



Asset Management and Trust Companies

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Agenda

01 AM Definitions

02 AM Framework

03 Trust Companies

04 Be Delighted



AM grew at 12%

To more than \$112 trillion

The forces driving the asset management industry are shifting, unlocking new opportunities and potential for disruption.



User Story



VUCA World

Competitive market pressures are stronger than ever, and volatility is back with a bang, putting the onus on smaller and emerging asset managers **to find new ways to adapt**. As firms reassess operating models with urgency and look to differentiate their service against a backdrop of sustained pressure on fees and shifting investor product demand



Digital Transformation

In a period of volatile markets and intense competition asset managers need to be nimble. Cloud-based investment management software gives smaller and emerging asset managers **the ability to automate** burdensome data management and reporting workflows, whilst also providing a radically improved reporting experience for clients.





AM Definitions

Asset Management

"An asset is an item, thing or entity that has potential or actual value to an organization".

ISO 55000, 2014 (3.2.1)

"Asset management is the coordinated activity of an organization to realize value from assets."

ISO 55000, 2014 (3.3.1)

Asset management is the art and science of making the right decisions and optimizing the delivery of value. A common objective is to minimize the whole life cost of assets but there may be other critical factors such as risk or business continuity to be considered objectively in this decision making.

Importance of Asset Management



Account

Enables a firm to account for all its assets

Guarantee

Helps guarantee the accuracy of amortization rates

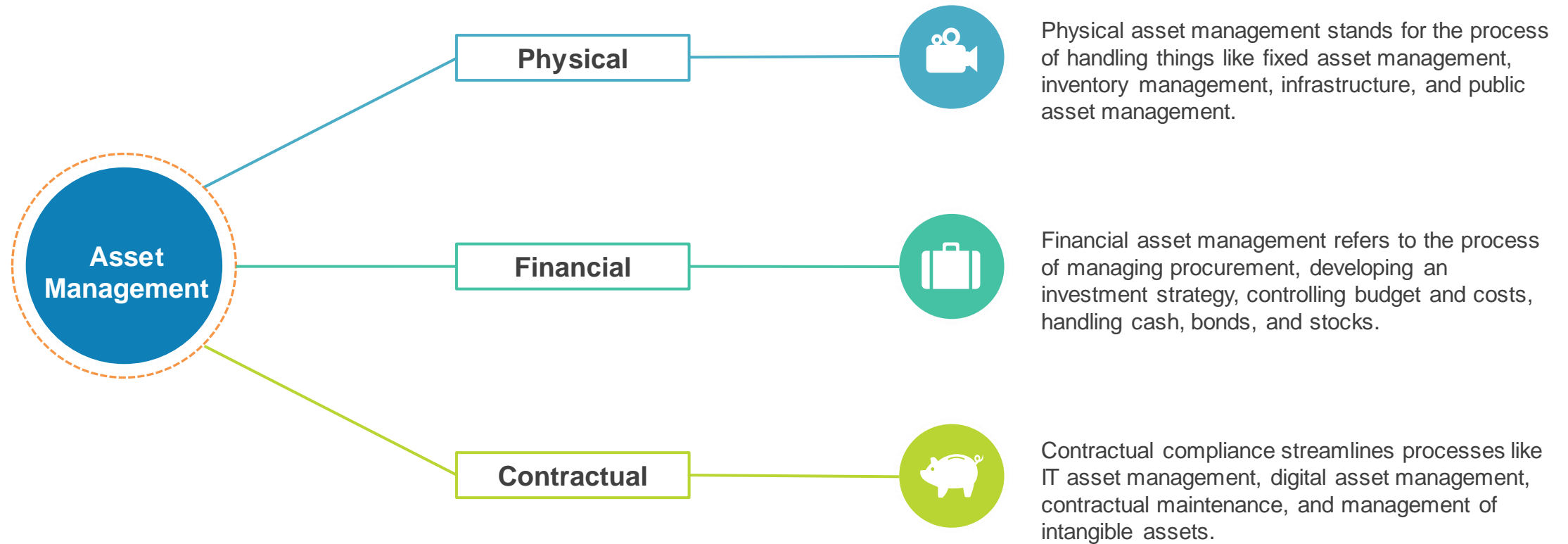
Manage

Helps identify and manage risks

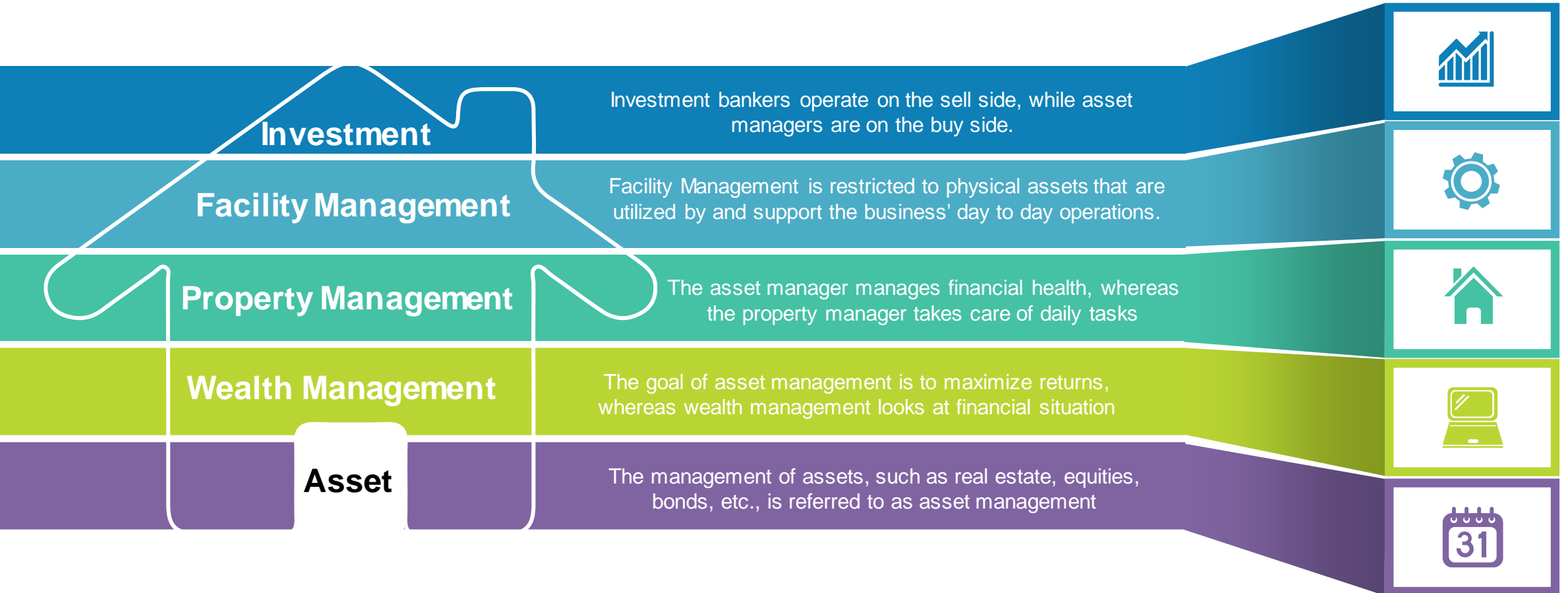
Remove

Removes ghost assets in the company's inventory

Types of Asset Management



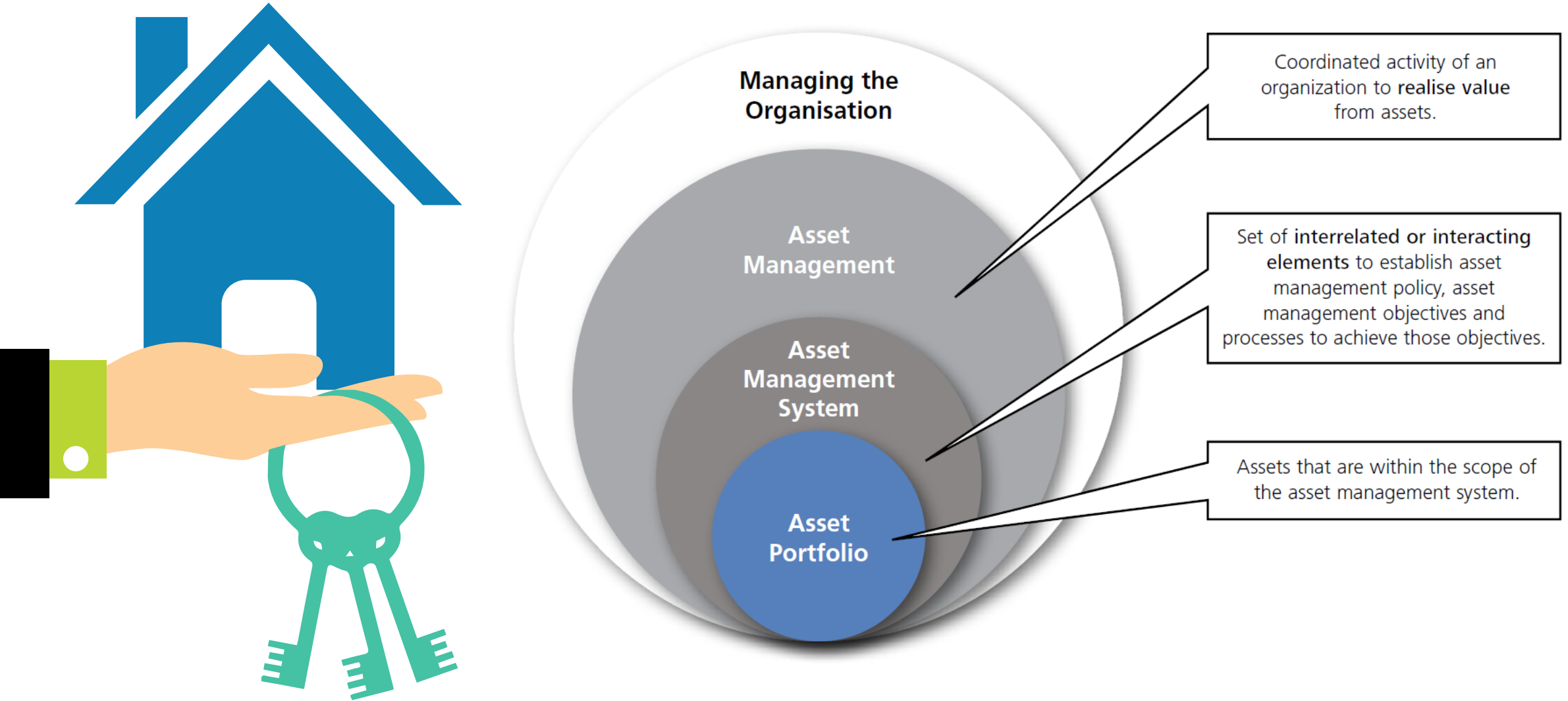
Differentiation



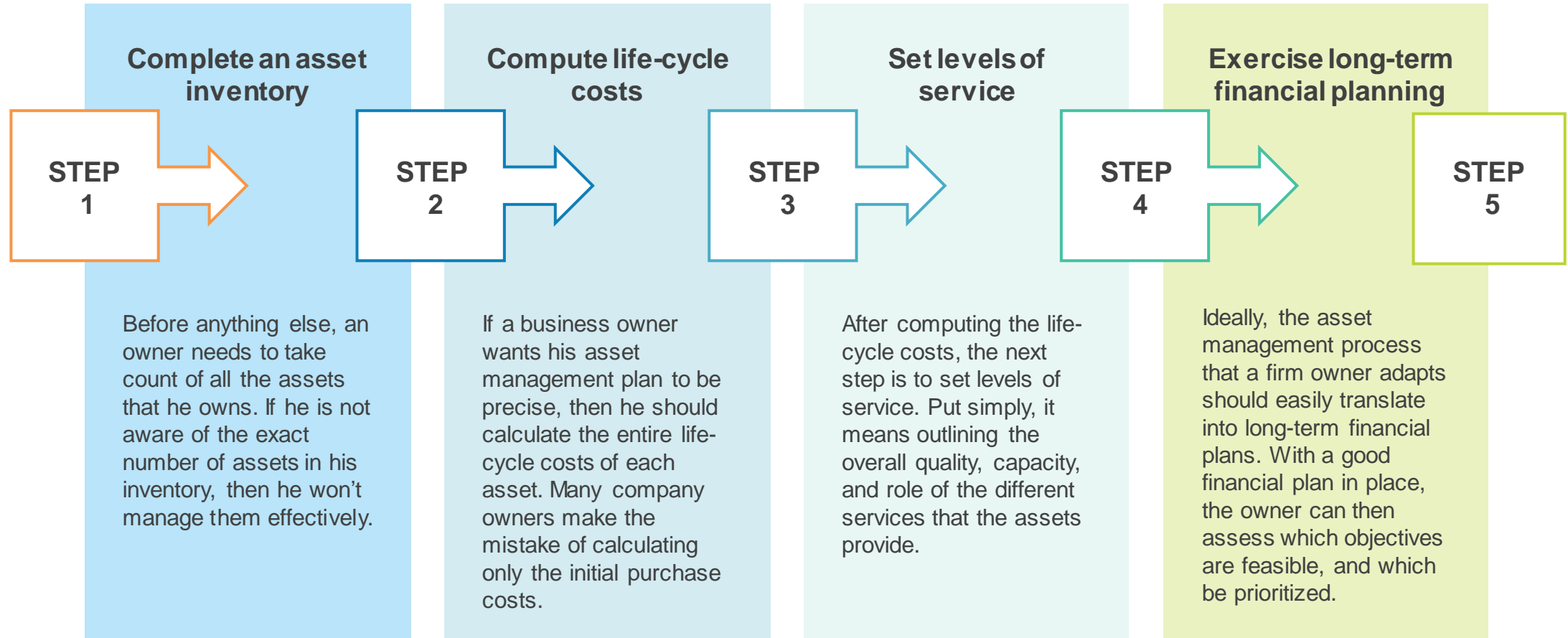


AM Framework

Asset Management Interactions



Developing a Strategic Asset Management Plan



Asset Management Model

Front Office

Middle Office

Back Office

Customer Support	Product Management	Research	Portfolio Management	Order Management	Transaction Management	Investment Support	Risk Controlling	Fund Accounting	Fund Reporting
Acquisition	Product development	Macro research	Asset allocation	Equities	Trade matching	Master data management	Rating validation	Transactions processing	Mgmt. reporting
Onboarding	Product documentation	Fund research	Portfolio construction	Bonds	Execution support	Trans. data entry (M-KVG)	Risk analysis	Fund management	Client reporting
Sales management	Fund master data	Fundamental research	Portfolio implementation	Derivatives	Sales compensation	Account management	ESG risk assessment	NAV evaluation	Regulatory reporting
Contract mgmt.	Fund ratings	ESG research	Order placement		Fee control	New product process	Investment compl. check	Ann. financial statements/tax	Tax reporting
Complaint management	Marketing		Performance measurement				Performance attribution	Corporate actions & proxy voting	Fund reporting system
Advisory service	Product costing							Custodian alignment	
Sales controlling									



Asset Management Model (Lean)



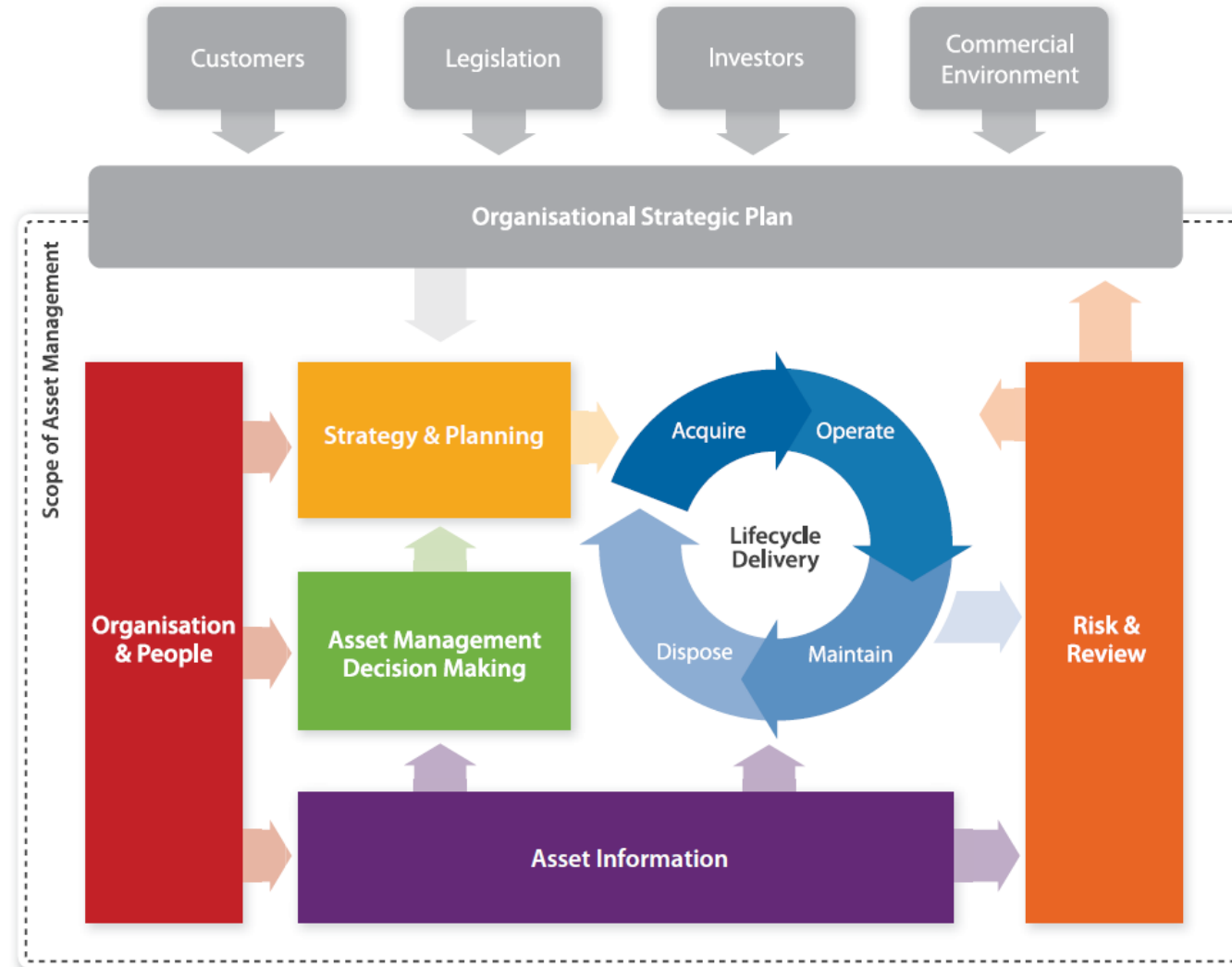
Front Office



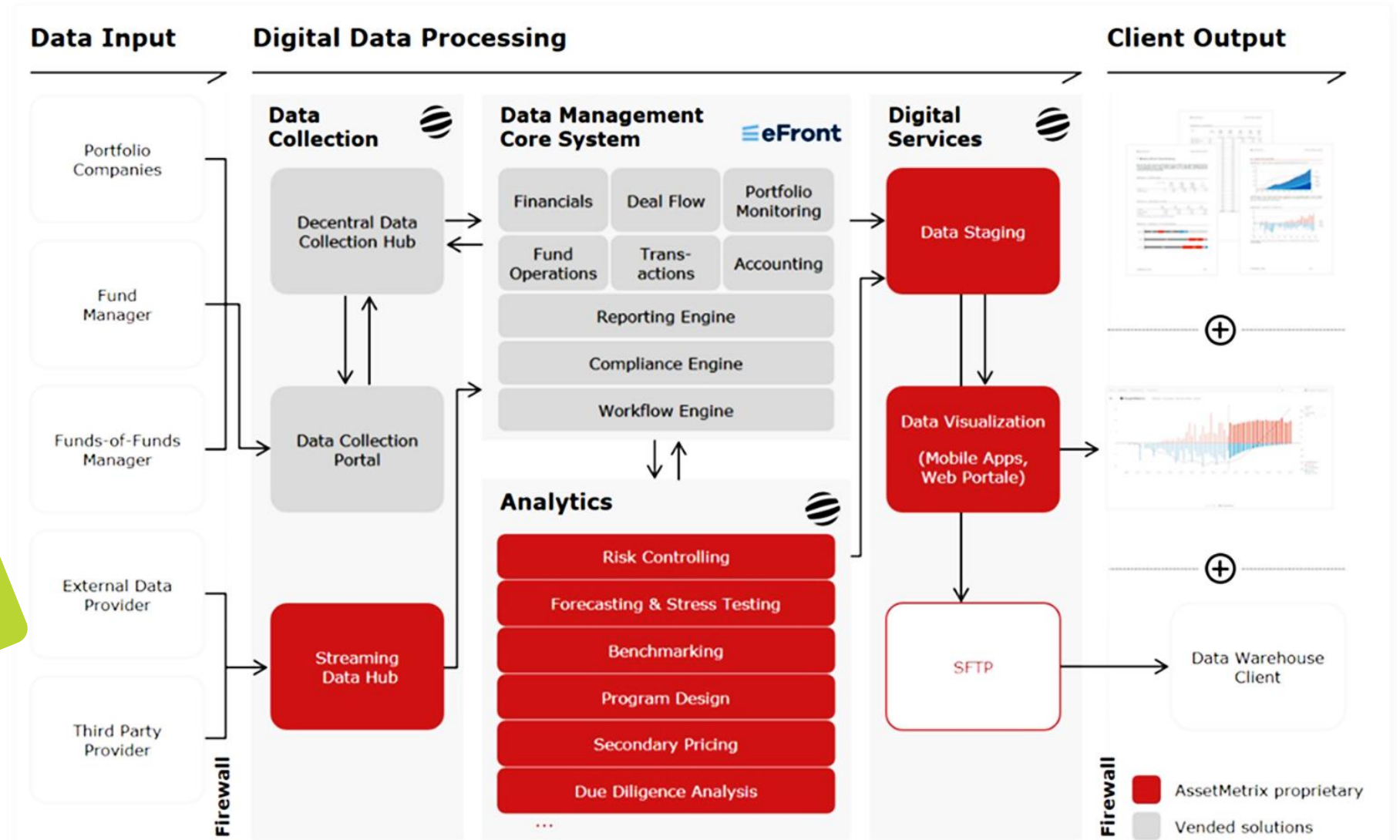
Back Office



Asset Management System



Asset Management System





Trust Companies



TRUST Companies

What Is a Trust Company?

A trust company is an entity that acts as agent, or trustee on behalf of a person or business for the purpose of administration, management, and the eventual transfer of assets to a beneficial party.

What Trust Companies Offer?



Trust companies offer asset-management services, such as bill pay, check writing, and other features.

Some trust companies can build financial plans for their clients for additional fees, depending on the level of service needed.




Plan



Management



Sustainment



Who want to engage the services of a Trust company?

**A trust may require the client to have a net worth
of at least \$500,000.**

Trust companies provide a wide array of services, ranging from trust and investment administration to comprehensive wealth management services, such as tax preparation, tax advice, and financial planning services. For consumers seeking a 'one-stop-shop' approach to the management of their financial affairs, trust companies may offer the perfect solution..



Be Delighted

Asset Management Trends in 2022



Inflation comes knocking

Double

Mandatory

Standardizing ESG reporting and disclosures

Cybersecurity concerns



The move to cloud solutions

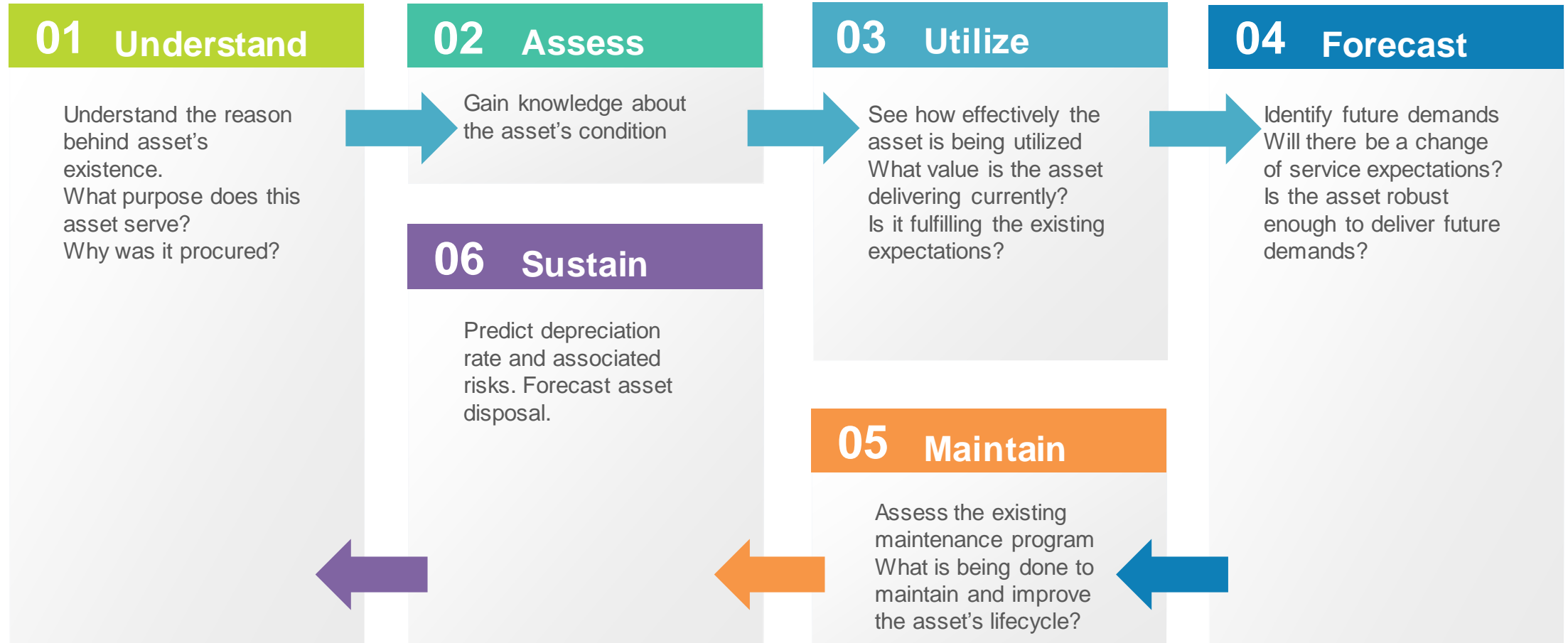
Rethinking Data Strategies

Asset managers' ability to comply with their regulatory reporting obligations is increasingly tied to their ability to consolidate and aggregate data across multiple systems.

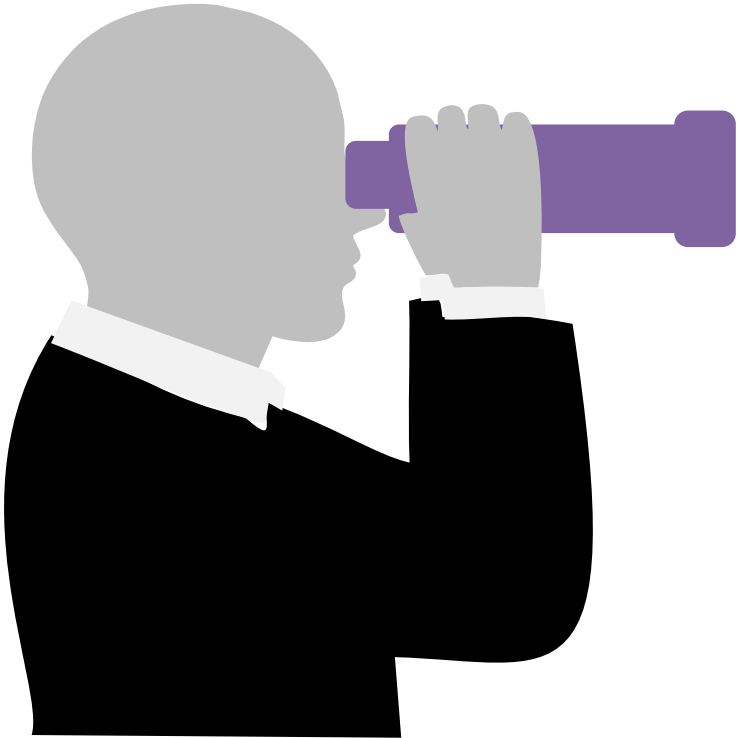
A heightened focus on risk

Strong risk governance frameworks providing daily automated monitoring of regulatory and fund risk profile limits, with alerts to notify managers of any breaches, are essential for maintaining fund integrity.

Bring asset management into the future



Future Asset Manager





THANK YOU

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