

TALKING WITH

John Chatfeild-Roberts

Victoria Hasler, Head of Research at Square Mile talks defining moments, inspirations and singing with John Chatfeild-Roberts, Head of Strategy, Jupiter Independent Funds Team.



HOW DID YOU GET INTO FUND MANAGEMENT?

Economics was the first subject at which I got good reports at school, and that's because I liked it and worked hard at it. I went to Durham to study economics and then went into the army, but I quickly realised that wasn't the career for me. I then had to figure out what to do with my life. After some false starts I got a job at Hendersons in the private client division, which I put down more to luck than design as I didn't even know what a fund manager was at the time. The guy who was running the fund of funds left and I was asked to take them over and have been doing the same ever since.



WHAT HAVE BEEN THE MOST MEMORABLE MOMENTS IN YOUR CAREER?

One of the most memorable moments was the day in 1992 when it became clear that sterling was going to be ejected from the ERM. Interest rates started the day at 10%, then went up to 12% and the market just kept falling. Around lunchtime interest rates went up to 15% and the market dropped for about another 5 minutes before it became obvious that we were coming out of the ERM and that everything would be fine. Days like that don't happen often, but when they do you remember them.



WHO HAS INSPIRED YOU?

A guy called Richard Morgan who was my headmaster at school. He was a role model and an inspiration.

Another inspiration was a friend of my father's. He taught me about the world of finance and told me two very important things. Firstly, that everyone in the City is motivated by money, and secondly that money is not the be all and end all. Money is a funny thing – the more you have the more you want and the sooner you realise that money, in and of itself, is not going to make you happy, the better.

WHAT MAKES A GOOD FUND MANAGER?

The ideal fund manager would be emotionally detached and able to put bad things behind them. You also need to be optimistic to be a fund manager - you have to focus on the good decisions and not dwell too much on the bad ones, otherwise you would never make another decision. You get more cynical with experience, although I have always been quite cynical. I see this as a positive as it makes me think before blindly trusting what people are saying.



WHAT HAS BEEN THE GREATEST CHALLENGE IN YOUR CAREER SO FAR?

Trying to be confident to the outside world when inside you are just not sure. Most of the time you are not 100% sure about things, but you have to seem confident to your clients. There is a fine line between being overly confident when you are not and telling everyone you don't have a clue, both of which undermine confidence.

WHAT ADVICE WOULD YOU GIVE YOURSELF IF YOU WERE STARTING OUT NOW?

Be yourself, work hard and do the right thing. Most fraud happens where people make a mistake and cover it up then it snowballs. You have to be grounded and not get involved in things you think are wrong. I believe that moral education is important, and more emphasis should be placed on it at home and school. The culture of a firm is important too.



WHAT KEEPS YOU AWAKE AT NIGHT?

Actually I sleep quite well - sleep is important! I try to compartmentalise things, leaving worries in the office and not taking them home. There is enough to worry about in the world anyway, and I try to keep things in perspective. The things that keep me awake tend to be emotional or family worries.



WHAT IS THE KEY TO JOB SATISFACTION?

You have to feel like you are doing something that makes a difference to other people's lives. From time to time I get a thank you letter from a client and that always makes me realise that I am making a difference. The bigger your scale the more people you are impacting, so it's important to be reminded of it from time to time.

WHO COMES TO MIND WHEN YOU THINK OF THE WORD SUCCESS?

Terry Smith. Four distinct jobs in three different parts of finance and a success at each. A good analyst who insisted on telling the truth, no matter the consequences, he managed Collins Stewart a stock broker, ran Tullett Prebon an inter-dealer broker, and then started Fundsmith. He is a clever and interesting chap, but more importantly his fund does the right things, concentrating on performance and keeping turnover minimal. Outstanding success four different times is unusual and impressive.

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WHAT HAS BEEN THE DEFINING MOMENT OF YOUR CAREER?

Investment Week used to run Multi Manager awards, and in 2004 we won the majority of the awards. It was a very special day. I had to get a taxi back to the office because I couldn't carry all of the awards that we had won. I went via the shops and bought champagne for everyone on the investment floor. It felt like a real turning point for the funds.

WHAT WOULD YOU HAVE DONE IF YOU HADN'T BEEN A FUND MANAGER?

I was in the army for 3 years which was fun but I didn't want to do it long term - it actually involves a lot of administration. I also managed a factory for a year, but I hated it. If I hadn't been a fund manager I could have stayed in the army, although I'm not sure I would have been a terribly good officer.

WHAT DO YOU DO TO RELAX?

I like horses and spend most weekends at the moment watching point-to-point races as my son recently took the sport up. It's like horse jumping but for amateurs and can be somewhat unpredictable. I wouldn't necessarily call it relaxing though, as it's a pretty risky sport. I prefer to film the races rather than watch as it keeps my mind off the dangers.

I am also keen on singing, and sing in a duet on a regular basis. I happened to be sitting next to somebody I didn't know in church one day and we realised we could both sing. One thing led to another and we now sing together at various events, including having opened a music festival. We also performed at the Jupiter board's away day last May. We mostly sing quite comical songs and it is great fun. I am also a member of the newly formed Jupiter choir.



WHAT ARE THE KEY CHALLENGES FACING THE INDUSTRY?

Teaching people what it is rational to expect. Charges and performance matter, but education matters more. You don't get something for nothing and people need to remember that. Retirements are getting longer, and people's investments are an important part of their income in many cases. All investors want something cheap that always goes up but that's just not possible. You have to take risk to make a return and thus you have to accept some volatility. The industry should not be promising the earth and failing to deliver, as that just destroys trust. Education probably needs to start at school if people are going to take more responsibility for their money. It's really just a question of using your common sense - if something looks too good to be true, it probably is.