



The importance of being visible

Interview with Barsam Lakani & Leor Shapiro

Although it ushered in a whole host of new challenges, when it came to client and audience engagement, the Covid-19 pandemic levelled the playing field between the big banks and smaller players in the prime brokerage market. It encouraged dialogue and boosted transparency. Further, in view of the expected growth in outsourced trading in Europe and Asia, ensuring a good fit between providers and clients has never been more relevant.

“In a way, the pandemic helped us,” explains Leor Shapiro, Global Head of Capital Intelligence, Jefferies. “As it relates to my team in terms of events, it meant we could have the same reach as the big banks, without having to match their spend. We took the technological approach to make sure we had the best platform for events and we’ve seen attendance and engagement rise by 500 percent since the start of the outbreak.”

Barsam Lakani, Global Head of Prime Services Sales, Jefferies comments: “Clients have moved beyond the initial shock of the pandemic, which had people adjusting

and unsure of how to engage. Now, especially as people are starting to see a light at the end of the tunnel, we’re starting to see that client engagement really pick up. And attendance is higher than it would have been in another period of time, so we’re very encouraged that we can operate efficiently and effectively within these circumstances.”

Shapiro outlines how the Jefferies capital introduction events started out with people in three or four countries but now host attendees from around 13 or 14 different locations: “We’ve become more global very quickly.”

The firm’s next event is focused on the consumer and technology sectors, with 20 managers who work in those specific verticals. There are already more than 250 groups signed up to attend from all around the world.

In keeping with the firm’s desire to keep abreast of new developments, Jefferies has identified the growing popularity and strengthening of the healthcare hedge fund industry. “As a prime broker, we are closely aligned with these groups and the opportunities in the sector. Although healthcare may have recently slightly softened as a performing

sector in 2021, we believe there is still significant growth to be gained here,” Lakani observes.

Healthcare is just one sector in which Jefferies has been able to leverage its best-in-class, global equities sales, trading and research platform to provide a holistic approach to healthcare and other sector and specialist managers, an approach that has proven to be highly effective.

Providing relevant strategic content

In the current environment, Lakani underscores the importance of being as visible and vocal as possible, providing clients with pertinent strategic content.

Shapiro, who is leading the charge at Jefferies in this regard elaborates: “We are producing original, proprietary and differentiated content. So, we took a view to be very public about what we offer, despite being aware this information would get into our competitors’ hands. We want to show our clients that we’re thematic forward thinkers. There are dramatic trends and themes, and we want to be out in front of them and publish on these topics.”

The team’s aim is to provide valuable knowledge for managers and their investors. “If we give them that information, we facilitate better dialogue and make people smarter. They will want to come back to us and build up trust over time,” Shapiro notes.

He adds how his team has the advantage of being at the epicentre of the eco-system which connects the different parts of the Jefferies business, most notably across global equity sales, trading and research, with managers and the various vendors and advisers who service them: “We’re essentially in the hub of information and our ability to synthesise, repurpose and redistribute this information to our clients is really critical. It makes us stand out and builds a different type of relationship with clients.”

Lakani says: “This has been a big focus area for us, especially in light of the pandemic with people working remotely and asking about growth opportunities and trends which we have observed in the market. We can help them visualise it through our content.”



Barsam Lakani

Global Head of Prime Services Sales, Jefferies



Barsam Lakani is a Managing Director and the Global Head of Prime Services Sales at Jefferies. Barsam is responsible for Jefferies’ efforts to partner with clients around their traditional Prime Brokerage needs, spanning capital and business formation goals, outsourced trading and financing needs and other advisory services which Jefferies delivers to its institutional clients. With a focus ranging from start-up hedge funds through to well-established hedge funds, he oversees both traditional Prime Brokerage as well as outsourced trading sales and relationship management efforts. Prior to Jefferies Barsam was with Bank of America Merrill Lynch, working in the Prime Brokerage group.

Finding the right fit

Encouraging this dialogue is critical to help clients find the right fit when it comes to their providers. Jefferies is always looking for cutting edge ways to be relevant, strategic and part of its clients’ thought processes.

“Our goal is to align with our clients’ objectives – to help them build a successful business. We want to support them in scaling their business which will ultimately help them generate returns for their end investors,” Lakani outlines.

Part of this involves responding to client demand. In view of this, Jefferies has built up an outsourced trading business which has been growing at pace. Lakani notes: “We see this as a huge growth opportunity for our platform, where we’re trying to target the right types of partners for the service.”

He indicates that it’s key for the outsourced trading service to fit into a clients’ overall architecture: “It needs to make good business sense for them and for us. That then forms the foundation for us to have a meaningful conversation or partnership to explore the possibilities.

“I don’t think that the industry has fully grasped how much of a growth area this is going to become, especially in geographies outside the US. We’ve seen a huge increase in popularity and uptake here. We think it’s going to grow in popularity as an operating model in other regions as well, namely Europe and Asia, where we’re just in the first innings.”

This rise in demand will be driven by efficiencies and costs. However, Lakani stresses the approach may not be suitable for everyone. This is where the dialogue with potential clients is key once again: “Although we expect growth in this market, we’re not making a blanket statement that all of the industry is going to outsource their trading. This is a good operating model for a certain demographic of clients or funds. Our aim is to provide a model that finds operational efficiencies and cost which benefit the client and ultimately help the end investor.” ■



Leor Shapiro

Global Head of Capital Intelligence, Jefferies



Leor Shapiro is a Managing Director and the Global Head of Capital Intelligence within Prime Services at Jefferies with oversight of Capital Introductions, Strategic Content and Hedge Fund Consulting. Leor is responsible for working with both existing and start-up hedge fund managers to help them launch, grow and evolve their businesses as well as help them develop and implement their marketing strategies on a global basis. Leor also serves as co-Head of the Jefferies Woman’s Initiative Network for the Americas and sits on the firm’s Diversity and Inclusion Committee. Prior to Jefferies, Leor was the Americas Head of Business Consulting at UBS and spent the earlier part of his career allocating to hedge funds with an operational due diligence focus.