

Putting Alternative Data to Use in Financial Markets

September 12, 2017

Executive Summary:

Alternative data is becoming a coveted tool for institutional investors seeking alpha. But as many on the buy side can attest, turning a seemingly endless array of data into something useful can be a complex and costly endeavor.

For those fortunate few who have found the needle in the haystack, utilizing alternative data comes with two major challenges:

- Finding and gaining access to the data you need (or don't yet know you need);
- Securing the tools needed to analyze these often huge data sets and then take action on those findings.

Methodology:

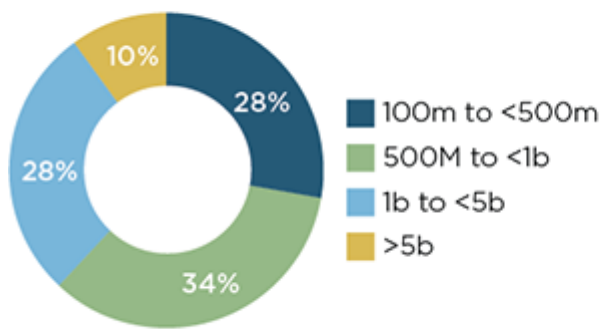
In June of 2017, Greenwich Associates interviewed 50 asset managers and hedge funds in the U.S. and Europe.

More than half the firms reported having a long-short investment strategy, while 22% each said they were long only or market neutral. Two-thirds of the respondents invest in equities, almost half in interest rates, roughly 40% invest in each of credit and commodities, and 13% invest in FX.

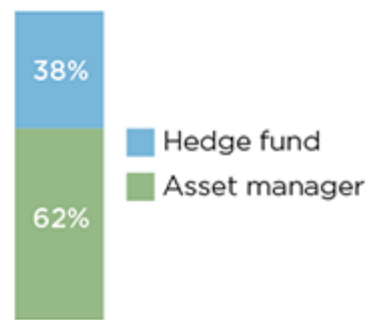
Study participants were asked about their current and expected use of alternative data and its contribution to the investment process.

DEMOGRAPHICS

AUM (in US\$/GB£)



Firm Type



Note: Based on 50 respondents.
Source: Greenwich Associates 2017 Alternative Data Usage Study



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