

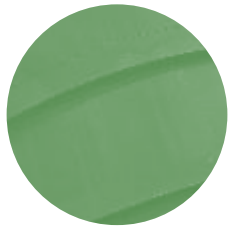


What's Right for Your Business

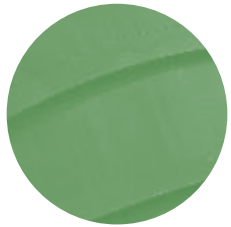
A Peek Inside the Investment Advisory

What can you offer us?

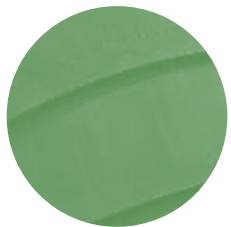
Choice overload



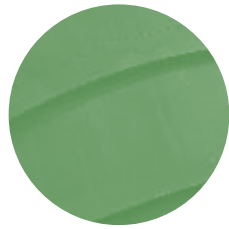
CD / Bills / Money
Market
instruments



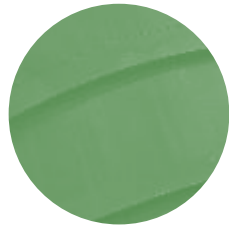
Government
Bonds



Investment Grade
Corporate Bonds



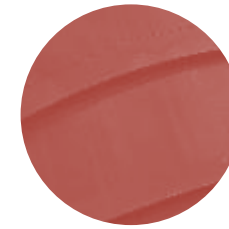
High Yield Bonds /
Unrated Bonds



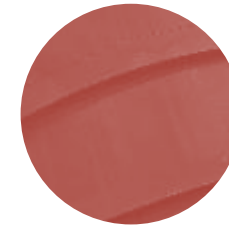
Emerging Market
Debt



Equities –
Developed
Markets



Equities –
Emerging Markets



Private Equity

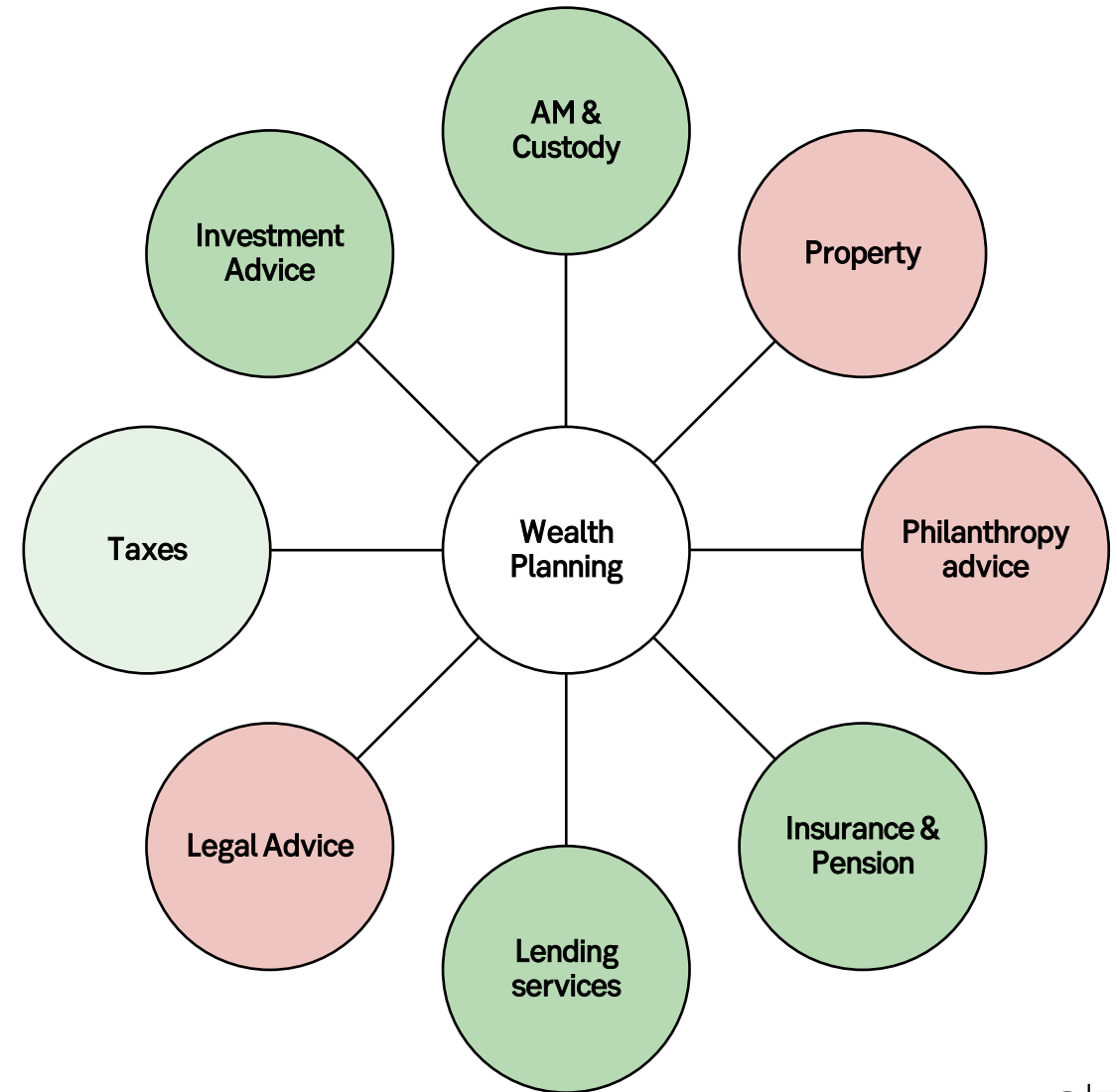


Alternatives /
Structured
Products

Wealth Management

Universal banks offer a wide range of financial solutions and access to various experts.

- Wealth management encompasses not only investment advice, but also areas like
 - Tax and legal advice
 - Lending services
 - Insurance & Pension
 - Country of residence
 - Generational planning
 - Charitable giving



Investment Plan

1. Goals
2. Attitude towards risk
3. Constrains
4. Tax considerations
5. Asset Allocation
6. Self directed or advisor-led investing

Goals

- What are my immediate, intermediate and long-term needs
- Sub-portfolios for different goals: short-term, long-term, capital growth, etc.
- Not always easy to describe, storytelling might be helpful. What is the history of business and growth of wealth?
- What are our family's aspirations and aims?
- What would you like to achieve with your wealth?
- How to measure the achievement of goals?
Attainment of goals v benchmark performance



Attitude towards risk

- Risk tolerance = ability to take risk + willingness to take risk
- As we age, we are getting more conservative
- What are my goals? Risk of not reaching them could be larger than risk of loss
- Historical averages may be misleading
- Consider various scenarios



Constrains

- Liquidity preferences
- Cash flow needs
- ESG or sustainability requirements



Taxes

- Capital gains tax
 - Income from capital tax
 - Withholding taxes
 - Wealth transfer taxes
-
- Tax-deferred accounts (e.g. investment account in Latvia)



What should you ask your adviser

- What are your strengths, and what do you outsource?
- What is your investment philosophy and investment process? How do you implement it for clients?
- How do you think about risk? How do you manage it in your portfolios?
- How do you form your capital market expectations?
- How is your service priced?
- How do you ensure confidentiality?



Things to remember

Stick to your plan

Luck will dominate in short term. It is impossible to control that

Keep it simple

Two broad asset classes (bonds + equities) might usually be enough

Focus on fees

Simple and cheap index funds are always good choice to start with

Taxes

Do tax planning before investing



Thank you!