

UBS, State Street and BlackRock to manage NEST money

By Editor Test *Wed, Feb 16, 2011*

Britain's National Employers Savings Trust Corporation is hiring the three asset managers to handle portions of the new state-sponsored, employer-based defined contribution plan.

Britain's National Employers Savings Trust Corporation, or NEST, is hiring UBS, State Street and BlackRock to manage portions of the money in the state-sponsored, employer-based defined contribution plan set up by the Department of Work and Pensions.

Five investment "mandates" were confirmed. UBS has won the mandate for passive global equities with its Life World Equity Tracker, which tracks the FTSE All World Developed Index. State Street will manage UK Gilts in its fund that tracks the the FTSE Actuaries UK Gilts All Stocks Index. State Street also picked up another fixed income mandate when it was picked to offer UK Index-Linked Gilts (ILG) through its UK ILG Over 5 Years Index Fund.

In the last two of the announced mandates, BlackRock's Aquila Cash Fund and Life Market Advantage fund will offer cash and diversified beta funds, respectively. The Life Market Advantage fund aims to deliver returns similar to a 60% equity/40% bond fund over the long term, but with less risk.

NEST CEO Tim Jones said infrastructure is now in place to test the organization's systems.

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