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“A journey of a thousand miles must begin with a single step”

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newsletter – GraySwan Investments

FIRST Anniversary

volume 2

GraySwan Investments took their first step a year ago and we celebrated our first birthday on the 18th of May 2011. The transition from being an employee for seventeen years to being an employer has been an exciting and very rewarding adventure.

GraySwan Investments (the trading name) and Reportfolio (a division) has been truly blessed as various large retirement fund clients have entrusted their investment and risk advisory as well as Fund and manager monitoring and reporting services to us at such an early stage of our business. We currently advise, risk manage and report on R14 billion of assets. The business is profitable as we enter our second year of business.

We believe our true independence; our investment advisory and investment management background and our unique and risk focused approach to advisory and reporting services have attracted these clients to our business.

We only serve investors. We do not provide services to investment managers like our competitors do. This philosophy keeps us honest, minimizes potential conflicts of interests and keeps us entirely focused on our client portfolios and their long-term objectives.

Some of the many highlights of the year have been -

- For every Rand a client has paid us for advisory services rendered so have we added more than ten times this cost in value add to our clients in terms of explicit cost savings to their bottom line;
- For every Rand a client has paid us have we also added more than twenty times these costs in value added performance and risk adjusted performance;
- Various local and offshore investment manager searches, which we have conducted for our clients;
- The construction of a tailor-made risk monitoring and peer group investment manager survey capability;
- The implementation of a liability driven investment (LDI) solution for one of our clients;
- Various research projects which we conducted i.e. do multi managers add value, is there a place for quant equity managers in client equity portfolios, how does fundamental indexation strategies fit into retirement fund portfolios; how does hedge funds compare relative to absolute return mandates etc;
- Various successful transition management exercises, which we implemented as our clients moved assets cost effectively between various investment manager mandates;
- The construction of a client backend to our websites which incorporates all our client specific performance and risk reports, the tailor made peer group investment manager surveys as well as client specific investment and manager research which we conducted; and
- The successful allocation of funds, time and resources to the beneficiaries of our Charitable Trust (see our monthly newsletters on our website).

Every **new beginning** comes from some other beginning's end



We wish to thank our clients for their support and trust and we look forward to our long-term journey with them.

There will always be new heights to reach...we will continue to build our team and our infrastructure pro-actively as we aim to always exceed our clients' expectations.

Gray Swan Financial Services (Pty) Ltd (Reg. No. 2010/009813/07)
is an authorized Financial Services Provider (FSP No. 42290)

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