

Delivering long term performance to clients

Anshu Kapoor, Head, Private Wealth Management, Edelweiss, talks about the portfolio-building related practices at the firm and emerging trends in client demands from India.

EDELWEISS HAS BEEN A VERY SUCCESSFUL performer in wealth management space in India, and much of the performance is attributable to the robust research and investment practices followed by the firm, according to Kapoor.

“There is a 30-member wealth management research team that we have invested into,” he says. “We research

fundamentals, long-term value, and technicals across all asset classes.”

This team and its inputs help the firm deliver optimum asset allocation to Indian clients who are characterised as impatient, having a desire for control and wild swings affecting the portfolio.

Kapoor explains that one of the ways they are trying to address frequent portfolio reorganisation by clients is to create an asset allocation wrapper where they input their investment strategy and risk profile, and the system takes over to build a portfolio.

One significant role of wealth advisor is also to be a good risk manager for his clients, Kapoor states.

When the markets are at elevated levels, Kapoor says they actively suggest clients hedge while in case of frothy markets, they may even discourage clients from creating excess leverage on a speculative portfolio.

Although being a very popular asset manager, Kapoor clears that that part of the business does not impact the wealth management business.

“We are as transparent as we can be,” affirms Kapoor, adding that the wealth management team is very distinct from asset management team and the in-house products may not feature on their whitelist unless they satisfy their quality criteria.

Talking about the changes in client interests, Kapoor says that clients today are very open to trying out new asset classes.

This is supported by regulatory reforms (e.g. Alternative Investment Funds) which have opened up new avenues for clients to experiment with, he adds.

Of late, Kapoor points out that they have seen increased interest from their clients in overseas investments apart from traditional categories like real estate, in private equity, IPOs etc.

Although not a large pool now but this would grow in future as investors are more educated and aware of global developments, he predicts. ■



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