the industry should have, Heim said: 'Well, the job requires total commitment, consistency and discipline, as well as strong nerves and decision-making skills in the face of high uncertainty. It is rewarding in that you always have your finger on the pulse of the times, gain broad and deep insights into leading companies and, in the best case, can enjoy the satisfaction of investors.

'In addition to processing the numerical material, the human component is also required on the analysis side, in the team as well as in clients contact. One can only encourage women to turn to the idea. Then it will come by itself.

According to Heim, analysis and portfolio management will develop further in the coming years. Quantitative mathematical approaches, artificial intelligence and a sound understanding of economics will continue to be in demand, she said.

'From my experience, the easiest way to achieve goals in life is to be passionate about what you do. So I would make sure – no matter what the situation – that you focus on your personal interests and preferences when choosing your education. Then you will also develop and unfold your own individual potential in the best possible way.'

Currently AMG Fondsverwaltung manages funds investing in three main themes: value and quality, precious metals and innovation. The company's overall assets under management (AUM) are CHF 917m.

Website Link: <https://citywire.ch/news/be-passionate-about-what-you-do-a-rated-boutique-pm/a1556684?ref=international-switzerland-latest-news-list>