

## **What it takes to consistently deliver as a fund management company**

### **- Platinum Portfolios will be celebrating 23 years in business and we unpack our recipe for success**

The recipe for successful investment management starts and ends with the company's tried and tested processes. This is according to Charolyn Pedlar, co-founder of Platinum Portfolios on the eve of celebrating 23 years in business.

"Being a smaller boutique fund management company does come with its own set of advantages, as this allows the team to be flexible and nimble - contributing to the success that we have enjoyed over the years."

### **Investing with a long-term view**

Platinum Portfolios performance is driven by the fact that the fund managers, Mel Meltzer, and Charolyn Pedlar, are also the owners of the business and have their own finances invested alongside their investors. Their focus is to invest in companies as long-term owners and not for short term gain.

Pedlar explains, "Platinum Portfolios manages money for private clients only, and this together with our size allows us to have more personal relationships with our Independent Financial Advisors (IFA's) and their clients. This level of contact and direct communication allows us to more effectively prevent the types of behavioural mistakes that investors potentially make in difficult markets."

These are clear advantages and are noticeable in the way the company managed its funds and in the results that it has achieved. Their recent nomination for an industry award, a Raging Bull, is testimony to that.

### **The Platinum Global Managed fund USD**

The nomination was for the Platinum Global managed fund in the category for Best (FSCA-Approved) Offshore Global Asset Allocation fund for risk-adjusted performance over five years to December 2022. "Although we did not win the award, it was an honour for our fund to be recognised as a serious and worthy contender, and be up against industry giants," says Pedlar.

The fund's success comes as a result of its flexible mandate which allows the managers to invest in an unconstrained way for the longer term. They have maximum flexibility to invest in the various asset classes whether it be global bonds, cash, property, or equities. Currently the fund is conservatively positioned with 66% allocated to global equities, 27% USD cash and 7% in Global bonds.

### **Quality, growth, and profitability are what count**

The fund is managed within a disciplined investment process and the focus is on investing in high quality global companies which offer stable growth, are profitable, and financially strong.

"We prefer companies with economic moats that protect them against competition and negative market conditions and that generate sustainable, rising dividends. Currently our top holdings include Microsoft Corp, AmerisourceBergen Corp, Williams-Sonoma Inc. and Cisco Systems. We approach our analysis and research on our companies as business owners, with the view to a long-term investment in the company and therefore the turnover in the fund is low. Our valuation focus ensures that we do not overpay for these quality companies thus ensuring that we make purchases with a margin of safety." Pedlar says.

### **Limiting drawdowns as important as outperformance**

The focus at Platinum Portfolios is to deliver good risk adjusted returns over the long-term, and portfolios are constructed taking into account the risk of losing money. Therefore, protecting investors in difficult markets and limiting drawdowns in the fund is as important as outperformance.