



Managed Account Solution

Sentry Managed Account Solution

FPI Investment Management Pty Ltd brings investment opportunities to advisers and their clients using an efficient and transparent framework.

The FPI Portfolios –

- Are implemented using managed account platform technology that allows more efficient portfolio implementation and the potential for more tax efficient outcomes for your clients.
- Provide clients with a transparent and cost effective solution that helps them reach their investment objectives.
- Are available on the Compass HUB24 platform and provide investors with direct equity exposure in Australian equities combined with actively managed funds, index funds and ETFs, take full advantage of managed account technology, i.e. direct equity ownership, trading benefits and tax efficiency.
- Utilise the investment consulting services of InvestSense which provides asset allocation, manager and security selection, monitoring and implementation across the FPI Portfolios.

A managed portfolio is a package of a diverse range of investments, which may encompass traditional managed funds and listed securities, including exchange traded funds and listed investment companies, as well as cash-based assets such as term deposits managed by a professional investment manager within the framework of an investor directed portfolio service (IDPS) or super wrap platform.

The client can provide a standing instruction in relation to the investments in the managed portfolio so those investments remain investor directed. Those investments, however, typically reflect the investment strategy developed by a professional investment manager who is responsible for the development and ongoing monitoring of the investment strategy of the managed portfolio. This means investment rebalancing and reallocation of investments within the managed portfolio can occur seamlessly as and when required.

There can be important benefits to the client of holding such a portfolio: exposure to a broad selection of asset classes enabling risk management and the pursuit of growth objectives, access to professional investment managers and the potential for tax efficiencies that are not available through investing in traditional managed investment schemes.

For advisers, the ability to collaborate, outsource or partly outsource investment management in accordance with a client's standing instruction can provide new opportunities to reduce or remove some of the burden associated with records of advice (RoAs).

The ability to construct managed portfolios that can speak to the needs of different types of clients, while reducing the administrative burden has the potential to enable a greater focus on the core function of providing holistic planning and strategic advice for their clients.

The Benefits of FPI Managed Portfolios

Benefits for Your Clients

Actively Managed Portfolios

Because economic conditions change and market movements must be taken into account, the FPI Portfolios are managed dynamically. From time to time, changes will be made to the portfolio's composition, both in asset allocation and manager selection, so that long-term investment objectives can be met successfully. The FPI Investment Committee, comprised of experienced investment specialists and researchers, therefore acts as your clients' bespoke wealth manager, providing a high level of professionalism and expertise.

Diversified Objective Based Portfolios

The FPI Portfolios have been carefully constructed to achieve a specific outcome over-time by investing in a diverse range of asset classes. The portfolios are sufficiently diversified but not overly diversified to be too complex. The portfolios invest in a mix of asset classes such as Australian shares, international shares, property, infrastructure, alternative assets, fixed interest and cash.

Direct Ownership in Australian Shares

The FPI Portfolios on HUB24 invest directly in individual Australian shares, as opposed to seeking exposure via a managed fund or an ETF. Apart from the tax and trading cost benefits this choice provides (as explained below), this also serves to reduce cost by not paying fees to an external manager for this portion of the portfolio. Furthermore, investing in individual shares increases the transparency and meaningfulness of investments in the eyes of the client, as each is able to see their share of ownership of well-known Australian businesses and the dividends that get paid directly to their account.

Tax & Cost Efficiency

Under a managed account structure, clients can benefit from better tax efficiency as they maintain beneficial ownership of their Australian shares, meaning each client's tax position, including capital gains tax, is treated individually. In addition, a managed account platform typically has lower transaction costs than a broker or a more traditional platform, due to netting and weighted average transaction technology.

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24/7 Portfolio Access

Clients of FPI Portfolios have full transparency into their investments, which they can view at any time through the platforms' web portals and apps. Each client will be given a unique login to access their portfolio, for which pricing is constantly updated as at the previous night's close.

Portfolio Updates

Quarterly performance reports inform clients of what their investments are comprised of and how the various components have behaved recently. These reports provide a useful snapshot of the current situation (top 10 holdings by asset class, aggregate dividend yield, sector and regional allocation etc.) as well as an update on the overall expected return and potential risks inherent to the portfolio. Furthermore, every time FPI operates a change to the portfolios, an update will be provided to explain to clients the nature of, reason for and implications of said change.

Benefits for You

Actively Managed Portfolios

With the portfolios being professionally and actively managed, advisers can worry less about being the 'investment expert' and focus more on being a 'strategy based financial adviser'.

Ease of Management

With your clients invested in a managed account portfolio there will be greater consistency across client portfolios providing scalability to your business and less compliance headaches.

Save Time

Reduce the need for ROAs and reduce admin time. When using a managed account solution, changes made to the portfolio do not require an ROA as they are implemented automatically across all client portfolios. In addition, advisers spend less time by not having to input portfolio changes in to the platform and notifying clients.

Better Client Relationships

With less time spent managing the portfolios and writing ROAs, advisers have more time available for developing deeper client relationships and working on the client's overall strategy. Advisers will also have more time available for client prospecting.

Diverse Product Suite

Access to a diverse range of portfolios that are constructed to help your clients reach their goals. The FPI Portfolio suite consists of four diversified portfolios, two specialised diversified portfolios and four Australian share portfolios.

Communication and Collateral

FPI provides client-friendly collateral to advisers that can be shared with clients, allowing the adviser to demonstrate value add. FPI also communicates its investment rationale to advisers so advisers can remain well versed in portfolio positioning and convey it clearly to clients.

Benefits for Your Staff

As managed portfolios remove a large part of the burden associated with building and managing a client's investment portfolio, administrative staff are relieved of a wide array of every-day, high-cost tasks.

The process of buying/selling investments in-house can be virtually eliminated, offering considerable administrative time savings.

The result is that administrative staff can be freed up to focus on higher value activities. Indeed, a practice may find it needs fewer administrative personnel because of the efficiencies available through managed portfolios or they can be better utilised supporting client management and strategic advice functions.

The FPI Portfolio Suite

- FPI Two Portfolio
- FPI Three Portfolio
- FPI Four Portfolio
- FPI Five Portfolio
- FPI Bank Portfolio
- FPI Market Diversifier Portfolio
- FPI Total Return Portfolio

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