

Press Release



16 October 2020

TRADING STATEMENT FOR THE QUARTER ENDED 30 SEPTEMBER 2020

NET INFLOWS AND POSITIVE PERFORMANCE

Key points

- Funds under management (FUM) of \$113.1 billion at 30 September 2020 (30 June 2020: \$108.3 billion)
 - Net inflows of \$1.7 billion
 - Positive investment performance of \$1.7 billion
 - FX and other impacts of positive \$1.4 billion
- Strong balance sheet and liquidity position
- \$100 million share buyback programme announced in September is proceeding at the maximum permitted pace

Luke Ellis, Chief Executive Officer of Man Group, said:

“We are pleased to report good performance in the third quarter and strong growth in funds under management. This was driven by robust net inflows into alternatives as anticipated, as well as performance gains across both alternative and long-only strategies. Engagement with clients remains good, although there is increasing uncertainty due to upcoming political events and current COVID-19 trends.

“Our immediate priorities continue to be the health and well-being of our colleagues and the performance of our clients’ assets. Our diversified range of strategies, our people and technology and a sustainable business model, underpinned by our strong and liquid balance sheet, allow us to manage the firm for the long term. Man Group is well-placed to withstand volatile periods and to grow over time, delivering increasing value to all our stakeholders.”

FUM commentary for the quarter ended 30 September 2020

In the third quarter, FUM increased by 4% to \$113.1 billion. This was driven by net inflows of \$1.7 billion primarily from our alternative strategies as redemption levels normalised following COVID-19 related rebalancing in the previous quarter. Positive investment performance of \$1.7 billion was largely from our long-only strategies; and positive FX and other movements of \$1.4 billion resulted from a weaker US dollar particularly against sterling and the euro.

As at 30 September 2020, 50% of the \$43.7 billion of performance fee eligible FUM was at, above, or within 5% of high watermark, of which AHL Alpha is the most significant individual component crystallising in the second half.

FUM movements for the quarter ended 30 September 2020

\$bn	FUM at 30 June 2020	Net inflows/ (outflows)	Investment performance	FX & other	FUM at 30 September 2020
Alternative	69.4	1.9	0.3	0.8	72.4
Absolute return	29.1	0.2	0.2	0.5	30.0
Total return	27.1	2.0	(0.2)	0.1	29.0
Multi-manager solutions	13.2	(0.3)	0.3	0.2	13.4
Long-only	38.9	(0.2)	1.4	0.6	40.7
Systematic	23.6	-	1.5	0.1	25.2
Discretionary	15.3	(0.2)	(0.1)	0.5	15.5
Total	108.3	1.7	1.7	1.4	113.1

Alternative

Alternative FUM increased by \$3.0 billion in the third quarter. Net inflows of \$1.9 billion were driven by AHL TargetRisk and Alternative Risk Premia. In response to client demand globally, we are expanding our AHL TargetRisk product category with additional product launches expected in Q4. Positive investment performance of \$0.3 billion was delivered across various strategies including positive absolute performance from AHL TargetRisk (+2.5%) and AHL Evolution (+1.9%). This was partly offset by negative absolute performance from Alternative Risk Premia (-3.2%).

Long-only

Long-only FUM increased by \$1.8 billion despite net outflows of \$0.2 billion in the third quarter, as equity markets and growth sectors in particular continued their recovery. We continue to broaden our long-only capabilities with our Asia ex-Japan equity strategy launching in Q4, managed by an experienced team, which joined Man Group this year. Positive investment performance of \$1.4 billion was driven by

performance across various strategies including Numeric Global Core (+5.6%), Numeric Emerging Markets Core (+12.4%) and GLG Continental Europe (+4.0%). This was partly offset by GLG UK Undervalued Assets (-9.3%) whose value-oriented approach negatively impacted performance during the quarter.

Stephen Harker, who is the lead manager of our GLG Japan CoreAlpha strategy, will be retiring from his full time role in March next year and will continue as a senior advisor. We would like to congratulate Stephen on the exceptional quality of the investment process he developed with his team and the strength of the client relationships he has built over his 40-year career. We look forward to continuing to work with him in his new capacity.

FUM by product category

\$bn	30-Sep-19	31-Dec-19	31-Mar-20	30-Jun-20	30-Sep-20
Absolute return	30.3	30.5	30.3	29.1	30.0
AHL Alpha	6.0	6.0	6.5	6.1	6.5
Man Institutional Solutions ¹	4.2	4.4	5.8	6.4	6.1
AHL Dimension	6.3	6.3	5.6	5.2	5.3
GLG equity absolute return	5.2	5.2	4.6	4.0	4.2
AHL Evolution	3.8	4.1	3.8	3.7	3.8
AHL Diversified	1.7	1.5	1.5	1.4	1.4
Other ²	3.1	3.0	2.5	2.3	2.7
Total return	25.9	27.0	26.7	27.1	29.0
Alternative risk premia	12.3	13.0	10.5	10.0	10.4
AHL TargetRisk	3.2	4.4	6.0	8.1	9.5
CLOs and other GLG total return	4.3	4.3	4.7	4.6	4.8
GPM	2.4	2.5	2.5	2.5	2.4
EM total return	3.7	2.8	3.0	1.9	1.9
Multi-manager solutions	13.9	14.0	13.0	13.2	13.4
Infrastructure & direct access	6.7	6.9	6.6	6.8	6.8
Segregated	6.0	5.9	5.6	5.9	6.1
Diversified and thematic FoHF	1.2	1.2	0.8	0.5	0.5
Systematic long-only	25.6	27.5	20.4	23.6	25.2
Global	9.5	9.2	7.2	8.7	9.3
International	7.7	9.1	6.6	7.1	7.3
Emerging markets	6.1	6.8	5.2	5.9	6.5
US	2.3	2.4	1.4	1.9	2.1
Discretionary long-only	17.0	18.7	13.8	15.3	15.5
Credit & convertibles	2.3	2.6	2.3	3.5	3.6
Europe equity ex-UK	2.3	2.7	2.2	3.2	3.5
Japan equity	6.3	6.6	4.2	3.1	2.9
UK equity	3.3	3.9	2.6	2.9	2.7
EM fixed income	2.1	2.0	1.7	1.6	1.6
Other ³	0.7	0.9	0.8	1.0	1.2
Total	112.7	117.7	104.2	108.3	113.1

1. Man Institutional Solutions includes AHL Institutional Solutions and Multi-strategy. AHL Institutional Solutions invests into a range of AHL strategies including AHL Dimension, AHL Alpha and AHL Evolution
2. Includes AHL other, Numeric absolute return and GLG credit absolute return strategies
3. Includes equity and multi-asset strategies

Investment performance

		Total Return (net of fees)		Annualised Return (net of fees)		
		3 months to 30 Sep 2020	9 months to 30 Sep 2020	3 years to 30 Sep 2020	5 years to 30 Sep 2020	Inception to 30 Sep 2020
Absolute return						
AHL Alpha	1	0.2%	1.9%	4.9%	2.0%	10.5%
AHL Dimension	2	0.2%	-7.0%	1.4%	0.9%	4.5%
AHL Evolution	3	1.9%	-1.1%	6.3%	6.1%	12.4%
AHL Diversified	4	-0.4%	0.4%	4.4%	-0.4%	10.6%
GLG Alpha Select Alternative	5	2.2%	5.0%	6.9%	6.7%	4.3%
GLG European Long Short Fund	6	3.9%*	4.5%*	-0.1%*	1.2%*	6.4%*
GLG Global Credit Multi Strategy	7	3.3%*	6.6%*	5.9%*	8.2%*	11.9%*
Total return						
Alternative Risk Premia	8	-3.2%	-10.7%	-1.5%	1.0%	1.5%
AHL TargetRisk	9	2.5%	0.7%	10.5%	10.9%	9.6%
GLG Global Emerging Markets Debt Total Return	10	-0.6%	8.6%	2.2%	n/a	3.2%
Multi-manager solution						
FRM Diversified II	11	3.0%*	-3.7%*	-0.5%*	-0.4%*	3.6%*
Systematic long-only						
Numeric Global Core	12	5.6%	0.6%	3.4%	8.3%	9.4%
<i>Relative Return</i>		-2.3%	-1.1%	-4.3%	-2.1%	0.4%
Numeric Europe Core (EUR)	13	0.1%	-9.9%	-0.9%	4.4%	7.9%
<i>Relative Return</i>		0.0%	2.8%	-0.5%	1.2%	2.4%
Numeric Emerging Markets Core	14	12.4%	2.9%	1.5%	10.7%	5.8%
<i>Relative Return</i>		2.9%	4.0%	-0.9%	1.7%	2.3%
Discretionary long-only						
GLG Continental European Growth Fund	15	4.0%	15.1%	9.9%	15.5%	9.9%
<i>Relative Return</i>		2.6%	15.6%	7.1%	5.4%	4.4%
GLG Japan CoreAlpha Equity Fund	16	-2.4%	-26.1%	-9.9%	-2.3%	1.4%
<i>Relative Return</i>		-7.5%	-22.7%	-11.2%	-7.5%	-0.3%
GLG Undervalued Assets Fund	17	-9.3%	-33.4%	-9.1%	0.1%	2.1%
<i>Relative Return</i>		-6.4%	-13.4%	-5.9%	-3.3%	-0.4%
Indices						
HFRX Global Hedge Fund Index	18	2.7%	1.6%	1.5%	2.1%	
HFRI Fund of Funds Conservative Index	18	2.4%	0.3%	2.3%	2.3%	
HFRI Equity Hedge (Total) Index	18	5.8%	2.2%	3.7%	5.6%	
HFRX EH: Equity Market Neutral Index	18	-1.9%	-6.8%	-4.3%	-2.9%	
Barclay BTOP 50 Index	19	1.5%	-1.4%	1.3%	-1.0%	

*Estimated

1. Represented by AHL Alpha plc from 17 October 1995 to 30 September 2012, and by AHL Strategies PCC Limited: Class Y AHL Alpha USD Shares from 1 October 2012 to 30 September 2013. The representative product was changed at the end of September 2012 due to the provisioning of fund liquidation costs in October 2012 for AHL Alpha plc, which resulted in tracking error compared with other Alpha Programme funds. Both funds are valued weekly; however, for comparative purposes, statistics have been calculated using the best quality price that is available at each calendar month end, using estimates where a final price is unavailable. Where a price, either estimate or final is unavailable on a calendar month end, the price on the closest date prior to the calendar month end has been used. Both of the track records have been adjusted to reflect the fee structure of AHL Alpha (Cayman) Limited - USD Shares. From 30 September 2013, the actual performance of AHL Alpha (Cayman) Limited - USD Shares is displayed.
2. Represented by AHL Strategies PCC Limited: Class B AHL Dimension USD Shares from 3 July 2006 to 31 May 2014, and by AHL Dimension (Cayman) Ltd - F USD Shares Class from 1 June 2014 until 28 February 2015 when AHL Dimension (Cayman) Ltd - A USD Shares Class is used. Representative fees of 1.5% Management Fee and 20% Performance Fee have been applied.
3. Represented by AHL Evolution Limited adjusted for the fee structure (2% p.a. management fee and 20% performance fee) from September 2005 to 31 October 2006; and by AHL Strategies PCC: Class G AHL Evolution USD from 1 November 2006 to 30 November 2011; and by the performance track record of AHL Investment Strategies SPC: Class E AHL Evolution USD Notes from 1 December 2011 to 30

- November 2012. From 1 December 2012, the track record of AHL (Cayman) SPC: Class A1 Evolution USD Shares has been shown. All returns shown are net of fees.
4. Represented by Man AHL Diversified plc from 26 March 1996 to 29 October 2012, and by Man AHL Diversified (Guernsey) USD Shares – Class A from 30 October 2012 to date. The representative product was changed at the end of October 2012 due to legal and/or regulatory restrictions on Man AHL Diversified plc preventing the product from accessing the Programme’s revised target allocations. Both funds are valued weekly; however, for comparative purposes, statistics have been calculated using the best quality price that is available at each calendar month end, using estimates where a final price is unavailable. Where a price, either estimate or final is unavailable on a calendar month end, the price on the closest date prior to the calendar month end has been used.
 5. GLG Alpha Select Alternative IL GBP; FUM included within GLG Equity absolute return product category.
 6. Represented by GLG European Long Short Fund - Class D Restricted – EUR until 29 June 2007. From 1 July 2007 the performance of GLG European Long Short Fund - Class D Unrestricted is displayed; FUM included within GLG Equity absolute return product category.
 7. Represented by GLG Market Neutral Fund - Class Z Restricted – USD until 31 August 2007. From the 1 September 2007 Man GLG Global Credit Multi Strategy CL IL XX USD unrestricted; FUM included within Other under the absolute return product category.
 8. Represented by Man Alternative Risk Premia Class A USD.
 9. Represented by Man AHL TargetRisk class I USD.
 10. Represented by Man GLG Global Emerging Markets Debt Total Return Class I USD; FUM included within EM total return product category.
 11. Represented by FRM Diversified II Fund SPC - Class A USD ('the fund') until April 2018 then Class A JPY hedged to USD thereafter. However, prior to Jan 2004, FRM has created the FRM Diversified II pro forma using the following methodology: i) for the period Jan 1998 to Dec 2003, by using the returns of Absolute Alpha Fund PCC Limited – Diversified Series Share Cell ('AA Diversified - USD') adjusted for fees and/or currency, where applicable. For the period Jan 2004 to Feb 2004, the returns of the fund’s master portfolio have been used, adjusted for fees and/or currency, where applicable. Post Feb 2004, the fund’s actual performance has been used, which may differ from the calculated performance of the track record. There have been occasions where the 12-months’ performance to date of FRM Diversified II has differed materially from that of AA Diversified. Strategy and holdings data relates to the composition of the master portfolio; FUM included within Diversified and thematic FoHF product category.
 12. Performance relative to the MSCI World. This reference index is intended to best represent the strategy’s universe. Investors may choose to compare returns for their accounts to different reference indices, resulting in differences in relative return information. Comparison to an index is for informational purposes only, as the holdings of an account managed by Numeric will differ from the securities which comprise the index and may have greater volatility than the holdings of an index.
 13. Performance relative to the MSCI Europe (EUR). This reference index is intended to best represent the strategy’s universe. Investors may choose to compare returns for their accounts to different reference indices, resulting in differences in relative return information. Comparison to an index is for informational purposes only, as the holdings of an account managed by Numeric will differ from the securities which comprise the index and may have greater volatility than the holdings of an index; FUM included within International product category.
 14. Performance relative to MSCI Emerging Markets. This reference index is intended to best represent the strategy’s universe. Investors may choose to compare returns for their accounts to different reference indices, resulting in differences in relative return information. Comparison to an index is for informational purposes only, as the holdings of an account managed by Numeric will differ from the securities which comprise the index and may have greater volatility than the holdings of an index.
 15. Represented by Man GLG Continental European Growth Fund Class C Accumulation Shares. Relative return shown vs FTSE World Europe Ex UK (GBP, GDTR); FUM included within Europe equity ex UK product category.
 16. Represented by Man GLG Japan CoreAlpha Fund - Class C converted to JPY until 28 January 2010. From 1 February 2010 Man GLG Japan CoreAlpha Equity Fund - Class I JPY is displayed. Relative return shown vs TOPIX (JPY, GDTR); FUM included within Japan equity product category.
 17. Represented by Man GLG Undervalued Assets Fund - C Accumulation Shares. Relative return shown vs FTSE All Share (GBP, NDTR); FUM included within UK equity product category.
 18. HFR1 and HFRX index performance over the past 4 months is subject to change.
 19. The historical Barclay BTOP 50 Index data is subject to change.

Past or projected performance is no indication of future results. Financial indices are used for illustrative purposes only and are provided for the purpose of making a comparison to general market data as a point of reference and should not be construed as a true comparison to the strategy.

The information herein is being provided solely in connection with this press release and is not intended to be, nor should it be construed or used as, investment, tax or legal advice, any recommendation or opinion regarding the appropriateness or suitability of any investment or strategy, or an offer to sell, or a solicitation of an offer to buy, an interest in any security, including an interest in any fund or pool described herein.

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About Man Group

Man Group is a global active investment management firm, which runs \$113.1 billion* of client capital in liquid and private markets, managed by investment specialists based around the world. Headquartered in London, the firm has 15 international offices and operates across multiple jurisdictions. Our business has five specialist investment engines, which represent the range of our capabilities: Man AHL, Man Numeric, Man GLG, Man FRM and Man GPM.

These engines house numerous investment teams, working collaboratively within the framework of Man Group, with a high degree of investment autonomy. Each team benefits from the strength and resources of the firm's single operating platform, enabling their primary focus to be seeking to generate alpha for clients. The teams invest across a diverse range of strategies and asset classes with highly specialised approaches, with long-only and alternative strategies run on a discretionary and quantitative basis in single and multi-manager formats. Our clients are at the heart of everything we do and we engage in close dialogue with our investors as strategic partners, to understand their particular needs and constraints. Man Group's investment teams are empowered and supported by our institutional infrastructure and technology, which aims to facilitate the most efficient exposure to markets and effective collaboration across the organisation.

Through the Man Charitable Trust and the Man US Charitable Foundation, Man Group is committed to promoting literacy and numeracy on a global scale, and to supporting charitable causes more broadly.

Man Group plc is listed on the London Stock Exchange under the ticker EMG.LN and is a constituent of the FTSE 250 Index. Further information can be found at www.man.com

For more information about Man Group's commitment to diversity and inclusion, please visit www.man.com/diversity

For more information about Man Group's approach to responsible investment, please visit www.man.com/responsible-investment

Forward looking statements and other important information

This document contains forward-looking statements with respect to the financial condition, results and business of Man Group plc. By their nature, forward-looking statements involve risk and uncertainty and there may be subsequent variations to estimates. Man Group plc's actual future results may differ materially from the results expressed or implied in these forward-looking statements.

The content of the websites referred to in this announcement is not incorporated into and does not form part of this announcement. Nothing in this announcement should be construed as or is intended to be a solicitation for or an offer to provide investment advisory services or to invest in any investment products mentioned herein.

**As at 30 September 2020. All investment management and advisory services are offered through the investment "engines" of Man AHL, Man Numeric, Man GLG, Man FRM and Man Global Private Markets (GPM).*