

## Item 1. Cover Page

### Part 2A of Form ADV: *Firm Brochure*

#### **Analyst Alpha Generation Limited**

35 Bedford Road, London, SW4 7EF

Telephone: +44 (0) 20 7498 6593

Email: [compliance@theanalyst.co.uk](mailto:compliance@theanalyst.co.uk)

Web Address: [www.theanalyst.co.uk](http://www.theanalyst.co.uk)

20 October, 2023

This brochure provides information about the qualifications and business practices of Analyst Alpha Generation Limited. If you have any questions about the contents of this brochure, please contact us at +44 (0) 20 7498 6593 or [info@theanalyst.co.uk](mailto:info@theanalyst.co.uk). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about The Analyst Alpha Generation Limited is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 164479.

## **Item 2.     Material Changes**

Since our last annual ADV amendment on May 26, 2023, the only material changes that require disclosures in this ADV, Part 2A, are; item 5 & 6 covering fees & compensation, and performance-based fees, and item 11 covering personal trading.

Our most recent Brochure Form ADV, Part 2A is available to our existing and prospective clients 24 hours a day through the Investment Adviser Public Disclosure website. Additionally, we will annually and within 90 days of the end of our fiscal year provide clients either: (i) a copy of our Form ADV, Part 2A that includes or is accompanied by a summary of material changes; or (ii) a summary of material changes that includes an offer to provide a copy of the current Form ADV, Part 2A free of charge. We urge you to carefully review any summary of material changes we may provide, as it will contain important information about either change in the services we provide to clients or disclosure of conflicts of interest that can affect the way we provide advisory services to clients and our relationship with clients.

### Item 3. Table of Contents

Item 1.	Cover Page .....	1
Item 2.	Material Changes .....	2
Item 3.	Table of Contents .....	3
Item 4.	Advisory Business .....	4
Item 5.	Fees and Compensation .....	4
Item 6.	Performance-Based Fees and Side-By-Side Management .....	6
Item 7.	Types of Clients .....	6
Item 8.	Methods of Analysis, Investment Strategies, and Risk of Loss.....	6
Item 9.	Disciplinary Information .....	7
Item 10.	Other Financial Industry Activities and Affiliations .....	7
Item 11.	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	7
Item 12.	Brokerage Practices .....	9
Item 13.	Review of Accounts .....	9
Item 14.	Client Referrals and Other Compensation.....	9
Item 15.	Custody .....	10
Item 16.	Investment Discretion .....	10
Item 17.	Voting Client Securities .....	10
Item 18.	Financial Information .....	10

## **Item 4. Advisory Business**

Analyst Alpha Generation Limited (hereinafter “The Analyst”) is an SEC-registered investment adviser with its place of business located in London, United Kingdom. The Analyst began conducting business, under the name, The Analyst Research LLP in 2014. In 2022, it changed its legal status and name to Analyst Alpha Generation Limited. Prior to this, The Analyst operated under the name of The Investment Analyst Limited, which began conducting business in 2010.

Registration with the SEC does not imply a certain level of skill or training. Only Mark Hiley directly owns 25% or more of Analyst Alpha Generation Limited. However, Mark Hiley, Thomas Whyman, Neil Madden, and James Armstrong, each have voting authority.

The Analyst offers the following advisory services to our clients:

### **RESEARCH AND CONSULTING SERVICES**

The Analyst provides independent equity investment research and ideas to its clients via a subscription-based website, a weekly newsletter, a mobile app, by email and in-person and remote meetings.

Based on proprietary research and analysis, The Analyst provides these professional (or self-elected professional) clients with securities selections for use in their own managed portfolios or managed portfolio of their end-clients. Clients are not required to adopt our recommendations and The Analyst is not responsible for implementing any of the recommendations it so provides.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. Our investment universe is global, across the market capitalization range, and across industries. Currently, we primarily cover European mid and large cap stocks.

On occasion, an existing client may request bespoke research from The Analyst on a specific security. It is solely at The Analyst’s discretion as to whether or not to produce this research. If we choose to research the requested security, the client will directly receive the research when it is complete. After a period of time as negotiated between The Analyst and the client, the bespoke research may then be made available to the rest of our research subscribers.

## **Item 5. Fees and Compensation**

The Analyst will receive a subscription fee, typically payable quarterly in arrears or in advance, as agreed with each individual client. The subscription fee is usually either a fixed amount for a fixed period of time, or variable, with the variable amount which can be determined either at an hourly rate, or a voting process determined by the client, over which The Analyst has no control.

Typical subscription fees range up to \$62,000 per quarter and are negotiated separately with each client, taking into account the nature of the service level required by each client (in particular the number of service users at a particular client and the level of engagement time required from our analysts). The fee is payable with hard dollars by most end-user clients. However, some client payments are made through a commission sharing agreement (CSA) through a client’s intermediary.

The consulting fee is usually either a fixed hourly amount for a fixed period of time or a variable amount for perceived contribution to client investment process and/or interactions determined by an internal voting process conducted by the client, which The Analyst does not have control over.

If The Analyst decides to produce bespoke research requested by a client, The Analyst and the client will negotiate a one-off fee for the creation of the research materials (e.g., a fundamental review of the business and model). In this case, the fee will be based upon the expected scope and time commitment of the project. The negotiated fee will be collected in arrears or in advance, as agreed with each individual client.

The Analyst also has clients who use a voluntary idea-generation ranking system (alpha-capture systems) to which The Analyst submits ideas. These clients may pay compensation at their discretion if the submitted ideas perform well, as compared to the performance of other providers contributing to their platform, market conditions, their own performance, and other factors.

**Limited Negotiability of Advisory Fees:** Although The Analyst has established the aforementioned fee range, we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. The specific annual fee is identified in the contract between The Analyst and each client.

We may group certain related client accounts for the purposes of achieving the minimum fee and determining the annualized fee.

## GENERAL INFORMATION

### ***Termination of the Advisory Relationship:***

While termination criteria vary depending on the specific terms of each advisory agreement, typically, either the client or The Analyst may terminate the advisory relationship by giving written notice to the other party not less than 10 business days prior to any Optional Termination Date, as defined in the advisory agreement, or 1 calendar month prior to any Optional Termination Date. "Optional Termination Date" means those dates (if any) during the Subscription Period on which the parties may terminate these Terms, as specified in the Engagement Letter and Terms of Business.

**Mutual Fund and Exchange Traded Fund (ETF) Fees:** All fees paid to The Analyst for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, their client may pay an initial or deferred sales charge.

**Additional Fees and Expenses:** In addition to our advisory fees, our clients are also responsible for fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges or commissions imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

**Advisory Fees in General:** Clients should note that similar advisory services may be available from

other registered (or unregistered) investment advisers for similar or lower fees.

## **Item 6. Performance-Based Fees and Side-By-Side Management**

The Analyst receives research fees, as described above in Item 5.

The alpha-capture client fee could be regarded as performance-based. This is because the fees can vary at the clients' discretion with the performance of ideas. To avoid conflict of interest, The Analyst ensures any idea submitted to these clients is from existing recommendations, and idea submission is subject to review and approval by compliance, in advance of being submitted.

## **Item 7. Types of Clients**

As stated in Item 4 of this Brochure, The Analyst provides advisory services to the following types of clients:

- Professional institutional clients.
- Individuals who are professional clients.
- Other finance professionals.

## **Item 8. Methods of Analysis, Investment Strategies, and Risk of Loss**

### **METHODS OF ANALYSIS**

The Analyst utilizes a bottom-up, fundamental research and analysis approach. Our investment ideas are based on a long-term investment horizon. A comprehensive understanding of how a business works and its financial fundamentals is critical to reaching our investment conclusions.

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

ESGs: Our current approach to ESG is one of integration into our overall process. ESG is therefore considered as one of the factors in our total recommendation. For instance, a company may have poor governance and we see this as a risk to a positive equity recommendation or a driving reason to a short. Likewise, an incident in the social space or an environmental incident could lead us to have a more negative view. The trend in flows in ESG could also affect how we think about stocks, for example whether fund flows are driving Environmental stocks. However, we do not have an explicit ESG rating or score, or a policy not to research stocks based on ESG scores.

Alternative Research/Data: We rarely make use of alternative research and other sources of data, but when we do, our first point of call is to perform due diligence on the provider, from a legal and compliance perspective before agreements/contracts are put in place.

Sourcing of research: We source publicly available information but do not source research from

political networking firms. However, on occasions we source research from third party providers where they have the expertise unavailable to us in-house. In such instances, such providers would be subjected to due diligence to ensure research provided does not contain Material Non-Public Information (MNPI) and is in the public domain.

Risks for all forms of analysis: Our securities analysis method relies on the assumption that the companies whose securities we research and recommend, the rating agencies that review these securities, and other publicly-available sources of information about these securities are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, we endeavour to use sources of information that we believe are reliable. We are not responsible for any inaccuracies, do not guarantee information is accurate and are not responsible for the resulting or corresponding risk.

## **INVESTMENT STRATEGIES**

Long-term investments: While we do not implement securities transactions, our securities recommendations are typically made with the idea of a client's holding them for a year or longer. Such recommendations can be based on the belief that the securities are currently misvalued or because we recommend exposure to a particular investment theme, regardless of the current consensus projections for different asset classes, or themes.

A risk in a long-term investment strategy is that, by holding the security for this length of time, a client may not take advantage of short-term gains that could be profitable. Moreover, if our predictions are incorrect, a security may change sharply in value before we change a recommendation.

***Clients should understand that investing in any securities, including mutual funds, involves a risk of loss of both income and principal that they should be prepared to bear.***

## **Item 9. Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

## **Item 10. Other Financial Industry Activities and Affiliations**

The Analyst is affiliated with a new entity called The Analyst US Inc.. At this time, The Analyst US Inc. is not operational. Once it is, this brochure will be updated to further disclose the relationship between the two entities, and any conflicts of interest which may stem from the relationship.

## **Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct

that we require of our Supervised Persons (“supervised person(s)”) who are our officers, directors (or other persons occupying a similar status or performing similar functions), employees or any other person providing investment advice to our clients who are subject to our supervision, including compliance with applicable U.S. federal securities laws.

The Analyst and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm’s access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

The Analyst's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics, is available to our advisory clients and prospective clients. You may request a copy by email sent to [info@theanalyst.co.uk](mailto:info@theanalyst.co.uk), or by calling us at +44 (0) 20 7498 6593.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our supervised persons will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing supervised persons to invest for their own accounts.

Our firm, including supervised persons, and/or individuals associated with our firm may buy or sell for their personal accounts, securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an existing interest or position in a certain security(ies) which may also be recommended to a client.

Furthermore, since we do not implement securities transactions for clients and do not have any ability to control the timing of implementation by or for clients, our firm and/or individuals associated with our firm may purchase securities recommended to clients prior to such transactions being implemented by the clients or behalf of clients to their financial professionals.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm’s Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No supervised person of our firm may put his or her own interest above the interest of an advisory client.
2. No supervised person of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public and there are no other identified conflicts of interests with such clients.
3. Our firm requires prior approval for any IPO or private placement investments by related



persons of the firm.

4. Supervised persons may not implement personal transactions contrary to our recommendations and are subject to minimum holdings periods and ongoing compliance review. Supervised persons are not permitted to personally implement short positions in individual listed securities.
5. We maintain a list of all reportable securities holdings for our firm, supervised persons and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee to reasonably assure there are no conflicts of interests with firm clients.
6. We have established procedures for the maintenance of all required books and records.
7. Clients can decline to implement any advice rendered.
8. All of our principals and employees must act in accordance with all applicable laws and regulations governing registered investment advisory practices.
9. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
10. We have established policies requiring the reporting of Code of Ethics violations to our senior management.

## **Item 12. Brokerage Practices**

As The Analyst does not execute transactions for clients and does not recommend brokers to clients, clients and their financial advisers (if any) are solely responsible for implementation of our recommendations. Clients may implement or reject the implementation of any and all of our recommendations.

## **Item 13. Review of Accounts**

The Analyst does not maintain the types of client accounts that require review. Our research and analysis is conducted on a regular and continuous basis and is conducted primarily by our and our in-house research and analysis team.

In addition, we periodically employ interns and engage other experienced investment professionals to assist us with research and analysis on a consultancy basis.

Clients may stay updated with our thoughts via the website and a weekly email summary pointing back to the site and the most recent notes. In addition, depending on the agreement with each client, we offer calls and meetings to discuss particular securities and themes.

## **Item 14. Client Referrals and Other Compensation**

Our firm pays referral fees to independent persons or firms ("Promoters") for introducing clients to

us. Payment of referral fees for prospective client referrals creates a conflict of interest to the extent that such a referral is not unbiased and the promoter is, at least partially, motivated by financial gain. Therefore, such a referral can be made even if our advisory services are not suitable to a particular client's needs or entering into an advisory relationship with us is not, overall, in the best interest of the client. As these situations represent a conflict of interest, we have established the following restrictions in order to reasonably ensure our fiduciary responsibilities:

1. All such referral fees are paid in accordance with the requirements of a fully executed arm's length agreement, unless provided by a related person of the firm, that can include both cash and non-cash compensation within the scope of the Marketing Rule 206(4)-1 under the Investment Advisers Act of 1940, and applicable corresponding state securities law requirements;
2. Any cash referral fee will be paid solely from our advisory fee, and will not result in any additional charge to the client; and
3. If the client is introduced to us by a promoter, affiliated or otherwise, the promoter, at the time of the promotion, will disclose that any testimonial or endorsement was provided by either a client or non-client, respectively, terms and amount of compensation (cash or non-cash), conflicts of interest associated with the receipt of compensation, and any other conflicts that may exist other than the receipt of compensation.

## **Item 15. Custody**

Our firm does not manage client accounts and does not have any arrangement under which it would be deemed to have actual or constructive custody of client funds or securities.

## **Item 16. Investment Discretion**

The Analyst does not implement securities transactions for its clients and does not accept any investment discretion over client funds.

## **Item 17. Voting Client Securities**

The Analyst does not manage client accounts, does not vote proxies for clients and does not offer proxy voting advice to clients.

The Analyst will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are recommended to clients.

## **Item 18. Financial Information**

We do not require United States clients to pay fees that are billed six months or more in advance.

The Analyst has not been the subject of a bankruptcy petition at any time during the past 10 years.