

Getting the investment process right

Justin Kendrick, Co-Founder and Head of Investment Solutions, Ingenia, talks about the challenges faced by independent asset managers and how can they overcome those challenges.

ALTHOUGH INDEPENDENT WEALTH ADVISORS HAVE ENTERED the industry in a significant way, do all of them really prepare a structure or process for investments independently? According to Justin Kendrick of Ingenia, the answer is both yes and no. There are the “larger, more sophisticated independents who have complete investment

team”, with the ability to provide proper expertise into even difficult areas like trading fixed income or alternatives and there are also “one man bands” who just borrow the list from big banks and replicate it. All in all, one might still say that the independents have less process that one might otherwise expect.

The problem for an EAM building an investment team is that it is very expensive to hire everyone required. Some think the only alternative is to outsource, but if you could hire staff with more than 20 years of experience for less than half the cost of a full time hire, wouldn't that make more sense? The difference is that Ingenia is not an outsourced solution. Their clients get access to their IP and years of experience in helping them manage their clients' money. Whether it is equities, fixed income, private equity or FX, Ingenia is a value for money approach to helping an EAM manage their client money.

This truly enables a better and more sophisticated level of client diversification, and this is what the market and clients need. Diversification, means not just in the traditional asset classes but also with more modern and technical instruments. This would mean having wealth managers specialising in niche asset classes or instruments like floating rate instruments, private equity, private debt, trade finance, weather bonds etc. The diverse experience required would come at a higher cost which is also a big challenge in front of the independent firms. Kendrick points out that the investment team at Ingenia has the requisite diverse experience in all asset classes and can complement or supplement the services provided by independent wealth managers in Asia. ■



JUSTIN KENDRICK
Ingenia