



Investment Research

Our research process is driven by the requirements set by our Investment Strategy Group (ISG). The ISG meets monthly to review our investment strategy and represents the objectives of our clients through the views of our investment manager and financial planners. Once the ISG has decided on our investment policy, it is the task of the investment manager to identify appropriate solutions that fulfil this policy. A panel of funds is then created and used to build portfolios that meet our clients' objectives and risk profiles.

Our Investment Research expertise lies in our ability to analyse the universe of collective investment vehicles, those products which pool assets of investors and use the skills of a dedicated manager or team to achieve the investors' common objectives. There are thousands of funds available in the UK and offshore universe, which have a variety of legal structures, investment mandates and policies. We compare and analyse a variety of factors, such as investment style and objective, size and liquidity of the vehicle, track record of the fund and the manager, risk and volatility measures, the quality of the underlying investments, stability and strength of the investee company, costs and tax structure amongst other things. This initial quantitative work screens the funds and narrows our search to those ideas that provide the best fit for our requirements. We use a variety of tools to make our assessment including analytical software programmes, independent research agencies, fundamental analysis, the financial media, industry publications and other analysts' notes as well as information provided by the managers of the products themselves.

Having identified funds that stand up to the initial scrutiny, we familiarise ourselves with the way the individual managers run the money, their views about the market in which they are investing and assess the culture of the company running the product to see how they go about applying those ideas.

It is essential that a fund and its managers complement our general philosophy, add something new or unique to our offering and enhance our ideas.

The range of objectives that we are seeking to meet means that we provide a variety of funds on our investment panel, chosen for their ability to fulfil a specific strategy, whether that be for outright capital growth, a regional bias, access to a particular type of asset or theme (healthcare for example), the need to generate reliable levels of income or an emphasis on risk control, for instance.

The panel is therefore not a fixed number of funds but will alter as the economic landscape changes, our views on the financial markets adapt and client objectives shift. Indeed, the events of the past few years have shown that there is an increasing requirement to have a flexible approach to investments, as volatile markets have demonstrated on occasions, so a fund will not always remain in favour and we apply the same discipline to monitoring and removing funds from the panel, as we do to adding them. Furthermore, the process is ongoing. We seek regular updates from the fund managers on the panel and funds are added or removed as appropriate.