

## Jon Moulton of Alchemy Partners Addresses Pi Members on the Future of the Finance Industry as the Eurozone Calls for Tighter Regulation of Hedge Funds

*London, Friday 13<sup>th</sup> February 2009* - As part of its commitment to providing world-leading commentators to help contextualise the current environment for members, Pi Capital hosted a lunch briefing at Claridge's this week where Jon Moulton, Managing Partner of UK-based private equity firm Alchemy, addressed the group with his view on the world economic crisis and the new financial landscape.

Calling for the need for 'simpler banks', Mr Moulton commented:

"The current crisis underlines the fact that many banks had no business being in many of the activities they were, particularly given that many boards didn't understand the complexity of the products in which they were dangerously exposed and ultimately, couldn't sustain. It is clear that our banks of the future must be trustworthy, simple banks operating in line with tight regulations and capable of producing straightforward accounts that shareholders and the market can comprehend.

In future, the role for more creative, high-risk product should be filled by the likes of the hedge fund world rather than our banks, upon whom at the middle, we should be able to trust in their strength and solidity."

France's position in today's news urged other industrial nations to strengthen regulation of the hedge fund industry. Such a position will be seen as contentious in an industry based in the main part in the US and the UK which has been petitioning to restrict regulation to fund managers rather than the actual funds themselves.

Mr Moulton also commented on the likelihood of a euro break-up:

"I believe there is a greater than 25% chance of a departure from the Eurozone given the social and economic behaviours of some countries within it. This will lead to a far greater financial crisis than what we are currently experiencing and result in a wide range of secondary issues, one of which will be civil unrest."

Pi Capital hosts a diverse programme of events for its members to participate in discussions with experts on subjects ranging from macro economic issues to

international politics and philanthropy and also meet and exchange ideas with fellow members.

Forthcoming events include: private roundtable discussions at the Institute of Economic Affairs (IEA) with Dr. Gerard Lyons, Chief Economist & Group Head of Global Research, Standard Chartered Bank; lunch featuring Willem Buitter, Chair in European Political Economy at the European Institute, LSE; and further events featuring Rt Hon Lord Malloch-Brown, Minister of State, Foreign & Commonwealth Office; Helen Alexander CBE, former Chief Executive of *The Economist* and Senior Adviser, Bain Capital. Partner events with the C21st School at Oxford University include: Lord Martin Rees, Astronomer Royal and President of the Royal Society speaking on the theme of “The World in 2050” and Professor Lord Nicholas Stone on “A Blueprint for a Safer Planet”.

**ENDS**

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