

# UNPACKING THE POTENTIAL BENEFITS OF SMAS

CENTREPOINT  
ALLIANCE



# OVERVIEW OF SMA RATING PROCESS

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Separately Managed Accounts (SMAs) offer the opportunity to directly invest in equities and other listed securities while enjoying the benefits of a managed fund.

The benefits of this include visibility of holdings and the avoidance of buy/sell spreads, CGT events, and broker fees when transferring commonly-held shares between SMAs.

We use the below criteria to rate SMAs:

## Investment Performance

Historical returns compared to benchmarks and peers

## Investment Strategy and Philosophy

How the SMA's investments are selected and managed

## Fees and Costs

All associated fees and how they compare to industry averages

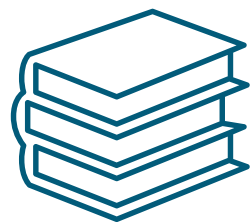
## Risk Management

Strategies in place to mitigate risk, including diversification and volatility control

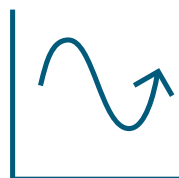
## Service and Support

Quality of customer service, reporting capabilities, and access to investment managers

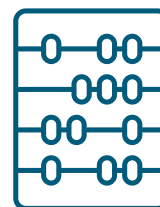
# EVALUATING INVESTMENT STRATEGY AND PERFORMANCE



What is the investment philosophy and strategy?



How has the SMA performed against its objective?

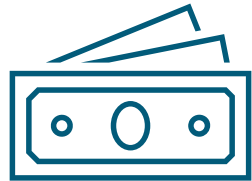


What measures are in place to manage risk and volatility?



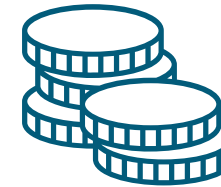
How actively managed is the portfolio?

# ASSESSING FEES, COSTS, AND CLIENT SERVICE



What are the total fees and costs and how do they compare?

Are there any additional costs or charges that could affect return?



What type of client service and support is provided?

How accessible are the investment managers for questions or discussions?



# IMPORTANCE OF BENCHMARKING AND TRUE TO LABEL VERIFICATION

## “True to Label”

Ensuring the SMA's investments and strategies align with its stated objectives and advertised risk profile.

## Objective Benchmarking

Comparing the SMA's performance against a relevant and appropriate market index or benchmark to evaluate its effectiveness in achieving its investment objectives.

*Risks of not understanding if an SMA is “true to label”:*

### Misaligned Investment Goals

*Investing in an SMA that does not align with the client's risk tolerance / objectives.*

### Unexpected Risk Exposure

*Higher risk levels than the client is prepared to take.*

### Performance Discrepancies

*Unexpected underperformance against benchmarks and peers.*

To ensure the SMA remains aligned to the client's goals:

- *Due diligence*
- *Regular monitoring*



# FINAL CONSIDERATIONS IN CHOOSING AN SMA

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Ensuring that the SMA aligns with the client's investment goals and risk tolerance

Ongoing monitoring of performance and alignment with goals

Encourage open discussion with the client regarding the SMA selection process



Justin Ayres



Yvonne Reilly.



Joe Formica



Henry Cai



Daniel Stojanovski



Cameron Cogle

# PANELISTS



**Justin Ayres**

Director, Senior Financial Planner and fearless leader at Swinbourne Wealth & Protection.



**Yvonne Reilly**

The numbers guru at Swinbourne with a solid career in Finance, Audit and Accounting Management.



**Swinbourne**

*Wealth & Protection*





# BUSINESS OUTLINE

## The Team

- 1 X Adviser
- 1 X CA/GM (undertaking PY)
- 2.5X CSO Onshore
- 1.5X CSO Offshore

80% FFS Clients over 2 platforms

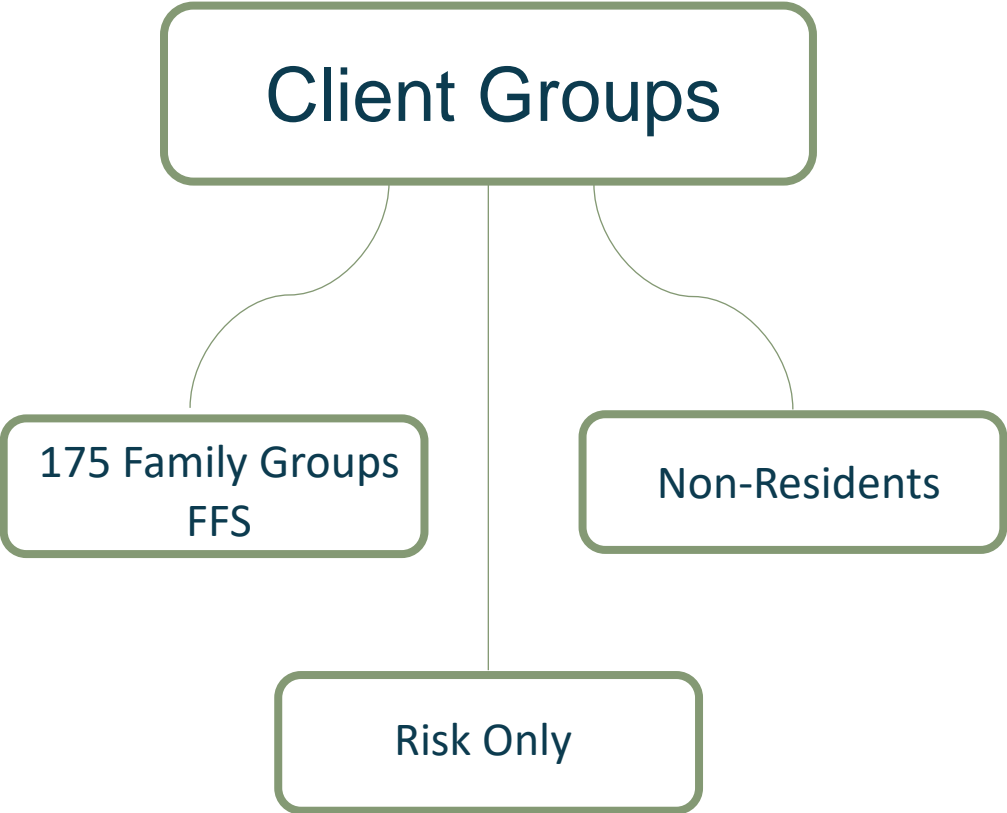
90% in SMA's



**Swinbourne**

*Wealth & Protection*

## Client Groups



# PROGRESSIVE FINANCIAL SOLUTIONS

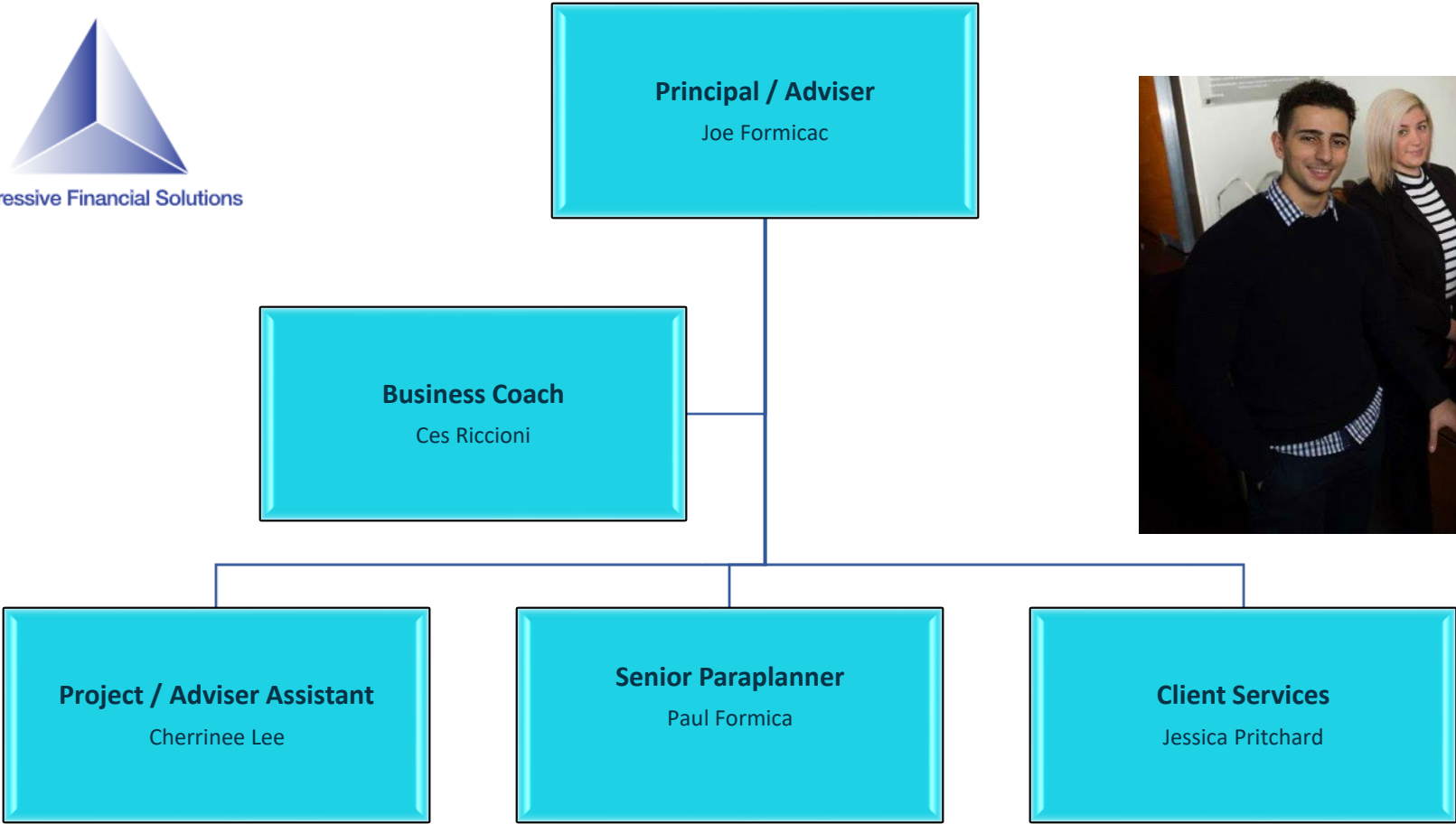
## Our Business

- Authorised through Alliance Wealth
- Principal & Adviser: Joe Formica, CFP
- PFS has provided financial planning advice to clients for 23 years
- Based in Bundoora, Victoria
- Aged Care Specialist
- 2023 business restructured/downsized



Progressive Financial Solutions

# PROGRESSIVE FINANCIAL SOLUTIONS – OUR NEW TEAM



# HOLISTIC SERVICES

Aged  
Care

Retirement  
Planning



Progressive Financial Solutions

**CENTREPOINT**  
ALLIANCE

**BALI**  
2024 ANNUAL PARTNER SUMMIT

A graphic illustration for the Bali 2024 Annual Partner Summit, featuring a traditional Balinese temple (pura) with a tiered roof, a palm tree, and a small house, set against a blue sky with a sun and clouds.