

# Railpen appoints Chase for global custody

Niki Natarajan - 30 Nov 2000 updated at 11:15 GMT

## Deutsche Bank loses out in fund review

Chase Manhattan Bank has won the mandate to act as global custodian to half the assets of one of the UK's largest pension funds.

The Railway Pension Trustee Company, which runs Railpen, the £16.5bn (€27.3bn) railways industry pension scheme, has appointed Chase Manhattan Bank's global investor services as global custodian for \$10bn (€11.7bn) of UK and international assets.

Until now Deutsche Bank and the Bank of New York (BNY) handled some of £16.5bn assets, with a small portion held inhouse by Schroder Investment Management. Railpen has awarded an additional \$1bn to the Bank of New York but from February Deutsche Bank will no longer act as custodian for the fund. Chase and BNY will share custody of the fund.

The win for Chase consolidates its position as one of the leading providers of custody services the UK's largest pension funds. It recently won a £500m custody mandate from Associated British Ports and a £1bn custody mandate from Exel pension fund. And it has consolidated relationships with the £23bn British Coal fund, and with Hermes Investment Management on behalf of the £25bn-plus BT pension scheme and the £18bn-plus Post Office pension plan.

Railpen's custody review was prompted after the fund dropped Fleming Asset Management, one of its long-time fund managers from a £1.5bn diversified equities mandate. Railpen was advised by Thomas Murray, the custody consultancy set up by Simon Thomas and Simon Murray.

The pension fund's assets are run by Deutsche Asset Management, Fidelity Investments, Credit Suisse Asset Management, bond specialist Fischer Francis Trees & Watts, Foreign & Colonial, Prudential Portfolio Managers and Schroders Investment Management.

Chase's global investor services has some \$6 trillion in assets under custody, \$2.3 trillion of which are global custody assets. It provides investor services in more than 80 markets to mutual funds, investment managers, pension funds, insurance companies and banks globally.

Meanwhile, Northern Trust has been appointed global custodian of the £1.4bn Carnaud Metalbox Group pension scheme. Custody was previously handled by the in-house custodians of

the fund's investment managers, Merrill Lynch, Fleming and Gartmore.