



On the road to the future. Marcus Wideroth, vice president of Visab Consulting, and Mr. Magnus Krusbaden Berg has temporarily landed at the office in Stockholm. Otherwise they spend most of their time with their financial clients.

Fund watchers

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- “We are likely to find the future winner among the companies that are quickest to learn to work and do business taking advantage of the increasing the amount of information and possibilities available on the internet.”
- “A number of new unknown players will surprise, just as Google has done.”
- “Today's young, who are accustomed to the technical advanced gaming, will make far greater demands on companies in terms of use and accessibility.”
- “One idea is that they [the financial companies] eventually move into the gaming market to accustom young people in a virtual world what choices to make in the real world.”

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The Stock market turbulence creates need for creativity. So far this year, Swedish savers withdrew €3 billion SEK from their mutual funds. This is a record amount, compared with the previous downturns. Creativity may be needed to attract new savers. Join us on a trip to the future fund market.

Computer games and digital fund managers will help future fund savers, the visionaries explain. The development has been explosive, only the last ten years has tripled the number of funds and fund assets increased from 460 to 1 660 billion - and many fund savers have been lost in the jungle of funds with its increasingly chaotic products.

Anyone who thinks that the crystal balls and tarot cards are required to see into the future is wrong. We meet Marcus Wideroth, vice president for Visab Consulting, and Mr Magnus Jug Berg in a bright and airy conference room on the tenth floor down town Stockholm. Both are impeccably dressed in suits. New technology creates a completely different opportunities, which means that traditional companies with old systems and structures are faced with enormous challenges.

Technological development is driven today by the computer game industry, and the two Consultants expect that today's young, who are accustomed to technical advanced gaming, will make far greater demands on companies when terms of use and accessibility. One idea is that they [the financial companies] eventually move into the gaming market to accustom young people in a virtual world what choices to make in the real world. An example could be the opportunity for a player to open mutual funds in popular computer game such as Sims2, where one can follow different game characters through life.

Another idea is to try services. Through simulation, it would be possible to test various investments in one's own economic conditions over a few months. Marcus Wideroth and Magnus Krusbaden Berg predicts that companies must become better at meeting customers where they are whether at a traditional offices or through new technologies. The traditional internet office will probably live on in ten year. Parts of it will, however, be available in other contexts, for example in the mobile phone or iPod.

- While cell phone is turning into our digital buddy, where we take care of payments and receive financial advice via 3G, we will be able to talk to our digital fund managers when we sit in the car, "says Marcus Wideroth. Independent fund managers and foreign companies have in recent years taken market share from the four big banks which still dominate the Swedish fund mar-

ket. And the future winner is likely to be found among the companies that are fastest to learn to work and do business out of the increasing amount of information available on the internet. A number of new unknown players will surprise in the future just as Google has done. Despite recurrent criticism that big banks combines passive management with active contributions they can still take advantage of their brands that still warrant security; big banks is under the Financial Supervisory oversight and offers Investment Guarantee.

Traditional managers who keep themselves in the mainstream and neither give high yield, or the lowest fees are in danger, however. Today half of all fund savers choose fund based on the recommendation from their bankers banker. That might change if times continues to be tough, it could pave the way for various robot functions. The more you tell us about yourself all the more more systems will simulate your own future. Globalization and the harmonization of different rules in the EU is the key word the two visionaries believe will make it easier to survey the market.

But let us go back in history. The first Swedish equity fund started already in the 1950s. But it was only when the "Everyman's" Fund was launched in the 80s as mutual funds became really popular. Since then, the development has been faster and the market has become increasingly complex, Hedge, fund of funds, Generations, Brice, 130/30- and exchange-traded funds, known as ETF's, are some of all fund types that appeared on the Swedish market in recent years.

Today there are about 3 700 funds to choose from for the 98 percent of all Swedes who save in fund, premium pension savings included.

- We will see more complicated products. But the new electronic services which tailor portfolios in stocks, funds and property will ultimately make it easier for savers, says Marcus Wideroth.