

# Glacier Invest

## Global Solutions

Diversified offshore portfolios that maximise long-term risk-adjusted returns through the meticulous blending of high quality managers



glacier  
invest



skill.scale.  
simplicity

# What differentiates **glacier invest?**

## **SKILL**

Glacier Invest has experienced investment professionals who provide comprehensive investment support, while taking your practice requirements into account. Our team is renowned for their management, research and portfolio construction skills, and has an exceptional portfolio management track record.

## **SCALE**

Our scale affords our investors cost-effective access to the best managers, portfolio construction techniques and tactical expertise. Our large amount of assets under management (AUM) allows us to invest in both operational capabilities that create practice efficiencies and investment technology that empowers

you as a financial adviser to make better investment decisions. It also creates pricing power that allows us to negotiate better pricing with asset managers that will immediately benefit client portfolios.

Operationally, we pride ourselves on having dedicated implementation analysts, a team dedicated to our performance systems, specialist financial services legal consultants and compliance officers, and tailored co-branded reporting functionality.

## **SIMPLICITY**

Client preferences, legislation and advice-led solutions drive our strategy. Our solutions are simple, thereby creating greater transparency.



Glacier Invest blends world-class investment capability, superior operational scale and pricing power, and revolutionary technology to be leaders in discretionary fund management.

# The Glacier Invest Global Solutions

Glacier Invest offers global portfolios managed by a team consisting of seasoned investment professionals.



## Benefits of our Global Solutions

- ❑ Access to tailored wrap fund solutions using a selection of well-researched funds
- ❑ Access to a dedicated portfolio manager
- ❑ Monthly fact sheets
- ❑ Reduced advice risk
- ❑ Efficiencies in your practice
- ❑ Access to a dedicated business development manager
- ❑ Uniformity across clients' risk-profiled portfolios
- ❑ Quarterly reporting
- ❑ Designated asset manager access
- ❑ Access to funds not readily accessible to South African investors

# The Global Specialist Portfolios

Glacier Invest has created specialist risk-profiled global portfolios based on a building-block approach to portfolio construction. These portfolios, which are diversified across asset classes using a robustly tested asset allocation framework and various investment styles and factors, are created to deliver superior long-term investment returns above our customised benchmark - the SAA - regardless of market cycles.

## Available portfolios

- The Glacier Invest Global Specialist Cautious Portfolio
- The Glacier Invest Global Specialist Moderate Portfolio
- The Glacier Invest Global Specialist Aggressive Portfolio



## Our benchmark and Best Investment View

Glacier Invest's **risk-profiled global portfolios** are based on a multi-asset and building-block approach to portfolio construction.

Although each global portfolio is benchmarked to a Morningstar European, Asia & Africa (EAA) fund category, we do not explicitly use the average performance of the funds in the relevant category as a benchmark for the performance of the global portfolio. Instead, **we create more authentic benchmarks against which to measure the performance.** These multi-asset benchmarks are created by using highly liquid passive indices as building blocks.

Our global portfolios are diversified across asset classes, investment styles and factors using a robustly tested global strategic asset allocation framework. **The portfolios represent our global**

**Best Investment View (BIV).** They are created to deliver superior long-term investment returns above our benchmarks, regardless of market cycles, using our high conviction investment strategies and managers.

Short-term tactical tilts are made to the portfolios in accordance with changing market conditions, in order to exploit investment opportunities.

Our global BIV is reviewed regularly by using attribution analysis to understand and improve results, and measure the extent of the value add. The process is based on a thorough understanding of the investment objectives and blending the right underlying strategies, being deliberate and managing risk well.

## Features of the Global Specialist Portfolio Range

- ❑ Specialist global cash, bond, property and equity managers are selected from our Global Buy List
- ❑ Strategic Asset Allocation and mandate constraints are managed by our investment team
- ❑ Tactical Asset Allocation decisions are managed by our investment team using our distinctive market research capability
- ❑ The portfolios are optimised periodically
- ❑ Access to tailored wrap fund solutions and a selection of well-researched funds
- ❑ Access to a dedicated portfolio manager
- ❑ Monthly fact sheets
- ❑ Reduced advice risk
- ❑ Quarterly Investment Committee meeting
- ❑ Dedicated Business Development Manager
- ❑ Access to Institutional fee classes
- ❑ Efficiencies in your practice
- ❑ Uniformity across clients' risk-profiled portfolios
- ❑ Quarterly reporting
- ❑ Designated asset manager access



# World-class research, fund selection and portfolio construction capability

Glacier Invest follows a **structured and disciplined process** with a strong emphasis on rigorous manager and market research, which enables us to discern the truly skilful managers. The process focuses on both quantitative and qualitative assessments.

Fund selection is objective and independent. When selecting funds, we look for skilful fund managers who have displayed the ability to produce consistent

outperformance over meaningful time periods, and the ability to protect capital in adverse market conditions relative to peers.

We continually analyse the way managers construct portfolios to understand their performance drivers in light of their management style, and form clear expectations of their performance in different market scenarios.

## Manager research

Skill is rare. Through in-depth research we are able to identify managers that are truly skilful. An understanding of managers' style beta and risk assessment informs portfolio construction.

**We specifically look at the following factors when making a decision about which managers to include, and how managers and strategies will be combined:**

### INVESTMENT SKILL

- The manager should have an investment philosophy that is clear, sound, and consistently applied (including idea generation, research & analysis, portfolio construction and risk management).
- The manager should display **sustainable out-performance**.
- The investment team should have the relevant qualifications and experience.

### RISK FACTORS

- Consideration is given to the stability and sustainability of the business (we look at ownership, clients, assets under management, administrative support and compliance functions).

- All the risks clients could be exposed to, are taken into account.

### INVESTMENT STYLE

- The manager's unique investment style, taking into account **quality, momentum, value, growth and other characteristics the manager looks to capture**, including asset classes and geographies. Understanding each manager's investment style is integral to the portfolio construction process, as it enables us to blend portfolios optimally.

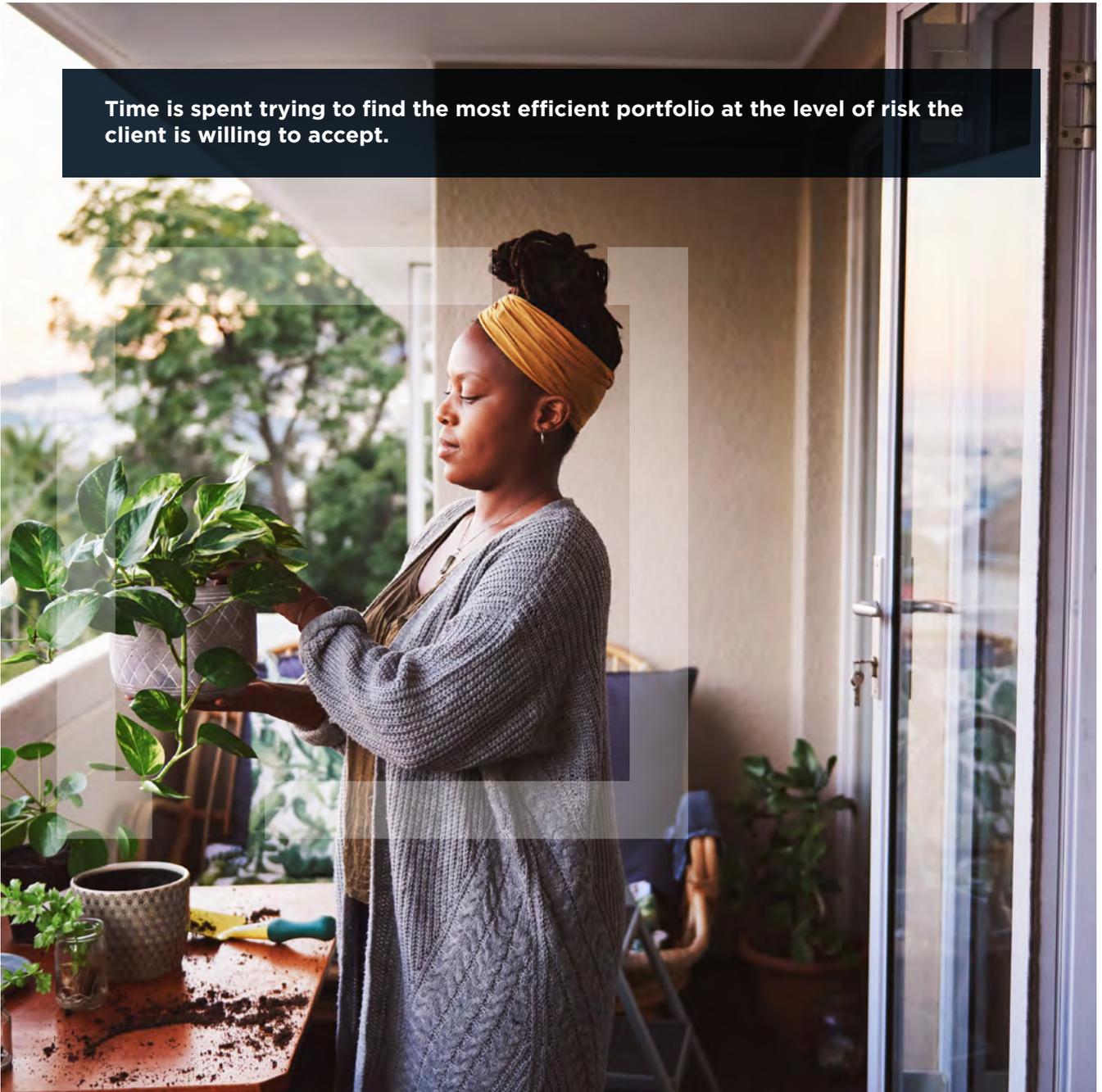
## Market research

Fundamental market research is an **integral part** of an investment strategy.

Our market research brings you **our best investment views** and asset class insights. Our framework is based on **perspective** and **in-depth knowledge** that addresses the opportunities and challenges along an investment journey.

We determine the long-term (strategic) and short-term (tactical) expectations of the market. We then assess which asset classes and investment styles are likely to perform well, from a risk and return perspective, in the anticipated market conditions. This enables us to combine funds with complementary styles to address the anticipated market conditions optimally.

Time is spent trying to find the most efficient portfolio at the level of risk the client is willing to accept.



## Portfolio construction

The meticulous fund manager and macro-economic research conducted by the Glacier Invest team is used to construct optimal portfolios for every risk profile, blending asset classes, styles and managers to avoid correlated returns.

Through our process, we are able to construct portfolios that are:

- Well-diversified, with asset manager strategies that are different, yet complement each other to achieve a smoother return profile.
- Actively managed: Tactical shifts in asset managers are made in accordance with market conditions, to minimise risk and ensure consistent performance.

- Suited to clients' investment needs and goals.

- Fully transparent with regard to costs.

Portfolios are reviewed on an ongoing basis to determine what works and what doesn't, and how to remedy it.

**Portfolio construction is guided by the client's objectives and preferences, including his risk-return preference.** The portfolio construction process is therefore fundamentally based on risk profiling and starts with defining the specific universe of asset classes.

The ultimate portfolio will be able to find efficiencies in both a bull and a bear market. It requires a deep understanding of what decisions matter.

*The regular review of portfolios is very important. We conduct extensive research into the reasons for each fund's performance, and provide insights into each fund's positioning, key strengths and weaknesses and its role in the portfolio.*

**Seasoned investment professionals  
with a diverse range of qualifications,  
across SA and the UK.**

## The portfolio construction process

### 1. DETERMINE OBJECTIVES

Model portfolio limits and constraints

Global Specialist Cautious Portfolio	Global Specialist Moderate Portfolio	Global Specialist Aggressive Portfolio
Maximum: <ul style="list-style-type: none"> <li>• 50% Equity</li> <li>• 50% Bonds</li> <li>• 20% Property</li> </ul>	Wide asset ranges (0% to 100% for all major asset classes)	Heavily Equity-biased fund Currently 81% Equity exposure

### 2. STRATEGIC ASSET ALLOCATION

#### The strategic asset allocation needs to

- Ensure a high probability of achieving targets
- Offer a high probability of success relative to peers
- Be efficient over multiple different time horizons
- Use efficient frontier modelling

### 3. MANAGER SELECTION

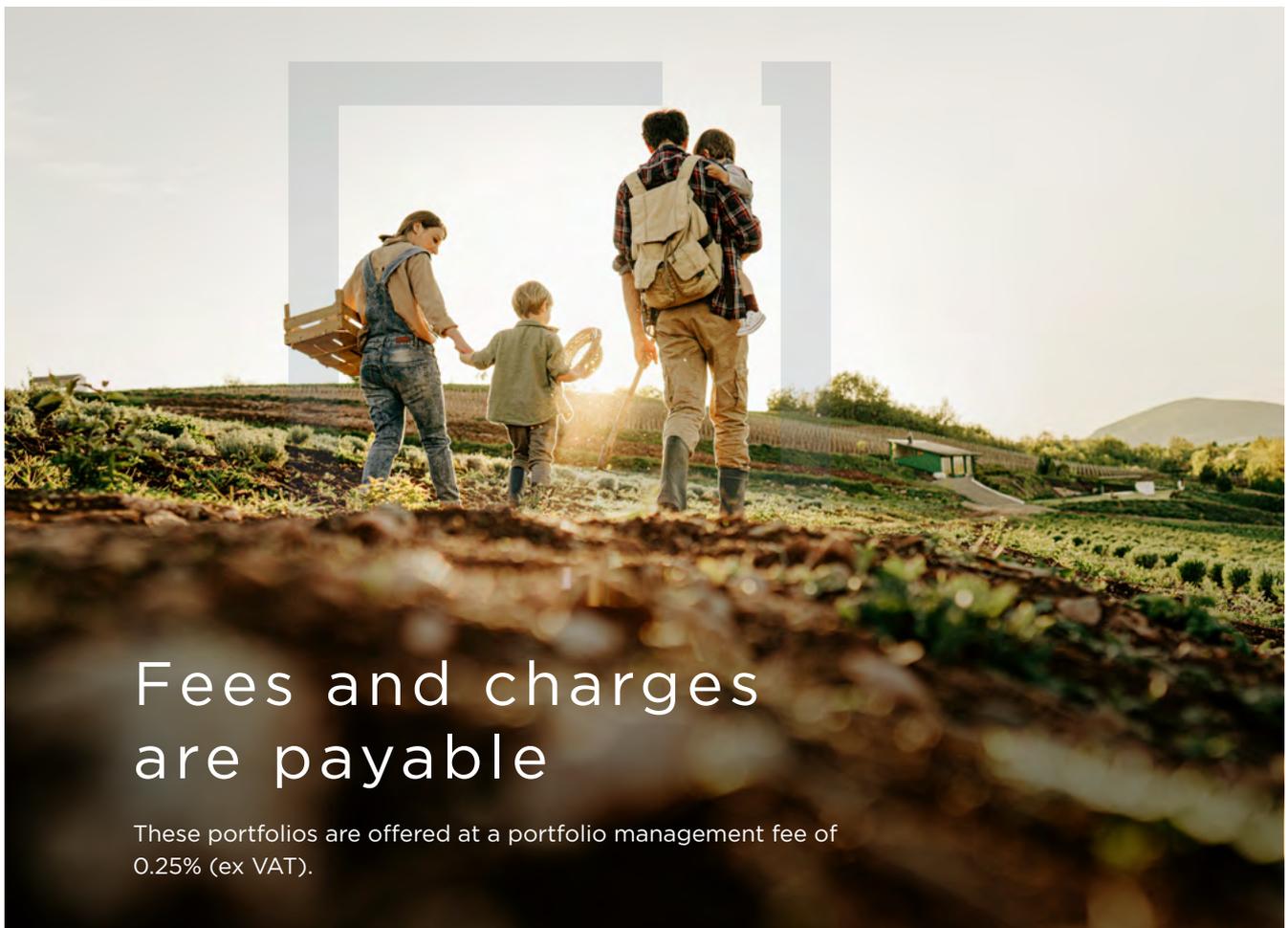
Meticulous research goes into creating a global manager shortlist. We take time to understand manager style beta, and the shortlist is divided into asset class, style and risk buckets, with multiple managers in each bucket to minimise the impact of manager selection error.

When manager selection should be used	When passives should be used
<ul style="list-style-type: none"> <li>• There is evidence of skill</li> <li>• There are unique risk premia available</li> <li>• It will improve the probability of beating targets</li> </ul>	<ul style="list-style-type: none"> <li>• One cannot find evidence of skill</li> <li>• Costs are a concern for the client</li> <li>• It provides access to risk premia which serve the portfolio construction process</li> </ul>



# Partner with **dedicated investment professionals** who undertake meticulous research, **giving you peace of mind**

Let Glacier Invest give you peace of mind about the management of your clients' investments while you focus on the most significant part of your practice: providing your clients with the best possible advice and service, and ensuring that their financial plans are on track.



## Fees and charges are payable

These portfolios are offered at a portfolio management fee of 0.25% (ex VAT).

### **Glacier Invest**

Where investment skill, operational scale and technology meet to bring you the future of portfolio construction

*Glacier Invest is the discretionary fund management offering of Glacier Financial Solutions (Pty) Ltd ("Glacier"). Glacier has partnered with Sanlam Multi-Manager International (Pty) Ltd, part of the Sanlam Investments Group, to optimise the investment management responsibilities*

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