

Staying the course

SYm|mETRY MULTI-MANAGER is a long-term investor and it encourages clients to take a long-term view on their investments. An important point they emphasise is that saving for retirement isn't just about saving for the day you officially finish working: your retirement years – and the savings you'll need to get you comfortably through those years – will have to last much longer.

SYm|mETRY has therefore developed a "life-stage investing" solution called ForLife, which is a single, flexible investment plan that can take a client from early working days to the often overlooked needs of post-retirement, says Patrick Thomas, head of sales and client relationship management. "The idea behind ForLife is that it's a single investment-for-life that changes as the investment requirements of the member change over his lifetime. It offers an investment in which the volatility of investment returns reduces as the member approaches retirement. Members typically join a retirement fund in the early stages of their working life, when they need a high-growth portfolio. The average age of members in retirement funds we analyse tends to be about 40, so in general they have several

years to save for retirement and the years after retirement. At SYm|mETRY we believe that members need to take investment risk, but only when it is appropriate which is typically when they are younger."

Thomas says SYm|mETRY then tries to gain an understanding – by speaking to trustees – of what fund members typically do when they retire. "For example, it makes no sense for members to move into cash or bonds less than five years from retirement, when they're likely to need to invest in equities post retirement. That's based on the type of annuity they're likely to buy to generate a pension."

Thomas says a founding premise is that members might need to stay in equities beyond retirement. That's most evident in the case of a member who buys a living annuity and needs to maintain exposure to growth assets to sustain their post-retirement income. "Eight years prior to retirement SYm|mETRY will begin changing the member's asset allocation from an aggressive portfolio to a portfolio that maintains exposure to the more volatile asset classes, such as equities, but does so in a manner that protects the member from severe drops in the value of those assets.



Patrick Thomas
SYm|mETRY developed a "life-stage investing" solution

"The ultimate goal is that the member's portfolio – immediately prior to retirement – consists of a combination of assets similar to what you'd find in a living annuity. At that stage the emphasis is on protecting capital without compromising the opportunity for capital gains. Essentially, we're matching assets and liabilities – that's what life-stage investing is about." ■