



#### 19:56 28Sep2001 Swissfirst hires away top Pictet researcher

ZURICH, Sept 28 (Reuters) - Swiss-based upstart financial boutique swissfirst Group <SWF.S> said on Friday it has hired Mirko Sangiorgio, former head of brokerage research at venerable Geneva private bank Pictet & Cie.

Sangiorgio, 44, will join swissfirst's bank, part of the larger group, as a member of its executive committee and will be in charge of investment policy and investor relations.

He will replace Daniel Wildi, who has joined swissfirst Group's executive board.

"We are a niche player very focused on Swiss equity markets. That is our strength," Wildi told Reuters.

Swissfirst is small and its lifespan brief compared with Pictet, which has 1,800 staff and traces its roots back to 1805 when it was founded under the name of De Candolle Mallet & Cie.

But industry analysts say some of the bigger private banks like Pictet now face the problem of having to reduce costs after a hiring binge as financial markets slow.

Swissfirst group has just 90 staff, and grew out of a derivatives firm called Zurich Financial Products founded by Thomas Matter who remains CEO and still holds a minority stake.

It listed its shares on the Swiss Exchange in 1999, priced at 665 francs per share. Taking into account a 10-for-one share split this year, its shares have traded as high as 208 francs in March 2000. They closed at 152 francs, up five on Friday.

Some industry analysts believe independent private banks may have spread themselves too thin by building large research operations, and producing their own investment products.

"The bigger private banks made the mistake of confusing asset management business with relationship management and asset allocation on behalf of their clients," says **Ray Soudah**, head of mergers and acquisitions advisory **Millenium Associates AG**.

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