

US group plans four UK retail market funds

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US investment house Dimensional Fund Advisors is looking to launch funds for the UK retail market with a philosophy based on stock market behavioural analysis.

The group has contracted former Schroder Unit Trusts deputy managing director Rod Duncan to market test its ideas with UK intermediaries and has a full launch planned for September.

Dimensional aims to launch value and small-cap funds investing in the UK, alongside value and small-cap funds investing in Continental equities. These are likely to be run by Garrett Quigley and Raju Kamath, who currently run US and European funds for the group. Quigley has been with Dimensional for just under 10 years while Kamath has been with it for eight.

Dimensional's stock market analysis is based on work done in the US by Professor Eugene Fama of the University of Chicago. Quigley has also spent three years developing UK-specific research with Professor Elroy Dimson of the London Business School.

Dimensional's chief executive officer in the UK, David Salisbury, said the company is looking to set up Oeics and is in the process of talking to intermediaries and private banks.

Salisbury, previously chief executive at Schroders, said Dimensional's experience with retail in the US has mainly been with fee-based advisers.