

Individual solutions for your own assets

Find a suitable investment strategy for your own assets and benefit from competent and sincere advice. Hellmut Schümperli, CEO of Finaport Group and Yves Hauser, CIO and Head of Investment, explain what constitutes a good investment strategy and why independent investment advice is valuable.

INTERVIEW DOMINIC MEIER

Mr. Hellmut Schümperli, what makes modern and independent investment advice for you?

Schümperli: In a world in which interest income is close to zero or even negative, the successful management of assets is very complex and demanding. At the same time, however, access to financial data and expert opinions is becoming increasingly easy to obtain. This often makes it very difficult for investors to separate the wheat from the chaff and form an opinion. This is precisely where independent financial advisors stand out from the crowd. They can offer clients tailor-made advice free of conflicts of interest, based on a deep understanding of the client, his needs, and risk tolerance as well as mutual trust.

I see it as our task to reduce complexity and create clarity. It is particularly essential to keep pace with the developments in modern financial services. Also, we use all available modern chat, audio, and video communication tools, which have made it very easy for us to maintain regular contact with our customers even during the travel-free period this year.

What competencies does Finaport have? *Schümperli:* The cornerstones of our services are advice for private and corporate clients, coupled with our asset management and investment banking advice. Besides, we offer state-of-the-art technologies that allow us to consolidate and analyze customer portfolios of a large number of banks. We have a network of around 70 custodian banks, some of which we work closely with. This gives us, and therefore also our customers, access to an enormous range of investment solutions and analysis opinions.

Where does Finaport operate globally? *Schümperli:* We operate licensed offices in Zurich, Liechtenstein, and Singapore. We also hold licenses for the USA and Canada and support entrepreneurs and wealthy families from South America to the USA, Europe, and Southeast Asia.

How does Finaport differ from classic asset managers?

Schümperli: Our client advisors are free of the conflicts of interest that often still exist in banks. In this way, our consultants individually find the best possible solutions for our customers without the influence of vendor preferences. Also, Finaport's employment system ensures that we have practically no changes in personnel in customer service. This results in customer relationships, some of which last for decades, based on mutual respect, trust, and understanding. Our consultants operate with a high degree of independence and feel like entrepreneurs. It is, therefore, not uncommon for a client-advisor approaching retirement age to introduce his or her son or daughter

to clients and their children and for Finaport's client relationships to continue into the next generation.

How does Finaport guarantee profitable long-term investments?

Schümperli: Of course, at Finaport, as elsewhere, there are no guarantees for investment profits. But we can assure you that we always act in the interest of our customers and that their needs and decisions come first. A sound investment strategy that is implemented systematically and cost-effectively has the best chance of generating attractive profits for investors over the years.

How do you respond to the individual needs of your investors?

Schümperli: Our consultants look after a manageable number of customers. This allows us a very high contact intensity with each customer. Most customers are either self-decision-makers, advisors, or delegates. We help the self-decision-maker to find the most cost-effective provider for capital market transactions. We stand by the advice seeker and give him as much information as possible to help him make the right investment decision. Together with the delegate, we define a tailor-made investment strategy that matches his risk profile, while also managing his assets strictly according to his wishes and specifications. Of course, some customers wish to take advantage of a combination of these services.

How does Finaport ensure more transparency for investors?

Schümperli: Trust is based on transparency. The customers of Finaport, therefore, know exactly how much and for what they are paying. Most clients pay a predefined percentage for our services and, at the same time, benefit from very attractive conditions with the custodian bank.

We try to offer a different kind of transparency in the area of investment research. Here the advisor of a traditional bank should present the opinion of the house to the customer. Our independence and access to the research opinions of our custodian banks around the world enables us to provide a consensus analysis and present it to clients. This is also not a crystal ball, but it is undoubtedly a much more transparent and much wider supported view. Our investment results of the last few years, which we will present an update on a new website from autumn 2020, show this very clearly.

Mr. Yves Hauser, to what extent can even investors with modest capital make lucrative investments with Finaport?

Hauser: Our investment strategy, according to the motto "investing without emotions," should be available to all customers. In cooperation with the Zürcher Kantonalbank ZKB, we have developed solutions where even with small amounts an efficient

and very successful investment strategy can be implemented. Especially young people should deal with financial investments at an early stage. This investment approach is best suited for long-term asset accumulation.

Of course, we are happy to provide all interested investors with information on how they can make their investments using our solutions and help them to put together their portfolio according to their needs.

Which tools and processes do you use for optimal risk management in your portfolio?

Hauser: We work with six principles based on two levels. We distinguish between emotions and systems. Under emotions, it is the principles: "Focus", "discipline" and "no emotions." By investments, we mean "liquidity", "risk" and "Net performance."

Based on this framework, one can manage portfolios successfully in the long term and achieve excellent results. At the same time, such a systematic, rule-based investment strategy ensures precise, transparent risk management.

In the basic strategy, we avoid, subject to agreement, illiquid investments, and structured products. For us, everything should be tradable daily and be available for sale within 24 hours. Liquidity is the most critical asset of our investment strategy and our long-term success.

Why should investments be made without emotions?

Hauser: People tend to make decisions based on emotions. News, events, or a good tip from a neighbor are not good friends for the investment decision. Take the current COVID 19 situation: Within a short time, the global financial markets have lost over 30 percent of their value. Barely two months later, we are almost back where we were at the beginning of the year - although the virus is still rampant.

In such and other situations, many emotions are involved. We often forget that our daily life will continue. It is therefore also clear that not all economic sectors will suffer equally from this crisis. Therefore focus and discipline, as well as good risk management of the investments, are in the end the success prescription of a long-term investor - not the decision from the gut feeling.

What projects does Finaport have planned for the future?

Schümperli: To achieve long-term success for employees and customers, Finaport is in a continuous process of aligning its corporate structure to the requirements of the market.

Last year Dr. Philipp Hofstetter, a proven expert in investment banking with an imposing track record, was recruited for Finaport. Philipp manages Finaport Capital AG,



Hellmut Schümperli
CEO



Yves Hauser
CIO, Asset Management

which is currently being established, and offers consulting services to clients with their own companies. His unit works hand in hand with our private client advisors and significantly expands Finaport's offering. Also, he and his team increasingly offer unique equity solutions, direct investments, and accompany entrepreneurs on their way to mergers, acquisitions, and IPOs.

In the private client business, Fabian Jenny will join us on 1 August this year as the new CEO of Finaport Zurich. His expertise is wealth management. In around twenty years with the world's number one wealth management firm, he has served many wealthy clients in various parts of the world and successfully led teams. Fabian is full of ideas to ensure that Finaport will continue to offer innovative and state-of-the-art solutions for the needs of private customers. He brings a team-based management philosophy to the company with the goal of making Finaport a "best work place" with the best customer advisors in the country.

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