

Helping clients create suitable investment portfolios

In a video interview, Paul Hodes of Citi explains how the bank selects the right products for its clients as part of a consistent investment process to build robust portfolios that have the highest chance of out-performance.

As part of the focus across both the Citigold and Citigold Private Client segments on selecting the right products for clients, there are benefits from the bank's open architecture approach.

This, explains Paul Hodes, head of wealth management for Citi in Asia Pacific and EMEA, requires it to find best-in-class managers. And the upshot is relationships with hundreds of asset managers – ranging from global to regional to local houses.

Yet these managers are not only approved for the broader platform, but also categorised according to their specific expertise in individual asset classes and sub-asset classes, he says.

For Citi, consistency in performance and regular out-performance against expectations are important criteria when selecting product providers.

SEEKING OUT-PERFORMANCE

According to Hodes, wealth managers need to be cognisant that clients and

many managers are momentum-focused. Yet with the potential for ramifications from political changes around the world, investors and advisers should be thinking about the (negative) impact on markets going forward.

In delivering advice and product solutions, Hodes says the individual client segment is an important consideration to determine objectives and level of risk they are willing to take.

The needs of affluent clients, for example, might be met by a single, mutual-asset mutual fund as a packaged solution. By contrast, a HNW client might have a portfolio which needs more active management, and funds can help create more diversification over a certain timeframe.

He says Citi is able to show clients that if they follow one of the bank's model portfolios, they can see over a specific timeframe the expected positive outcome compared with the bench-



PAUL HODES
Citi

mark, or with investing in one of the more popular mutual funds. And consistent out-performance has shown the success of the bank's advice over recent years, adds Hodes. ■