



PortfolioMetrix fact sheet

PORTFOLIOMETRIX

What is your corporate background?

PortfolioMetrix was launched in 2010 by experienced industry professionals with the vision of creating a unique proposition that allows portfolios to be configured to the client's preferences, but also enhances scalability in the adviser's business. Building on senior management careers at large private banks and leading fund management houses the PortfolioMetrix investment team has the knowledge and qualifications to manage robust portfolios that stand the test of time.

Why should I consider using your discretionary fund management service?

PortfolioMetrix represents the culmination of years of work by veteran investment specialists who wanted to challenge the status quo of how portfolios are managed and delivered to private clients. Because the starting point was a blank piece of paper, much of what PortfolioMetrix does is unique and unconventional when compared to competitor propositions. One of Henry Ford's most famous quotes is "If I had asked people what they wanted, they would have said faster horses".

PortfolioMetrix provides discretionary investment management services to leading financial advisers and private wealth managers. The business is designed to confer a material competitive advantage that places advisers at the forefront of developments in financial planning and wealth management. Our services are aimed at firms seeking a 'safe pair of hands' to partner with, particularly those wanting to combine individualised advice with a scalable operating model.

The PortfolioMetrix proposition is multi-layered:

The PortfolioMetrix proposition is centred on the provision of high quality, independent investment management. By intelligently combining the latest academic research, tried and tested portfolio construction methods and proprietary techniques, we deliver robust portfolios with a particular focus on risk control. Portfolios are run on a discretionary basis with each portfolio configured to the client's needs and preferences.

The middle layer of the proposition involves empowering the adviser with high quality analysis tools that enable a better understanding of the client, allowing advisers to configure more appropriate portfolios. Innovation through technology is key to achieving this, resulting in a purpose built software package, Wealth Explorer.

The outer layer involves leveraging Wealth Explorer to increase efficiency and productivity in the adviser's business. Document automation, advanced platform integration and marketing-leading performance reporting allow advisers to offer a professional proposition to their clients but, crucially, do it quicker and more efficiently.

What is your approach to discretionary fund management?

Avoiding getting it wrong is as important as getting it right. Wealth destruction is often a function of unwarranted conviction, big bets and overly-concentrated portfolios. Some activities persist in spite of evidence spanning decades suggesting that they are a

risky waste of time. Compelling risk-adjusted performance involves not only garnering insights through research, but also applying sound judgement.

At PortfolioMetrix, we believe:

- in a risk-based approach that emphasises portfolio efficiency
- that, over time, strategic asset allocation trumps market timing
- risk-motivated tactical tilts make sense, but betting the farm defies the evidence
- fund selection requires good quants, but better judgement
- portfolio construction involves rigorous financial engineering
- that accommodating client preferences in portfolio construction enhances composure
- disciplined rebalancing captures "reversion to the mean" and helps preserve the portfolio risk level

		Core - no tilt	Core - max passive	Abs - no tilt
increasing risk v-->	1	Core NT 1	Core MP 1	Abs NT 1
	2	Core NT 2	Core MP 2	Abs NT 2
	3	Core NT 3	Core MP 3	Abs NT 3
	4	Core NT 4	Core MP 4	Abs NT 4
	5	Core NT 5	Core MP 5	Abs NT 5
	6	Core NT 6	Core MP 6	
	7	Core NT 7	Core MP 7	

What investment solutions can you offer through the Nucleus platform?

In order to fit with the Nucleus platform PortfolioMetrix has created a set of model portfolios extracted from the full range of portfolios.

Our 'Core' solutions make use of predominantly long only asset classes, while our 'Abs' solutions include more absolute return style investments, replacing certain diversifying asset classes, such as investment grade bonds.

Our 'No Tilt' portfolios are a blend of active and passive investments, while for the cost conscience client we also offer a 'Max Passive' range which maximises the use of passive investments in the portfolios.

The below range of models link directly to the Financial Personality (risk profiling) tools in Wealth Explorer.

What are your fees?

PortfolioMetrix charge an annual fee of 0.35% (plus VAT)

Who should I contact to discuss the service further?

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