

# Global Expertise

An Interview with Mary Callahan Erdoes,  
Chief Executive Officer, J.P. Morgan Asset Management

**EDITORS' NOTE** *In addition to being a member of JPMorgan Chase's Operating Committee, Mary Callahan Erdoes currently is a board member of the U.S. Fund for UNICEF and the U.S.-China Business Council, and serves on the Federal Reserve Bank of New York's Investor Advisory Committee on Financial Markets. Erdoes completed her bachelor's degree at Georgetown University and earned her M.B.A. at Harvard Business School. She started her career with Stein Roe & Farnham, moved on to Bankers Trust, and was employed at Meredith, Martin & Kaye before joining J.P. Morgan Asset Management in 1996 as Head of Fixed Income for high-net-worth individuals, foundations, and endowments. She was appointed CEO of J.P. Morgan Private Bank in March 2005 and assumed her current post in September 2009.*



Mary Callahan Erdoes

**COMPANY BRIEF** *J.P. Morgan Asset Management ([jpmorgan.com](http://jpmorgan.com); JPMAM) is a leading provider of world-class investment solutions to individuals, institutions, pension funds, endowments, foundations, central banks, and sovereign entities globally. With \$1.6 trillion in client assets and offices in 35 countries around the world, J.P. Morgan Asset Management offers global coverage with a strong local market presence, and leadership positions in most asset classes. The business's 22,000 employees deliver a full range of solutions, spanning fixed income, equities, multi-asset, and alternative strategies.*

**What is it that sets J.P. Morgan Asset Management apart?**

We like to say that we're big when it matters and small when it counts. We are, in essence, a series of boutiques that operate within the walls of a world-class financial services firm. Through our J.P. Morgan Private Bank, J.P. Morgan Securities, Highbridge, Gávea, and J.P. Morgan Asset Management franchises, we have a team that comprises many of the world's top portfolio managers, research analysts, traders, and client advisors. With so many talented individuals, our

firm has stood by its clients for more than 180 years through market highs and lows. Our goal always has been to help our clients see through the noise to make smart, long-term decisions. For nearly two centuries, we have remained diligent about looking out for our clients' best interests, which is why so many of our clients have spanned generations.

Because of the strong stewardship and fiduciary mindset of our team, we are able to provide advice and solutions that help individuals retire more comfortably, pension funds meet obligations, universities reinvest in important endeavors, and wealthy families ensure lasting legacies.

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**What are your views on the current global economy?**

The global economy is in recovery. It has been a long and fragile recovery, with many ups and downs. While global purchasing-manager indices are showing general increases in most markets, the many imbalances that still exist can make for a fertile investment environment, creating opportunities for long-term investors in the setbacks.

What's novel is that developed markets are leading the pace of global growth this year. The U.S. is mid-cycle in its recovery. Europe is gradually pulling itself out of recession and we see it nearing a sustainable path, although lagging the U.S. by several years. Japan is growing, though like Europe, still very close to stall speed, and

policy-makers are determined to reflate the Japanese economy. We see these three arrows having positive structural results, with corporate profits already rising as a percentage of the domestic economy.

Developing markets, on the other hand, are lagging this year. Asia continues to show strength and is a region where we see medium and long-term investment value. In Latin America – and specifically in countries like Brazil – we see more challenges ahead. But those challenges are creating long-term investment opportunities, especially in private equity and real estate.

The challenge for investors is to separate the noise from the fundamental trend. Right now, the trend continues to point to a global economy in a measured recovery. This means investors need to be appropriately invested in what remains a pro-cyclical economic and market environment.

**How do you perceive opportunities for women in your industry today?**

The asset management industry, by and large, has a healthy gender balance. It's a great place to have a career, to flourish, and to grow. Part of my recent travels have involved an initiative we started at JPMorgan Chase called Women on the Move. Previously, we would hold roundtable sessions in New York for senior women from around the world to explore the issues of women in the workplace and determine if we should do more. A group of senior women helped to change

this, with us now going on the road, delivering these sessions not just to the senior women who could come to New York, but to other major cities where JPMorgan Chase employs hundreds and even thousands of women. We therefore hear directly from all levels, from those who just entered our company from college to our senior-most executives – the entire spectrum.

Additionally, in many of the countries in which we operate, we recognize and address the issues specific to the local cultures, like fostering a more open dialogue and helping to create a better environment. What we can do is provide an equal opportunity environment so they can flourish, even if their communities have a different perspective on women in the workplace. ●