

Press Release



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The University of Oxford and Man Group launch new Institute for Quantitative Finance

London -- The University of Oxford and Man Group plc today announced the creation of the Oxford-Man Institute of Quantitative Finance. The Institute is intended to become the world's leading interdisciplinary academic institute for research in quantitative finance, with a particular emphasis on alternative investments.

The Institute, to be based in Oxford, will initially house about 20 members - 10 full-time researchers and staff, with a further 10 senior faculty members spending substantial time at the Institute. Members of the Institute must already be affiliated with the University of Oxford.

Man Group, the world's largest hedge fund group, is the sole provider of the core funding for the Institute.

"The Institute will be truly interdisciplinary across the University, and will include researchers from many of the University's schools and departments", said Prof Neil Shephard, Professor of Economics at the University and Fellow of the British Academy. "Our aim is to provide a central focal point for the world's leading research in quantitative finance".

Prof Shephard has been named as the Research Director for the Institute, and will have managerial oversight of the Institute's activities.

Quantitative Finance is defined as all systematic and quantitative methodologies, analysis techniques and theory that are applicable to the investigation and allocation of economic and financial resources within the professional management of capital.

One of Man Group's key areas of expertise is the use of quantitative methodologies to analyse price movement activity across a wide range of markets.

"We are delighted at the opportunity to support the University in establishing this exciting and innovative Institute", said Peter Clarke, Chief Executive of Man Group. "Oxford's stature as a leading centre of independent research and teaching excellence is unsurpassed. The new Institute will uphold these standards to the highest degree".



The Institute's primary focus will be on developing research at the forefront of both academic thinking and practical application. It will also promote and encourage independent teaching and research in relevant methods and techniques associated with quantitative finance.

Dr John Hood, the Vice-Chancellor of Oxford University, said: "The University is delighted to build on its strengths in computing, economics, mathematics, engineering and statistics to create the Oxford-Man Institute. The initiative will help develop the next generation of academics in the field of alternative investments".

"The Institute's researchers generally will study problems varying from the economic sources of out-performance of hedge funds to how to statistically analyse vast quantities of streaming data relevant to the characterisation of risk", said Prof Keith Burnett, Head of the Mathematical, Physical and Life Sciences Division of the University, and a Fellow of the Royal Society.

The Institute defines alternative investments as investments that do not rely on typical sources of financial returns, such as the simple asset appreciation of equities and bonds.

Among its many activities the Institute will organise the Oxford-Man Distinguished Lectures, to which pre-eminent academics and practitioners will be invited. It will also organise major conferences and workshops, bringing academics from other universities together for extended periods of informal interaction.

In addition, each week during term time the Institute will run an Institute seminar. Seminar topics likely to be covered include the performance of hedge funds, derivative pricing on energy markets and extracting useful information for financial decisions from streams of data.

"The Institute is intended to be truly international in scope through building links with the international academic community", said Dr Tim Hoggard, Head of Algorithmic Trading Research at AHL, Man Group's quantitative investment programme. Dr Hoggard has served as the coordinator of Man Group's efforts to establish and support the Institute. "The fact that 60% of the University's graduate students are from outside the UK is indicative of the University of Oxford's global stature".

Man's initial commitment to the centre will be for £13.75m. Man will allocate £10.45m for the Institute in the initial five years and an additional £3.3m for an endowed chair, to be called the Man Professor of Quantitative Finance.

In addition to its financial contribution, Man Group will house its own research laboratory in the same building as the Institute. The presence of the laboratory will allow academics increased direct access to industry-leading practitioners, while Man Group's researchers will benefit from closer interaction with an outstanding academic community.

The Institute's website is www.oxford-man.ox.ac.uk.



Notes to Editors

Oxford University

For general information about Oxford University go to www.ox.ac.uk

The University of Oxford is the oldest university in the English-speaking world, laying claim to nine centuries of continuous existence.

Oxford's academic community includes over 70 Fellows of the Royal Society and around 90 Fellows of the British Academy. In 2006, Oxford University was named Britain's top university for the fifth year running by *The Times Good University Guide*, and in the top three of the *Times Higher Education Supplement World University Rankings 2006*.

Professor Neil Shephard is a Professor of Economics at the University of Oxford. He is a Fellow of the Econometric Society and a Fellow of the British Academy. His research interests are mainly focused on econometrics – particularly working with high frequency data to try and understand financial volatility, market microstructure and the role of jumps in financial markets.

Man

Man Group plc is a leading global provider of alternative investment products and solutions as well as one of the world's largest futures brokers. The group employs over 4,500 people in 16 countries, with key centres in London, Pfäffikon (Switzerland), Chicago and New York. Man Group plc is listed on the London Stock Exchange (EMG) and is a constituent of the FTSE 100 index. Further information on Man Group can be found at www.mangroupplc.com.

Man Investments, the Asset Management division, is a global leader in the fast growing alternative investments industry. It provides access for private and institutional investors worldwide to hedge funds and other alternative investment strategies through a range of products and solutions designed to deliver absolute returns with a low correlation to equity and bond market benchmarks. Man Investments has a 20 year track record in this field supported by strong product development and structuring skills, and an extensive investor service and global distribution network.

Man Financial, the Brokerage division, is one of the world's leading providers of brokerage services. It acts as a broker of futures, options and other equity derivatives for both institutional and private clients and as an intermediary in the world's metals, energy and foreign exchange markets with offices in key financial centres.



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