



THE VIEW FROM BASEL

Riedweg & Hrovat partner Patrick Kissling tells us about the pros and cons of being based in Basel, and shares his tips on what to see if you're passing through the city

Why are you based in Basel?

For traditional reasons. All our business partners live here, and we benefit from our network in the city. In terms of asset management, our location is interesting because we are very close to Germany and France.

Basel is very focused on the pharma sector, which ties in well with our line of work, as we are experts in pharma and biotechnology stocks. We bolster our expertise with local pharma specialists, who form a scientific advisory board to help us analyse potential holdings.

What is the biggest challenge you face being based in Basel?

The biggest concern in doing business out of Switzerland generally is the regulatory framework, including constant changes to the rules both within the country and across the border – the so-called cross-border business. Because our main focus (beside Swiss clients) is on European clients, MiFID II rules will have a big impact on us. Basel is neglected and underestimated as an asset management hub, but we like this kind of challenge.

Which asset classes are you avoiding?

In our portfolios we do not invest in hedge funds. Their transparency is inadequate, and we do not have a good feeling about these kinds of products. Not being invested in hedge funds during the financial crisis proved a huge advantage.

Which sectors are you avoiding?

We are avoiding sectors that fail to conform to environment, social and governance (ESG) criteria. Our favourite sector over the whole investment cycle is still pharma.

What is your stance at the moment: bullish or bearish?

We remain bullish on equities. Especially for Swiss and European equities, we believe there is still good momentum, and we remain open minded for this reason. The only thing that gives us cause for concern is the low level of volatility – we are keeping an eye on this.

What is the number-one concern for your clients right now?

Finding the right mix of risky stocks (innovative companies, but no profits) and stocks with a solid dividend yield.

What distinguishes your firm from the competition?

Our fully committed strategy and full responsibility for all our customers' needs, plus transparent in-house reporting and a focus on ESG criteria.

What are your top fund picks?

The RH&F Global Life Sciences fund, which is managed in-house with the help of an external scientific advisory board.

If you were in Basel on a business trip for 24 hours, what would you do?

Cross the river Rhine in a 'fähri' (ferry), or in the summer take a swim in the river. Also visit the world-famous Beyeler Museum in Riehen.

Patrick Kissling has more than 20 years' experience in portfolio management and research, and is a member of the Swiss Financial Analysts Association (SFAA). During his career he has worked as head of research at Basler Kantonalbank and joined Riedweg & Hrovat in 1998 as partner. He is a graduate of the Swiss Banking School.

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1997

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