

# Webinar series: How to get started - Model portfolios, SMAs and MDAs

## Session 2: Building an effective client solution through MDAs

Zac Leman, BT Panorama

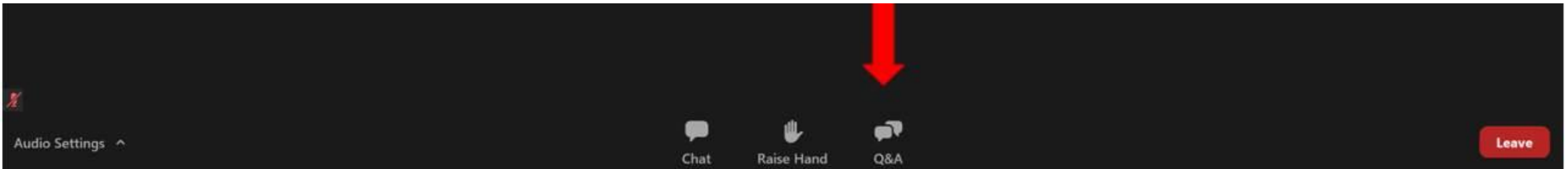
Brett Sanders, Philo Capital Advisers

Dr Isaac Poole, Oreana Portfolio Advisory

Moderated by Shane Hawke, Oreana Portfolio Advisory

October 2020

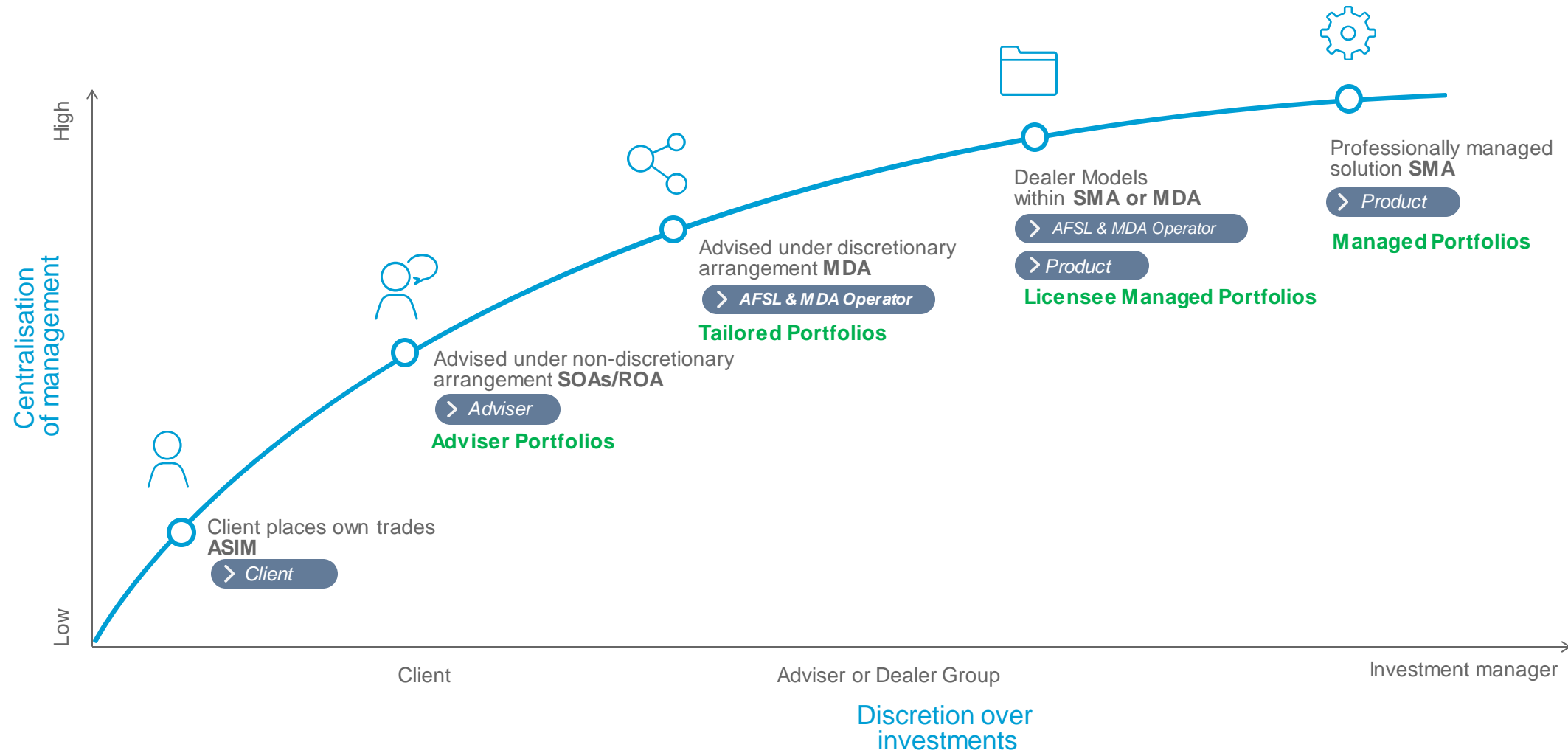
# Type in your Question

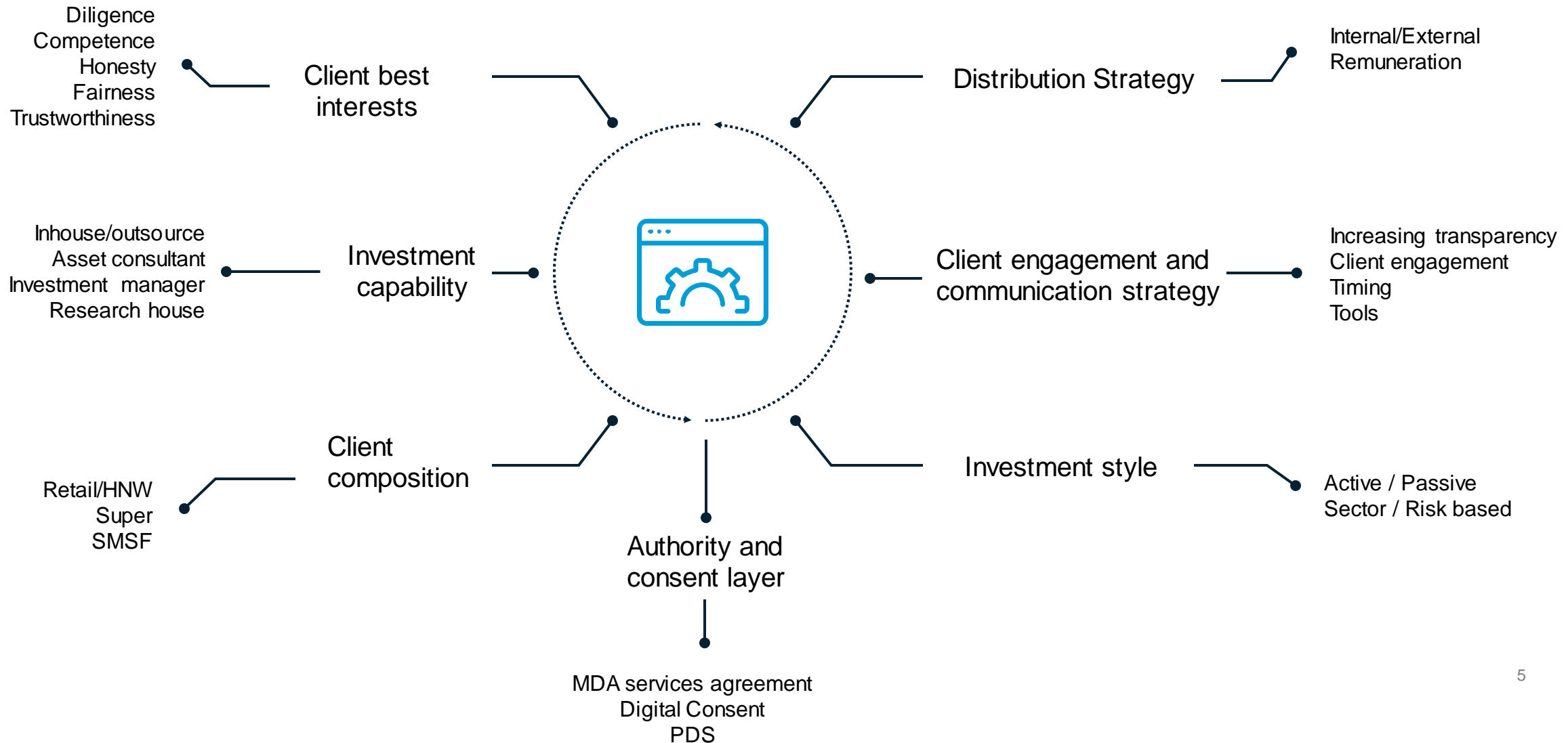


# Managed Accounts on Panorama

October 2020







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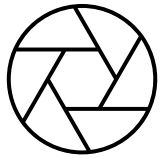
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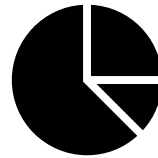
# Adviser Trends



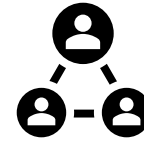
**Model portfolios  
/ Centralisation**



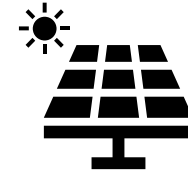
**Use of asset  
consultants /  
equity managers**



**Focus on Asset  
Allocation**



**Segment based  
services**



**Growing  
importance of  
ESG**



**Professional  
services  
approach**



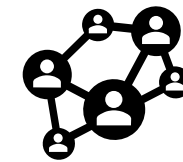
**Focus on  
business  
strategy**



**Governance &  
compliance**



**Awareness of  
managed acct  
choices**



**Adviser as  
ringmaster**



# Typical Model Portfolio Options

<b>Advice Firm / Governance</b>	AdviserCo Private Wealth			
<b>MDA Provider</b>	Not Applicable	Philo Capital		
<b>Platform</b>	BT Panorama			
<b>Client Type</b>	Small / not engaged	Small / likely to grow	Medium to large	Large & complex
<b>Portfolio Options</b>	SMA	Philo MDA - DAA & Index Funds	Philo MDA - DAA + Active Funds + direct equities	Philo MDA & bespoke holdings
<b>Multi sector options</b>	5 x risk profiles	5 x risk profiles	5 x risk profiles	5 x risk profiles
<b>Sector based options</b>	N/A	N/A	1 x Aus Shares	Bespoke

## Getting started...

01

Share your goals and needs with Philo

02

We collaborate with you to design a solution for your business

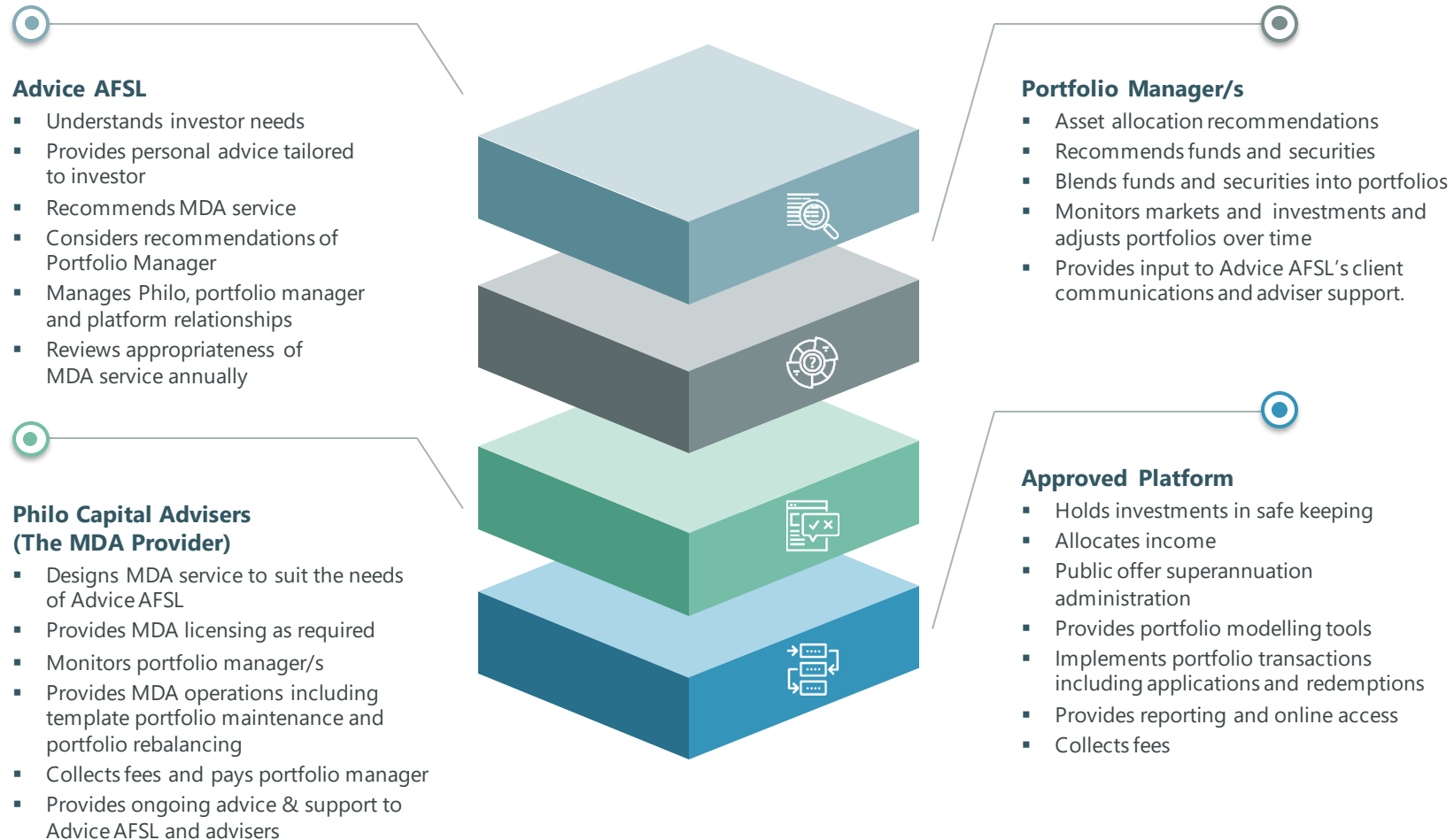
03

We jointly identify what additional competencies (if any) are required and appoint them

04

Build out service and work with you on change piece, including training of advisers

# Role of parties to MDA service – summary



# Identify your governance budget

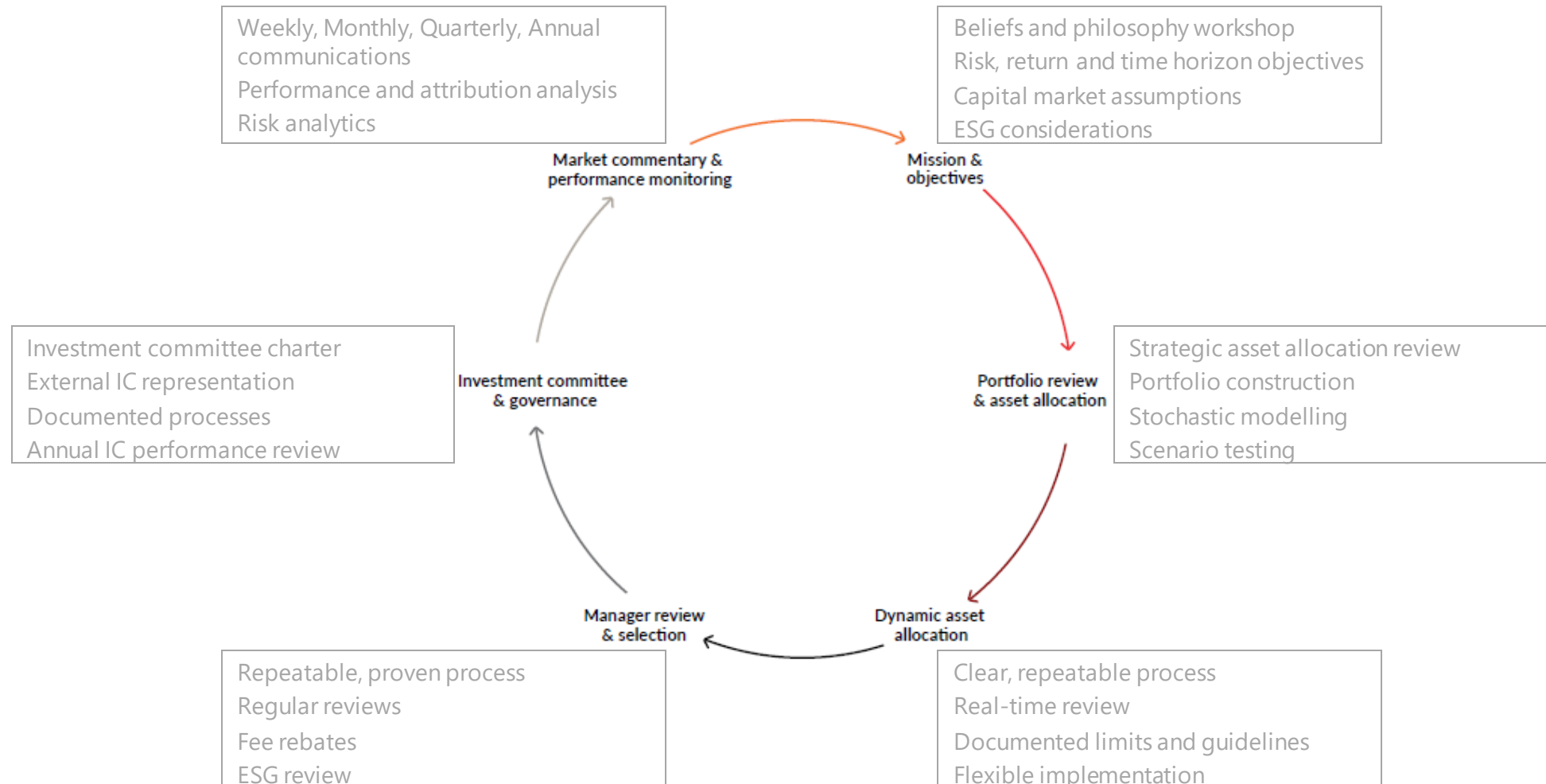
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- Governance is a finite resource. Investors have a limited governance budget they can spend.
- The efficient and effective use of this resource will directly impact risk and return.
- Empirical research shows the returns to good governance can be as high as 100bps-300bps per year, over the long-run!



# Elements of good governance



# Points of reflection for best-practice stewardship

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- How well do you know your practice's investment beliefs or philosophy? Do your clients know those beliefs or philosophy?
- Can you list the beliefs or present a copy of those beliefs? Can you explain the implications to clients?
- Are your investment beliefs clearly reflected in your investment portfolios?
- Are your investment processes clearly documented? Are they defensible and repeatable?
- How does your practice define the investment opportunity set? Is it reflective of your investment beliefs and philosophy?
- Can you comfortably say the investment portfolio is the best way to achieve the investment objectives of your clients?
- Is your approach to implementing an investment strategy the best for your clients? Have you considered insourcing and outsourcing parts of the strategy to improve outcomes for clients?
- Can you explain simply how you have aligned investment implementation with the investment strategy?



**Dr Isaac Poole CIMA®**  
Global Chief Investment Officer

**Relevant experience**

**Head of Capital Markets  
Research, Asia Pacific (Willis  
Towers Watson)**

- Global portfolio construction and asset allocation.
- Global economic and asset class research
- Quantitative risk management

**Chief Economist, NSW Treasury  
Corp**

- Trading strategy
- Asset allocation
- Economic research

**Education:**

- PhD from University of Sydney
- University of Oxford
- University of Tasmania
- Certified Investment Management Analyst.



**Shane Hawke**  
Head of Research and Advisory

**Relevant Experience**

Over twenty years experience in investment research, advice and model portfolio construction

**Research Manager, ThreeSixty**

- Research for NABWealth Licensees and over 1500 advisers
- Research for MLC Wealth investment platforms
- Portfolio Manager for ThreeSixty Model Portfolios
- Key investment consultant for Trustees, Responsible Entities and a range of NABWealth investment committees.

**Education:**

- Graduate Diploma in Applied Finance and Investment (FINSIA)
- Bachelor of Commerce (Banking and Finance), University of Canberra

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