

SYMMETRY

Holding its own amid strong competition

SYMMETRY MULTI-MANAGER, an independently run member of Old Mutual Investment Group SA, has arguably emerged as one of the country's most formidable multi-managers. It's currently celebrating its 10th anniversary. Much of its fast-tracking can be attributed to excellent leadership, smart strategies, innovation, working closely with its clients and keeping abreast of local and global trends and competition.

Staff numbers at its Cape Town office have increased from fewer than five in 2000 to the current 35 (15 are investment professionals). Assets under management have grown from zero to under R40bn.

SYmmETRY originally offered three funds: now there are more than 20, spanning both the institutional and retail sectors.

SYmmETRY spearheaded the launch of multi-managed absolute return products for retail and institutional investors in 2001, opened up specialist asset class building blocks and introduced a life-staging model – ForLife – which is still widely rated as the best in the market.

Initially part of Old Mutual's employee benefits division, SYmmETRY went on to absorb Galaxy's retail fund of funds, Investment Frontiers' multi-manager funds and finally Nedbank and BoE's multi-manager operations when Old Mutual/Nedbank acquired BoE.

CEO Raymond Berelowitz has been at its helm since 2003 and – well supported by his team – has been a major contributor to the investment house's success. Born in Cape Town, he matriculated at Herzlia High School, attended the University of Cape Town on a Southern Life bursary and graduated with business science and actuarial degrees. He then joined Southern Life, switching to Old Mutual when the former was effectively taken over by Momentum.

Berelowitz says a major boon to his leadership has been his strong technical background. "I arrived as an actuary with a similar stats and quants background to the people in the business. That meant my work in creating a performance culture had

quicker acceptance, as my team and I look at business problems in a similar way."

SYmmETRY has two investment teams. The first concentrates on product development, setting strategic asset allocation aimed at meeting specific return/risk targets. Once those are defined they're handed over to the second team, which decides on the most appropriate asset manager blend within each asset class.

Berelowitz says he becomes involved in all areas of the business – from the investment process to clients. "I serve on the three person investment committee and as such I'm involved with any strategic asset allocation or asset manager changes. However, I've deliberately distanced myself from day-to-day asset manager activity to be able to unemotionally test investment proposals that come before the committee for rigour to ensure everything's been thought through properly."

SYmmETRY's most compelling strength is it's really close to its clients, says Berelowitz. "Several years ago my then boss – Peter Moyo – insisted I take responsibility for some of the biggest corporates in SA. I initially resisted but now love spending time with clients and helping the sales team chase new ones.

"That way I get a really good feel for their needs and I'm able to assess the gaps between them and us, as well as the adaptations required by us to better meet their needs. I don't like things to be filtered: I like to be at the coalface, getting as much first-hand market knowledge as

possible. I've become more engaged in road shows, especially targeted at intermediaries who use SYmmETRY."

An indicator of SYmmETRY's success over the years is the performance of its funds, adds Berelowitz. "We have an excellent 10-year track record of delivering on our funds' performance objectives." For example, one of its flagships – the SYmmETRY Balanced fund of funds – has been a top quartile performer in its category over two, three and five years (to 31 January 2010). Since its inception in June 2001 it's third of 14 funds, returning 16% a year and outpacing its target of CPI+7%. "Our strong manager research teams give us the insight to choose the best underlying managers to meet the risk and return objectives of a particular fund," he says.

Looking ahead, Berelowitz says the multi-manager market will continue to be fast-moving and highly competitive, requiring players to be flexible, open-minded, quick-thinking and innovative. "We also need to have the courage to constantly re-evaluate our business and replace something if necessary, or create something new."

Berelowitz says SYmmETRY isn't married to a one-size-fits-all investment philosophy, even though it may have a fundamental way of thinking about asset managers. "We're happy to apply different things in different ways in different circumstances."

He travels overseas regularly to keep up with developments and is currently establishing a working relationship with Old Mutual's European arm, Skandia. He's an avid reader of the investment market and manager side. ■

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